

A photograph showing three business professionals in an office setting. A woman with blonde hair tied up in a bun, wearing a white blouse, is leaning over a man who is wearing glasses and a dark suit. They are both looking down at a laptop on a desk. Another person's arm and shoulder are visible on the left side of the frame. A large red diagonal shape, resembling a stylized 'X' or checkmark, cuts across the upper portion of the image.

AXA GROUP STANDARDS

JANUARY 2019 / VERSION 1.0

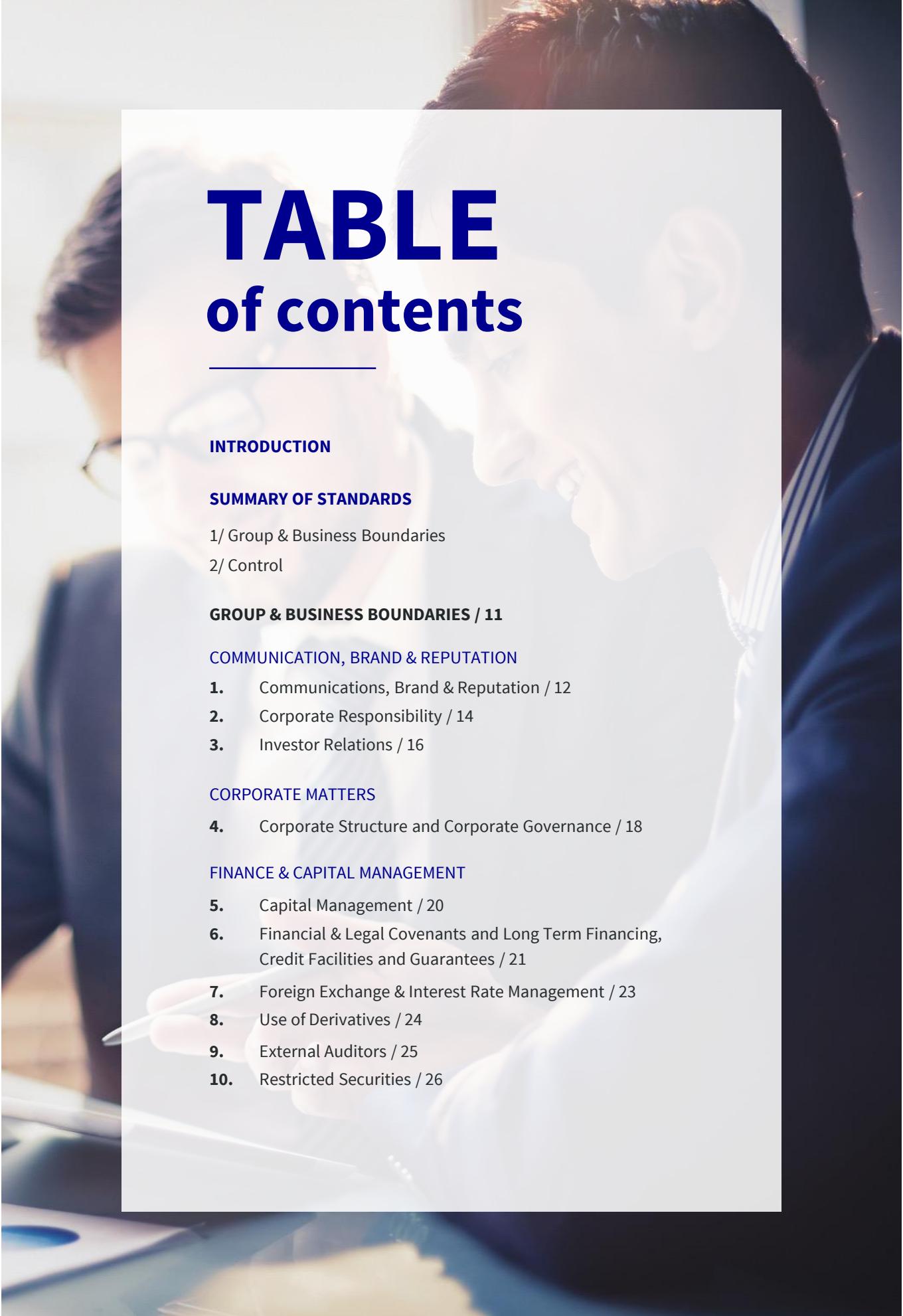


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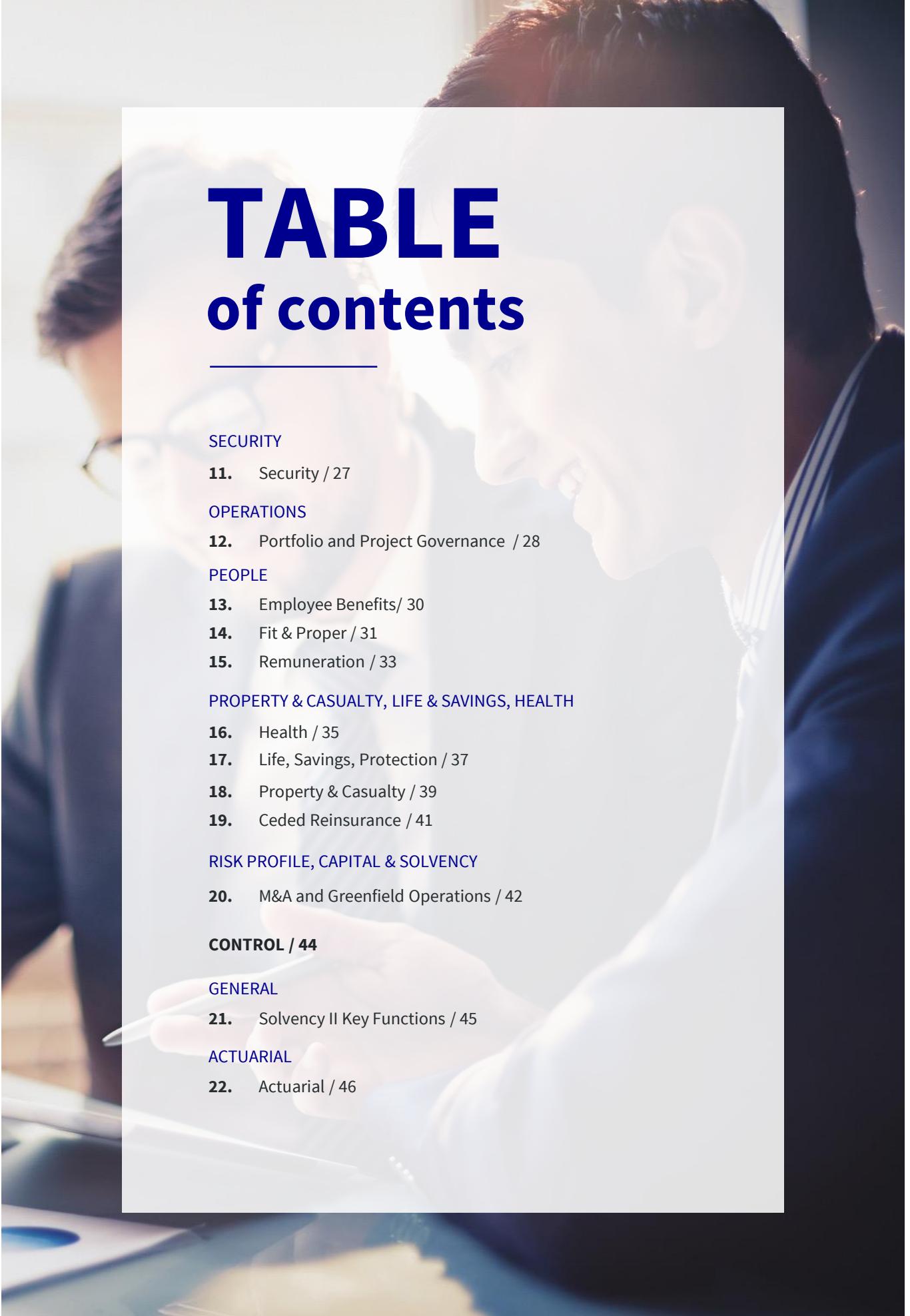


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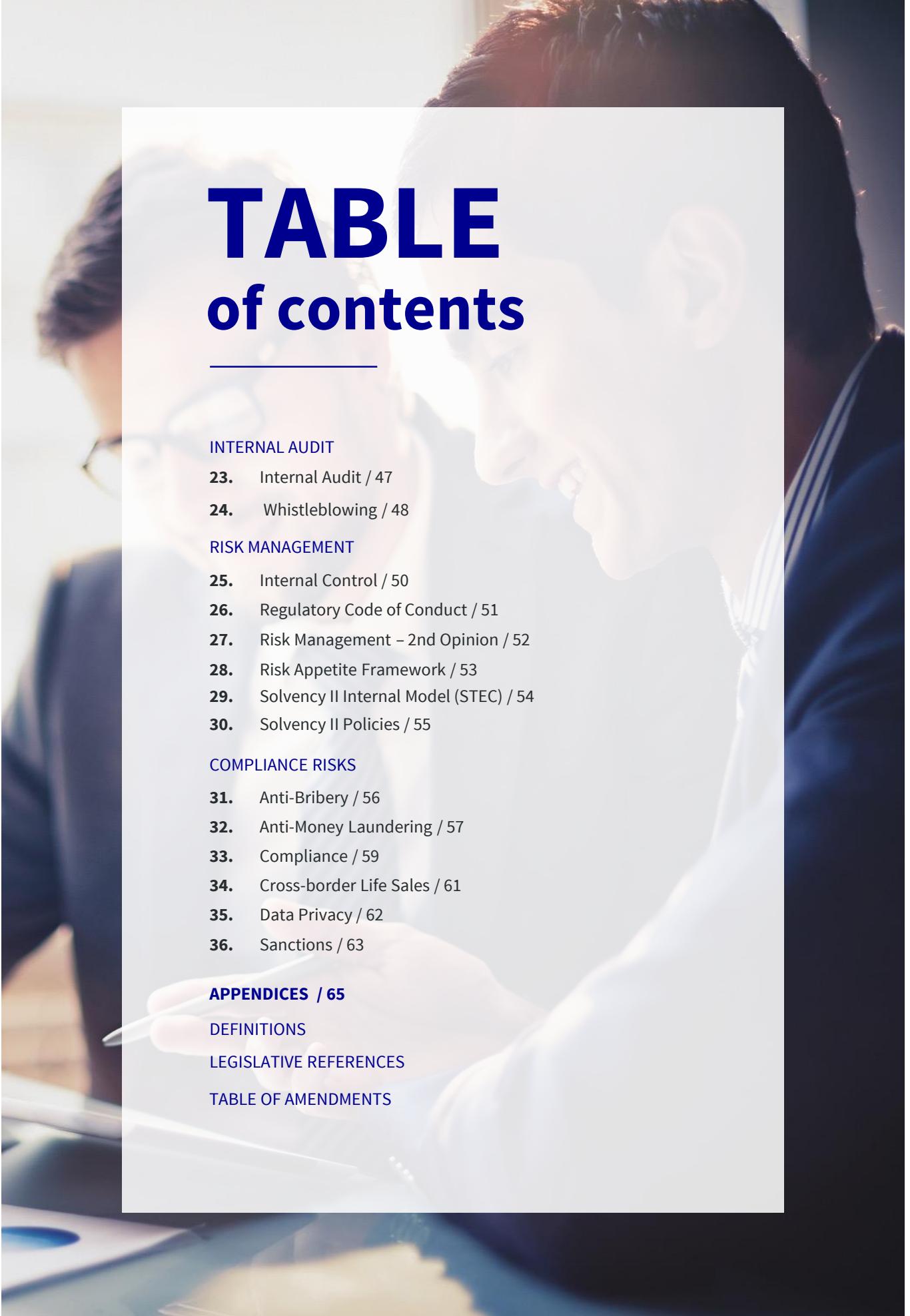


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INTRODUCTION

SCOPE OF THESE STANDARDS

The Group Standards ('**Standards**') apply to AXA S.A. and entities (including Joint Ventures) where AXA has the majority of the voting rights, or has a minority interest but exercises control through other means such as management.

Where AXA S.A. does not have formal legal control over an entity, Shareholder Representative(s) and/or the Board of Directors are expected to adhere to the requirements set out in the Standards as closely as possible, and the CEO or, if the CEO is not an AXA executive, the Shareholder Representative(s) are required to escalate any material divergence to the relevant Standard Owner in order to mitigate the associated risk.

If there is a conflict between the Standards and local legal and/or regulatory requirements, CEOs are required to notify the relevant Standard Owner.

OBJECTIVES OF THE STANDARDS

AXA recognizes the importance and value of a consistent approach to governance, supported by an effective risk management framework. This is particularly relevant in the context of Solvency II and other regulatory requirements to ensure that there is a clear understanding of risks, both locally and Group-wide. The Standards form part of this overall risk management framework, including Compliance, Internal Audit, Internal Control and Risk Management.

CEOs are therefore required to actively promote and monitor adherence to the Standards. CEOs are responsible for complying with both the substance and spirit of the Standards. CEOs are required to ensure that there is proper documentation of local policies and procedures, that those policies and procedures are adhered to, and that they remain relevant and appropriate to the activities of the entities for which they are responsible.

If in doubt about the Standards or their application, CEOs should contact the Standard owner, and in any case are expected to apply common sense.

MANDATORY NATURE & APPROVALS

Standards are mandatory for all entities unless otherwise indicated.

The Boards of all entities must formally adopt the Standards in relation to the entities within their scope of responsibility.

In a number of Standards pre-approvals are required from the Corporate Centre. In these circumstances, it is important to contact the relevant Standard Owner for guidance on information required and timing. A formal decision in writing will be provided to the entity. Approvals/refusals should be archived by both entities and Standard owners to ensure proper records are retained for both compliance purposes and in the event of any internal/external controls.

Application for the Standards is categorized as follows (see specific Standards):

- **All entities** - AXA S.A. and entities (including Joint Ventures) where AXA has the majority of the voting rights, or has a minority interest but exercises control through other means such as management.
- **Solvency II scope of Supervision** - Solvency II scope of supervision is aligned with entities consolidated in full and equity method under IFRS
- **Internal Model entities** - Entities identified by Group Risk Management as being within scope of the Group Internal Model (i.e. Short Term Economic Capital Model)
- **Re/insurance Regulated entities** - Entities that undertake regulated insurance or reinsurance activities
- **Bank & Asset Management**
- **List of specific INM entities** - Algeria, Azerbaijan, Cameroon, Czech Republic, Egypt, Gabon, Greece, Ivory Coast, Lebanon, Malaysia, Nigeria, Senegal, Slovakia, Ukraine

In addition, relevant entities are required to follow Group Solvency II Policies suitably adapted to their local environment. These policies are considered to be equally important as the Standards and form part of the regulatory framework for the Group.

Separately, Professional Families may issue instructions or technical documentation, which entities are expected to follow. These do not comprise part of the Standards and are not subject to the certification process.

MANAGEMENT RESPONSIBILITIES

Breaches of applicable laws, regulations and/or Standards are taken very seriously. Material breaches must be escalated to the local entity Board and CEOs are also required to follow the specific escalation instructions in the relevant Standard. In addition, entities are expected to notify the Group of any matters which they reasonably believe to be of importance to the Group.

The Standards are critical requirements for all entities; any breaches may lead to disciplinary action against both CEOs and management. CEOs must ensure that the local entities' internal procedures clearly state that violations and/or breaches of laws, regulations and internal rules, including the Standards will be subject to sanctions, including termination of employment (particularly if violations and/or breaches are committed knowingly, intentionally or negligently). If local employment regulations or other circumstances require alternative approaches that achieve the same effect (i.e. ensuring that violations can be legally sanctioned) these alternatives may be used. This applies equally to incorrect Annual Certifications which are subsequently discovered to be not made in good faith.

CEOs will be held to account for violations of Standards. This will involve formal contact from the Group CEO and/or the Chair of the Audit, Risk & Compliance Committee, and (subject to local employment regulations) may lead to a reduction in CEOs' variable remuneration and/or long-term incentives, and termination of employment as noted above.

ANNUAL CERTIFICATION OF THE STANDARDS

CEOs are required to certify annually to the Group CEO that to the best of their knowledge their entities comply with the Standards. The Annual Certification will include provision for non-compliance – which should be very exceptional - and a corresponding remediation plan.

The Annual Certification must be made according to instructions issued each year, by the required date notified by the Group Standards Office.

Entity Boards must be formally informed of the Annual Certifications, together with any material breaches (as noted above), areas of non-compliance and corresponding mitigation plans in order to monitor progress of remedial actions. Additionally, the Standards Committee will track non-compliance against Annual Certifications and report to the Group Audit, Risk & Compliance Committee.

COMPLIANCE WITH REGULATIONS & ESCALATION OBLIGATIONS

CEOs must ensure that staff are fully conversant, and comply, with applicable laws, mandatory codes of conduct, rules and regulations (including applicable tax laws and regulations) relevant to their areas of operation. Applicable laws include – but are not limited to - international laws such as those covering money laundering, anti-bribery, automatic exchange of information with tax authorities (FATCA, CRS), data protection, and international trade sanctions and embargoes.

In addition, CEOs are required to comply with regulatory requirements, including those for reporting purposes such as IFRS, social and environmental data.

CEOs must ensure that any issues that arise are escalated as required by the relevant Standard when identified, and promptly resolved.

VALIDATION & UPDATING PROCESS

The Standards will be reviewed and updated at least on an annual basis and validated by the Group Audit, Risk & Compliance Committee before being released.

ACCESS TO STANDARDS

CEOs must ensure that the Standards are readily accessible to all staff responsible for both implementing and following the requirements.

The Standards have been issued in an electronic format and placed on the Group's intranet. Where relevant staff are not able to access the Group intranet, CEOs must ensure that the Standards are made available to them via another method.

Reference to, and compliance with, the Standards must be made in Welcome Packs for staff.

SUGGESTIONS FOR REVISING THE STANDARDS

Suggestions to improve the Standards, including changes to procedures are welcome. For consideration in the following year, these should be sent to the Group Standards Office email address (group.standards@axa.com) prior to 30 June of the relevant year.

SUMMARY of Standards

1 / GROUP & BUSINESS BOUNDARIES

STANDARD	SUMMARY OF MAIN PRINCIPLES	APPLICATION
COMMUNICATION, BRAND & REPUTATION		
1 <u>COMMUNICATIONS, BRAND & REPUTATION</u>	<ul style="list-style-type: none"> Do not disclose proprietary, confidential, or any price-sensitive information Only authorized and designated spokespersons can speak to the media Important public speaking engagements must be escalated All registration of the AXA Brand (co-branding included) is handled by Group Legal All internet-facing digital assets must obtain a Digital Permit approval Formal documented process must be implemented to identify and regularly review reputation risks Reputation risks must be escalated to Group Reputation 	All entities
2 <u>CORPORATE RESPONSIBILITY</u>	<ul style="list-style-type: none"> Prohibition of business and investments in designated sectors 	All entities
3 <u>INVESTOR RELATIONS</u>	<ul style="list-style-type: none"> 'Inside Information' and financial performance media releases must receive prior approval by Group Investor Relations Only an 'Authorized Spokesperson' can publicly disclose 'Inside Information' or/and communicate with external investor or analyst or rating agency Communication must be limited during 'Black-out Periods' 	All entities
CORPORATE MATTERS		
4 <u>CORPORATE STRUCTURE AND CORPORATE GOVERNANCE</u>	<ul style="list-style-type: none"> Complete up-to-date listing of corporate structure must be reported to Group Capital Management and Group Legal Creation of new legal entities and changes in corporate structures must be prior approved by Group Capital Management and Group Legal Requirement for every Group Entity to have a properly constituted Corporate Governance framework that provides appropriate and demonstrable oversight and control over its activities 	All entities (except as otherwise specified in the Standard)
FINANCE & CAPITAL MANAGEMENT		
5 <u>CAPITAL MANAGEMENT</u>	<ul style="list-style-type: none"> Local target capital level compliant with Group Framework must be defined, documented and prior approved by Group Finance and Group Risk Management Local capital requirements and restrictions must be identified and monitored 	All entities
6 <u>FINANCIAL & LEGAL COVENANTS AND LONG TERM FINANCING, CREDIT FACILITIES & GUARANTEES</u>	<ul style="list-style-type: none"> Prohibition on external (i.e. outside the Group) financing, credit facilities, letters of credit and guarantees, except if specifically agreed with the Head of Group Treasury Prohibition on external financing, except short-term (<1yr) facilities required to meet short term (<1yr) financing needs of an operational nature External short-term (<1yr) financing in excess of €10m equivalent must be prior approved by Group Finance Group Treasury and Group Legal must be consulted, and formal advance approval required for certain matters 	All entities except Long Term Financing, Credit Facilities And Guarantees requirements, not applicable to Bank, & Asset Management in relation to special purpose entities raising non-recourse debt

7	<u>FOREIGN EXCHANGE (FX) & INTEREST RATE (IR) MANAGEMENT</u>	<ul style="list-style-type: none"> Prohibition on taking and IR/FX position Restrictions imposed on hedging 	All entities
8	<u>USE OF DERIVATIVES</u>	<ul style="list-style-type: none"> a. Entities in the scope can only enter into over the counter derivatives transactions with counterparties that have been prior approved by Group CRO, or where applicable, by local committees under delegation of the Group CRO b. Entities in the scope must use one of the four expertise centers for all their derivatives transactions, unless they have received prior approval from Group CRO c. Any entity needing to add a new counterparty for OTC derivatives transactions shall make a documented request to GRM prior to implementing any transaction with this counterparty 	All entities, except Algeria, AXA Africa Specialty Risks, Azerbaijan, Cameroon, Egypt, Gabon, Ivory Coast, Jordan, Lebanon, Nigeria, Senegal, Tunisia, Ukraine, Vietnam for b) but including internal service providers who use derivatives
9	<u>EXTERNAL AUDITORS</u>	<ul style="list-style-type: none"> Proposed changes of external auditors, and RFPs for external audit mandates must be prior notified to Group PBRC Non-Audit Services Policy to be followed 	All entities.
10	<u>RESTRICTED SECURITIES</u>	<ul style="list-style-type: none"> Restricted Securities (other than third party assets) must not be held in with-profit funds and must be held in registered form Group Treasury instructions must be followed when dealing with Restricted Securities 	All entities. Not applicable to third party assets managed by the Group, including unit-linked funds
SECURITY			
11	<u>SECURITY</u>	<ul style="list-style-type: none"> Entities must have functions responsible for information security, physical security, operational resilience and Health & Safety Entities must allocate funding and resources for security activities to meet security targets as set by Group Security Investment in the security activities and controls must be reviewed and approved by Group Security Entities must assure the effectiveness of its security activities and controls at least on an annual basis 	All entities.
OPERATIONS			
12	<u>PORTFOLIO & PROJECT GOVERNANCE</u>	<ul style="list-style-type: none"> List of projects planned or in flight must be shared with Strategic Programs team Specific governance must be followed for critical programs 	All entities
PEOPLE			
13	<u>EMPLOYEE BENEFITS</u>	<ul style="list-style-type: none"> Any change to existing pension plans or protection plans having critical impact on Group financial positions, or the introduction of any new pension or merger of existing plans must be prior approved by Group Benefits Committee Any specific individual pension arrangement with a gross annual pension contribution higher or equal to EUR 100K must be prior approved by the Group HRD 	All entities
14	<u>FIT & PROPER</u>	<ul style="list-style-type: none"> Documented fit and proper procedures must be implemented for specified key Functions 	All Re/insurance Regulated entities
15	<u>REMUNERATION</u>	<ul style="list-style-type: none"> Group Remuneration Policy must be applied Cap of 200% on variable remuneration must be followed Guaranteed variable remuneration permitted only in exceptional circumstances; approval of Group Head of Compensation & Benefits when exceeding EUR 100K Welcome bonuses are not permitted with the exception of buy-out of forfeited variable and/or deferred remuneration Termination payments must not reward failure and/or misconduct Retention awards permitted only in exceptional circumstances and on certain conditions; approval of Group Head of Compensation & Benefits when exceeding individually or collectively EUR 100K 	All Group Insurance entities as per the Group Solvency II Remuneration Policy
PROPERTY & CASUALTY, LIFE & SAVINGS, HEALTH			
16	<u>HEALTH</u>	<ul style="list-style-type: none"> Restrictions imposed on claims delegation Specific procedures must be followed for claims Specific procedures must be followed for underwriting Entities cannot underwrite business located overseas unless prior approval from Group Insurance Office and GRM 	All Re/insurance Regulated entities except List of specific INM entities for certain rules

17	<u>LIFE, SAVINGS, PROTECTION</u>	<ul style="list-style-type: none"> The Architas Sign Off Committee must approve any new unit-linked funds/structured products before launch or any structural modification for individual business Restrictions imposed on claims delegation Specific procedures must be followed for claims Specific procedures must be followed for underwriting Entities cannot underwrite business located overseas unless prior approval from Group Insurance Office and GRM 	All Re/insurance Regulated entities <u>except List of specific INM entities for certain rules</u>
18	<u>PROPERTY & CASUALTY</u>	<ul style="list-style-type: none"> Opened claims (internal and outsourced) must be reviewed and assessed at least once a year by a claims qualified resource Restrictions imposed on claims delegation For each line of business, each risk underwritten by the entity must be within its AXA share's Gross of all reinsurance type Underwriting Limits (GUL) as communicated by Group CRO and in accordance with the Underwriting Authority framework described in the Group P&C Underwriting and Reserving Solvency II policy None of the risks specified in "Group P&C underwriting exclusion list" can be underwritten by the entity except if the insurance for this nature of guaranty is compulsory by law Entities cannot underwrite business located overseas unless prior approval from Group Chief Risk Officer 	All Re/insurance Regulated entities
19	<u>REINSURANCE</u>	<ul style="list-style-type: none"> All new or renewed external reinsurance treaties across all lines of business must be ceded to AXA Global Re except: <ul style="list-style-type: none"> Insurance and Reinsurance markets pools If prohibited for regulatory requirements Internal treaties between AXA entities Specific client reinsurance treaties as determined by the Group In-force Coordination Committee Taking Group Insurance Office & Group Risk Management's opinion into account, AXA Global Re may decide not to intermediate a reinsurance treaty cession Cessions by AXA Global Re can only be to external reinsurers on the Security List and within specified limits Formal approval from Group Security Committee must be obtained before placement for cessions (i) to external reinsurers on the Security List in excess of allowed limit; and (ii) to external reinsurers not on the Security List 	All Re/insurance Regulated entities
RISK PROFILE, CAPITAL & SOLVENCY			
20	<u>MERGER & ACQUISITIONS ("M&A") AND GREENFIELD OPERATIONS</u>	<ul style="list-style-type: none"> M&A transactions and Greenfield Operations must not be initiated or conducted without the prior approval of the Head of Group M&A 	All entities

2 / CONTROL

STANDARD		SUMMARY OF MAIN PRINCIPLES	APPLICATION
GENERAL			
21	<u>SOLVENCY II KEY FUNCTIONS</u>	<ul style="list-style-type: none"> Key Functions ("KF") must be implemented - Risk Management Function, Compliance Function, Internal Audit Function, Actuarial Function Appointment and removal of KF holders must be pre-approved by Group KF must act objectively, fairly and independently and have unrestricted access to all staff, systems and information within the entity 	Solvency II scope of Supervision with specific application for AFH
ACTUARIAL			
22	<u>ACTUARIAL</u>	<ul style="list-style-type: none"> Local Actuarial Function Holder ("AFH") must produce an annual report in accordance with the items described in the Group Actuarial Framework and ensure proper reporting to the Group AFH 	All Re/insurance Regulated Entities

2 / CONTROL

STANDARD		SUMMARY OF MAIN PRINCIPLES	APPLICATION
INTERNAL AUDIT			
23	INTERNAL AUDIT	<ul style="list-style-type: none"> Entities in the scope under the management control of the Group must be subject to review by the Group Internal Audit Function 	All entities
24	WHISTLEBLOWING	<ul style="list-style-type: none"> Entities in the scope must have a documented whistle-blowing procedure 	All entities
RISK MANAGEMENT			
25	INTERNAL CONTROL	<ul style="list-style-type: none"> Entities in the scope must maintain an Internal Control system commensurate with the scale and nature of its operations 	Solvency II scope of Supervision
26	REGULATORY CODE OF CONDUCT	<ul style="list-style-type: none"> Entities in the scope must implement a formal process for reporting all material regulatory issues to Group Enterprise Risk Management 	Solvency II scope of Supervision
27	RISK MANAGEMENT – 2ND OPINION	<ul style="list-style-type: none"> A Risk Management 2nd opinion must be carried out for specified processes 	Solvency II scope of Supervision
28	RISK APPETITE FRAMEWORK	<ul style="list-style-type: none"> Entities in the scope must implement a documented Risk Appetite Framework consistent with Group Risk Appetite Framework guidelines 	Solvency II scope of Supervision
29	SOLVENCY II INTERNAL MODEL (STEC)	<ul style="list-style-type: none"> Entities in the scope must maintain a Model Change Policy, Validation Policy and Data Quality Policy 	Internal Model entities
30	SOLVENCY II POLICIES	<ul style="list-style-type: none"> Entities in the scope must maintain the written policies required by Solvency II and ensure consistency with Group Policies 	Solvency II scope of Supervision
COMPLIANCE RISKS			
31	ANTI-BRIBERY	<ul style="list-style-type: none"> Entities in the scope must have a documented anti-bribery programme 	All entities
32	ANTI-MONEY LAUNDERING	<ul style="list-style-type: none"> Entities in the scope must meet the Group's AML requirements, or the requirements of local applicable law where that law requires higher or additional obligations 	All regulated Life insurance, Bank & Asset Management entities
33	COMPLIANCE	<ul style="list-style-type: none"> Entities in the scope must establish policies, practices, monitoring and controls to ensure compliance with regulations in the jurisdictions they operate and conduct business Annual assessment of compliance risks must be conducted, including a mitigation plan 	All entities
34	CROSS-BORDER LIFE SALES	<ul style="list-style-type: none"> Restriction on sale of life insurance and savings product to persons whose primary legal residence is a country other than the originating entity's home market, without prior approval of AXA Shareholder Representative, Group Compliance and Group Tax 	All Life Re/insurance Regulated entities
35	DATA PRIVACY	<ul style="list-style-type: none"> Entities in the scope must meet the Group's Data Privacy requirements, and the requirements of local applicable law including where that law requires higher or additional obligations 	All entities
36	SANCTIONS	<ul style="list-style-type: none"> Entities in the scope must ensure they have written procedures in place to avoid any transaction or activity that may breach local, EU or international sanctions laws 	All entities



**GROUP &
BUSINESS
BOUNDARIES**

1. COMMUNICATION, BRAND & REPUTATION

APPLICATION

All entities

OVERALL OBJECTIVE

- To minimize the risk of disclosing inappropriate or proprietary, confidential, or any price-sensitive information and to be the source of credible, consistent information
- To ensure consistent and appropriate use of the AXA brand
- To escalate reputation risks

RULE

CEOs must ensure that:

1. Communication of material and sensitive information:

- Potentially price-sensitive information (which may affect the Group's share price and which may constitute inside information) must not be disclosed to the media selectively outside the Group orally or in writing. If there is any doubt as to whether information is price-sensitive, the advice of Group Investor Relations must be sought before it is disclosed.

2. Media Relations including social media:

- Only authorized and designated spokespersons speak to the media (off and online). This can include the CEO, Head of Communications/Media Relations, Executive Committee members and subject matter experts
- Information that could foreshadow the coming financial result must not be provided during "[Black-out Periods](#)"
- External requests including traditional (print, TV, audio) and online media (blogs, forums, conferences), important public speaking engagements, comments or interviews, must be referred to the local Head of Communications and Media Relations and Group (where applicable) before being addressed
- The above traditional media rules apply to social media, notably in terms of market sensitive information
- All official AXA social media corporate accounts must obtain "[Digital Permit](#)" approval
- Employees must not disclose proprietary or confidential information or undisclosed internal projects and initiatives

3. Brand:

- All entities using the AXA brand must comply with the AXA Brand Guidelines (Brand identity, brand architecture, advertising). These can be obtained by group brand team and also published on www.brandhub.com
- Entities must not register the AXA Brand. All registration of the AXA Brand must be handled by Group Legal
- All co-branding (i.e. Joint Ventures, business, partners, supply chain, sponsorships, etc.) with the AXA Brand and a third party must first be approved by the AXA Group Brand Department and AXA Group Legal
- Only authorized or designated persons and/or companies are to use the AXA Brand
- Only AXA logos, designed, validated and protected by Group Brand can be used
- All internet-facing (assets which exist online or are connected to the internet) digital assets (domain names, redirects, websites, social media, mobile and desktop apps) must obtain a “[**Digital Permit**](#)” approval from local business and security teams via the Group Digital Hub (<https://digitalhub.axa>) prior to launch

4. Reputation Risk:

- A reputation risk framework is documented by the local reputation risk manager to identify major reputation risks, considering all current and planned activities of the local entity. The most critical reputation risks must be reviewed at least semi-annually and continually monitored
- The resultant reputation risk register must be formally validated by the local risk-related committee and notified to Group

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation of Reputation risk bi-monthly report to Group Audit, Risk and Compliance Committee. Escalation from local entities to Group departments on the following items:

ITEM	CONTACT
Significant announcements (e.g. M&A, senior executive appointments, business ventures)	Group Media Relations
Reputation issues that could attract national to international negative sentiment; Reputation Risk reports	Group Reputation
Unauthorized or inappropriate use of the AXA Brand	Group Brand
Compromised social media platforms	Group Security
Rating agency, investor or financial analyst queries; inadvertent or deliberate disclosure of price sensitive information	Group Investor Relations

Local

- Reputation risks, reports and incidents must be escalated to Risk Committee
- Any reputational issue must be escalated to Professional Family Head / Reputation Risk as soon as practicable

RELATED STANDARDS

Investor Relations

OWNER

Group Communications & Brand

2. CORPORATE RESPONSIBILITY

APPLICATION

All entities

OVERALL OBJECTIVE

To ensure the Group complies with mandatory requirements and commitments, as well as to ensure that local entity Corporate Responsibility (“CR”) strategy is consistent with Group Corporate Responsibility strategy.

RULE

CEOs must ensure the following:

Entities comply with legal and voluntary commitments mentioned below related to CR, including restricted business and CR-related commitments

1. Prohibited Business:

Entity complies with legal and voluntary commitments related to restricted business. As a result, Group entities (including asset managers) must not knowingly do business with or invest General Accounts assets in companies involved in the following sectors:

	Investment Restrictions:	Insurance Restrictions:
Coal mining and coal-based energy production*	See note below	P&C Commercial Lines : Coal-related Construction and Property businesses
Oil sands production and oil sands-related pipelines*	See note below	P&C Commercial Lines: oil sands-related Construction and Property businesses.
Tobacco manufacturing	See note below	Any type of insurance covers (except for existing Employee Benefits business) for any type of company activity.
Arctic oil drilling	No restriction	All P&C Commercial Lines business
Palm oil production*	See note below	No restriction
Food (“soft”) commodities derivatives	See note below	Not applicable
Controversial weapons manufacturing*	See note below	Any type of controversial weapons-related P&C insurance covers
Other ad hoc names raising reputational issues*	See note below	Not applicable.

* Identified via the Group “Footprint committee”.

Note regarding CR-related investment restrictions:

- Investment restrictions apply on a company name basis. Exclusion lists are regularly updated and disseminated by the Financial Risk Management team. They are confidential and must not be communicated outside AXA.
- Equity investments are to be divested immediately
- Corporate Fixed Income (debt) assets are to be run off (no new investments), except in the case of controversial weapons, for which Fixed Income assets must also be divested immediately
- Restrictions apply to General Account assets, independently of the manager of the asset: AXA entity (direct investments), internal asset managers or external asset manager (mandates and dedicated funds)
- Investment restrictions do not apply to Index-based vehicles and open funds

Guidance on these exclusions is handled by Group Corporate Responsibility. See also: <https://www.axa.com/en/page/responsible-investment> for public statements about investment and underwriting restrictions.

2. Procurement:

Procurement contracts must include Corporate Responsibility clauses for activities considered as sensitive from a legal and/or reputation perspective.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Group Corporate Responsibility and Group Chief Risk Officer of any breach of the above requirements as soon as it becomes known.

Local

N / A

RELATED STANDARDS

N / A

OWNER

Group Corporate Responsibility

3. INVESTOR RELATIONS

APPLICATION

All entities

OVERALL OBJECTIVE

To comply with ongoing disclosure requirements applicable to a French listed company¹. To ensure that stock exchange rules are not breached.

RULE

CEOs must ensure that:

Any public communication of “Inside Information” must be approved in advance by the Group’s Investor Relations team (“IR”).

Inside information disclosure, and communication with external investor or analyst or a rating agency may **only** be conducted by an **“Authorized Spokesperson”** defined as:

- a. AXA Group Chief Executive Officer;
- b. AXA Group Deputy Chief Executive Officer and Chief Financial Officer;
- c. AXA’s IR team members; or
- d. Senior managers / employees who have received specific written authorization from Group Investor Relations to communicate on a particular subject

All media releases related to financial performance should be reviewed and approved in advance by the Group Investor Relations.

Local management must ensure that potentially price-sensitive information (which may affect the Group’s share price and which may constitute Inside Information) is not disclosed selectively outside the Group orally or in writing: if there is any doubt as to whether information is price-sensitive the advice of Group Investor Relations must be sought before it is disclosed.

Any instance of inadvertent or deliberate disclosure of price-sensitive information must be reported immediately to Group Investor Relations.

During **“Black-out Periods”** any discussions with analysts, investors and the press must be approved in advance by the Head of Investor Relations.

¹. Article 17. *marchés financiers* of the Market Abuse Regulation; Book II, Title II, Chapter III, Section 1 of the General Regulation of the Autorité des marchés financiers.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Group Investors Relations of any price-sensitive Information arising in the entity within 3 working days of it becoming known.

Local

N / A

RELATED STANDARDS

N / A

OWNER

Group Investor Relations

4. CORPORATE STRUCTURE AND CORPORATE GOVERNANCE

APPLICATION

All entities (except as otherwise specified in the Standard)

OVERALL OBJECTIVE

To ensure that a **complete and accurate list of Group entities** is established and reported to the Group General Counsel on a bi-annual basis.

Every Group entity is required to have a **properly constituted Corporate Governance framework** that provides appropriate and demonstrable oversight and control over its activities and has responsibility for ensuring compliance with legal and regulatory requirements, as well as AXA Group Standards.

RULE

1. Corporate Structure:

- a. The CEO of each holding company is required to ensure that a complete and accurate list of all entities in the group of such holding company is established and reported to the Group General Counsel on a bi-annual basis. For transversal businesses, the CEO of the top company (from an operating standpoint) will be responsible for such list, including any holding companies in the corporate chain or companies on the balance sheet of other Group entities.
- b. CEOs must ensure that Group approval is obtained prior to the establishment of any new legal vehicle (whether a subsidiary or a branch, excluding legal vehicles for investment purposes only) from corporatesimplification@axa.com. Certain supporting documents (business plan, set up costs, governance structure etc.) as well as including the recommendation of the relevant CEO/CFO, will be required as part of the application.
- c. Each CEO will be responsible for ensuring that the number of legal entities within his/her scope is reduced to as few as practicable.

2. Corporate Governance:

CEOs must ensure that:

Role of the Board of the Directors (“Board”)

Every Group entity¹ has a board of directors which must:

- Formally approve terms of reference that set out its role, responsibilities and the extent of any delegations to executives or committees, and which must be reviewed at least every 3 years. The obligation to have formal terms of reference approved by the Board only applies to the extent that the role and responsibilities of the Board and delegations to executives or committees are not already (i) dealt with in the by-laws and/or recalled in Board minutes of the relevant Group entity, and (ii) with a sufficient level of details for the purpose hereto.

1. Wholly owned, or partly owned and controlled (including through management) by the AXA Group.

In addition, the Board of each regulated² entity and major operating company must:

- Establish a suitable, rigorous internal process for the selection, appointment and reappointment of directors to meet appropriate standards of propriety, skill, experience and qualification³.
- Ensure that its members are (and remain) trained appropriately and kept up to date on all legal, technical, commercial and regulatory developments that are relevant to the company's activities.

Board composition

- Unless otherwise imposed by law, regulations, commercial agreement or local “soft law”, (i) Board and committee members should not include external independent members⁴ (i.e. a member who is neither an AXA employee nor an AXA Group executive), (ii) the number of directors on Boards should be kept to a minimum⁵ (should external independent members be required, the minimum number of Board members should reflect such requirements and (iii) in all cases where a Board includes external independent members, the number of AXA employees or AXA Group executives should constitute the majority of Board members).
- If a Board or committee is required to have one or more external independent directors, the prior approval of the Group General Counsel or his/her designee is required.
- The Board of each major operating and holding company is required to have at least one AXA Management Committee member or his/her designee. Each AXA Management Committee member will also designate a Board member for each entity within his/her scope.
- No Board or committee should include more than two management executives from the entity or its group over which oversight is being exercised, unless required by local law, regulations or “soft law”.
- Only external independent directors are to be paid fees in relation to Board and committee membership⁶. The remuneration of all external independent directors is to be benchmarked locally and approved by the Chair of the Board.
- Each Group entity is to be subject to the oversight of an audit committee as agreed with the Global Head of Internal Audit. The members of each audit committee must be approved by the Global Head of Internal Audit.

Reporting obligation

- External independent directors to be validated by the Group General Counsel or his/her designee.

ESCALATION

CEOs must ensure timely escalation, as set out below, and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Corporate Structure

Escalation to Audit, Risk & Compliance Committee and Professional Family Head

Corporate Governance

Escalation to Professional Family Head (Group General Counsel)

Local

Corporate Governance

Escalation to Board

RELATED STANDARDS

[Fit & Proper](#)

OWNER

Head of Capital Management / Group General Counsel (for Corporate Structure) and Group General Counsel (for Corporate Governance)

2. Companies under the supervision of supervisors/regulators/governmental authorities (such as but not limited to listed entities, insurance entities, reinsurance entities, credit institutions, asset management companies).

3. Regulated entities are required to comply with the Fit & Proper Standard.

4. Any current external independent directors not required by law, regulations or local “soft law”, should be retired as soon as reasonably practicable and, in any event, no later than at the end of their current mandate.

5. Where this is the statutory minimum, one additional member should be appointed to ensure continuity in the event of a resignation or other departure.

6. Unless otherwise required under local laws, no board fees should be paid to members of the Board who are employed by the AXA Group.

5. CAPITAL MANAGEMENT

APPLICATION

All entities

OVERALL OBJECTIVE

To optimize the use and pooling of capital for the Group.

RULE

CEOs must ensure that:

- a. Each entity must identify and document all applicable capital requirements and restrictions on the form and use of capital;
- b. Each entity must define and document a local target capital level consistent with the Group's target capital risk appetite framework and validate it with DCFG and GRM;
- c. Each entity must upstream any excess capital above such target level to the Group, subject to local regulatory or legal requirements; and
- d. Each entity must monitor and project its capital position such that any breach in local capital requirements and restrictions will be identified and notified to DCFG and GRM within two working days of it becoming known

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to DCFG and Solvency II Key Function Holders (GRM) for a breach of risk appetite and related recovery plan

Local

Escalation to Board and Risk Committee for a breach of risk appetite and related recovery plan

RELATED STANDARDS

[Risk Appetite Framework](#)

OWNER

Head of Capital Management

6. FINANCIAL & LEGAL COVENANTS AND LONG-TERM FINANCING, CREDIT FACILITIES AND GUARANTEES

APPLICATION

All entities except Long Term Financing, Credit Facilities And Guarantees requirements, not applicable to Bank, & Asset Management in relation to special purpose entities raising non-recourse debt

OVERALL OBJECTIVE

To control the amount of AXA Group consolidated external indebtedness and commitments, whether current or contingent, and ensure optimal execution of transactions.

To ensure that legal risk arising from financial and legal covenants remains limited to pre-agreed levels.

RULE

CEOs must ensure that:

1. Long Term Financing, Credit Facilities and Guarantees:

AXA entities within the scope of application must not seek or contract external (i.e. outside the Group) financing, credit facilities, letters of credit, or provide any external guarantees, without the advance formal approval of the Head of Group Treasury.

As an exception to the above, entities can establish external short-term (<1yr) facilities required to meet short term (<1yr) financing needs of an operational nature. A typical example would be a bank overdraft.

Any AXA entity seeking external short-term finance in excess of €10m (or its equivalent in another currency) must obtain approval from Group Treasury.

2. Financial & Legal Covenants:

Financing documentation entered into by Group entities must limit to the maximum extent possible any impact at Group level. To achieve this, entities should generally discuss their financing documentation with Group Legal and Group Treasury. In particular, the following must be discussed with, and where applicable receive formal advance approval from, Group Legal and Group Treasury:

- Rating triggers or financial covenants that trigger accelerated repayment of any debt must be formally approved in advance by Group Treasury
- Representations, undertakings and events of default that refer to any Group entity other than the borrower must be formally approved in advance by Group Legal
- The definition of material adverse change should be as narrow as possible (limited to financial condition of the Group and affecting the payment obligations of the borrower only) and given only on the date of the agreement (no repeating representation and no event of default). Any derogation from this principle requires prior approval from Group Legal

- Clauses related to disposal of assets and corporate actions are subject to prior approval of Group Legal
- Events of default must be restricted to the minimum possible so as not to trigger an event of default and subsequent cross default under Group documentation
- Materiality qualifiers, and monetary thresholds agreed with Group Legal and Group Treasury, must be included in representations, undertakings and events of default wherever possible
- Negative pledge provisions must be standardized at the entity level and in line with the proforma Group negative pledge clause
- Cross default clauses are to be avoided, and cross-acceleration preferred, and the threshold for cross payment default should be consistent across an entity's financing
- Insolvency events must be limited to exclude restructuring and renegotiation of debt
- Triggers that are not within the control of AXA such as change of control, illegality event, tax event, increased costs and regulatory change must be strictly limited. These triggers should result in early repayment and not an event of default, to avoid triggering an event of default and subsequent cross default under Group documentation
- Set off must be limited to debt that is due and payable and related
- Bank accounts set off provisions must be validated by Group Treasury

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Escalation to Group Treasury and Group General Counsel.

RELATED STANDARDS

N/A

OWNER

Head of Group Treasury

7. FOREIGN EXCHANGE & INTEREST RATE MANAGEMENT

APPLICATION

All entities

OVERALL OBJECTIVE

To minimize the impact of Foreign Exchange (“**FX**”) and Interest Rate (“**IR**”) volatility on the consolidated Group main indicators.

RULE

CEOs must ensure that:

Entities within the scope of application must not take any IR / FX position apart from those which arise in the context of the management of their insurance assets and liabilities.

As a general rule, operational entities’ IR / FX risks arising from ALM activities in connection with their insurance activities are out of scope and addressed though a dedicated Solvency II [Group Asset Liability Management Policy](#).

More specifically, and in all cases unless agreed with Group Treasury:

- Local entities are responsible for their contribution to consolidated underlying earnings in their reported accounting currency in Magnitude. Entities shall not hedge their earnings into another currency than the one in which they are reported
- Participations held in a foreign currency are not to be hedged by local entities
- Non-Regulated entities shall hedge their FX exposures not related to earnings back in their reported accounting currency in Magnitude with the support of DCFG
- Interest rates risk arising from intragroup transactions involving with profit policyholder funds shall be discussed with DCFG on a case by case basis

Exceptions must be validated by Group Treasury.

ESCALATION

N/A

RELATED STANDARDS

N/A

OWNER

Head of Group Corporate Finance Department (“**DCFG**”)

8. USE OF DERIVATIVES

APPLICATION

All entities, except Algeria, AXA Africa Specialty Risks, Azerbaijan, Cameroon, Egypt, Gabon, Ivory Coast, Jordan, Lebanon, Nigeria, Senegal, Tunisia, Ukraine, Vietnam for rule b), but including internal service providers who use derivatives.

This standard does not apply to:

- Intra-group derivative transactions,
- Derivative transactions within funds managed by third party (non-AXA) asset managers,
- Derivative transactions within staff pension funds when their specific governance does not allow the rules to be enforced. However, the rules should be applied on a best effort basis.
- Insurance derivatives

OVERALL OBJECTIVE

To limit counterparty and operational risks arising from the use of derivatives.

RULE

CEOs must ensure that:

- a. Entities shall only enter into Over-The-Counter (OTC) derivatives transactions with counterparties that have been prior approved by Group CRO, or where applicable, by local committees under delegation of the Group CRO;
- b. All entities shall use one of the four authorized Group expertise centres: AXA Investment Managers, Alliance Bernstein, AXA Bank Belgium, AXA S.A., for all their derivatives transactions (including but not limited to OTC derivatives), unless they have received prior approval from Group CRO; and
- c. Any entity needing to add a new counterparty for OTC derivatives transactions to the list maintained by Head of Financial Risk Management / GRM, shall make a documented request to GRM and wait for validation, as the case may be, prior to implementing any transaction with this counterparty

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to GRM /FRM of any breach, or any request for addition of a counterparty as soon as it becomes known, and presented to the Group Credit Risk Committee (GCRC)

Escalation to GCRC (cf. supra)

Local

Escalation to Risk Committee and Professional Family Head

RELATED STANDARDS

N / A

OWNER

Head of Financial Risk Management

9. EXTERNAL AUDITORS

APPLICATION

All entities

OVERALL OBJECTIVE

To ensure that the relationship with external auditors (for both audit and non-audit services) fully complies with regulation, and in particular that there is no breach of independence.

RULE

CEOs must ensure that:

- Any proposed change of external auditors must be notified to Group Planning, Budgets, Results Central (“PBRC”) for prior-approval before the proposal is presented to the local Board or Audit Committee for approval; PBRC must also be informed before any RFP for external audit mandates is initiated
- Any provision of non-audit services by PWC and/or Mazars and any other audit firms must comply with the [AXA Group Policy on Auditor Independence and the Provision of Non-Audit Services](#).

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Group Planning, Budgets, Results Central

Local

N/A

RELATED STANDARDS

N/A

OWNER

Group Planning, Budgets, Results Central

10. RESTRICTED SECURITIES

APPLICATION

Not applicable to third party assets managed by the Group, including unit-linked funds

OVERALL OBJECTIVE

To manage in a consistent manner certain listed and unlisted securities designated as “restricted” due to contractual, investment, business, strategic relationship or other reasons (the “**Restricted Securities**”) including derivatives where the underlying asset is, or refers to, a Restricted Security.

RULE

CEOs must ensure that:

AXA entities must follow the Group Treasury instructions when dealing with the Restricted Securities.

Restricted Securities (other than third party assets) must not be held in with-profit funds and must be held in registered form.

1. Trading:

AXA entities are requested to delegate to AXA S.A. the power to execute the sale and purchase of Restricted Securities for their account if necessary, in the ordinary course of business.

2. Voting and other Corporate Actions:

Unless regulatory and/or corporate constraints apply and have been discussed with Group Treasury, Restricted Securities must be voted in accordance with recommendations of Group Treasury or, if no recommendation has been issued, with recommendations of the relevant issuer’s management.

Unless regulatory and/or corporate constraints apply and have been discussed with Group Treasury, all AXA entities must follow the Group’s position relating to any rights issues, dividend payments in shares and any other corporate actions, including voting rights.

For more information, see “[Procedure for reporting, trading, voting and any other corporate actions – AXA Group Restricted Securities](#)”.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Escalation to DCFG and Group General Counsel

RELATED STANDARDS

N / A

OWNER

Head of Group Treasury



SECURITY 11. SECURITY

APPLICATION

All entities

OVERALL OBJECTIVE

To protect our employees, customers, and shareholders by ensuring the security and safety of AXA assets (including but not limited to personnel, information/data and physical assets) managed either directly by AXA or by a third-party on its behalf. To this end, instructions are regularly established and published by AXA Group Security (stored in [Group Security repository](#) on ONE).

RULE

AXA assets must be secured in compliance with this Standard and other complementary Standards.

CEOs must ensure that:

- Their entity has functions responsible for Information Security, Physical Security, Operational Resilience, and Health & Safety
- The relevant funding and resources for security activities are allocated to enable achievement of the security targets as set by Group Security. Investment in the security activities and controls must be reviewed and approved by Group Security
- Their entity assures the effectiveness of its security activities and controls at least on annual basis

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee, Professional Family Head and Solvency II Key Function Holders

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head, Solvency II Key Function Holders and 3rd Parties with access to AXA systems & data

RELATED STANDARDS

[Data Privacy](#)

OWNER

Group Security



12. PORTFOLIO AND PROJECT GOVERNANCE

APPLICATION

All entities

OVERALL OBJECTIVE

To ensure our projects Investments are aligned with Group Strategy and to ensure a successful execution of these investments.

RULE

CEOs must ensure the following:

1. Project Portfolio:

To secure strategic alignment, all entities must consolidate a list of projects planned or in flight and share it with the Strategic Programs team to allow dialogue between entities and Corporate Centre.

The scope of this rule covers all programs and projects including investments in business, IT and real estate as well as, restructurings, reorganizations and post-merger integrations.

2. Strategic Program:

To secure strategic alignment and delivery, critical programs, identified in the Project Portfolio with significant impact on FTEs, costs and risks and agreed between Group and entities, must follow the Strategic Programs governance which focuses on strategic alignment criteria, sustainability of the business case, delivery capabilities, team skills, organization as well as external support.

3. Strategic Program – Governance details:

The Strategic Program process requires two major sessions in program decisioning:

- Strategic Session is to authorize and to secure strategic rationale and alignment, local Executive involvement, business team dedication and business value.
- Execution Session is to focus on delivery capabilities, team skills, organization and external support.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Strategic Programs Committee

Escalation to Management Committee for Group top strategic projects

Escalation to Audit, Risk & Compliance Committee for Strategic Program with significant operational risks

Escalation to Professional Family Heads for Project related to Professional Family

Local

Escalation to other local committee: the required project delivery status report for each Strategic Programs must be submitted to the Strategic Programs team at Group level

RELATED STANDARDS

N / A

OWNER

Head of Strategic Programs

13. EMPLOYEE BENEFITS

APPLICATION

All entities

OVERALL OBJECTIVE

To control and limit financial impacts and associated risks of our employee benefits plans (pension, protection).

RULE

CEOs must ensure that:

The following are submitted to the Group Benefits Committee for approval prior to implementation:

- a. Any change on existing pension plans (defined benefits, defined contributions) or protection plans (medical, life & disability) having a critical impact on Group financial positions. Critical impact means an IFRS P&L loss greater or equal to EUR 10M in one-off (pre-tax) or EUR 5M in recurring (pre-tax); and
- b. The introduction of any new pension plan (defined benefits, defined contributions) or merger of existing plans

Any specific individual pension arrangement with a gross annual pension contribution higher or equal to EUR 100K must be reviewed and prior approved by the Group Human Resources Director.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Professional Family Head and Group Benefits Committee for decision (key participants: Group HRD (chair), General Secretary, Group CFO, and Group CRO)

Local

N / A

RELATED STANDARDS

N / A

OWNER

Group Compensation and Benefits

14. FIT AND PROPER

APPLICATION

All Re/insurance Regulated entities

OVERALL OBJECTIVE

To ensure that an appropriate and demonstrable process is in place at each Regulated entity **to establish the skill, experience, qualifications and propriety of key function holders.**

RULE

Prior to the approval of the appointment of the holders of the following key functions:

- Chief Executive Officer (and, where relevant, Deputy Chief Executive Officer)¹
- Chief Financial Officer
- Chief Risk Officer
- Chief Compliance Officer
- Head of Internal Audit
- Actuarial Function Holder (for applicable insurance entities)

Each entity Board² is required to ensure that:

- Key function holders have relevant professional qualifications, knowledge and experience to carry out their role appropriately - the fit requirement
- There are no unresolved doubts as to key function holders' repute or integrity – the proper requirement
- An appropriate and documented assessment of the above is carried out annually by HR for each key function holder, including reviewing all professional qualifications

This Standard should be read in conjunction with the [Group Fit & Proper Policy](#).

Any information that could bring into question the fitness and/or propriety of an existing key function holder must be reported to the Group General Counsel within 3 working days.

1. Including any staff regardless of title designated as being responsible for "running the company" under Solvency II regulation.
2. This authority may be delegated for administrative reasons if formally approved by the Board

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Professional Family Head (Group General Counsel) and Solvency II Key Function Holders

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head and Solvency II Key Function Holders

RELATED STANDARDS

N/A

OWNER

Group General Counsel

15. REMUNERATION

APPLICATION

All Group Insurance entities as per the Group Solvency II Remuneration Policy

OVERALL OBJECTIVE

To be compliant with the Solvency II regulations while aligning interest of AXA employees and other stakeholders by establishing a clear link between performance and remuneration and by ensuring that the AXA Group can offer competitive compensation arrangements and avoiding potential conflict of interest.

RULE

CEOs must ensure that:

- The [Group Solvency II Remuneration Policy](#) applies to all AXA Group companies and their employees. It defines the minimum standards to which all Group companies must adhere. The requirements set out in this Policy may be supplemented to comply with local regulatory requirements or best practices in a documented local remuneration policy.
- Guaranteed variable remuneration is not permitted unless it is exceptional, occurs in the context of hiring new staff and for a maximum of one year.
- Welcome bonuses are not permitted with the exception of buy-out of forfeited variable and/or deferred remuneration, which must be comparable in amount, structure, method of delivery or terms to the forfeited remuneration. The buy-out must include appropriate retention and/or deferral periods and performance conditions.
- Retention awards are not permitted unless exceptional circumstances and if subject to appropriate deferral periods and/or performance conditions
- Any awards derogation with respect to all of the above-mentioned awards must be:
 - Pre-approved in writing by the CEO;
 - If exceeding individually or collectively EUR 100K, validated by the Group Head of Compensation & Benefits;
 - Approved where required by the relevant regulator.
- STIC¹ payout must not be guaranteed and amounts must be capped at 200% of the individual target amount
- Payments relating to the termination of an employment contract must take into consideration the performance achieved over the entire period of activity and be designed in a way that does not reward failure or misconduct. Termination payments must not be guaranteed beyond local legal requirements

¹ As a matter of clarification, trade commissions paid to salaried sales force are not defined according to an individual target amount

- The individual remuneration of all (Group and Entity/Business Unit) Heads of Key Control Functions (being Risk Management, Compliance, Internal Audit and Actuarial) must respect the following two principles:
 - The STIC payout is determined by using the assessment of the respective individual target letters only and the job holders will remain independent from the Entity/Business Unit performance which they supervise;
 - The performance score which determines the Performance Shares individual pay-out is based on Group Performance only.
- Additionally, all Material Risk² entities need to apply the provisions from the Group Remuneration Policy for “Identified Staff”

ESCALATION

N / A

RELATED STANDARDS

[Employee Benefits](#)

OWNER

Group Compensation & Benefits

2. Material risk entities are defined annually by Group Risk Management

16. HEALTH

APPLICATION

All Re/insurance Regulated entities except List of specific INM entities for 1.d) and 3.a) and b). The Standard is to be applied whether the Regulated entity is a Life entity or a GI/P&C entity.

OVERALL OBJECTIVE

To protect AXA against different types of risks such as legal, financial, biometric, medical, behavioural, reputational and operational while ensuring a profitable and sustainable growth of the business.

CEOs must ensure that:

RULE

1. Claims:

- a. Claims delegation is subject to a defined process and it must be compliant with the entity's outsourcing policy and validated by the outsourcing committee; More details are available in the LS&H Group Claims Outsourcing guidelines;
- b. When medical selection is originally performed, claims occurring within 12 months of inception of the policy (early claims) must be reviewed with focus on both the quality of underwriting and claims decisions. This also applies where claims decisions are outsourced or delegated outside the entity;
- c. Local Claims policy must detail the process to identify and address Fraud, Waste and Abuse;
- d. Where claims processing is outsourced it must comply with the AXA standards and Group Solvency II policies. All detailed data relating to the claim must be transferred to AXA;
- e. At least once a year a Closed File Review must be performed in accordance with [Group Guidelines – Healthcare Closed Files Review Methodology](#) to identify levels of hard and soft leakage, including the creation and plans to implement correcting actions;
- f. All open litigated claims (internal or outsourced) must be reviewed at least quarterly by a qualified internal resource; and
- g. All the sensitive opened claims (internal and outsourced, including those which may be sensitive from a reputation point of view either for AXA or the customer) must be reviewed and assessed at least quarterly by a qualified internal resource. The detailed definition of what is a sensitive claim is assessed and documented at local level.

NB:

- *Regarding item d), detailed data designates database-type data (i.e. client number, age, gender, year of occurrence, year of payment, pathology when legally possible, benefit (hospitalization, optical, dental, ...), claim's real cost vs. claim paid by AXA, currency, ...). Paper files are not required*
- *Regarding item g), sensitive Claims designate any claim conditions of which would make claims significant to the Entities through their sensitive nature (for example: where a class action is possible, for significant serial claims or risks of accumulation of claims, where entities elsewhere in the Group are affected, where the press are likely to be involved, etc.)*

2. Procurement:

Where the local regulatory framework and product terms allow, **CEOs must ensure that** any members of the defined healthcare provider network(s) have:

- a. Written contractual agreements in place;
- b. Indemnity insurance against medical malpractice; and
- c. All locally required qualifications to practice in the particular field of speciality

3. Underwriting:

- a. The Life ECR acceptability rule which aims at ensuring adequate capital remuneration must be respected;
- b. All lapse-supported products being launched / redesigned / repriced must be submitted to GRM for approval; and
- c. All tenders entailing Health coverages must respect the Group referral threshold detailed in the [Group Underwriting and Reserving Solvency II Health policy](#).

4. International Business

- a. For all Health businesses, an entity cannot underwrite business located overseas unless agreed with the Group Insurance Office and Group Risk Management beforehand. The approval will specify the conditions under which the entity can operate

Notes:

- *ECR: Economic Combined Ratio*
- *Lapse-supported product: A product where NBV (New Business Value) at time of launch becomes negative under the assumption that (i) no policyholder will lapse the product, and ii) no management action to address the lack of lapses will be implemented. The expression “Management action” shall be understood as per the Internal Model definition.*

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Group Insurance and Group Risk Management

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head and Solvency II Key Function Holders

RELATED STANDARDS

N/A

OWNER

Group Insurance Office and Group Risk Management

17. LIFE, SAVINGS, PROTECTION

APPLICATION

All Re/insurance Regulated entities except List of specific INM entities for 3.a)

OVERALL OBJECTIVE

To protect AXA against different types of risks such as legal, financial, biometric, medical, behavioural, reputational and operational while ensuring a profitable and sustainable growth of the business.

RULE

1. Unit-Linked products:

The Architas Sign Off Committee must approve any new unit-linked funds/structured products before launch or any structural modification for Individual business.

Note:

- "Structured products" are defined as all unit-linked products and components of hybrid products where the client account value and/or pay-off at maturity or during the life of the policy (e.g. at policy anniversary) is univocally linked with a formula to the performance of underlying indexes or baskets. A complete definition and scope of application is provided within the "Structured Products Risk Pack" as part of the Group Underwriting and Reserving Solvency II Life, Savings & Health policy.

2. Claims:

CEOs must ensure that:

- a. Claims delegation is subject to a defined process and it must be compliant with the entity's outsourcing policy and validated by the outsourcing committee; More details are available in the LS&H Group claims Outsourcing guidelines;
- b. For Protection individual business, claims occurring within 5 years of inception of the policy (early claims) must be fully investigated, including a retrospective underwriting process. This also applies where claims decisions are outsourced or delegated outside the entity;
- c. Local Claims policy must detail the process to identify and address Fraud, Waste and Abuse;
- d. Where claims processing is outsourced it must comply with AXA standards and Group Solvency II policies. All detailed data relating to the claim must be transferred to AXA;
- e. All open litigated claims (internal or outsourced) must be reviewed at least quarterly by a qualified internal resource; and
- f. All the sensitive opened claims (internal and outsourced, including those which may be sensitive from a reputation point of view either for AXA or the customer) must be reviewed and assessed at least quarterly by a qualified internal resource. The detailed definition of what is a sensitive claim is assessed and documented at local level.

Notes:

- Regarding item d), detailed data designates database-type data (i.e. client number, age, gender, year of occurrence, year of payment, pathology when legally possible / cause of death, benefit (lump sum / annuity), claim paid by AXA, currency, ...). Paper files are not required
- Regarding item f), sensitive Claims designate any claim conditions of which would make claims significant to the entities through their sensitive nature (for example: where a class action is possible, for significant serial claims or risks of accumulation of claims, where entities elsewhere in the Group are affected, where the press are likely to be involved, etc.)

3. Underwriting:

CEOs must ensure that:

- a. The Life ECR acceptability rule which aims at ensuring adequate capital remuneration must be respected;
- b. All Variable Annuity, Long Term Care and all lapse-supported products being launched / redesigned / repriced must be prior approved in writing by Group Risk Management;
- c. With respect to Financial Underwriting and Financial evidence limits, entities must abide by the maximum benefit levels in accordance with their level of maturity and market practice;
- d. With respect to Medical Underwriting, entities must set their Non-Evidence Medical (NML) limits in accordance with their level of maturity and market practice, which must be validated by the Group Chief Underwriter;
- e. For Medical underwriting ratings, entities must ensure that they do not accept medical ratings at higher levels than the maximum levels set out in the [AXA Group Underwriting Guidelines](#); and
- f. All tenders entailing Protection coverages respect the Group referral threshold detailed in the [Group Underwriting and Reserving Solvency II Life & Savings policy](#).

4. International Business

- a. For all Life & Savings businesses, an entity cannot underwrite business located overseas unless agreed with the Group Insurance Office and Group Risk Management beforehand. The approval will specify the conditions under which the entity can operate

Notes:

- *ECR: Economic Combined Ratio*
- *Lapse-supported product: A product where NBV (New Business Value) at time of launch becomes negative under the assumption that (i) no policyholder will lapse the product, and ii) no management action to address the lack of lapses will be implemented. The expression “Management action” shall be understood as per the Internal Model definition.*

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Group Insurance and Group Risk Management

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head and Solvency II Key Function Holders

RELATED STANDARDS

N / A

OWNER

Group Insurance Office and Group Risk Management

18. PROPERTY & CASUALTY

APPLICATION

All Re/insurance Regulated entities

This standard applies to direct and assumed facultative business

OVERALL OBJECTIVE

To ensure that each entity's boundaries to manage P&C insurance activities, Claims handling and underwriting, are clearly defined.

RULE

CEOs must ensure that:

1. Claims:

P&C Claims Yearly Review

All the following opened claims (internal and outsourced) must be reviewed and assessed at least once a year by a claims qualified resource:

- bodily injury claims
- litigated claims
- any claims (including claims with file by file reserve gross of recovery and reinsurance higher than €20K)
- sensitive claims including those which may be sensitive from a reputation point of view either for AXA or the customer

Definitions:

- '**Sensitive Claim**' is any claim conditions of which would make claims significant to the entities through their sensitive nature (for example: where a class action is possible, for significant serial claims or risks of accumulation of claims, where entities elsewhere in the Group are affected, where the press are likely to be involved, for alleged bad faith claims , etc.). The detailed definition of what is a sensitive claim is assessed and documented at a local level.
- '**Litigated Claim**' is any claim where a lawsuit has been filed with a Court, Tribunal or similar judicial body, regardless of which party has commenced the legal proceedings on behalf of AXA of its insured

Claims Insurance Delegation

- a. For 100%-by-AXA insured business or for co-insured business where AXA is the leader, claims delegations to external providers is forbidden as soon as claims become litigated;
- b. For 100%-by-AXA insured business or for co-insured business where AXA is the leader, claims delegations to external providers is forbidden for the claims' bodily injury element, except if all of the five requirements below are fulfilled:
 - the provider has appropriate skills (bodily injury claims handling exists since more than five years and AXA number of bodily injury claims represent less than 50% of the total number of bodily injury claims) and tools (including data privacy) compliant with the Group Underwriting and Reserving Solvency II P&C policy to manage these specific claims

- the evolution (movement and payment) for all claims with reserve gross of recovery and reinsurance > €20K is validated by the AXA entity before the formal operation
 - file by file claims with cost (payment + reserve gross of recovery and reinsurance) > €100K are handled by the entity (and no longer under delegation)
 - the outsourcing contract does not exceed 3 years
 - the total reserve transferred for all the outsourced contracts does not exceed 10% of the total amount of reserves of the entity
- c. Other than a. and b. claims activities can be delegated only if:
- they are compliant with the Group Solvency II policies in particular the Group P&C Underwriting and Reserving, Group Data Privacy, and Group Outsourcing policies
 - they are subject to a defined process and a prior validation from the entity Management Committee

The Group P&C Claims Outsourcing guidelines provides more details to assist in securing delegated claims.

2. Underwriting:

Underwriting limits

- For each line of business, each risk underwritten by the entity is within its AXA share's Gross of all reinsurance type Underwriting Limits (GUL) as communicated to entities by Group Chief Risk Officer and in accordance with the Group Underwriting Authority framework described in the Group P&C Underwriting and Reserving Solvency II policy
- For risks above the entity GUL, the Group approval is required prior to underwriting. For avoidance of doubt, a GUL set at 0 or nil doesn't imply the entity cannot underwrite the risk but that the Group approval is required prior to underwriting

Group Exclusions

- None of the risks specified in "[Group P&C Underwriting Exclusion List](#)" can be underwritten by the entity except if the insurance for this nature of guaranty is compulsory by law. In that case, each entity must annually send its list of Group excluded risks compulsory-by-law to Group Insurance Office and Group Risk Management

International Business

- For all P&C businesses, an entity cannot underwrite business located overseas (i.e. outside its domestic market) unless it receives a dedicated "International Underwriting Guidelines" letter from the Group Chief Risk Officer beforehand. This letter specifies the conditions under which the entity can operate

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee, Professional Family Head and Solvency II Key Function Holder

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head and Solvency II Key Function Holder

RELATED STANDARDS

N / A

OWNER

Group Insurance Office and Group Risk Management

19. REINSURANCE

APPLICATION

All Re/insurance Regulated entities

OVERALL OBJECTIVE

To optimize the benefit of capital diversification and reinsurance retention at Group level and to limit credit risks in reinsurance within the AXA Group.

RULE

1. For all entities except AXA Global Re:

- a. All new or renewed reinsurance treaties across all lines of business must be ceded to AXA Global Re except:
 - Insurance and Reinsurance markets pools
 - If prohibited for regulatory requirements
 - Internal treaties between AXA entities
 - Specific client reinsurance treaties as determined by the Group In-force Coordination CommitteeThis covers Life & Health CAT and Life & Health per Head business and all P&C business.

Taking Group Insurance Office & Group Risk Management's opinion into account, AXA Global Re may decide not to intermediate a reinsurance treaty cession

- b. All external-to-AXA reinsurance cessions must be ceded to an external-to-AXA Group company within the "Security List ([Treaty](#) and [Facultative](#))" in accordance with limits specified therein. This includes in particular retrocession to a subsidiary of a named insured, named re-insurance captive, Insurance and Reinsurance markets pool treaties, treaties not ceded to AXA Global Re for regulatory requirement, other Life and Health treaties than Life and Health CAT and Life and Health per Head business ones

2. For AXA Global Re :

- a. All the reinsurance cessions must be ceded to an external-to-AXA Group company within the Security List in accordance with limits specified in "Security List ([Treaty](#) and [Facultative](#))".

3. For all entities, formal approval from the Security Committee must be obtained before placement for:

- Any cession to a reinsurer included in the Security List in excess of its allowed limit
- Any cession to a reinsurer not included in the Security List

ESCALATION

N/A

RELATED STANDARDS

N/A

OWNER

Group Insurance Office and GRM

20. M&A AND GREENFIELD OPERATIONS

APPLICATION

All entities

OVERALL OBJECTIVE

To ensure that:

- All M&A Transactions and launches of Greenfield Operations are validated at Group level by the Heads of Group M&A and Group Corporate Development
- Clear responsibility is assigned for the execution of M&A Transactions and for the delivery of the associated business plans
- Risks taken in the context of M&A Transactions are controlled

RULE

CEOs must ensure that:

- No entity may initiate or conduct an M&A Transaction, nor start a Greenfield Operation (in both cases as defined below), without the prior authorization of the Heads of Group M&A and Group Corporate Development unless under specific delegation thresholds determined in the [Quickscreen process](#).
- A Quickscreen must be prepared and validated to support the decision to initiate or not an M&A Transaction every time requested under the [Quickscreen process](#).
- All M&A Transactions are conducted by Group (DCFG/DJC) unless expressly delegated in the Quickscreen document to a local team
- The formal sign-off of the Market CEO and/or CEO of the relevant local entity must be obtained before the final, binding transaction documentation is signed
- All M&A Transactions and Greenfield Operations must be made on the basis of a business plan enabling the relevant AXA entity to deliver a return in excess of Group's IRR Expectations. Performance of the business plan must be tested by the Market CEO and/or CEO of the relevant local entity, and reported to Head of Group M&A, within 6 months of the first and third anniversaries of the acquisition
- All M&A Transactions must comply with the Group M&A Guidelines

1. Scope of the Standard and definitions:

- “**M&A Transactions**” comprise all transactions with third parties that (a) involve a capital investment to acquire a company, portfolio or access to distribution or (b) aim at divesting a legal entity or a portfolio. They can take the form of share deals, portfolio or asset transfers, joint ventures and reinsurance transactions with full economic transfer and distribution agreements with upfront payments. Note that distribution agreements entered into in the ordinary course of business and with upfront payments representing less than 2% of the entity’s statutory earnings are not considered as M&A Transactions for the purpose of this standard

- “**Greenfield Operations**” correspond to either (i) the start of any activity by an entity in a country where the Group does not operate or in a different country from that of the entity; or (ii) the start of any activity by an entity in the country in which it operates which is expected to require in excess of €20m of capital before being able to self-finance
- “**Group’s IRR expectations**” are levels of returns, calculated on a yearly basis by DCFG that the Group expects its entities to meet

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Head of Group M&A for any breach of Group M&A Standard

Local

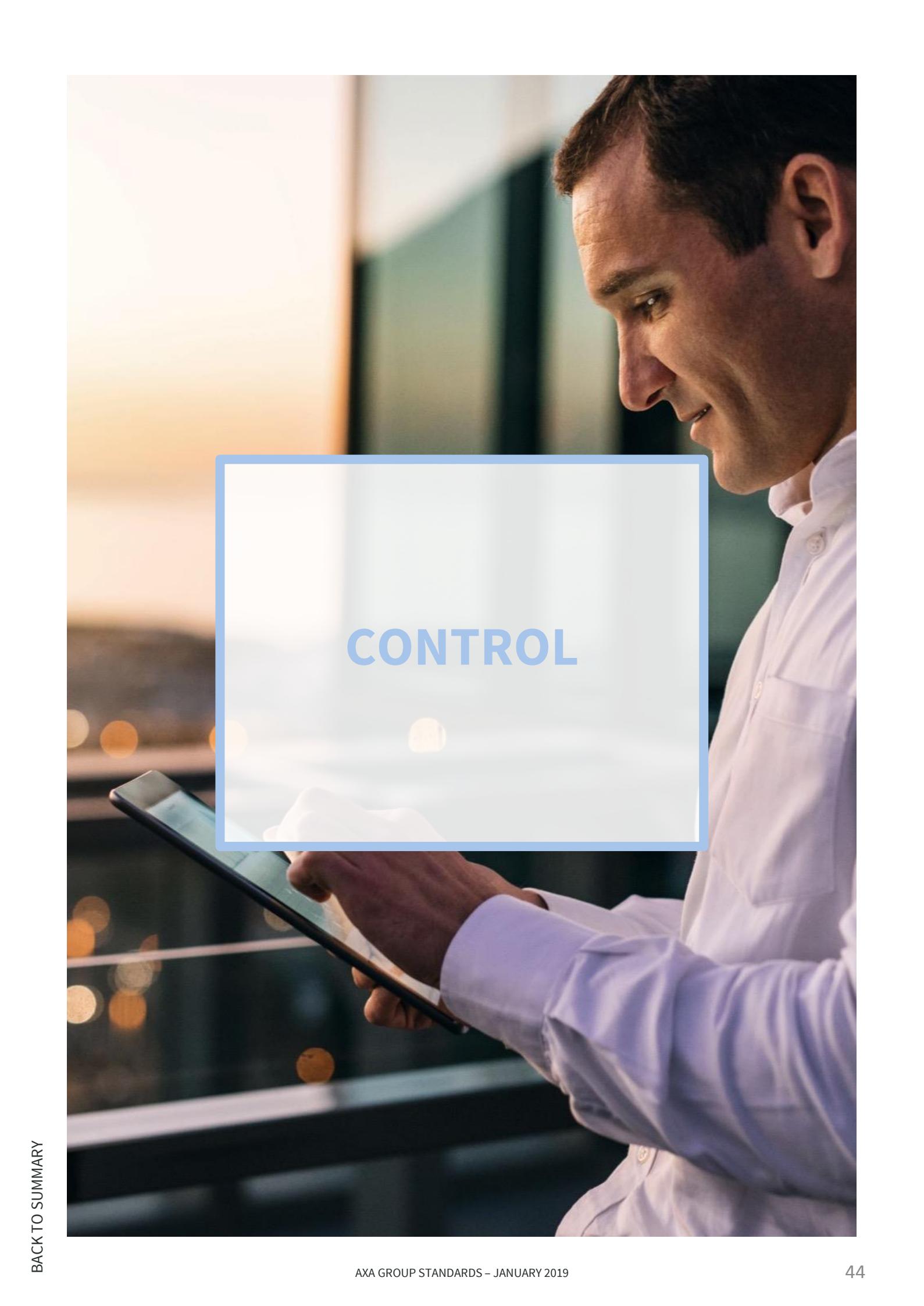
N/A

RELATED STANDARDS

N/A

OWNER

Head of Group M&A



CONTROL

21. SOLVENCY II KEY FUNCTIONS

APPLICATION

Solvency II scope of Supervision with specific application for AFH¹

OVERALL OBJECTIVE

To comply with Solvency II requirements on the Key Functions, while establishing a proper system of governance.

RULE

CEOs must ensure that the following Key Functions are implemented:

- Risk Management Function
- Compliance Function
- Internal Audit Function
- Actuarial Function

CEOs must ensure that the persons in charge of Key Functions:

- Cannot be appointed nor removed without Group Solvency II Key Function Holders' approval
- Are able to fulfil their responsibilities objectively, fairly and independently
- Have unrestricted access to all staff, systems and information needed to perform their roles

The objectives, target assessment and remuneration of Key Function Holders must be approved by the respective Group Function Holders (in line with the [Group Solvency II Remuneration Policy](#)).

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee and Solvency II Key Function Holders

Local

Escalation to Board, Excom/Management Committee and Risk Committee

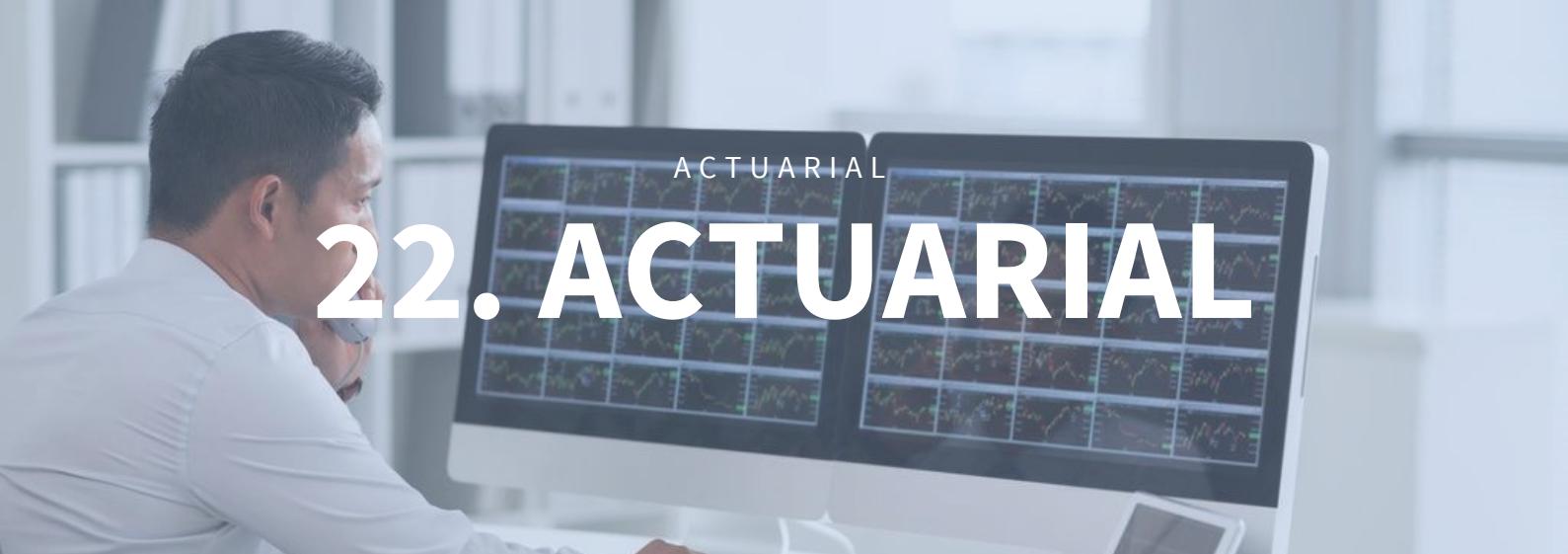
RELATED STANDARDS

[Fit & Proper](#)
[Remuneration](#)

OWNER

Group Risk Management

1. See [Actuarial Standard](#)



22. ACTUARIAL

APPLICATION

All Re/insurance Regulated Entities¹

OVERALL OBJECTIVE

To ensure that a consistent framework is in place throughout the Group for issuing local opinions and contributing to Group opinion on (i) the underwriting policy; (ii) the reliability and adequacy of the calculation of technical provisions²; and (iii) the adequacy of reinsurance arrangements.

RULE

1. Key responsibilities of the local Actuarial Function Holder include the following:

- Produce an annual actuarial Function report in accordance with the items described in the [Group Actuarial Framework](#)
- Present the annual actuarial report to the Executive Committee (or equivalent), and to the Board of Directors, if required by local regulation
- Alert the Executive Committee (or equivalent) and the Board of Directors on any major deficiency in relation to their area of responsibility
- Promptly report to the Group AFH any major problem regarding local actuarial Function responsibilities as defined in the Group Actuarial Framework

2. Reporting

- The Actuarial Function Report must be sent to the Group AFH in line with instructions issued each year by the Group Actuarial Function

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee and Solvency II Key Function Holder

Local

Escalation to Board and Excom/Management Committee

RELATED STANDARDS

N / A

OWNER

Group Actuarial Function Holder

1. All insurance entities in the European Economic Area (EEA) and insurance entities outside the EEA that are within the scope of the Group Internal Model (STEC) or have gross P&C EAXA reserves (including annuities) greater than €400m or Life statutory reserves greater than €400m. For non-EEA Composite Entities that are out of the scope of the Approved Internal Model, the scope includes only the Life or the P&C reserves exceeding the thresholds above
2. Solvency II technical provisions (BEL+MVM). For non EEA entities out of Group Internal Model's scope, it refers to EAXA (P&C) or Statutory Reserves (Life & Health)

23. INTERNAL AUDIT

APPLICATION

All entities

OVERALL OBJECTIVE

To ensure that the adequacy and effectiveness of the Internal Control system and other elements of the system of governance are independently assessed and reported.

RULE

All entities under the management control of the AXA Group must be subject to review by the AXA Group Internal Audit Function

- a. The CEO must ensure that all entities and activities under their control are subject to Internal Audit by the AXA Internal Audit Function and must advise the Group Head of Internal Audit of any instances where this is not the case as soon as it becomes known; and
- b. To maintain Internal Audit's independence and objectivity, the CEO must ensure that the Internal Audit Function is:
 - I. Not required to perform any activities outside the scope set out in the [AXA Internal Audit Instruction Manual](#); and
 - II. Not subject to influence or direction from the CEO or local management that could be seen to impair its operational independence and impartiality

ESCALATION

N/A

RELATED STANDARDS

N/A

OWNER

Group Internal Audit

24. WHISTLEBLOWING

APPLICATION

All entities

OVERALL OBJECTIVE

To ensure that whistleblowing is dealt with, reported and investigated in a consistent and appropriate manner across the Group.

RULE

All entities must have a documented whistleblowing procedure that meets local legal and regulatory requirements and allows any suspicion of inappropriate, unethical or illegal behaviour by a member of staff or a tied agent (where local laws allow) to be escalated either locally or to the Group.

CEOs must ensure that:

All Group entities and activities under their control have a documented whistleblowing policy that:

- a. Is published prominently on the local intranet and communicated to all staff members not having access to such an intranet;
- b. Makes it clear that if staff members are unwilling to report through line management, they can contact the Group directly (Speak-up@axa.com); and
- c. Makes it clear that making malicious allegations in bad faith is a disciplinary offence

ESCALATION

N/A

RELATED STANDARDS

N/A

OWNER

Group Internal Audit

25. INTERNAL CONTROL

APPLICATION

All entities in Solvency II scope of Supervision

OVERALL OBJECTIVE

To provide reasonable assurance to the Group's and entity's senior management and Board of directors regarding the achievement of objectives ensuring effectiveness and efficiency of operations, reliable financial and non-financial reporting, and compliance with laws, regulations and policies.

RULE

CEOs must ensure that:

Entities in scope maintain an Internal Control system commensurate with the scale, nature and complexity of their operations.

Entities in scope define and document their controls and procedures over the Internal Control environment covering all important risks and processes.

Entities in scope have a documented Internal Control Policy in place detailing roles, responsibilities and reporting procedures consistent with the [Group Internal Control Policy](#). This policy must be approved by a local entity Board of Directors or a Local Risk Committee and reviewed at least annually.

Entities in scope implement an Internal Control framework which shall provide for:

- First line control implementation and monitoring at senior level of the organization
- Second line verification and challenge on a regular basis
- Consistent reporting and clear path of escalation to treat deficiencies and decide relevant action plan

1. Additional requirements for Internal Financial Control:

For a defined list of entities¹, the Group has an Internal Financial Control (“IFC”) framework and programme, covering the Financial Statements under IFRS and the Solvency II Capital Requirement and Available Financial Resources.

Each entity defined as being under the IFC programme must comply with the specific IFC requirements relevant to it.

Furthermore, entities contributing to the consolidated financial statements need to confirm through the CFO sign-off process compliance of their financial submissions with Group methodologies described in the AXA Group Accounting Manual (AGAM), the AXA Group Reporting manual (DREAM) and PBRC instructions.

1. Defined by GRM on a risk-based approach

2. Additional requirements for Group Internal Control framework:

For a defined list of entities², the Group has an Internal Control framework and programme covering business and support activities. Each entity defined as being under the Group Internal Control framework must comply with the specific methodology, processes, tools and reporting procedures documented in the Group Internal Control instructions.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board

- Annually, the Group Risk Management Function must report its assessment of the adequacy and effectiveness of risk management and Internal Control frameworks including the effectiveness of controls over financial reporting

Escalation to Management Committee & Audit, Risk & Compliance Committee

- Regular information on the performance of the control environment and significant matters identified

Local

Escalation to Board

- Annually, the IC Function must report its assessment of the adequacy and effectiveness of Internal Control framework including the effectiveness of controls over financial reporting

Escalation to Excom/Management Committee

- Annually, the IC Function must report its assessment of the adequacy and effectiveness of Internal Control framework including the effectiveness of controls over financial reporting to senior executive management

Escalation to Risk Committee

- Regular information on the performance of the control environment and significant matters identified

Escalation to Professional Family Head

RELATED STANDARDS

Compliance

OWNER

Group Risk Management

2. Defined by GRM on a risk-based approach



26. REGULATORY CODE OF CONDUCT

APPLICATION

Solvency II scope of Supervision

OVERALL OBJECTIVE

To create a good professional and effective relationship with regulators and to minimize the risk of misunderstanding that could reduce regulators' confidence in AXA.

RULE

Regulatory Code of Conduct:

Entities must appoint a senior member of staff as a local regulatory coordinator responsible for managing the relationship with local regulators. The local regulatory coordinator must:

- Be the primary point of contact within the entity to deal with requests for information from regulators and to coordinate any meetings that take place between AXA staff and regulators
- Notify the local Executive Committee of all significant regulatory issues and report at least annually on significant interactions with local regulators to the local Audit Committee or Risk Committee of the Board

In their dealing with regulators, all AXA staff must:

- Be available, cooperative and constructive
- Provide relevant and accurate documentation on a timely basis in response to regulators' specific requests

Entities must report all material regulatory issues to Group ERM and Group Compliance as required by the Regulatory Code of Conduct.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Group Regulatory Coordinator and Group Compliance

Local

Escalation to local committee / person

RELATED STANDARDS

N/A

OWNER

Group Risk Management – Enterprise Risk Management

27. RISK MANAGEMENT

2nd OPINION

APPLICATION

Solvency II scope of Supervision

OVERALL OBJECTIVE

To maintain a strong risk management culture throughout the Group.

RULE

A Risk Management 2nd opinion is mandatory for all of the 8 key processes listed below. For those key processes:

- The 1st line must inform CRO of the proposed initiative in due time and share all the information needed to prepare the 2nd opinion
- No final decision can be taken by the entity without having formally taken into consideration the 2nd opinion and
- CRO has the right to veto any new product launch or new investment through PAP and IAP processes

CEOs must ensure that:

- a. Product Approval Process (PAP): entities must not launch a new product without performing a Product Approval Process;
- b. Investment Approval Process (IAP): entities must not purchase any new non-routine (complex and/or risky investments, private and illiquid assets, new asset types or strategies) investments without performing an Investment Approval Process;
- c. Strategic Asset Allocation and Asset Liability Management ('ALM'): Risk Management must review ALM studies and any change in the proposed local Strategic Asset Allocation;
- d. Mergers & Acquisitions ('M&A') and Greenfield transactions: M&A transactions (including acquisition, disposal, restructuring) and non-BAU transactions (reinsurance, outsourcing) must be reviewed by RM (for local projects) and by GRM (for transaction above 500M€);
- e. Strategic IT, Information Security and Data projects: local risk management must review those projects involving a significant risk to the entity and present to the local Executive Committee as may be determined;
- f. Strategic Plan: local CRO 2nd opinion on strategic plan must be presented to local Executive Committee and Board;
- g. Reserving: CEOs of Life, Health and P&C entities must ensure that 2 independent opinions on reserves are performed. 2nd opinion applies to Eaxa and moderate reserves for P&C and to BEL for L&S entities (for L&S entities outside of the internal model or standard formula, it applies to economic reserves as defined in the [Group Life, Savings & Health Underwriting and Reserving Policy](#); and
- h. Reinsurance: The proposed reinsurance program must be reviewed by Risk Management and complies with the Risk Appetite limits

ESCALATION

N / A

RELATED STANDARDS

[Mergers & Acquisitions and Greenfields Operations](#)

OWNER

Group Risk Management – Enterprise Risk Management



28. RISK APPETITE FRAMEWORK

APPLICATION

Solvency II scope of Supervision

OVERALL OBJECTIVE

To ensure that local Management and Board have a clear and consistent view of the risks and their status versus risk limits.

RULE

Each entity must implement a documented Risk Appetite Framework consistent with [Group Risk Appetite Guidelines](#).

Entities must not add nor remove any Risk Appetite indicator (statement nor exposure) as compared to the list set in the Group Risk Appetite Guidelines without GRM's prior approval.

Any breach of the risk appetite limits must be notified to GRM and local administrative management or supervisory body (AMSB) as per Group Risk Appetite Guidelines and must systematically lead to remediation action plan.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board and Audit, Risk & Compliance Committee

Local

Escalation to Board, Excom/Management Committee and Risk Committee

RELATED STANDARDS

N / A

OWNER

Group Risk Management – Enterprise Risk Management



29. SOLVENCY II INTERNAL MODEL (STEC)

APPLICATION

Internal Model entities

OVERALL OBJECTIVE

In the context of Group decision to elect for an internal model (Short Term Economic Capital 'STEC'), the Group and Entities must maintain effective governance and the required documentation to fulfil the conditions to use an internal model.

RULE

GRM is responsible for designating entities within the Group that need to maintain and use the STEC.

The CEO of each entity within the scope of the internal model must ensure that a [Model Change Policy](#), [Model Validation Policy](#) and [Data Quality Policy](#) are maintained.

Entity policies must be fully consistent with these Group Policies.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee and Solvency II Key Function Holder

Local

Escalation to Board, Excom/Management Committee and Risk Committee and Solvency II Key Function Holders

RELATED STANDARDS

N/A

OWNER

Group Risk Management – Enterprise Risk Management

30. SOLVENCY II POLICIES

APPLICATION

Solvency II scope of Supervision

OVERALL OBJECTIVE

To deploy Group requirements within local entities, while complying with Solvency II regulation.

RULE

The AXA Group is regulated under Solvency II rules. Accordingly, all insurance consolidated entities controlled by AXA must maintain the following written policies required by Solvency II and ensure consistency with Group Solvency II policies.

For other entities, it is under local CEO responsibility with Group CRO agreement to determine which Solvency II policies are relevant.

Local written policies must not be in conflict with Group policies. Should such conflict exist, the local CEO must inform GRM as soon as possible.

Local written policies must be adapted for any significant change and reviewed at least once a year by local Board or local governance.

List of Policies:

- Risk Management Policies: Underwriting and Reserving, Asset Liability Management, Investment Risk Management, Liquidity Risk Management, Concentration Risk Management, Operational Risk Management, Reinsurance and other Risk Mitigation Techniques, Own Risk & Solvency Assessment ('ORSA')
- Other Policies¹: Compliance, Internal Control, Public Disclosure & Private Reporting, Solvency II Valuation, Capital Management, Fit and Proper, Remuneration, Outsourcing and Outsourcing Asset Managers, Operational Resilience

ESCALATION

N/A

RELATED STANDARDS

N/A

OWNER

Group Risk Management – Enterprise Risk Management

¹. Excepting the Internal Audit policy which is set at Group level and must be adopted and applied by All entities

31. ANTI-BRIBERY

APPLICATION

All entities

OVERALL OBJECTIVE

To minimise the risk of AXA entities breaching applicable anti-bribery and corruption local and international laws, receiving large penalties and damaging AXA's reputation.

RULE

CEOs must ensure that:

- a. The entity has a designated Anti-Bribery Compliance Officer. The role may cover more than one Group entity and does not need to be a dedicated role;
- b. The entity has a documented anti-bribery programme which must include as a minimum:
 - An anti-bribery code of conduct
 - A documented anti-bribery annual risk assessment
 - An internal whistleblowing process to allow employees to report action or behaviours that violate the anti-bribery code of conduct
 - Written procedures governing the giving or receipt of gifts and entertainment
 - A documented plan of anti-bribery training
 - Bribery due diligence procedures for evaluating clients, major suppliers and intermediaries
 - A disciplinary regime to sanction any employee who is involved in violations of the anti-bribery code of conduct
 - Controls to ensure the implementation of these measures

More details are provided in the AXA Anti-Bribery Policy

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee, Professional Family Head and Solvency II Key Function Holder

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head and Solvency II Key Function Holder

RELATED STANDARDS

N/A

OWNER

Group Compliance

32. ANTI-MONEY LAUNDERING

APPLICATION

All regulated Life insurance, Bank & Asset management entities

OVERALL OBJECTIVE

To minimise the risk of AXA entities breaching AML laws and to create a consistent approach across the Group to meet regulatory expectations and minimise the potential for penalties and damage to AXA's reputation.

RULE

Entities in scope must meet the Group's Anti-Money Laundering & Counter Terrorist Financing ("AML") requirements, and the requirements of local applicable law where that law requires higher or additional obligations.

P&C entities that operate in jurisdictions in which P&C business is covered by local AML regulations must comply with those local regulations.

CEOs must ensure that:

- The entity has processes in place to fight against money laundering and terrorist financing. Those processes must include documented policies, procedures and controls for: verifying the identity of customers; the beneficial owners of customers; the source of customers' wealth; determination of whether customers are politically exposed people (i.e. PEPs); detecting suspicious customer activity
- A stand-alone documented AML Risk Assessment is conducted annually to identify high risk customers (including PEPs), and enhanced due diligence procedures are in place for monitoring the activities of higher risk customers
- A documented AML gap analysis is conducted annually (using the Group template) relative to the [AXA AML Policy](#), and is approved by the local Executive Committee
- A written procedure is in place for investigating and escalating potential money laundering and terrorist financing cases
- Automated and documented screening of new and existing customers against political figure lists is conducted monthly. All political figures alerts that arise from screening are analyzed and resolved
- An independent review (conducted by Internal Audit or an external appropriately qualified firm) of the entity's AML Compliance Programme is conducted at least once every two years
- The AML Compliance Programme (including any elements that are outsourced or delegated to third-parties e.g. distributors) is reviewed and approved annually by the local Executive Committee
- An AML Training Programme is documented and applied
- Any AML issue that arises which could have a material impact on the Group is immediately escalated to Group Compliance

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee, Professional Family Head and Solvency II Key Function Holder

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head, Solvency II Key Function Holder

RELATED STANDARDS

N / A

OWNER

Group Compliance

33. COMPLIANCE

APPLICATION

All entities

OVERALL OBJECTIVE

To minimise the risk of failing to identify and comply with regulatory requirements.

RULE

All operating companies must establish policies and practices to ensure compliance with all relevant regulations in the jurisdictions in which they operate and conduct business. CEOs must personally and actively promote compliant behaviour and adherence to high ethical standards.

CEOs must ensure that:

- Processes and procedures are in place to ensure compliance with: (i) laws and regulation¹ applicable to their business activities; (ii) good conduct rules and standards established by financial services regulators; and (iii) the Group's internal principles on Compliance & Business Ethics, as set out in the [AXA Compliance & Ethics Guide](#)
- An annual assessment of compliance risks (using the Group's methodology) is formally presented to the local Executive Committee and Audit Committee with an associated risk mitigation plan
- Monitoring is in place to ensure compliance controls are effective and cover both the entity's own operations, its proprietary sales channels and product development
- Reports are made to the local Executive Committee and Audit Committee as required (and at least annually) covering: regulatory developments; the performance of management's controls to ensure compliance; reports and required action following regulatory inspections; the results of reviews conducted by Group Compliance (including CSDPs)
- Entities' procedures will include (subject to any conflict of applicable law) a provision explaining that violations of laws, regulations and internal rules (particularly if such violations are committed on a knowing, intentional or grossly negligent basis), will be subject to sanctions, including termination of employment
- An active and constructive dialogue is maintained with regulators
- Compliance Functions have adequate resources and skills to fulfil their obligations.

Further details of the responsibilities of entities' Compliance Functions can be found in the Solvency II [AXA Compliance Policy](#)

¹. For the purpose of this Standard, laws and regulations applicable to AXA's business activities means all laws and regulations that directly relate to insurance, banking and asset management business (e.g. financial services laws and regulations). Other general legislation and regulations that apply to all businesses regardless of their nature, such as labor law, tax law, environmental law, etc. are not under the compliance Function's responsibility and are not covered by this Standard.

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee, Professional Family Head and Solvency II Key Function Holders

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head, Solvency II Key Function Holders

RELATED STANDARDS

N/A

OWNER

Group Compliance

34. CROSS-BORDER LIFE SALES

APPLICATION

All regulated Life insurance entities

OVERALL OBJECTIVE

To minimise the risk of AXA's products breaching local or international laws or regulations and being used to evade tax.

RULE

No individual or group life insurance or savings product may be sold to persons whose primary legal residence is a country other than the originating AXA entity's home market, without explicit written prior approval of the relevant AXA Shareholder Representative, Group Compliance and Group Tax.

CEOs must ensure that:

- All new life or savings contracts or other products that are proposed to be sold cross-border are submitted to, and specifically approved in writing by, the entity's AXA Shareholder Representative, the Group Chief Compliance Officer and Head of Group Tax prior to launch
- The mandatory compliance clauses for cross-border business set out in the detailed [Group Cross-Border Policy](#) are included in all policy application and subscription forms (unless doing so would create a conflict with local law)
- Where any aspect of AXA's cross-border procedures conflict with local law, Group Compliance must be consulted

ESCALATION

N/A

RELATED STANDARDS

N/A

OWNER

Group Compliance & Group Tax

35. DATA PRIVACY

APPLICATION

All entities

OVERALL OBJECTIVE

To ensure that AXA entities adequately protect the personal and sensitive data of clients and other persons obtained during their business activities, to minimise the risk of AXA entities breaching applicable data privacy and protection laws (e.g. EU General Data Protection Regulation - GDPR) and minimise the potential for penalties and damage to AXA's reputation.

RULE

AXA entities must meet the Group's Data Privacy requirements listed hereafter, and the requirements of local applicable law and / or regulation where that law and / or regulation requires higher or additional obligations.

CEOs must ensure that:

- a. The entity has appointed a Data Privacy Officer (also known as Data Protection Officer, the "DPO");
- b. The entity has implemented the [Group Binding Corporate Rules](#) or has agreed its implementation plan with the Group DPO;
- c. Client data is not sold to parties outside the AXA Group;
- d. The entity has implemented the [Group Data Privacy Policy](#) as required for its category of entity as defined in the Policy (e.g. entity located in EU or processing EU/Swiss personal data has implemented specific provisions in line with GDPR) or has agreed an implementation plan with the Group DPO; and
- e. Any loss of client data affecting 1,000 or more clients is notified to the Group DPO for further escalation within 72 hours of discovery, subject to any local applicable law and / or regulation (e.g. GDPR)

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee and Professional Family Head

Local

Escalation to Board, Excom/Management Committee, Risk Committee and Professional Family Head

RELATED STANDARDS

N/A

OWNER

Group Compliance

36. SANCTIONS

APPLICATION

All entities

OVERALL OBJECTIVE

To minimise the risk of AXA entities breaching local or international sanctions laws, receiving large regulatory penalties and damaging AXA's reputation.

RULE

All operating companies must ensure that they have written procedures in place to avoid any transaction or activity that may breach local, EU or international sanctions laws.

CEOs must ensure that:

- A documented Sanctions Policy is in place consistent with the [Group Sanctions Policy](#)
- No transaction or activity or investment is undertaken that contravenes EU & French MINEFI sanctions or other applicable sanctions laws, or that has a link to a sanctioned country (as defined from time to time by Group Compliance) without prior approval from Group Compliance
- Automated and documented screening of new and existing customers, counterparties and payees is conducted monthly
- All sanctions alerts that arise from screening are analysed and resolved in a defined period which must not be longer than one month
- The Group's standard sanctions exclusion clause (as contained in the [Group Sanctions Policy](#)) is included in all international insurance and reinsurance contracts
- International commercial P&C insurance covers and international (non-resident owned) life insurance policies must be screened against required sanctions lists prior to inception of the coverage
- For international insurance and reinsurance contracts, all parties and payees must also be screened against US sanctions lists
- No business activity is initiated in or connected to a sanctioned country or region without prior approval from Group Compliance
- Any inquiry from local regulators regarding Sanctions issues is reported immediately to Group Compliance

ESCALATION

CEOs must ensure timely escalation as set out below and must comply with any additional escalation criteria advised by the Standard Owner from time to time.

Group

Escalation to Board, Management Committee, Audit, Risk & Compliance Committee, Professional Family Head and Solvency II Key Function Holder

Local

Escalation to Board, Excom/Management Committee, Risk Committee, Professional Family Head and Solvency II Key Function Holder

RELATED STANDARDS

N/A

OWNER

Group Compliance

A photograph of a professional networking event. In the foreground, a woman in a dark suit is seen from the side, looking towards a man in a dark suit and tie who is smiling. A blue-bordered box covers the central area where several other people are standing and talking, holding white cups. The background shows more people in a hallway.

APPENDICES

DEFINITIONS

“All entities”	AXA SA and its direct and indirect controlled or managed entities
“ALM”	Asset and Liability Management
“AML”	Anti-Money Laundering & Counter Terrorist Financing
“AMSB”	Administrative management or supervisory body as defined in Solvency II
“AXA Brand”	Legally registered trademark used to identify AXA company and products
“AXA Group” / “Group”	AXA S.A. together with its direct and indirect controlled entities
“Black out Periods”	the (i) 30 days preceding AXA Group’s earnings announcements to the market; and (ii) 15 days preceding AXA Group’s quarterly financial information announcements to the market.
“CRS”	OECD Common Reporting Standards
“CSDP”	Compliance Support and Development Program
“DCFG”	Group Corporate Finance Department
“Digital Permit”	Mandatory approval process via the Group Digital Hub (https://digitalhub.axa) to be completed before the creation or significant update of all digital assets.
“DJC”	Group Legal
“ECR”	Economic Combined Ratio
“FATCA”	Foreign Account Tax Compliance Act
“FRM”	Finance Risk Management
“GCRC”	Group Credit Risk Committee
“Greenfield Operations”	Correspond to the start of any activity by an entity (i) in a country where the Group does not operate or in a different country from that of the entity or (ii) which is expected to require in excess of €20m of capital before being able to self-finance.
“GRM”	Group Risk Management
“Group’s IRR expectations”	Levels of returns, calculated on a yearly basis by DCFG that the Group expects its entities to meet
“GUL”	Gross Underwriting Limits
“IAP”	Investment Approval Process
“IFC”	Internal Financial Controls
“IFRS”	International Financial Reporting Standards

“Inside Information”	<p>Under the Market Abuse Regulation, “Inside Information” comprises information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.</p> <ul style="list-style-type: none"> Precise nature of the information. Information is deemed precise if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments. Significant effect on the prices of the financial instruments. Information which would be likely to have a significant effect on the prices of the financial instruments is defined as information that a reasonable investor would be likely to use as part of the basis of his or her investment decisions¹. <p>As a general rule, an issuer shall inform the public as soon as possible of inside information which directly concerns that issuer.</p>
“Internal Model entities”	Entities identified by GRM as being within scope of the Group Internal Model (i.e. Short Term Economic Capital Model).
“Lapse-supported product”	A product where NBV (New Business Value) at time of launch becomes negative under the assumption that (i) no policyholder will lapse the product, and ii) no management action to address the lack of lapses will be implemented. The expression “Management action” shall be understood as per the Internal Model definition.
“List of specific INM entities”	The following entities of INM: Nigeria, Algeria, Azerbaijan, Cameroon, Czech Republic, Egypt, Gabon, Greece, Ivory Coast, Lebanon, Malaysia, Nigeria, Senegal, Slovakia, Ukraine
‘Litigated Claim’	Any claim where a lawsuit has been filed with a Court, Tribunal or similar judicial body, regardless of which party has commenced the legal proceedings.
“M&A Transactions”	Comprise all transactions with third parties that (a) involve a capital investment to acquire a company, portfolio or access to distribution or (b) aim at divesting a legal entity or a portfolio. They can take the form of share deals, portfolio or asset transfers, joint ventures and reinsurance transactions with full economic transfer and distribution agreements with upfront payments. Note that distribution agreements entered into in the ordinary course of business and with upfront payments representing less than 2% of the entity’s statutory earnings are not considered as M&A Transactions for the purpose of the M&A and Greenfield Operations Standard.
“Market Abuse Regulation”	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation). The Market Abuse Regulation specifies further in clause 14 of the preamble that “[r]easonable investors base their investment decisions on information already available to them, that is to say, on ex ante available information. Therefore, the question whether, in making an investment decision, a reasonable investor would be likely to take into account a particular piece of information should be appraised on the basis of the ex ante available information. Such an assessment has to take into consideration the anticipated impact of the information in light of the totality of the related issuer’s activity, the reliability of the source of information and any other market variables likely to affect the financial instruments, the related spot commodity contracts, or the auctioned products based on the emission allowances in the given circumstances.” ²
“PBRC”	Group Planning, Budgets, Results Central
“PAP”	Product Approval Process
“PEP”	Politically Exposed People
“Regulated entity”	Companies under the supervision of supervisors/regulators/governmental authorities (such as but not limited to listed entities, insurance entities, reinsurance entities, credit institutions, brokers, asset management companies).

1. Article 7, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) (the “Market Abuse Regulation”).
2. Whereas clause (14), Market Abuse Regulation

“Re/insurance Regulated entities”	Entities that undertake regulated insurance or reinsurance activities.
‘Sensitive Claim’	Any claim conditions of which would make claims significant to the entities through their sensitive nature (for example: where a class action is possible, for significant serial claims or risks of accumulation of claims, where entities elsewhere in the Group are affected, where the press are likely to be involved, etc.).
“Solvency II”	The requirements contained in Directive 2009/138/EC of the European Parliament and of the Council and requirements contained in the various delegated and implementing acts empowered under Directive 2009/138/EC in accordance with Article 290 of the Treaty on the Functioning of the European Union, including Delegated Regulation 2015/35.
“Solvency II Scope of Supervision”	Solvency II scope of supervision is aligned with entities consolidated in full and equity method under IFRS.



LEGISLATIVE REFERENCES

1 / GROUP & BUSINESS BOUNDARIES

STANDARD		LEGISLATIVE REFERENCES
COMMUNICATION, TRADEMARK & BRAND		
1	COMMUNICATION, BRAND & REPUTATION	N / A
2	CORPORATE RESPONSIBILITY	Loi NRE, article 173 (France)
3	INVESTOR RELATIONS	N / A
CORPORATE MATTERS		
4	CORPORATE STRUCTURE AND CORPORATE GOVERNANCE	N / A
FINANCE & CAPITAL MANAGEMENT		
5	CAPITAL MANAGEMENT	Solvency II requirements and Delegated Acts –Pillars 2 and 3
6	FINANCIAL & LEGAL COVENANTS AND LONG TERM FINANCING, CREDIT FACILITIES & GUARANTEES	European Audit Directive
7	FOREIGN EXCHANGE (FX) & INTEREST RATE (IR) MANAGEMENT	N / A
8	USE OF DERIVATIVES	N / A
9	EXTERNAL AUDITORS	N / A
10	RESTRICTED SECURITIES	N / A
SECURITY		
11	SECURITY	Solvency II Directive and additional local legislative requirements and security controls
OPERATIONS		
12	PORTFOLIO & PROJECT GOVERNANCE	N / A
PEOPLE		
13	EMPLOYEE BENEFITS	N / A

STANDARD		LEGISLATIVE REFERENCES
14	FIT & PROPER	N / A
15	REMUNERATION	Solvency II Delegated Acts
PROPERTY & CASUALTY, LIFE & SAVINGS, HEALTH		
16	HEALTH	Solvency II Directive and Delegated Acts
17	LIFE, SAVINGS, PROTECTION	Solvency II Directive and Delegated Acts
18	PROPERTY & CASUALTY	Solvency II Directive
19	REINSURANCE	N / A
RISK PROFILE, CAPITAL & SOLVENCY		
20	MERGER & ACQUISITIONS ("M&A") AND GREENFIELD OPERATIONS	N / A

2/ CONTROL

STANDARD		LEGISLATIVE REFERENCES
GENERAL		
21	SOLVENCY II KEY FUNCTIONS	Solvency II Directive and Delegated Acts
ACTUARIAL		
22	ACTUARIAL	Solvency II Directive and Delegated Acts
INTERNAL AUDIT		
23	INTERNAL AUDIT	Solvency II Directive and Delegated Acts - 2009/138/EC Title I Chapter IV Section 2 Article 47
24	WHISTLEBLOWING	N / A
RISK MANAGEMENT		
25	INTERNAL CONTROL	Solvency II Directive - Directive 2009/138/CE articles 46, 246. Solvency II Delegated Acts - Delegated Regulation 2015/35 Article 266. Other Legislation - Code des Assurances articles L-356-18, L-356-19.
26	REGULATORY CODE OF CONDUCT	Solvency II Directive
27	RISK MANAGEMENT – 2ND OPINION	Solvency II Directive
28	RISK APPETITE FRAMEWORK	Solvency II Directive
29	SOLVENCY II INTERNAL MODEL (STEC)	Solvency II Directive
30	SOLVENCY II POLICIES	Solvency II Directive and Delegated Acts
COMPLIANCE RISKS		
31	Anti-Bribery	Sapin II - as a French group AXA must comply with the extraterritorial requirements of the French law known as Sapin II
32	Anti-Money Laundering	Local and applicable international law
33	Compliance	Solvency II Directive and Delegated Acts
34	Cross-Border Life Sales	Local and applicable international law
35	Data Privacy	General Data Protection Regulation, national and local Data Privacy & Protection laws
36	Sanctions	Local and applicable international law

AMENDMENTS

Table

The table of amendments summarized the main updates versus the original version of the Standards, published in JANUARY 2018.

1 / GROUP & BUSINESS BOUNDARIES

STANDARD	SUMMARY OF MAIN AMENDMENTS	DATE
COMMUNICATION, BRAND & REPUTATION		
1 <u>COMMUNICATIONS, BRAND & REPUTATION</u>	<ul style="list-style-type: none"> <u>Communication of material and sensitive information:</u> wording aligned with #3 Investor Relations standard <u>Media Relations, requirement removed from Standard and moved to Guidelines:</u> local Media Relations should inform Group Media Relations when members of both the AXA SA Board of Directors and the Group Management Committee participate in media events outside their own markets/jurisdiction <u>Reputation Risks, clarification on governance:</u> the most critical reputation risks must be reviewed by the local reputation risk manager 	01/01/2019
2 <u>CORPORATE RESPONSIBILITY</u>	<ul style="list-style-type: none"> <u>Prohibited business:</u> wording aligned with the Group P&C Exclusions list <u>Procurement Contracts:</u> conditions for including CR clauses specified 	01/01/2019
CORPORATE MATTERS		
4 <u>CORPORATE STRUCTURE, GOVERNANCE</u>	<ul style="list-style-type: none"> <u>Board of Directors, requirement removed from Standard:</u> the process for appointing directors must be validated in advance, and prior to any change, by the Group General Counsel's validation 	01/01/2019
FINANCE & CAPITAL MANAGEMENT		
8 <u>USE OF DERIVATIVES</u>	<ul style="list-style-type: none"> <u>Application, clarification:</u> apply to internal providers with no exception on countries <u>Scope exclusions enlarged to:</u> <ul style="list-style-type: none"> o intra-group derivative transactions o derivative transactions within funds managed by third party (non-AXA) asset managers o derivative transactions within staff pension funds when their specific governance does not allow the rules to be enforced; however the rules should be applied on a best effort basis <u>OTC derivatives transactions with counterparties:</u> approval allowed at local committee level, under delegation of Group CRO where applicable 	01/01/2019
OPERATIONS		
11 <u>SECURITY</u>	<ul style="list-style-type: none"> <u>Objectives, clarification:</u> Group Security instructions contribute to the standard objectives; although mandatory, they are not part of the standard (different timelines to compliance, different governance) <u>Rules changes:</u> <ul style="list-style-type: none"> o entities to allocate funding and resources for all security activities o assurance on effectiveness of security activities and controls to be undertaken at least annually 	01/01/2019
12 <u>PORTFOLIO & PROJECT GOVERNANCE</u>	<ul style="list-style-type: none"> <u>Project portfolio definition:</u> covers all programs and projects including investments in business, IT and real estate as well as restructurings, reorganizations and post-merger integrations <u>Critical programs definition:</u> programs and projects with significant impact on FTEs, costs and risks and agreed between Group and entities 	01/01/2019

STANDARD		SUMMARY OF MAIN AMENDMENTS	APPLICATION
PEOPLE			
15	REMUNERATION	<ul style="list-style-type: none"> <u>STIC change in threshold:</u> Individual bonus capped at 200% (versus 150%) <u>Welcome bonuses, change in exception:</u> Allow exception for buy-out of forfeited variable remuneration in addition to buy-out of forfeited deferred remuneration <u>Variable compensation/Retention awards, change in governance:</u> Must be pre-approved by the Group Head of Compensation & Benefits if exceeding individually or collectively EUR 100K <u>Heads of Key Control Functions, change in application:</u> STIC and performance score of Heads of KCF are applicable to all entities in scope (versus material risk entities) 	01/01/2019
PROPERTY & CASUALTY, LIFE & SAVINGS, HEALTH			
16	HEALTH	<ul style="list-style-type: none"> <u>Claims section, simplification and clarification:</u> <ul style="list-style-type: none"> The review's trigger for early claims period is reduced to 12 months (versus 18 months) The person who checks litigated or sensitive claims must be a qualified internal resource 	01/07/2018
		<ul style="list-style-type: none"> <u>Claims section, clarifications:</u> <ul style="list-style-type: none"> the detailed definition of what is a sensitive claim is assessed and documented at a local level. Claims delegation is subject to a defined process. Details are available in the LS&H Group Claims Outsourcing guidelines. 	01/01/2019
17	LIFE, SAVINGS, PROTECTION	<ul style="list-style-type: none"> <u>Claims section, clarification:</u> the person who checks litigated or sensitive claims must be a qualified internal resource 	01/07/2018
		<ul style="list-style-type: none"> <u>Claims section, clarifications:</u> <ul style="list-style-type: none"> the detailed definition of what is a sensitive claim is assessed and documented at a local level. Claims delegation is subject to a defined process. Details are available in the LS&H Group Claims Outsourcing guidelines. <u>Underwriting, inclusion of rule already existing in the policy:</u> all tenders entailing Protection coverages respect the Group referral threshold detailed in the Group Underwriting and Reserving Solvency II Life, Savings & Health policy. 	01/01/2019
18	PROPERTY & CASUALTY	<ul style="list-style-type: none"> <u>Application, clarification:</u> the standard applies to direct and assumed facultative business <u>Claims section, clarifications:</u> <ul style="list-style-type: none"> the detailed definition of what is a sensitive claim is assessed and documented at a local level the Group P&C Claims Outsourcing guidelines provides more details to assist in securing delegated claims <u>Underwriting:</u> Group approval required for risks above the entity GUL <u>International Business:</u> entity cannot underwrite business located overseas (i.e.: outside domestic markets) unless it receives a dedicated "International Underwriting Guidelines" letter from the Group CRO 	01/01/2019
19	REINSURANCE	<ul style="list-style-type: none"> <u>Cession to AGRe of new or renewed reinsurance treaties:</u> <ul style="list-style-type: none"> New exception: specific client reinsurance treaty as determined by the In-force Coordination Committee Possibility to directly cede outside AXA Group introduced for very specific cases: in specific cases AGRe may decide not to intermediate a reinsurance treaty cession, after consultation of GIO and GRM 	01/07/2018
	CEDED REINSURANCE	<ul style="list-style-type: none"> <u>Cession to AGRe of new or renewed reinsurance, changes:</u> Insurance and Reinsurance markets pools <u>External-to-AXA reinsurance cessions, changes:</u> include retrocession to [...] Insurance and Reinsurance markets pool treaties, [...] other Life and Health treaties than Life and Health CAT and Life and Health per Head business ones 	01/01/2019

2 / CONTROL

STANDARD	SUMMARY OF MAIN AMENDMENTS	APPLICATION	
RISK MANAGEMENT			
25	<u>INTERNAL CONTROL</u>	<ul style="list-style-type: none"> • <u>Internal Control policy, clarification on governance:</u> policy must be approved by a local entity Board of Directors or a Local Risk Committee and reviewed at least annually • <u>Internal Financial Control, inclusion of existing CFO sign-off process:</u> Entities contributing to the consolidated financial statements need to confirm through the CFO sign-off process compliance of their financial submissions with Group methodologies 	01/01/2019
27	<u>RISK MANAGEMENT – 2ND OPINION</u>	<ul style="list-style-type: none"> • <u>CRO veto right, clarification on the processes it applies to:</u> on any new product launch or new investment through PAP and IAP processes 	01/01/2019
COMPLIANCE RISKS			
32	<u>ANTI-MONEY LAUNDERING</u>	<ul style="list-style-type: none"> • <u>Political figures, inclusion of rule already existing in the policy:</u> automated and documented screening of new and existing customers against political figure lists is conducted monthly. All political figures alerts that arise from screening are analyzed and resolved 	01/01/2019
36	<u>SANCTIONS</u>	<ul style="list-style-type: none"> • <u>Pre-screening, inclusion of rule already existing in the policy:</u> for international commercial P&C and life insurance policies, all covers must be screened prior to inception of the coverage 	01/01/2019



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