



XL Insurance

The UK energy transition under pressure

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September 2025



Our AXA XL transition experts

AXA Insurance

Green Tech
Expert

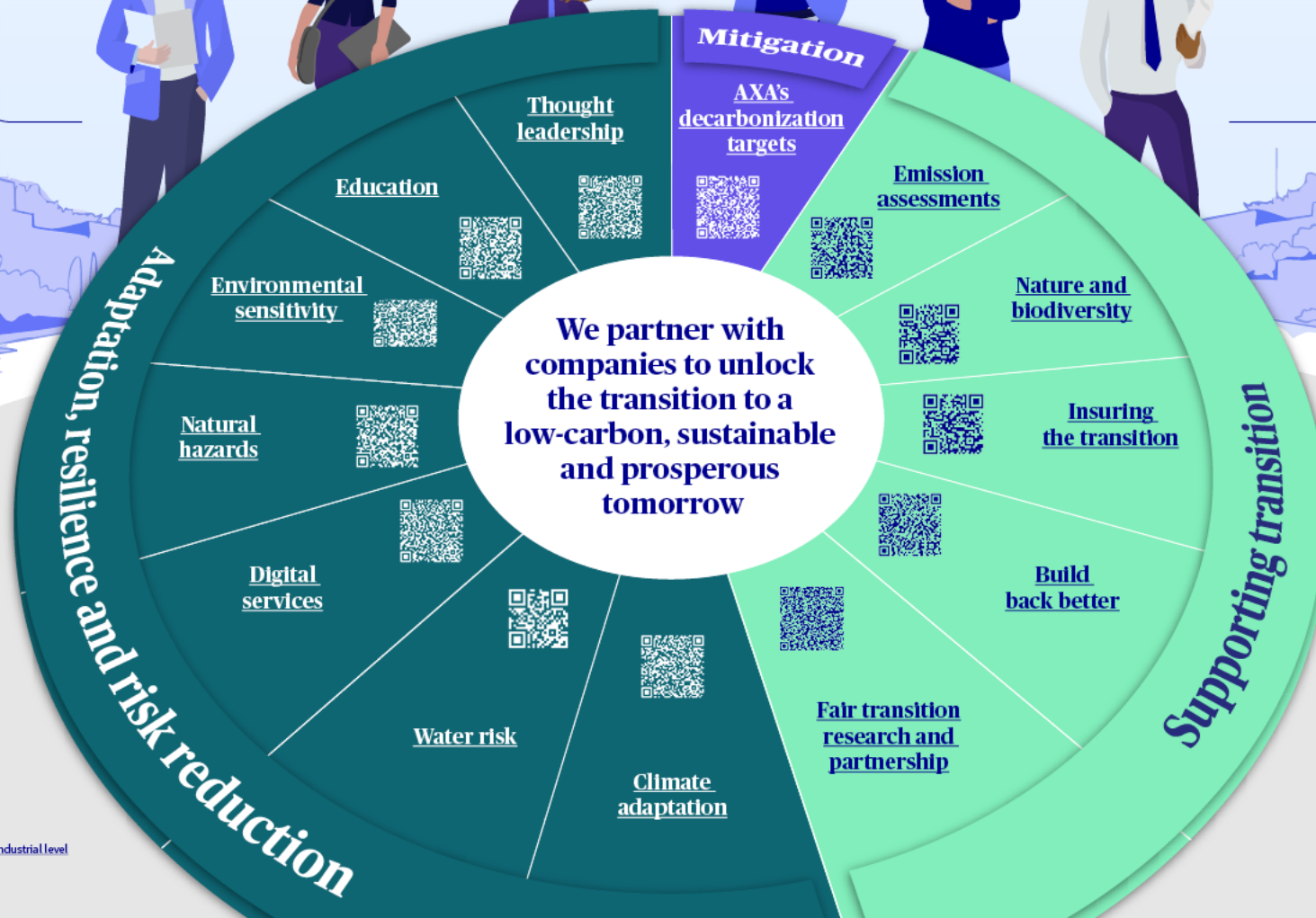
Risk
Consultant

Client Relationship
Lead

Underwriters

Claims

Climate
Consultant



Climate change
tops **AXA Future
Risks Report**

Experts confirm
recent years are the
warmest on record¹

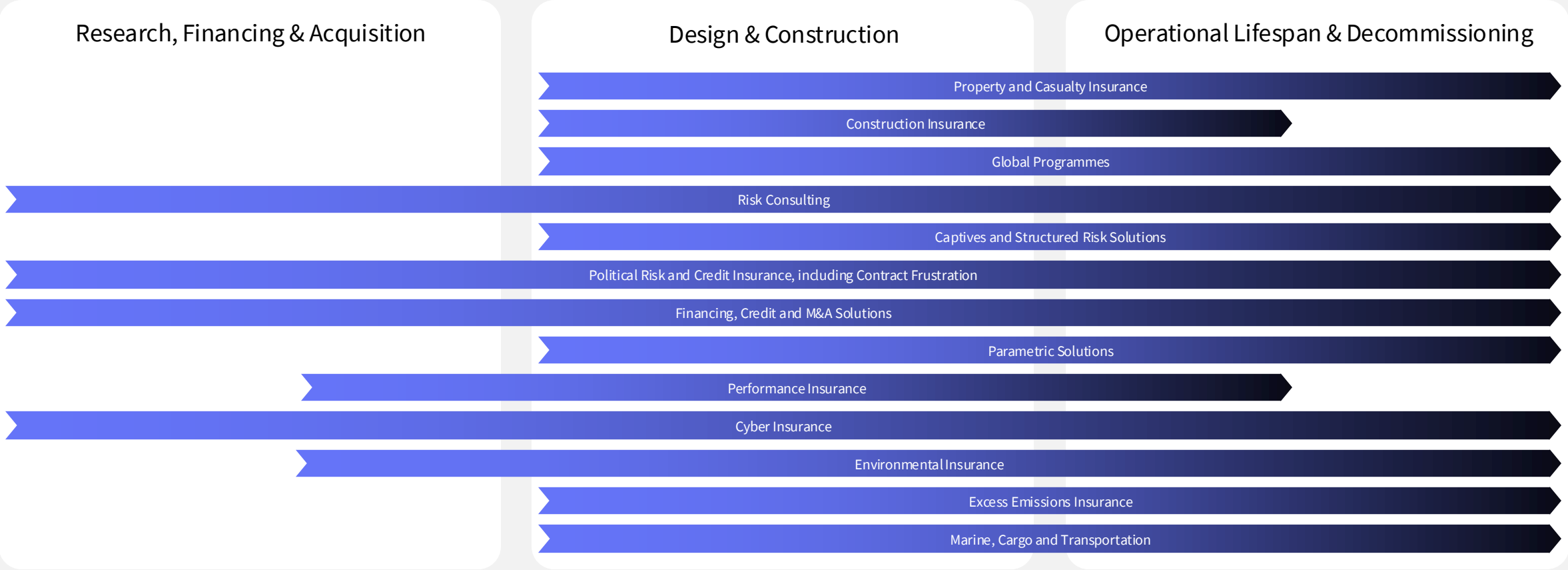
50% of global GDP
moderately or highly
dependent on nature²

Energy transition
needs investment of
\$130 trillion by 2050³

1. WMO confirms 2024 as warmest year on record at about 1.55°C above pre-industrial level
2. Half of World's GDP Moderately or Highly Dependent on Nature
3. World Energy Transitions Outlook

Energy Transition

AXA XL and AXA Group can deliver underwriting expertise, products and services, assisting our clients throughout the transition



The material role of insurance in transition finance

The UK and London Market is uniquely positioned to leverage the insurance sector

2%

London Insurance
Market contribution
to UK GDP

32%

London Insurance
Market contribution
to the City's GDP

- **Transition Finance is a rapidly growing space**, encompassing a broad range of financial institutions, portfolios and instruments directed at supporting an economy-wide transition to net zero.
- There is a **lack of understanding by many of the role that insurance plays** in the transition finance ecosystem and its materiality, but this is starting to change.
- The UK's financial sector and world-leading insurance market means it is **positioning itself as the home for risk-aligned transition finance globally**.
- **As transition finance scales, insurance capacity will need to scale in step** to meet debt and equity financing needs, and support credit quality and ROI calculations for investors and lenders

Why should we care? Insurance is a material part of the financial ecosystem that enables transition finance to flow and critical to delivering a low carbon economy.

Risk is a function of Hazard, Vulnerability and Exposure





Know You Can