




The image shows two overlapping forms from the PRI LEA (Leadership Engagement) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are designed for recording engagement activities and are structured as follows:

Type of engagement	Reason for interaction
Individual/ internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff
Service provider engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input type="checkbox"/> To encourage corporate practice for identifying the need to enhance ESG <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff

RI TRANSPARENCY REPORT

2013/14

AXA Investment Managers



UNEP Finance Initiative
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⌛	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

PRI disclaimer

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Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Private							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
LEI 02	Description of ESG incorporation	✓	Private	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 10	Description of ESG integration	✓	Public	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Private	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Public		✓					
LEA 14	Examples of ESG engagements	✓	Public		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Public		✓					
LEA 20	Securities lending programme	✓	Public		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 24	Shareholder resolutions	✓	Public		✓					
LEA 25	Examples of (proxy) voting activities	✓	Public		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
FI 02	Breakdown of investments by credit quality	✓	Private							✓
FI 03	Description of ESG incorporation	✓	Private	✓						
FI 04	Percentage of each incorporation strategy	✓	Public	✓						
FI 05	Type of ESG information used in investment decision	✓	Private	✓						
FI 06	Types of screening applied	✓	Public	✓						
FI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
FI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
FI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
FI 10	Description of ESG integration	✓	Private	✓						
FI 11	Review of ESG issues while researching companies/sectors	✓	Public	✓						
FI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
FI 13	Incorporation of ESG issues into analysis and decision making	✓	Public	✓						
FI 14	ESG issues in index construction	🔒	n/a	✓						
FI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
FI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Private	✓						
FI 17	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
FI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	
FI 19	Engagement with corporate issuers	✓	Private		✓					
FI 20	Engagement with government issuers	✓	Private		✓					

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Private							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Description of approach to RI	✓	Private	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 07	Formal commitments to RI	✓	Private				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	⚠	n/a				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

AXA Investment Managers

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

☒ Fund management

% of assets under management (AUM) in ranges

☐ <10%

☐ 10-50%

☒ >50%

☒ Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

☒ <10%

☐ 10-50%

☐ >50%

☐ Other, specify

☐ Execution and advisory only services

OO 02

Mandatory

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

France

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

☐ 1

☐ 2-5

☐ 6-10

☒ >10

OO 02.3

Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

2143

OO 03

Mandatory

Descriptive

General

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- ☐ Yes
☒ No

OO 04

Mandatory

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2013

OO 04.2

Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		547	000	000	000
Currency	EUR				
Assets in USD		720	505	166	765

OO 04.3

Indicate the level of detail you would like to provide about your asset class mix.

- ☒ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
☐ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06

Mandatory

Descriptive

General

OO 06.1

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- ☐ Publish our asset class mix as percentage breakdown
☒ Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	0
Fixed income – corporate	10-50%	0
Fixed income – government	10-50%	0
Fixed income – other	0	0
Private debt	<10%	0
Private equity	0	0
Property	<10%	0

Infrastructure	0	0
Commodities	<10%	0
Hedge funds	<10%	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	0
Other (1), specify	<10%	0
Other (2), specify	0	0

	'Other (1)' specified
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Multi Asset Clients solutions

☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
OO 10.1	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year. <input checked="" type="checkbox"/> We incorporate ESG issues into investment decisions on our internally managed assets <input checked="" type="checkbox"/> We engage with companies on ESG issues via our staff, collaborations or service providers <input checked="" type="checkbox"/> We cast our (proxy) votes directly or via service providers <input type="checkbox"/> None of the above		
OO 11	Mandatory	Gateway	General

OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☐ Private debt
- ☒ Property
- ☐ Commodities
- ☐ Hedge funds
- ☐ Cash
- ☒ Other (1)
- ☐ None of the above

'Other (1)' [as defined in OO 05]

We incorporate ESG issues into the AXA Impact Investing Fund

OO 12**Mandatory****Gateway****General****OO 12.1**

The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

Core modules

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- ☒ Listed Equity incorporation

Direct - Listed Equity active ownership

- ☒ Engagements
- ☒ (Proxy) voting

Direct - Fixed Income

- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government

Direct - Other asset classes with dedicated modules

- ☒ Property

Closing module

☒ Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

AXA Investment Managers

Reported Information

Public version

Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1 Indicate if you have a responsible investment policy.

☒ Yes

☐ No

OA 01.2 Indicate if you have other guidance documents or more specific policies related to responsible investment.

☒ Yes

☐ No

OA 01.3 Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

AXA IM is covered by the scope of AXA Group's Global Responsible Investment Policy. The policy is defined as the "integration of environmental, social and corporate governance (ESG) considerations in (AXA's) our investment processes and (our) ownership practices. AXA believes that ESG factors have the potential to impact investment portfolios across companies, sectors, regions and asset classes over time." In addition, AXA IM as an investor with a widely diversified portfolio and long-term horizon, can best enhance investment performance and reduce unwanted risk exposures by focusing both investment and portfolio monitoring activities on generating of sustainable shareholder value at portfolio companies. We consider this to be part of the fiduciary duty for a fund manager like AXA IM with a large size and diversified exposure. This policy provides the foundation for AXA IM's proxy voting and company engagement activities, as well as for participation in related public policy discussions.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1 Indicate if your responsible investment policy is publicly available.

☒ Yes

OA 02.2 Provide a URL to your responsible investment policy.

URL

http://www.axa.com/lib/axa/uploads/docsdd/AXA_Group_Responsible_Investment_Policy_2013.pdf

☐ No

OA 02.3

Indicate if your other policies or guidance documents related to responsible investment are publicly available.

☒ Yes☐ Yes, all☒ Yes, some**OA 02.4**

List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Policy against controversial weapons	http://www.axa-im.com/en/responsible-investment/policies-exclusions
Voting policy	http://www.axa-im.com/en/responsible-investment/policies-exclusions

☐ No**OA 02.5**

Additional information. [Optional]

We are planning to update our controversial weapons policy which will be extended to:

1. The chemical and biological weapons manufacturers
2. All clients including third parties and mandates
3. Integration of the controversial weapons policy in the due diligence for the Fund of funds business

OA 03**Mandatory****Core Assessed****PRI 1,2****OA 03.1**

Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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☒ Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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AXA IM's Conflicts of Interests Management Policy establishes the general framework for the management of potential conflicts of interest. In addition, in relation to our voting activities the Corporate Governance Committee has sole responsibility for determining the voting practices of clients who have given AXA IM full discretion to vote on their behalf. Voting decisions are made within the context of the fiduciary duty owed to clients.

☐ No

OA 04.3	Additional information. [Optional]
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The policy is available here: <http://www.axa-im.com/en/responsible-investment/policies-exclusions#policies>

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1	Indicate if your organisation sets objectives for its responsible investment activities.
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☒ Yes

OA 05.2

Indicate how frequently your organisation sets or revises objectives for responsible investment.

- ☒ At least once per year
- ☐ Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- ☐ Quarterly
- ☐ Biannually
- ☒ Annually
- ☐ Every two years or less
- ☐ It is not reviewed
- ☐ No

OA 05.4

Additional information. [Optional]

Our investments are evaluated with regard to ESG through the RI Search© platform. This web platform provides portfolio managers with ESG ratings for individual securities and for portfolios versus their benchmarks. They also have access to ESG scores of companies as well as the carbon intensity of companies expressed in CO2e Tons/Mns \$ revenue.

RI Search© has enabled AXA IM to develop 'ESG Impact', a succinct, high-value report of a portfolio's ESG integration that brings together quantitative, qualitative data and voting analysis. Concretely, 'ESG Impact' helps fund managers to monitor the ESG ranking of portfolio holdings, review the top ESG risks and assess the most meaningful Key Performance Indicators such as carbon and water footprint as well as the independence and gender balance of Boards. Finally, our monitoring role also ensures the consistency of voting and engagement policies.

Governance and human resources

OA 08**Mandatory****Gateway/Core Assessed****General****OA 08.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- ☒ Board members or trustees
 - ☐ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☒ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify
 - MACS**
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Portfolio managers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ External managers or service providers
 - ☐ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☒ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify
- ☐ Other role, specify

OA 08.2

Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

☒ Yes

OA 10.2

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

☒ Asian Corporate Governance Association

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Providing support to ACGA's collaborative engagements with regulatory authorities to improve the regulatory regime for corporate governance.

- ☐ Association for Sustainable & Responsible Investment in Asia
☐ Australian Council of Superannuation Investors
☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Engaging with companies in industries with potentially significant supply chain emissions on measurement in order to set reduction targets for supply emissions.

- ☐ CDP Forests
- ☐ CDP Water
- ☒ CFA Institute Centre for Financial Market Integrity

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

AXA IM submitted an article on ESG Integration to the CFA UK magazine. In addition, two members in the RI Team received financial and technical support to pass CFA tests

- ☒ Council of Institutional Investors (CII)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Developing and contributing to the forum discussion.

- ☒ Eumedion

Your organisation's role in the initiative during the reporting period (see definitions)
--

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--

AXA IM is member of this organisation and wants to be active. The representative who is living in Netherlands benefits from the RI Team's analyst support to prepare the meetings regarding the Dutch corporates discussed in the forum.

- ☐ Extractive Industries Transparency Initiative (EITI)
☒ Global Investors Governance Network (GIGN)

Your organisation's role in the initiative during the reporting period (see definitions)
--

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--

AXA IM participates in collaborative engagement activities within GIGN.

- ☐ Global Real Estate Sustainability Benchmark (GRESB)
☐ Institutional Investors Group on Climate Change (IIGCC)
☐ Interfaith Center on Corporate Responsibility (ICCR)
☒ International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)
--

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

AXA IM is an active member of ICGN and supports the Network's goals.

- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

AXA IM had an active role in the PRI Fixed Income Working Group by preparing positions papers and acted as public spokesperson for the initiative.

- ☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

1. French SIF (FIR) and 2. Eurosif

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

1. AXA IM is vice president of the FIR and promotes SRI in France within the public administration

2. Sponsored the 2013 SRI Market Study

- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify

Carbon Action Initiative

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

AXA IM participates in collaborative engagement activities and leads engagement work on behalf of designated companies.

- ☒ Other collaborative organisation/initiative, specify

Association Française de Gestion Financière (AFG) Corporate Governance Committee and SRI Committee

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

AXA IM participates actively to the Working group on the RI label project, and the KPI's definition measuring the impact.

- ☒ Other collaborative organisation/initiative, specify

ABI Association of British Insurers

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☐ Basic
☐ Moderate
☒ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

AXA IM is a member of the Investment Committee and the Remuneration & Share Schemes. AXA IM representatives participate in targeted engagement with companies and in their role as Committee members work to improve corporate governance and remuneration expectations of companies in the UK.

☒ Other collaborative organisation/initiative, specify

EFAMA European Fund and Asset Management Association

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☐ Basic
☒ Moderate
☐ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

AXA IM is a member of the EFAMA Corporate Governance Working Group.

☐ No

OA 11	Mandatory	Core Assessed	PRI 4
-------	-----------	---------------	-------

OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
---------	--

☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☒ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☒ Provided financial support for academic or industry research on responsible investment
- ☐ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☒ Spoke publicly at events and conferences to promote responsible investment
- ☒ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI
- ☐ Other, specify

☐ No

OA 11.3

Additional information. [Optional]

AXA Investment Managers plays an active role in promoting acceptance and implementation of ESG issues within the investment industry. During 2013 we devoted significant resources to assisting our insurance clients to integrate ESG issues into their day-to-day activities, through demonstrations of our RI Research Tool (10 clients were reached). We continue to provide tailored training programmes for clients on ESG issues. We sponsor academic research to explore the linkage between ESG factors and long term company performance as we believe that it is necessary to build a foundation of empirical evidence to support acceptance of ESG consideration within the industry. In addition, AXA IM published research papers on responsible investment (Future-proofing Company Leadership: Board Diversity in EURO STXX 50 Companies, Sovereign Debt Investing: ESG Framework and Applications, 2012). We also participate in seminars and other public forums where ESG issues are discussed.

AXA Investment Managers

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

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ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
--------	-----------	-----------------------	-------

LEI 03.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☒ Screening + Integration strategies

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)

%

81

- ☒ Thematic + integration strategies

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)

%

0.1

- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☒ No incorporation strategies applied

Percentage of active listed equity to which no incorporation strategy is applied (estimate +/- 10%)

%

18.9

Total actively managed listed equities

100%

LEI 03.2

Describe your primary reasons for choosing a particular ESG incorporation strategy.

In line with AXA's Group objective to align investments with AXA's corporate responsibility agenda and AXA's IM belief that responsibility is a key driver of value-creation, we have chosen to enhance the integration strategy across the listed equity investments. This approach is completed by thematic and screening strategies, which help AXA IM to best fit client needs and objectives. We monitor systematically strong ESG risks (controversial weapons, palm oil, soft commodities ...) for all AXA Group assets under management.

LEI 03.3

If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]

Our thematic and screening strategies are mainly completed by a fundamental approach. Tobacco and Defence sectors are systematically excluded from SRI mutual funds.

LEI 03.4

Additional information. [Optional]

We provide as well some ESG screening services for external clients based on a controversies approach.

(A) Implementation: Screening

LEI 06**Mandatory****Descriptive****PRI 1****LEI 06.1**

Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

☒ Negative/exclusionary screening

Screened by

- ☒ Product
- ☒ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☐ Corporate governance

Description

Since 2008, AXA IM excludes from its investments, those companies involved in the production of anti-personnel landmines as well as cluster bombs. Since 2011, this exclusion has been extended to include those companies involved in depleted uranium weapons. This included all mutual funds managed by AXA IM on behalf of its distribution clients, with the exception of index funds. The definition of the exclusion list of companies is based on the treaty of Ottawa for the Anti-personnel Landmines, the treaty of Oslo for cluster bombs and is updated by the RI team once per year. The global exclusion list covers public and private equities and their issuers (public and private).

In addition, Tobacco and Defence sectors are systematically excluded from SRI mutual funds. We excludes from SRI funds strong controversies (5 on a scale from 0 to 5) if the internal research confirms the negative opinion on the stock or issuer.

☒ Positive/best-in-class screening

Screened by

- ☐ Product
- ☐ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☐ Environmental and social practices and performance
- ☐ Corporate governance

	Description
--	-------------

We have developed an ESG framework relying on the inputs from several extra-financial agencies and internal ESG convictions. This framework is composed of circa 15 criteria across E, S and G dimensions, the overall ESG assessment being a weighted average of E, S and G taken separately, where the weights depend on the sector of the company

In the end, we invest in companies that have historically performed better than their peers within a particular industry or sector on environmental, social and corporate governance (ESG) issues. These factors are systematically taken into consideration in the selection of the investment and therefore have an impact on the eligible universe by eliminating the companies or the countries which deliver bad ESG performance or when they present serious controversial matters.

☒ Norms-based screening

Screened by

- ☒ UN Global Compact Principles
- ☐ Universal Declaration of Human Rights
- ☐ International Labour Organization Conventions
- ☐ United Nations Convention Against Corruption
- ☐ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

	Description
--	-------------

We follow the extent to which companies respect the principles of the Global Compact, including aspects such as labour and human rights. Norms-based exclusions are done on a case-by-case basis following our analysis of news alerts by external providers and our internal RI analysts. When we detect a breach of human rights, an alert is sent to fund managers. A sell recommendation is attached if we believe companies do not respect fundamental rights in terms of Social, Environmental and ethical behaviour.

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
-----------------	---

Criteria are established according to an internal methodology with our external provider and internal conviction. The Best in Class universe is reviewed twice a year. The ESG criteria are reviewed according to our internal conviction. We inform clients either through the Transparency code or through monthly or bi-annual committees.

LEI 07	Mandatory	Core Assessed	PRI 1
---------------	------------------	----------------------	--------------

LEI 07.1	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.
-----------------	---

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- ☒ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

(B) Implementation: Thematic

LEI 09	Mandatory	Descriptive	PRI 1
---------------	------------------	--------------------	--------------

LEI 09.1	Indicate the type of sustainability thematic funds or mandates that your organisation manages.
-----------------	--

- ☐ Environmentally themed funds
- ☒ Socially themed funds
- ☐ Combination of themes

LEI 09.2

Describe your organisation's processes for sustainability thematic funds.
[Optional]

We have two funds that can be classified as thematic:

- AXA IM has created an Impact Investing Fund which invests in main sectors Financial Services, Healthcare, and Education in the World.
- AXA Framlington World Fund Human Capital fund: it integrates career management, working conditions and growth in number of staff over 3 years.

(C) Implementation: Integration of ESG issues

LEI 10

Voluntary

Descriptive

PRI 1

LEI 10.1

Describe how you integrate ESG factors into investment decision making processes.

AXA IM integrates ESG factors into investment decisions making processes through various approaches:

RI Search platform: To assist in mainstreaming (integrate ESG factors), the AXA IM RI team launched its RI tool 'RI Search' in 2007. This tool provides access to a wide range of extra-financial data and analysis on environmental, social and governance 'ESG' factors across asset classes and thus enables its portfolio managers to incorporate ESG criteria into their investment decisions. The range of functionalities on RI-Search include investment universe screening, ESG portfolio footprints, carbon data calculations, sector screening, as well as company specific ratings, research and analysis.

Company reports: Our fundamental analyst team produce detailed reviews looking at the ESG issues impacting investee companies and this reports are shared with our fund managers and analysts by email and also stored on RI Search which is accessible by all our investment teams

Investment team meetings: The RI team participates in the investment team meetings where we share our particular insights into ESG issues impacting on investee companies.

Engagement: AXA IM approach is for an integrated engagement approach with the full participation of relevant fund managers and analysts in setting up the particular engagement strategy and the follow-up meetings with companies. For example, we are conducting a coordinated engagement programme which focuses on ESG risk issues which are impacting on company valuation for targeted companies. The target companies were jointly identified by the Investment and RI teams and the follow-up engagement is coordinated and attended by representatives of both teams.

ESG Impact: ESG ex-post analysis of portfolios is conducted with the aim of identifying the main ESG risks in top holding positions. In addition, ESG key criteria are calculated by portfolio in order to assess the ESG performance provided by the sector and stock allocation.

Training: The RI team organises ongoing training on ESG issues to AXA IM staff. These sessions cover the team's activity (research methodology, proxy voting, etc.); emerging ESG issues and the ESG initiatives in which AXA IM participates. In addition, each investment platform receives formal training on the features and functions of the RI Search tool.

LEI 11**Mandatory****Core Assessed****PRI 1****LEI 11.1**

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<input type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

LEI 11.2 Additional information. [Optional]

We review only relevant and material E,S and G issues for companies or sectors. For example, environmental issues are reviewed occasionally for the financial sector and it is defined by the fundamental analyst. In addition, the scoring model is reviewed twice per year and at this time, new ESG issues can be integrated according to our convictions and the emergence of business cases.

Communication

LEI 18

Mandatory

Core Assessed

PRI 2,6

LEI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

- ☐ We disclose it publicly
- ☒ We disclose it to clients and/or beneficiaries only

LEI 18.3

Indicate the information your organisation proactively discloses to clients/beneficiaries regarding your approach to ESG incorporation.

- ☐ Broad approach to ESG incorporation
- ☒ Detailed explanation of ESG incorporation strategy used

**LEI
18.4**

Indicate how frequently you typically report this information.

- ☐ Quarterly or more frequently
 - ☒ Between quarterly and annually
 - ☐ Less frequently than annually
 - ☐ Other, specify
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

AXA Investment Managers

Reported Information

Public version

Direct - Listed Equity Active Ownership

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Engagement

Overview

LEA 01	Voluntary	Descriptive	PRI 2
LEA 01.1	Provide a brief overview of your organisation's approach to engagement.		

AXA IM has an active ownership approach whereby we act as stewards of investments made on our clients' behalf. The overarching objective of AXA Investment Managers' engagement programme is to use our clients' investor rights to protect their investments. We aim to engage with companies where the issue of concern may have a material impact on the Company's performance and investor value in the medium to long-term.

In particular, we believe that a proper consideration of relevant Environmental, Social and Governance (ESG) matters will impact on the long-term sustainable performance of companies and benefit investors of such companies.

LEA 02	Mandatory	Gateway	PRI 1,2,3
LEA 02.1	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.		

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

Process

Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.		

☉ Yes

LEA
03.2

Describe how you identify and prioritise engagements.

AXA IM has established a process which guides our ESG engagement priorities. We proactively establish engagement themes for the relevant period, in addition to reactive engagement that is conducted on an ongoing basis.

We also take account of the following factors in determining our engagement priorities:

- impact/benefit of the engagement to AXA IM clients
- relevance of the issue to AXA IM clients
- risk exposure of AXA IM clients
- relevant weight holdings
- ability to influence company either solely or through collaboration with other investors.

☐ No

LEA 04

Mandatory

Core Assessed

PRI 2

LEA
04.1

Indicate if you define specific objectives for your engagement activities.

- ☒ Yes
- ☒ Yes, for all engagement activities
 - ☐ Yes, for the majority of engagement activities
 - ☐ Yes, for a minority of engagement activities
- ☐ No

LEA
04.2

Indicate if you monitor the actions that companies take following your engagements.

- ☒ Yes
- ☒ Yes, in all cases
 - ☐ Yes, in the majority of cases
 - ☐ Yes, in the minority of cases

**LEA
04.3**

Describe how you monitor and evaluate the progress of your engagement activities.

We have a monitoring process which tracks our engagements and progress against established objectives. Our process is as follows:

- Establish engagement plan including issue of concerns and objectives
- Raise issue of concern with company representatives
- Evaluate company response against engagement objectives; if not successful
- Escalation of engagement including further meeting with Chairman or other board representatives; collaborative engagement; exercise of investor rights to support engagement
- Review results.

☐ No

Process for engagements conducted via collaborations

LEA 05

Mandatory

Core Assessed

PRI 2

**LEA
05.1**

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

☒ Yes

**LEA
05.2**

Describe how you identify and prioritise collaborative engagements.

We review collaborative engagements from a range of sources including engagement being conducted under the auspices of organizations that we belong to. In addition to our established process for identifying engagement, we take account of the following in determining whether to participate in collaborative initiatives :

- the relevance of the objective of the collaborative engagement to AXA IM and clients
- the profile and aims of other institutions participating in the collaborative engagement
- alignment of the engagement with our identified engagement themes
- exposure to companies or issues impacted by the engagement focus.

☐ No

LEA 06

Mandatory

Core Assessed

PRI 2

LEA 06.1	Indicate if the collaborative engagements in which you are involved have defined objectives.
-----------------	--

- ☒ Yes
- ☒ Yes, for all collaborative engagement activities
 - ☐ Yes, for the majority of collaborative engagement activities
 - ☐ Yes, for a minority of collaborative engagement activities
- ☐ No

LEA 06.2	Indicate if you monitor the actions companies take following your collaborative engagements.
-----------------	--

- ☒ Yes
- ☒ Yes, in all cases
 - ☐ Yes, in the majority of cases
 - ☐ Yes, in the minority of cases

LEA 06.3	Describe how you monitor and evaluate the progress of your collaborative engagement activities.
-----------------	---

Participants in the collaborative initiative meet on a periodic basis to evaluate progress relative to objectives.

☐ No

General processes for all three groups of engagers

LEA 09	Voluntary	Additional Assessed	PRI 1,2
---------------	------------------	----------------------------	----------------

LEA 09.1	Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.
-----------------	---

Type of engagement	Insights shared
Individual/Internal staff engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
---------------	------------------	------------------------------	--------------

**LEA
10.1**

Indicate if you track the number of companies you engage with.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

Outputs and outcomes

LEA 11

Mandatory to Report Voluntary to Disclose

Core Assessed

PRI 2

**LEA
11.1**

Indicate the number of companies with which your organisation engaged during the reporting year.

	Number of companies engaged (avoid double counting, see explanatory notes)
Individual / Internal staff engagements	46
Collaborative engagements	2

**LEA
11.2**

Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

**LEA
11.3**

Indicate what percentage of your collaborative engagements you were a leading organisation during the reporting year. [Optional]

Type of engagement	% Leading role
Collaborative engagements	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

LEA 12

Voluntary

Additional Assessed

PRI 2

**LEA
12.1**

Indicate if your engagements in the reporting year covered E, S and/or G issues.

Type of engagement	Coverage
Individual / Internal staff engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative engagements	<input checked="" type="checkbox"/> Environmental <input type="checkbox"/> Social <input type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information

**LEA
12.2**

Provide an estimated breakdown by E, S and/or G issues.

	Individual / Internal staff engagements
--	---

	% Corporate Governance only
--	-----------------------------

60

	% Overlapping ESG issues
--	--------------------------

40

100%

	Collaborative engagements
--	---------------------------

	% Environmental only
--	----------------------

100

100%

LEA 13	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 13.1	Indicate whether you have a reliable estimate of the number of cases during the reporting year where a company has changed its practices, or made a commitment to do so, following your organisation's and/or your service provider's engagement activities.
-----------------	--

☒ Yes

LEA 13.2	Indicate the number of companies that changed or committed to change in the reporting year following your organisation's and/or your service provider's engagement activities.
-----------------	--

	Number of company changes or commitments to change
Individual / Internal staff engagements	11
Collaborative engagements	1

☐ No

LEA 14	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 14.1	Provide examples of the engagements that your organisation carried out during the reporting year.
-----------------	---

☒ Add Example 1

Topic or ESG issue	ESG Integration
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	To narrow the valuation discount caused by poor ESG Performance.
Scope and Process	<p>1. Developed a methodology to integrate ESG issues into mainstream fundamental company analysis.</p> <p>2. Produced AXA IM White Paper - Piloting ESG Integration (http://www.axa-im.com/en/responsible-investment/publications) - a collaboration between AXA IM's RI and Insurance Investment Equity teams.</p> <p>3. The paper identified six core ESG criteria material to the long-term performance of companies - Performance, Remuneration, Control, Employees, Environment and Board Oversight.</p> <p>4. Companies evaluated by mainstream sectors analysts using publicly available information and meetings with senior executives and board members.</p> <p>5. Information integrated into the valuation process and used to identify 'undervalued' companies where ESG performance is a material contributory factor to the discount between market price and our assessment of the company's intrinsic value.</p> <p>6. Proactive and targeted engagement with the Chairman and senior non-executives directors of six undervalued companies to correct identified ESG concerns.</p>
Outcomes	<p>We have recorded positive changes with four of the target companies. Changes include;</p> <ul style="list-style-type: none"> • Appointment of non-executive directors with appropriate background and skillsets for a more effective oversight of strategy and executive performance. • Improved safety risk oversight processes • Alignment of remuneration with company strategy by adopting relevant performance measures rewarding operational excellence and not just stock market performance • Improved disclosure and management of environmental impacts

☒ Add Example 2

Topic or ESG issue	Management of Environmental & Social Risks
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	Improved Board oversight of material environmental and social risks of relevance to the company.
Scope and Process	<p>1. Focus of engagement was on companies in high impact sectors which did not have focused board committees on relevant environmental or social issues or were not able to demonstrate particular process for monitoring relevant risks in the absence of such committees.</p> <p>2. Letters and meetings with target company executives and board members.</p>
Outcomes	<p>Following our engagement we found the following:</p> <ul style="list-style-type: none"> - Several companies had appropriate Board oversight processes but needed to improve disclosure to shareholders. These companies have now improved disclosure. - Two companies have now established board committees to lead on environmental and social issues oversight on behalf of the Board.

☒ Add Example 3

Topic or ESG issue	Board Diversity
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	The composition of boards to take account of the geographical footprint of the company's operations and strategy; and gender diversity.
Scope and Process	<ul style="list-style-type: none"> • Detailed review of geographical footprint of companies, strategy and the background, skillsets and gender of board directors - AXA IM publication, Future-proofing Company Leadership: Board Diversity in EURO STOXX 50 Companies (http://www.axa-im.com/en/responsible-investment/publications). • Identified companies with gender diversity concerns • Identified companies where the Board does not include a mix of directors with the background and experience to oversee a diverse geographical footprint and strategy. • Engagement with companies with gender and geographical diversity concerns.
Outcomes	<p>Engagement is ongoing and results are very promising to date. Recorded success include Oil Services company with a gender gap and major exposure to Asia appointing a female director to the Board, as well as a director with relevant experience of its main Asian market.</p> <p>Another success was a major financial institution appointing a director with Latin American experience following engagement about this geographical gap on its board.</p>

☒ Add Example 4

Topic or ESG issue	Global Compact
Conducted by	<input type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>Require that companies align their operations and strategies to universal principles of human, labour, environment rights and fight against corruption and evidence this by becoming signatories to the Global Compact.</p> <p>Seek improved disclosure from signatories that have not filed appropriate Communication on Progress or where such communication does not meet required levels of transparency.</p> <p>Set up a dialogue with companies which practices and commercial activities do not comply with the principles of the Global Compact</p>
Scope and Process	
Outcomes	

- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10

Communication

LEA 15

Mandatory

Core Assessed

PRI 2,6

LEA 15.1

Indicate whether your organisation proactively discloses information on its engagements.

- ☒ We disclose it publicly

please provide URL

<http://www.axa-im.com/en/responsible-investment/publications>

LEA 15.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☐ Yes
☒ No

**LEA
15.3**

Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.

<p>Reporting to the public</p> <p>Engagement information disclosed</p> <p><input type="checkbox"/> Details of the selections, priorities and specific goals of engagement</p> <p><input checked="" type="checkbox"/> Number of engagements</p> <p><input type="checkbox"/> Breakdown of engagements by type/topic</p> <p><input type="checkbox"/> Breakdown of engagements by region</p> <p><input type="checkbox"/> An assessment of the current status of the engagement</p> <p><input type="checkbox"/> Outcomes that have been achieved from the engagement</p> <p><input type="checkbox"/> Other information</p>	<p>Reporting to clients/beneficiaries</p> <p>Engagement information disclosed</p> <p><input type="checkbox"/> Details of the selections, priorities and specific goals of engagement</p> <p><input checked="" type="checkbox"/> Number of engagements</p> <p><input checked="" type="checkbox"/> Breakdown of engagements by type/topic</p> <p><input checked="" type="checkbox"/> Breakdown of engagements by region</p> <p><input type="checkbox"/> An assessment of the current status of the engagement</p> <p><input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement</p> <p><input type="checkbox"/> Other information</p>
---	---

**LEA
15.4**

Indicate how frequently you typically report engagements information.

<p>Reporting to the public</p> <p><input type="radio"/> Disclosed continuously (prior and post engagements)</p> <p><input type="radio"/> Disclosed quarterly</p> <p><input checked="" type="radio"/> Disclosed annually</p> <p><input type="radio"/> Disclosed every two years or less</p> <p><input type="radio"/> Other, specify</p>	<p>Reporting to clients/beneficiaries</p> <p><input type="radio"/> Disclosed continuously (prior and post engagements)</p> <p><input type="radio"/> Disclosed quarterly</p> <p><input type="radio"/> Disclosed annually</p> <p><input type="radio"/> Disclosed every two years or less</p> <p><input checked="" type="radio"/> Other, specify</p> <p>We disclose to clients on request in addition to disclosure in the annual report.</p>
---	---

☐ We disclose it to clients and/or beneficiaries only

☐ We do not proactively disclose it to the public and/or clients/beneficiaries.

(Proxy) voting and shareholder resolutions

Overview

LEA 16	Voluntary	Descriptive	PRI 2
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**LEA
16.1**

Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).

We believe that voting at company meetings is an important part of the dialogue between a company and its shareholders and a fundamental aspect of our fiduciary duty to our clients. Considered voting is at the core of our corporate governance activity. AXA Investment Managers Corporate Governance & Voting Policy provides a robust framework for the proper governance of companies and guides our voting activities. It is based on principles of good corporate governance which serve to protect the long-term interests of shareholders. In addition to our global policy, we have also developed voting guidelines for specific markets taking account of the fact that practices vary in different jurisdictions and that the companies in which we invest are subject to different local laws and regulations on governance matters.

AXA IM has established a Corporate Governance Committee which guides and oversees the application of the Corporate Governance and Voting Policy. Members include fund managers and senior AXA IM personnel who have a well-established corporate governance profile in their respective markets.

The Responsible Investment team, working under the direction of the Corporate Governance Committee, actively monitors resolutions proposed for shareholder approval at general meetings and exercise voting rights on behalf of clients. When reviewing resolutions proposed at general meetings we judge resolutions against fundamental principles of good corporate governance, while taking account of best practice standards pertinent to the relevant market and the Company's particular circumstances.

Process**LEA 17****Mandatory****Descriptive****PRI 2****LEA
17.1**

Indicate how you typically make your (proxy) voting decisions and what this approach is based on.

Approach

- ☐ We use our own research or voting team and make our own voting decisions without the use of service providers.
- ☒ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.

Based primarily on

- ☐ the service provider voting policy signed off by us
 - ☒ our own voting policy
 - ☐ our clients requests or policy
 - ☐ other, explain
- ☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf.

LEA 19	Voluntary	Descriptive	PRI 2
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LEA 19.1	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
----------	---

- ☒ Obtain confirmation that votes have been lodged:
- ☐ for a majority of votes
 - ☒ for a minority of votes
- ☒ Participate in projects to improve the voting trail and/or to obtain vote confirmation
- ☐ None of the above

LEA 19.2	Provide additional information on your organisation's vote confirmation efforts.
----------	--

Our Middle Office work with custodians, registers and companies to conduct and 'end to end' tracking of selected votes.

LEA 20	Voluntary	Additional Assessed	PRI 2
--------	-----------	---------------------	-------

LEA 20.1	Indicate if your organisation has a securities lending programme.
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☒ Yes

LEA 20.2	Indicate how voting is addressed in securities lending programme.
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Please select one of the following

- ☐ We recall most securities for voting on all ballot items
 - ☒ We recall some securities for voting on some ballot items on a systematic basis in line with specified criteria
 - ☐ We occasionally recall some securities for voting on some ballot items on an ad-hoc basis
 - ☐ We empower our securities lending agent to decide when to recall securities for voting purposes
 - ☐ We do not recall our shares for voting purposes
 - ☐ Other (please specify)
- ☐ No

LEA 20.3	Additional information. [Optional]
----------	------------------------------------

We have established a policy to guide our securities lending activities as it relates to vote. Generally, shares will not be lent where the objective of such activities is to vote at general meetings.

In addition, we will recall shares in advance of general meetings in the following circumstances:

- where we wish to register our full voting interests, even if the issues are not deemed to be controversial;
- where we have engaged or are engaging actively with a company;
- where companies are seeking shareholder approval for transformational transactions such as mergers and acquisitions, face hostile actions including takeover bids, where shareholders have requisitioned general meetings or put items on the agenda which we consider to be detrimental to our interests or where we wish to support such items; or
- where the issue at stake represents a serious threat to shareholder rights or interests.

LEA 21	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
----------	---

- ☐ Yes, in most cases
- ☒ Sometimes, in the following cases:
- ☒ votes in selected markets
 - ☒ votes on certain issues (all markets)
 - ☒ votes for significant shareholdings (all markets)
 - ☐ other, explain
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
----------	---

- ☒ We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

90

Specify the basis on which this percentage is calculated
--

- ☐ of the total number of ballot items on which you could have issued instructions
- ☒ of the total number of company meetings at which you could have voted
- ☐ of the total value of your listed equity holdings on which you could have voted

LEA 22.2	If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]
-----------------	--

We exclude voting at meetings which will result in the blocking of shares or where there are other impediments to the exercise of shareholders' voting rights.

☐ We do not track or collect this information

LEA 23	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 23.1	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
-----------------	--

☒ Yes, we track this information

LEA 23.2	Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:
-----------------	---

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management proposals	<div style="display: flex; align-items: center;"> <div style="flex: 1; height: 20px; background: linear-gradient(to right, #0070C0 93%, #ccc 93%);"></div> <div style="margin-left: 10px;">%</div> </div> <div style="text-align: right; margin-top: 5px;">93</div>
Against (opposing) management proposals	<div style="display: flex; align-items: center;"> <div style="flex: 1; height: 20px; background: linear-gradient(to right, #0070C0 7%, #ccc 7%);"></div> <div style="margin-left: 10px;">%</div> </div> <div style="text-align: right; margin-top: 5px;">7</div>
Abstentions	<div style="display: flex; align-items: center;"> <div style="flex: 1; height: 20px; background: linear-gradient(to right, #0070C0 0%, #ccc 0%);"></div> <div style="margin-left: 10px;">%</div> </div> <div style="text-align: right; margin-top: 5px;">0</div>

100%

**LEA
23.3**

For the reporting year, describe your approach towards voting on shareholder resolutions.

We review shareholder resolutions taking account of the company's particular circumstances, our position as long-term responsible investors and our stewardship responsibilities to our clients. We voted in favour of 23% of resolutions proposed by shareholders.

☐ No, we do not track this information

LEA 24

Voluntary

Descriptive

PRI 2

**LEA
24.1**

Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.

☐ Yes

☒ No

LEA 25

Voluntary

Descriptive

PRI 2

**LEA
25.1**

Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.

☒ Add Example 1

Topic or ESG issue	Oversight of Banks
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	To align voting activities with investment and engagement view taking account of regulatory and conduct issues impacting on banks and the Board's oversight on behalf of shareholders.
Scope and Process	<p>Guidance on voting provided by AXA IM Corporate Governance Committee. Where regulatory/conduct issues have been identified as a consequence of which significant regulatory fines or other sanctions have been imposed, we will take account of the following points in reaching voting decisions:</p> <ul style="list-style-type: none"> • company circumstances and the period over which the conduct issues happened • the tenure of current leadership and whether they were in charge at the time conduct issues occurred • the level of fines imposed on company • the reputational impact on company • overall impact on the economic interests of shareholders. <p>Voting options include:</p> <ul style="list-style-type: none"> • voting against annual discharge of management and board members in markets where this is a voting option • voting against/abstention on the election or re-election of directors if the directors were in a position of leadership at the time conduct issue occurred; or if company's approach to resolving issue puts into question the directors' discharge of their oversight responsibilities. • voting against remuneration reports where the board did not take sufficient account of events/fines and impact on shareholders' economic interests in determining remuneration outcomes. <p>Separate from these issues highlighted above, for banks who have reached a satisfactory level of capital and a reasonable restoration of sustainable profitability our AGM votes will be linked to the goal of raising the dividend. For these banks we will vote against increases in executive remuneration where there has been no increase to/payment of dividends.</p>
Outcomes	<ul style="list-style-type: none"> - Voted against/abstained on the Remuneration Reports of several Banks - Voted against/abstained on re-election of directors - Ongoing Engagement on improving board oversight of Banks and alignment of rewards with performance.

☒ Add Example 2

Topic or ESG issue	Diversity
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	To increase the number of women on company board
Scope and Process	Decision to support shareholder resolutions on board diversity
Outcomes	Voted in support of diversity-related resolutions and diversity is one of the ongoing themes on which we engage.

☒ Add Example 3

Topic or ESG issue	Executive Remuneration
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	To improve disclosure of performance measures in France
Scope and Process	Establish disclosure standards against which company disclosure will be measured Engage with companies to improve understanding of shareholder expectations on remuneration and disclosure
Outcomes	Voted against remuneration- related resolutions where insufficient information is given to enable shareholders take a view on performance measures Continue engagement with companies to raise disclosure standards.

- ☐ Add Example 4
☐ Add Example 5
☐ Add Example 6
☐ Add Example 7
☐ Add Example 8
☐ Add Example 9
☐ Add Example 10

Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6
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LEA 26.1	Indicate if your organisation proactively discloses information on your voting activities.
----------	--

- ☒ We disclose it publicly

	provide URL
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<http://vds.issproxy.com/SearchPage.php?CustomerID=2281>

LEA 26.2	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
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- ☒ Yes

LEA 26.3	Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.
----------	--

	Indicate how much of your voting record you disclose
--	--

- ☒ All voting decisions
- ☐ Some voting decisions
- ☐ Only abstentions and opposing vote decisions
- ☐ Summary of votes only

	Indicate what level of explanation you provide
--	--

- ☒ Explain all voting decisions
- ☐ Explain some voting decisions
- ☐ Only explain abstentions and votes against management
- ☐ No explanations provided

LEA 26.4	Indicate how frequently you typically report voting information.
----------	--

- ☐ Continuously (primarily before meetings)
- ☐ Continuously (soon after votes are cast)
- ☒ Quarterly or more frequently
- ☐ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

AXA Investment Managers

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

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ESG incorporation in actively managed fixed income

Fixed Income - Corporate

Implementation processes

FI 04	Mandatory	Gateway/Core Assessed	PRI 1
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FI 04.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☒ Screening + Integration strategies

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)

%
90

- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☒ No incorporation strategies applied

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)

%
10

Total actively managed fixed income - corporate

100%

FI 04.2

Describe your primary reasons for choosing a particular incorporation strategy.

In line with AXA's Group objective to align investments with AXA's corporate responsibility agenda and AXA's IM belief that responsibility is a key driver of value-creation, we have chosen to enhance the integration strategy across the listed equity investments. This approach is completed by thematic and screening strategies, which help AXA IM to best fit client needs and objectives. We monitor systematically strong ESG risks (controversial weapons, palm oil, soft commodities ...) for all AXA Group assets under management.

(A) Implementation: Screening

FI 06**Mandatory****Descriptive****PRI 1****FI 06.1**

Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.

Type of screening

☒ Negative/exclusionary screening

Screened by

- ☐ Product
- ☒ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☐ Corporate governance

Description

Since 2008, AXA IM excludes from its investments, those companies involved in the production of anti-personnel landmines as well as cluster bombs. Since 2011, this exclusion has been extended to include those companies involved in depleted uranium weapons, in palm oil and soft commodities. This included all mutual funds managed by AXA IM on behalf of its distribution clients, with the exception of index funds. The definition of the exclusion list of companies is based on the treaty of Ottawa for the Anti-personnel Landmines, the treaty of Oslo for cluster bombs and is updated by the RI team once per year. The global exclusion list covers public and private equities and their issuers (public and private).

In addition, Tobacco and Defence sectors are systematically excluded from SRI mutual funds. We excludes from SRI funds strong controversies (5 on a scale from 0 to 5) if the internal research confirms the negative opinion on the stock or issuer.

☒ Positive/best-in-class screening

Screened by

- ☐ Product
- ☐ Activity
- ☒ Sector
- ☒ Country/geographic region
- ☐ Environmental and social practices and performance
- ☐ Corporate governance

Description

Sector:

We have developed an ESG framework relying on the inputs from several extra-financial agencies and internal ESG convictions. This framework is composed of circa 15 criteria across E, S and G dimensions, the overall ESG assessment being a weighted average of E, S and G taken separately, where the weights depend on the sector of the company

In the end, we invest in companies that have historically performed better than their peers within a particular industry or sector on environmental, social and corporate governance (ESG) issues. These factors are systematically taken into consideration in the selection of the investment and therefore have an impact on the eligible universe by eliminating the companies or the countries which deliver bad ESG performance or when they present serious controversial matters.

Country :

For government and quasi-government issuers, we rely on the Environmental, Social and Governance indicators published by recognised international sources.

For the Environment: CO2 emissions, for Social: the UN HDI (Human Development Index), and for Governance: the World Bank indicators. An ESG score is thus calculated, taking into account not only the current level of the indicator but also the way it has developed over a 5 year cycle. The ESG score is complemented by a "political commitment" score which measures the countries' commitment to a number of key international conventions (human rights, labour rights, controversial weapons, the environment).

☐ Norms-based screening

FI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
----------------	---

Criteria are established according to an internal methodology with our external provider and internal conviction. The Best in Class universe is reviewed twice a year. The ESG criteria are reviewed according to our internal conviction. We inform clients either through the Transparency code or through monthly or bi-annual committees.

FI 07	Mandatory	Core Assessed	PRI 1
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FI 07.1

Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.

- ☒ Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- ☒ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- ☒ A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

(C) Implementation: Integration of ESG factors

FI 11**Mandatory****Core Assessed****PRI 1****FI 11.1**

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<input type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 11.2

Additional information. [Optional]

We review only relevant and material E,S and G issues for companies or sectors. For example, environmental issues are reviewed occasionally for the financial sector and it is defined by ESG fundamental and credit analysts. In addition, the scoring model is reviewed twice per year and at this time, new ESG issues can be integrated according to our convictions and the emergence of business cases.

Fixed income - Government

FI 13

Mandatory

Core Assessed

PRI 1

FI 13.1

Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.

☒ Yes

FI 13.2

Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.

- ☐ <10%
- ☐ 10-50%
- ☒ 51-90%
- ☐ >90%

FI 13.3

Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

ESG issues	Coverage/extent of review on these issues
Environmental	<input type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 13.4

Describe your approach to incorporating ESG issues in government fixed income investments. [Optional]

For government and quasi-government issuers, we have developed internally an ESG framework relying on the Environmental, Social and Governance indicators published by recognised international sources.

For the Environment: CO2 emissions, for Social: the UN HDI (Human Development Index), and for Governance: the World Bank indicators. An ESG score is thus calculated, taking into account not only the current level of the indicator but also the way it has developed over a 5 year cycle. The ESG score is complemented by a "political commitment" score which measures the countries' commitment to a number of key international conventions (human rights, labour rights, controversial weapons, the environment).

A dedicated ESG analyst covers countries from a more qualitative view point. This analyst participates to the "Rates" committee where the fund management will define interest rates scenarii on a quarterly basis.

From a portfolio management view point, it is possible for the portfolio manager to get an ESG footprint for its government fixed income portfolio/carve out against its benchmark on a daily basis through the RISearch platform. He/She also has access to the ESG qualitative analysis on countries to better appreciate ESG risks embedded to his/her strategies.

☐ No

Communication

FI 18**Mandatory****Core Assessed****PRI 2,6****FI 18.1**

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.

- ☐ We disclose it publicly
- ☒ We disclose it to clients/beneficiaries only

FI 18.3

Indicate the information your organisation proactively discloses to clients/beneficiaries regarding your approach to ESG incorporation.

- ☒ Broad approach to ESG incorporation
- ☐ Detailed explanation of ESG incorporation strategy used

FI 18.4

Indicate how frequently you typically report this information.

- ☐ Quarterly or more frequently
- ☒ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

AXA Investment Managers

Reported Information

Public version

Direct - Property

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Overview

PR 05	Mandatory	Core Assessed	PRI 1-6
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PR 05.1 Indicate if your organisation has a Responsible Property Investment (RPI) policy.

☒ Yes

PR 05.2 Provide a URL if your RPI policy is publicly available. [Optional]

<http://www.axa-realestate.com/expertise/responsible-investment/sustainable-real-estate>

☐ No

Fundraising of property funds

PR 06	Mandatory	Core Assessed	PRI 1,4,6
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PR 06.1 Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☒ Yes

PR 06.2 Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☒ Policy and commitment to responsible investment
 - ☐ Always
 - ☒ In a majority of cases
 - ☐ In a minority of cases
- ☒ Approach to ESG issues in pre-investment processes
 - ☐ Always
 - ☒ In a majority of cases
 - ☐ In a minority of cases
- ☒ Approach to ESG issues in post-investment processes
 - ☐ Always
 - ☒ In a majority of cases
 - ☐ In a minority of cases

☐ No

Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
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PR 08.1

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

☒ Yes**PR 08.2**

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]

Using our Active Owner approach to Responsible Investing, our investment process is designed to encourage the emergence of a "Green Value" in real estate. Through an active dialogue with clients, we elaborate the sustainability solutions which best fit their sustainability needs, return requirements and the individual asset.

When investing in existing assets a Green Rating audit may be included in the due diligence process, providing an initial snapshot of how the property performs from a sustainability perspective, together with recommendations to increase the profile - either from an 'intrinsic' (i.e. building level) perspective or from an 'actual' perspective (i.e. inclusive of occupiers' impact). Green Rating is a pan-European audit scheme and has been used to audit assets totalling more than 9.5 million m2 to date in Europe.

Alternatively, appropriate in use certification may be sought.

For development assets, AXA Real Estate applies a strict sustainability policy - encompassing both initial construction and design and use - to all its developed buildings.

To be transparent, investment decisions will be based on a combination of factors including traditional property criteria of location, tenant financial covenant, level of rent, length of lease, et al and not exclusively driven by ESG or sustainability factors.

☐ No**PR 10****Mandatory****Core Assessed****PRI 1,3****PR 10.1**

Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.

ESG issues☒ Environmental

List up to three typical examples of environmental issues

Energy generation (conventional + renewables), consumption and efficiency

Greenhouse gas emissions

Flooding and contamination

☒ Social

List up to three typical examples of social issues

Occupier turnover and satisfaction

Tenant type and demography

Health and safety

☒ Governance

List up to three typical examples of governance issues

Risk management (e.g. regulatory and reputational risk)

Property standards and certifications, and disclosure (e.g. property performance or benchmarks)

Business strategy

PR 10.2

Additional information. [Optional]

The above is a selection and the actual application will vary between types of asset - multi tenanted assets will require more active management. The regulatory regime also varies between territories - e.g CRC scheme in the UK, Grenelle II Law in France.

Post-investment (monitoring and active ownership)

Overview

PR 14

Mandatory

Gateway

PRI 2

PR 14.1

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

☒ Yes

PR 14.2

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☒ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☒ We consider ESG issues in other post-investment activities, specify

The Global Sustainable Development Team regularly reports to senior management on a range of ESG issues, as well producing the annual Global Sustainable Development Report

PR 14.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

Post investment activities will be based on continuous monitoring of key data mainly (but not exclusively) on the active management assets of the portfolios.

Within AXA Real Estate, Asset Managers in local teams have dedicated property assets which they will actively manage. ESG factors will form part of that process, as well as forming a key element in the Business or Asset Plan. Each AM is required to make positive recommendations - e.g energy saving initiative, refurbishment. Upgrade of systems, as appropriate.

Ultimate responsibility is with a Fund Manager, who sets the strategy for the relevant fund or mandate, based in regular dialogue with the Asset managers.

The Global Sustainable Development Team is available to offer guidance and advice across the business units.

☐ No

Property monitoring and management

PR 15**Mandatory****Core Assessed****PRI 2,3****PR 15.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☐ >90% of property assets
- ☐ 51-90% of property assets
- ☒ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 15.2

Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

☒ Environmental

List up to three example targets per issue

Energy generation consumption and efficiency

Greenhouse gas emissions

Water consumption, waste generation

☒ Social

	List up to three example targets per issue
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Health and safety, accident rates, disability access

Tenant type and demography, occupier turnover and satisfaction

Social enterprise partnering, community development

☒ Governance

	List up to three example targets per issue
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Processes e.g. environmental management systems and disclosure (e.g. property performance or benchmarks).

Risk management e.g. regulatory and reputational risk (property standards and certifications)

Operational management

☐ We do not set and/or monitor against targets

PR 15.3	Additional information. [Optional]
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The Property Manager will be subject to a specific Asset Management contract tailored to fit the legal requirements of the territory involved and the nature of the investment fund or mandate.

More recently secured mandates are likely to have a higher proportion of ESG matters (e.g a recent pension fund secured in France, where these measures are central to performance management).

In the UK portfolios, the Asset and Property Managers concentrate on measurement of an "energy management portfolio" - a representative sample of the largest multi tenanted assets in the retail shopping centre/park and office sectors which have the biggest material impact on CO2 emissions. In this way resources are focused on assets which have the biggest impact on the environment and are monitored and measured quarterly.

Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
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PR 17.1	Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.
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- ☒ >90% of active developments and refurbishments
- ☐ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

PR 17.2

Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.

- ☒ Minimum environmental site selection requirements
- ☒ Minimum environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☒ Minimum energy efficiency requirements
- ☒ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☐ Other, specify

PR 17.3

Additional information. [Optional]

AXA Real Estate is an active developer of real estate assets - either in its specific Development Fund but also an option for acquisition (either of sites or forward funding) or as a strategic option for an existing asset under management.

Development and major refurbishment activity is seen as a key opportunity to drive forward the ESG and sustainability agenda. When undertaking developments, we ensure a newly built property has an environmental certification (BREEAM, LEED, HQE, DNGB, Minergie), which corresponds to local market expectations. In addition to being a useful marketing tool, we consider certifications for new buildings as evidence, not only for the value we add, but also as a form of guarantee for the buildings' future value.

Within the UK portfolio, three major Central London projects have the following certification status: one mixed-use asset (a refurbishment, comprising 10,800 m²) has achieved BREEAM excellent, with two further office assets - new developments comprising 21,340 m² and 15,954 m² respectively - having been designed and built to BREEAM excellent standard. .

AXA Real Estate applies a strict sustainability policy - encompassing both initial construction and design and use - to all its developed buildings and this is reflected in contractual appointments.

In France, AXA was one of the pioneers in sustainable development and among the first to acquire the High Quality Environment (HQE) certificate for new asset development projects

Occupier engagement

PR 18

Mandatory

Core Assessed

PRI 2

PR 18.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
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- ☐ >90% of occupiers
☒ 51-90% of occupiers
☐ 10-50% of occupiers
☐ <10% of occupiers

(in terms of number of occupiers)

PR 18.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
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- ☒ Distribute a sustainability guide to occupiers
☐ Organise occupier events focused on increasing sustainability awareness
☐ Deliver training on energy and water efficiency
☐ Deliver training on waste minimisation
☒ Provide feedback on energy and water consumption and/or waste generation
☒ Provide feedback on waste generation
☒ Carry out occupier satisfaction surveys
☐ Other, specify

Communication

PR 23	Mandatory	Core Assessed	PRI 6
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PR 23.1	Indicate if your organisation proactively discloses ESG information on your property investments.
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- ☒ Disclose publicly

	provide URL
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<http://www.axa-realestate.com/expertise/responsible-investment/sustainable-real-estate>

PR 23.2	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.
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- ☒ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
☐ Other property reporting standards, specify
☐ No property specific reporting standards are used

PR 23.3	Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.
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- ☐ Yes
☒ No

**PR
23.4**

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

Public	Clients/beneficiaries
<input type="checkbox"/> ESG information on how you select property investments	<input checked="" type="checkbox"/> ESG information on how you select property investments
<input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments	<input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments
<input checked="" type="checkbox"/> Information on your property investments' ESG performance	<input checked="" type="checkbox"/> Information on your property investments' ESG performance
<input type="checkbox"/> Other, specify	<input type="checkbox"/> Other, specify

**PR
23.5**

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

Public	Clients/beneficiaries
<input type="radio"/> Quarterly or more frequently	<input type="radio"/> Quarterly or more frequently
<input type="radio"/> Semi annually	<input checked="" type="radio"/> Semi annually
<input checked="" type="radio"/> Annually	<input type="radio"/> Annually
<input type="radio"/> Every two years or less frequently	<input type="radio"/> Every two years or less frequently
<input type="radio"/> Ad-hoc, specify	<input type="radio"/> Ad-hoc, specify

**PR
23.6**

Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

A Global Sustainable Development Report has been produced over the last 3 years. The latest in November, 2013, reporting on global activity from 212 to 2013.

The report is publicly available but is distributed both electronically and hard copy form to all clients, potential clients or business partners.

The 2013 Report contained information on sustainability activities both at the global level and in the largest territories (by assets under management): France, Switzerland, UK and Germany.

In accordance with the GRI standards, the Report also contains:

- Organisational profile of AXA Real Estate
- Global strategy on stakeholder engagement
- Governance for sustainability - including approach to ESG and RI in real estate
- Sustainability in Action (case studies from the 4 territories)

The report is "global" and not fund specific, even at territory level.

☐ Disclose to clients/beneficiaries only

☐ No proactive disclosure to the public or to clients/beneficiaries

PR 23.7

Additional information. [Optional]

ESG information will also form part of regular real estate reporting on different client mandates.

In some instances, there may be price or market sensitive information at an asset level which does not get reported in the Global public report.