### Cancer and NCD community welcome major private sector announcement to divest from tobacco industry

##### Amount totalling 1.8 billion Euros is largest single divestment of its kind

**Geneva, Switzerland, 23 May 2016:** On the eve of the 69th World Health Assembly, at a special event convened last night by the Union for International Cancer Control (UICC), the global cancer and non-communicable disease (NCD) community have welcomed a milestone announcement from AXA Group, who will divest their tobacco industry assets, currently valued at 1.8 billion Euros.

Tobacco consumption is the major cause of NCDs. Today, tobacco kills 6 million people per year, a figure that is expected to rise to 8 million by 2030[[1]](#footnote-1).

In the fight against preventable cancers, tobacco control remains an area that governments, civil society and the private sector must come together to tackle effectively. Collaboration is key. And in particular addressing the financial power of the tobacco industry has been a fundamental missing piece in tobacco control efforts.

Responding to this need, Tobacco Free Portfolios has been instrumental in initiating dialogue with the finance industry. They are working to reduce, and ultimately eliminate, pension fund investment in tobacco. Founded in Australia by Dr Bronwyn King, their efforts have so far been integral to the decision of over 36 Australian Funds to divest tobacco stocks, to the value of almost 2 billion Australian dollars (1.2 billion Euros). This has now expanded internationally to become a UICC sponsored initiative as the Global Task Force for Tobacco Free Portfolios, Chaired by HRH Princess Dina Mired of Jordan.

*"I am thrilled that one of the world's leading financial institutions is standing side by side with the health sector to address the profound global problem of tobacco. As we move forwards together, health professionals, governments and finance leaders, we will create change. We will protect the next generation. We will work together until the tobacco epidemic is put to an end”,* said Bronwyn King, CEO and Founder of Tobacco Free Portfolios.

Cary Adams, CEO of the Union for International Cancer Control (UICC) added: *“UICC and its partners across the non-communicable disease community have worked diligently over the last few years to engage all parts of society in recognizing the disastrous social and economic effects the tobacco industry wreaks on us all. We need companies like AXA to signal that investing in an industry which kills its customers is simply the wrong thing to do; and this announcement to divest 1.8 billion euros is a milestone step in the right direction. Tobacco Free Portfolios, led by Dr Bronwyn King, will continue to encourage other companies to follow AXA’s outstanding lead.”*

Unless urgent action is taken to reverse the current trend, tobacco will kill one billion people worldwide by the end of the 21st century1**00:0100:01**1. Its cost, already estimated at 2.1 trillion euros per year[[2]](#footnote-2), is a key inhibitor of social and economic development, given that the highest burden is seen in low- and middle-income countries.

The incidence of NCDs, including cancer, heart disease and chronic respiratory illnesses, is sharply rising and they are currently responsible for 68%[[3]](#footnote-3) of all deaths worldwide. For cancer alone, unhealthy lifestyle choices contribute to nearly 50% of all cases3.

*“We strongly believe in the positive role insurance can play in society, and that insurers are part of the solution when it comes to health prevention to protect our clients. Hence, it makes no sense for us to continue our investments within the tobacco industry. With this divestment from tobacco, we are doing our share to support the efforts of governments around the world. This decision has a cost for us, but the case for divestment is clear: the human cost of tobacco is tragic; its economic cost is huge. As a major investor and a leading health insurer, the AXA Group wants to be part of the solution, and our hope is that others in our industry will do the same,”* said Thomas Buberl, Deputy CEO and incoming CEO of AXA.

UICC and Tobacco Free Portfolios welcomes AXA’s commitment to:

* Sell its equity holdings in tobacco companies immediately, the current estimated value of which is 184 million euros,
* Stop all new investments in tobacco industry corporate bonds and run off its existing tobacco industry bond holdings, currently valued at just under 1.6 billion euros.

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**About the Union for International Cancer Control (UICC)**

UICC’s rapidly increasing membership base of over 950 organisations in more than 150 countries, represents the world’s major cancer societies, ministries of health and patient groups and includes influential policy makers, researchers and experts in cancer prevention and control. UICC also boasts more than 50 strategic partners. The organization is dedicated to taking the lead in convening, capacity building and advocacy initiatives that unite the cancer community to reduce the global cancer burden, promote greater equity, and integrate cancer control into the world health and development agenda.

UICC and its multisectoral partners are committed to encouraging governments to look towards the implementation and scale-up of quality and sustainable programs that address the global burden of cancer and other NCDs. UICC is also a founding member of the NCD Alliance, a global civil society network that now represents almost 2,000 organizations in 170 countries.

**About Tobacco Free Portfolios**

Tobacco Free Portfolios works to reduce, and ultimately eliminate, pension fund investment in tobacco. It is estimated that at least 60 billion US dollars is currently invested in tobacco companies by financial institutions and pension funds on behalf of individuals who may not be aware.

Founded in Australia, Tobacco Free Portfolios has played an integral role in the decision of over 30 Australian Funds to divest tobacco stocks. Tobacco Free Portfolios has now expanded internationally to become a UICC initiative as the Global Task Force for Tobacco Free Portfolios (GTF.TFP).

Activities include:

* Training advocates in countries where tobacco divestment is a strong possibility
* Developing a tools to support advocates in their efforts
* Monitoring progress in securing divestment agreements.

The GTF.TFP is Chaired by Her Royal Highness, Princess Dina Mired of Jordan.

**About the AXA Group**

The AXA Group is a worldwide leader in insurance and asset management, with 166,000 employees serving 103 million clients in 64 countries. In 2015, IFRS revenues amounted to Euro 99.0 billion and IFRS underlying earnings to Euro 5.6 billion. AXA had Euro 1,363 billion assets under management as of December 31, 2015.

The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISN FR 0000120628 – Bloomberg: CS FP – Reuters: AXAF.PA). AXA’s American Depository Share is also quoted on the OTC QX platform under the ticker symbol AXAHY.

The AXA Group is included in the main international SRI indexes, such as Dow Jones Sustainability Index (DJSI) and FTSE4GOOD.

It is a founding member of the UN Environment Programme’s Finance Initiative (UNEP FI) Principles for Sustainable Insurance and a signatory of the UN Principles for Responsible Investment.

1. http://www.who.int/mediacentre/factsheets  [↑](#footnote-ref-1)
2. Estimated annual global direct economic impact and investment to mitigate smoking, based on 2012 GDP. Source: MGI, cited in Connect – How companies succeed by engaging radically with society by John Browne, with Robin Nuttall and Tommy Stadlen. [↑](#footnote-ref-2)
3. http://www.who.int/mediacentre/factsheets/fs310/en/index2.html  [↑](#footnote-ref-3)