

# Compliance and Ethics Manual

## Document History:

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1.0	S. Taggart	July 2014	Creation of a single compliance manual from the individual entity manuals
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Owner of the Compliance and Ethics Manual: **Head of Compliance and Legal**



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## Introduction

The present Compliance and Ethics Manual sets out the rules, procedures and policies in force in AXA Life Europe dac in order to ensure compliance with applicable legislation and regulations in Ireland and the various jurisdictions in which our Company operates. This is of particular importance for our Company, as any breaches in these regulations could impact our reputation with our clients and with the public in general, result in financial penalties or litigation and even lead to the withdrawal of our license to operate in certain countries.

### *Applicability*

All Directors and employees of AXA Life Europe should be familiar with the Compliance and Ethics Manual. Additionally, all Company employees should be familiar with any Procedure Manuals applicable to the area in which they operate.

Management of the Company is responsible for ensuring that effective systems operate within the Company and that these are properly controlled and monitored. Management should ensure that operating arrangements and persons within the Company assist the effective operation of the compliance function. They should also ensure that when compliance issues are identified within the Company these are rectified in a timely and appropriate manner and, if required, are communicated to the Head of Compliance and Legal and the relevant regulatory body.

Directors and management that operate a regulated entity are responsible and liable (together with the regulated entity) for the effective and compliant operation of the regulated entity. Additionally, compliance with Irish legal and regulatory requirements and with the applicable Conduct of Business requirements in the countries in which we do business is a term and condition of employment of all employees of the Company. Failure to follow these requirements is a matter of serious misconduct, which may result in summary dismissal of such an employee.

It is the responsibility of all individuals within the Company to familiarise themselves and comply with the relevant Requirements. Furthermore, each individual is required to be open, honest and co-operative with the Company's regulators and the Head of Compliance and Legal of AXA Life Europe and with those individuals within the organisation who are responsible for communication with the regulators of the Company. All communication with AXA Life Europe's regulators should be coordinated through the CEO of the Company.

**It is the responsibility of every Director and every employee to observe the spirit as well as the letter of these procedures and to act with integrity, professionalism and excellence. Failure to do so constitutes serious misconduct.**

The information contained in the Compliance and Ethics Manual is, of necessity, somewhat superficial in its treatment of legal and regulatory issues. Accordingly, users should seek clarification, either from the Head of Compliance and Legal or the General

Counsel, before placing reliance on any statements of law or regulation contained in the Compliance and Ethics Manual. This is particularly true as the information set out in the Compliance and Ethics Manual may evolve because of subsequent changes in legislation or judicial authority or on account of a change in the practice or attitude of regulators.

It should be noted that the Compliance and Ethics Manual is an organic document and one that requires regular review to keep pace with changes in the legal and regulatory environment in which AXA Life Europe operates. In order to track these changes, the following process should be considered:

- any changes to a relevant legal or regulatory position shall be brought to the attention of the Head of Compliance and Legal of AXA Life Europe
- any substantive advice received by AXA Life Europe of relevance to the compliance of the Company shall also be brought to the attention of the Head of Compliance and Legal of the Company
- the Compliance and Ethics Manual shall be reviewed at least annually, and this review will involve incorporating any issues highlighted above into the text of the Compliance and Ethics Manual; the findings of this review will be reported to the Board if applicable.

It should be incumbent on every member or employee of the Company to bring to the attention of the Head of Compliance and Legal any legal and regulatory developments they deem to be of relevance to the compliance of the Company and the Head of Compliance and Legal shall ensure that these developments are incorporated into the Compliance and Ethics Manual at the earliest opportunity.

## Legal Structures

### **AXA Life Europe**

AXA Life Europe dac is incorporated in the Republic of Ireland to trade under its own name or under the name of AXA Life Invest.

The Company is registered in Ireland under the number 410727 and authorised by the Central Bank of Ireland under number C40479 to operate as an insurance undertaking.

Under the European Union (Life Assurance) Framework Regulations, any company which is established as an insurance undertaking in any member state of the European Economic Area (EEA) is entitled under the principle of freedom of movement of services to perform the same services in any other member state in the EEA. AXA Life Europe has availed of this “passporting” possibility and has established branches in Italy and Spain and sells insurance on a cross-border basis (Freedom of Services) into Germany, the United Kingdom, France and Portugal.

### ***Supervision***

AXA Life Europe comes under the authority of the Central Bank of Ireland for all matters pertaining to prudential supervision and conduct of business in the Republic of Ireland, and to the financial regulators of the EEA member states in which it does business for all matters pertaining to the general good / conduct of business in those jurisdictions.

## Specific responsibilities of key stakeholders

### *Responsibilities of Senior Management*

#### **Business objectives, strategy and risk profile**

A detailed level of knowledge of the company's operating plan and the associated risks is required at senior management level. This creates an opportunity for clear communication of business goals and objectives to both line managers and, in turn, to their staff.

#### **Systems and controls**

Management is responsible for ensuring that effective systems operate within the business and that these are properly controlled.

#### **Directors' Responsibility**

Responsibility for management and organisational structure rests with the Boards of directors of the legal structures which make up AXA Life Europe.

#### **Management**

Management is responsible for ensuring that adequate and appropriate staffing exists to enable effective client protection to be at the forefront of business practices. This will encompass not only the appropriate staff knowledge and training, but also appropriate monitoring of activities, clear levels of responsibility and accountability.

Procedures Manuals are the responsibility of each departmental manager who should ensure they are kept up to date and that each member of their team understands and complies with them.

Management should ensure that neither operating arrangements nor persons within the business impede the effective operation of the Compliance function. They should also ensure that when compliance issues arise within the business these are rectified in a timely and appropriate manner and are communicated to the Head of Compliance and Legal who in turn will be responsible for reporting compliance issues to the CEO and where relevant to the Central Bank of Ireland.

#### **Compliance Function**

The scope of the Head of Compliance and Legal's role is determined by the relevant legislation, regulations, principles, rules and applicable codes of practice in the specific markets in which AXA Life Europe operates.

The Head of Compliance and Legal will ensure that AXA Life Europe is aware of and complies with the various regulatory requirements applicable to it. The Head of

Compliance and Legal will report to the Board regularly and will set policies and procedures where necessary and in consultation with the Board and senior management.

In summary, the major responsibilities are as follows:

- to maintain policies and procedures applicable to the business and in accordance with relevant laws and regulations imposed on AXA Life Europe;
- to investigate breaches of AXA Life Europe's conduct of business requirements by employees;
- to report such breaches to the Central Bank of Ireland/local regulators as required;
- to provide staff with ongoing training on compliance;
- to monitor employees' personal account dealing activities; and
- to advise/report to the Senior Management and the Board in respect of Compliance matters at regular intervals.

## **Individuals**

Individuals within a regulated environment are responsible and liable (together with the regulated entity) for the effective operation of the regulated entity. Compliance with Irish regulatory requirements and those of the countries in which AXA Life Europe does business is a term and condition of employment. Failure to follow these requirements is a matter of serious misconduct, which may result in a summary dismissal.

Furthermore, each individual is required to be open, honest and co-operative with AXA Life Europe's regulators and the Head of Compliance and Legal.

All individuals should be conversant with and comply with the core Principles of Business and the Company's Policy on Business Ethics and Integrity.

## Principles of business

Principles of Business Conduct are an effective way of controlling how a firm relates with its clients and partners. The requirement to follow these principles, should be taken as a condition of employment by employees of AXA Life Europe. The Principles below are fundamental to the regulatory structure within Ireland and all employees should be aware of and abide by their requirements.

### ***Principle 1: Integrity***

AXA Life Europe and its employees should observe high standards of integrity and fair dealing and maintain their business activities in the best interests of the company's partners and clients.

### ***Principle 2: Skill, Care and Diligence***

AXA Life Europe and its employee should act with due skill, care and diligence in the best interests of AXA Life Europe's partners and clients.

### ***Principle 3: Market Practice***

AXA Life Europe and its employees should observe high standards of market conduct. It should also, to the extent endorsed for the purpose of this principle, comply with any code or standard as in force from time to time and as it applies to AXA Life Europe, either according to its terms or by rulings made under it.

### ***Principle 4: Information about Clients and Partners***

An employee should seek from clients and partners they advise or for whom they exercise discretion, any information needed about their circumstances which might reasonably be expected to be relevant in enabling it to fulfil its responsibilities to them.

### ***Principle 5: Information for Clients and Partners***

AXA Life Europe and its employees should take reasonable steps to disclose to clients and partners, in a comprehensible and timely manner, any information (including costs) to enable them to reach a balanced and informed decision. AXA Life Europe should also provide them with a full and fair account of the fulfilment of its responsibility to them.

### ***Principle 6: Conflicts of Interest***

AXA Life Europe should either avoid any conflicts of interest or, where conflicts arise, should ensure fair treatment of all its clients and partners by disclosure, internal rules of confidentiality, declining to act, or otherwise. AXA Life Europe and its employees should not unfairly place their interests above those of their clients / partners. Further details on how AXA Life Europe manages potential conflicts of interest are set out in more detail later in this manual in the section *Conflicts of Interest*.



### ***Principle 7: Financial Resources***

AXA Life Europe should ensure that it maintains adequate financial resources to meet its internal investment business commitments and to withstand the risks to which its business is subject.

### ***Principle 8: Internal Organisation***

AXA Life Europe should organise and control its internal affairs in a responsible manner, keeping proper records and, where AXA Life Europe employs staff or is responsible for the conduct of investment business by others, should have adequate arrangements to ensure that they are suitable, adequately trained and properly supervised, and that it has well defined compliance procedures in line with the regulatory requirements applicable to its business.

### ***Principle 9: Relations with Regulators***

AXA Life Europe must deal with the Central Bank of Ireland and other regulators of AXA Life Europe in an open and co-operative manner and keep these regulators promptly informed of any matter, which it might reasonably be expected to be disclosed to them.

While the following is not an exhaustive list, AXA Life Europe is required to notify the Central Bank of Ireland of the following:

#### **Change of Director/Branch Manager**

Any change of director/Branch Manager should be notified to the Central Bank of Ireland. This includes both proposed appointments and resignations. All proposed appointees are subject to the 'Fitness & Probity' regime as outlined in the section *Fit and Proper Requirements*.

#### **Change in Qualifying Holding**

There are certain restrictions on acquiring and disposing of qualifying holdings (10% or more of the capital or voting rights) in life insurance undertakings. The Central Bank of Ireland must be notified in advance where a person, either directly or indirectly, proposes to take a qualifying holding in a life assurance company and details of the proposed qualifying holding must be provided.

In addition, there is an obligation to notify the Central Bank of Ireland where an acquisition would cause the holding to reach or exceed the prescribed percentage levels (currently 20%, 33% or 50%).

The Acquiring Notification Form available on the Central Bank of Ireland's website must be completed and returned to the Central Bank of Ireland prior to the proposed acquisition of a qualifying shareholding or increase in a qualifying shareholding which would cause the holding to reach or exceed the prescribed percentage levels (currently 20%, 33% or 50%) or the undertaking would become the proposed acquirer's subsidiary.

Similarly there is an obligation to notify the Central Bank of Ireland where a disposal of a holding gives rise to a decrease in qualifying holding which falls to or below the prescribed percentage levels (currently 20%, 33% or 50%) or the undertaking would cease to be the disposer's subsidiary.

The Central Bank of Ireland may oppose a change in holding if it is not satisfied with the Fitness & Probity of the person/institution proposing to acquire a holding.

### **Change of Company Name**

The Central Bank of Ireland must first approve any change in company name before it is submitted to the Companies Registration Office.

### **Application for extension of authorisation**

Where AXA Life Europe wishes to extend its authorisation, it must first notify the Central Bank of Ireland. Following such notification, the Central Bank of Ireland will outline the procedure to progress the application. The timing of such applications should be discussed with the supervisory team prior to their formal submission.

### **Application for Inter-Company Loan**

Prior to providing loans to or accepting loans from a related company, AXA Life Europe must submit certain information to the Central Bank of Ireland. This will include a draft copy of any contract or agreement that is to be entered into by AXA Life Europe in relation to the transaction.

It should be noted that there are various conditions attaching to the provision or acceptance of inter-company loans.

### **Change of Address**

If AXA Life Europe plans to change its address, this must be notified in advance to the Central Bank of Ireland so they can update their records and systems on a timely basis.

### **Other changes**

If there is uncertainty regarding whether a change constitutes a material change for supervisory purposes, AXA Life Europe should contact the Central Bank of Ireland directly.

The above notifications will be co-ordinated through the Head of Compliance and Legal.

### **On-site inspections**

AXA Life Europe may be selected for inspection by the Central Bank of Ireland as a result of the nature and size of the business, as part of a targeted risk assessment or by random selection. The Regulator has established a protocol for conducting such inspections.

## Operating Procedures

The Compliance and Ethics Manual provides an overview of the regulatory issues and rules that must be complied with in the individual operating areas of the business. It does not, however, seek to replace departmental procedures manuals.

It is the responsibility of individual line managers to ensure that procedures are kept up to date. It is the responsibility of individuals within the organisation to ensure they are familiar with and understand the procedures manuals which directly impact their job function or with which they are required to comply.

In preparing procedures manuals, it should be recognised that their purpose is not only to cover the regulatory requirements of Ireland (and other jurisdictions where relevant), but also to explain clearly to an individual the operation of the function to which the procedure relates.

Procedures Manuals exist within the business to assist staff to perform their duties in a compliant and controlled manner. As a guiding principle, they should address the “what, why, where, how and who” issues. Below are some of the questions that a Procedures Manual should address, together with a guide on the sections to be included. AXA Life Europe’s principle on procedures manuals is to prepare manuals that address issues, add value and facilitate the performance of duties of staff and control of the business. It is not required that all manuals should look the same or that they should all be written in the same style.

The questions to be addressed are:

- What do we do?
- How do we do it?
- What are the regulatory issues?
- What are the risks?
- How do we control them?
- Are there any conflicts to manage?
- Who do we report to?
- How do we report?
- What do we need to report?

AXA Life Europe requires that:

- 1) All employees should exercise honesty, objectivity and diligence in performing their duties and fulfilling their responsibilities;
- 2) All employees are loyal to AXA Life Europe and its Partners and Clients;
- 3) No employee should act in a manner which will discredit AXA Life Europe or its Partners and Clients;
- 4) Employees should avoid any conflicts of interest with its Clients or the Company and, if such a conflict arises, declare it and involve an independent third party from within AXA Life Europe to ensure that fair treatment is applied to all parties;
- 5) No employee should place him/herself in a position where he/she contravenes any law, or regulation relevant to business of AXA Life Europe;
- 6) No employee should use confidential information for personal gain nor should confidential information be divulged to third parties;
- 7) No employee should personally accept any gift of significant value from a “business associate” except in accordance with AXA Life Europe policy. Such items received should be dealt with in accordance with the AXA Life Europe Gifts and Entertainment policy (see section later in this document);
- 8) Employees should maintain the highest standards of dignity and competence and should encourage all others with whom they have dealings to adopt the same standards;
- 9) AXA Life Europe and its employees should not seek to do business with third parties who do not place a high degree of importance on ethics and integrity in respect of their business dealings.

Where, for any reason, an employee breaks or believes he/she may have broken one of the ethical guidelines, he/she must immediately report the issue to his or her line manager.

AXA Life Europe staff are expected to conform to the standards of behaviour described in this manual and in all other Policies issued by the Company.

## Personal Account Dealing Rules

There are instances where AXA Life Europe Directors and Employees may have confidential “inside” information about AXA or its affiliates and/or about companies with which we do business that is not known to the investing public. Directors and Employees must treat such information as confidential and if the information is such that a reasonable investor would consider it important in reaching an investment decision, then the Director or Employee who holds the information must not buy or sell securities of the AXA Group or other company in question or give this information to another person who may trade in such securities.

AXA Life Europe Directors and Employees are prohibited from trading in the securities of public companies on the basis of material non-public “inside” information. In general, information is considered material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to purchase, hold or sell a security - e.g. if it is likely to influence the price of the securities in question. While it is not possible to supply a definitive list of types of “material” information, the following items especially merit careful consideration:

- Earnings information (or estimates);
- Mergers, acquisitions, tender offers, joint ventures, dispositions or other changes in assets;
- Changes in control or in management of the company;
- Significant new products or discoveries, or developments regarding customers or suppliers (such as the acquisition or loss of a significant client or contract);
- Significant litigations or regulatory investigations or proceedings;
- Events regarding the issuer’s securities (such as defaults on senior securities, calls of securities for redemption, repurchase plans, stock splits or changes in dividends, changes to security holders’ rights, or public or private sales of additional securities);
- Change in auditors or auditor notification that a company may no longer rely on an auditor’s audit report; and
- Bankruptcies or receiverships.

The above list is not exhaustive, and other types of information may also be considered material depending on the circumstances.

Material information should be considered non-public if it has not been disseminated in a manner making it available to investors generally. For example, Employees should

assume that the information is not public unless the information has been disclosed in an official press release, by a news wire service or in a daily newspaper of wide circulation, in a public filing made with a regulatory agency (such as AXA's *Document de référence* filed with the French Autorité des Marchés Financiers ("AMF")), in a publicized conference call to which investors may listen by telephonic means or through Internet web casting, or in materials sent to shareholders, such as an annual report, prospectus or proxy statement, and a sufficient amount of time has passed so that the information has had an opportunity to be digested by the marketplace. If you have a question as to whether information is "material" and "non-public", you should contact the Head of Compliance and Legal.

In view of this, individuals and related parties of people working within AXA Life Europe require approval to deal on an individual basis in shares and securities. This procedure is in place to protect the individual and AXA Life Europe's business reputation. Compliance with AXA Life Europe's Personal Account Dealing Rules is a condition of employment and employees must, therefore, be familiar with these rules.

Employees should be aware that AXA Life Europe encourages equity participation, but also equally encourages care of action. The rules are designed to protect against breaches of Irish regulatory requirements.

Individuals who breach the rules may expose themselves to internal action relating to misconduct and/or to civil and criminal charges, depending on the nature of the breach. Insider trading can result in significant fines and/or imprisonment. Individuals intending to deal in securities must do so in accordance with the guidelines below.

- If an employee possesses material non-public information about a Quoted company, they may not
  - i. trade in or recommend trading in the securities of that Quoted company for his or her own benefit or the benefit of another person, or
  - ii. disclose such information to another person ("tipping off") who may trade in such securities even though they themselves do not trade in the securities
- An employee must not deal in circumstances, which present a conflict of interest with AXA Life Europe's clients.
- An employee must not deal if such dealing could potentially commit the employee to a financial liability which could not easily be met from readily available funds or which overstretches the employee's financial resources.
- An employee must not deal if such dealing could affect the employee's good standing, reputation or the best interests of AXA Life Europe.

- An employee must not deal in circumstances, which affects his/her duties to AXA Life Europe.
- If an employee knows or should know that any research recommendation or analysis is to be published by a branch of AXA within 5 business days which could reasonably be expected to affect the price of an investment he or she must not deal in such investments (or a related investment) until 2 business days after the research, recommendation or analysis has been published.
- An employee must observe the spirit of these guidelines and any applicable regulatory requirements or legislation that may be applicable from time to time.

Any breach of the Personal Account Dealing Rules should be notified immediately to the Head of Compliance and Legal. Any breach may be considered as grounds for disciplinary action.

## Fit and Proper Requirements

The Central Bank Reform Act 2012 became law on 17 July 2010. Under this Act, a system was created for the regulation of persons performing “controlled functions” (CFs) or “pre-approval controlled functions” (PCFs) within financial institutions.

Within the context of AXA Life Europe (Ireland) Limited, these “PCFs” are:

- PCF1 – Executive Directors of the Company,
- PCF2 – non-Executive Directors of the Company
- PCF3 – Chairman of the Board
- PCF4 – Chairman of the Audit Committee
- PCF5 – Chairman of the Risk Committee
- PCF6-Chairman of the Remuneration Committee
- PCF8 – Chief Executive
- PCF11 – Head of Finance
- PCF13 – Head of Internal Audit
- PCF14 – Chief Risk Officer
- PCF15 – Head of Compliance and Legal with responsibility for Anti-Money Laundering and Counter-Terrorist Financing Legislation
- PCF16 - Branch Managers of branches in other EEA countries
- PCF48 – Head of Actuarial Function
- PCF49 – Chief Information Officer

The applicable CF roles are:

- CF1 – Persons able to exercise a significant influence on the conduct of the affairs of a regulated financial service provider
- CF2 – Persons ensuring, controlling or monitoring compliance by a regulated financial service provider with its relevant obligations
- CF4 – Persons arranging a financial service for a customer of the regulated financial service provider
- CF5 – Persons assisting a customer in the making of a claim under a contract of insurance or reinsurance
- CF6 – Persons determining the outcome of a claim arising under a contract of insurance or reinsurance
- CF7 – Persons managing or supervising the CF3 to CF6 role



- CF8 – Persons adjudicating on any complaint communicated to a regulated financial service provider by a customer
- CF10 – Persons dealing in or having control over property of a customer of the regulated financial service provider
- CF11 – Persons dealing in or with property on behalf of the regulated financial service provider

The Act requires that PCFs and CFs meet standards of competence and probity. These standards are usually referred to as “fit and proper” standards. “Fitness” requires that a person appointed as a PCF or a CF has the necessary qualifications, skills and experience to perform the duties of that position. “Probity” requires that a person is honest, fair ethical and financially sound. Before appointing a PCF or a CF the Company needs to demonstrate to the satisfaction of the Central Bank of Ireland that he or she meets the fit and proper standards. As part of ongoing monitoring, AXA Life Europe will also ask persons performing a PCF or a CF to certify that they are aware of the Fitness and Probity Standards and agree to continue to abide by those Standards at least on an annual basis.

PCFs will be requested to complete an Individual Questionnaire (“IQ”) which the Company Secretary will review and verify by performing due diligence work. Once the Company Secretary is satisfied that the PCF is Fit and Proper and the Board has approved the appointment, he will submit the IQ to the Central Bank of Ireland for approval.

Once the Central Bank of Ireland approves the IQ, AXA Life Europe can formally appoint the individual as a PCF. The Central Bank of Ireland may decide to call a person asking to take up a PCF role for interview.

In the case of CFs, the Company must be satisfied on reasonable grounds that a person complies with the standards of fitness and probity issued by the Central Bank of Ireland under Section 50 of the Act and has agreed to abide by those standards.

Should AXA Life Europe become aware that there may be concerns regarding the fitness and probity of a person performing a PCF or a CF, the Central Bank of Ireland expects the Company to investigate such concerns, take action as appropriate and notify the Central Bank without delay.

The Central Bank of Ireland may also request AXA Life Europe to set out the reasons for the departure of a PCF.

## Training & Competence

The Central Bank of Ireland requires regulated firms to ensure employees who engage in the activities of the business are adequately trained, properly supervised and assessed for their competency to perform those functions (and where applicable that they meet the relevant Minimum Competency Requirements set out for that function). AXA Life Europe's commitment to training and competence is that employees are and remain competent and appropriately qualified in respect of their roles; are appropriately supervised; that competence is regularly reviewed; and the level of competence is appropriate to the nature of the business and the employees' specific duties.

To determine an employee's level of competence AXA Life Europe will take into consideration:

- the passing of appropriate examinations;
- the existence of adequate supervision;
- practical experience; and
- compliance with any local Minimum Competency Requirements ("the Requirements")<sup>1</sup>.

Employees are required to comply with any continuing professional development requirement of any association, institution or other relevant body of which they may be a member and may be requested to sit and pass examinations applicable to their respective roles in accordance with the Requirements.

Employees must notify the Head of Compliance and Legal of any change to their responsibilities in order to establish whether it affects the existing status of the individual or the Requirements.

AXA Life Europe will analyse any position for which it is seeking to recruit and prepare a job description (e.g. responsibilities and relationships) which profiles the person required (e.g. education, relevant professional qualification(s), experience, ability and personality) and prepare to conduct and evaluate structured interviews. AXA Life Europe will take into consideration the duties and responsibilities of the post to be filled and match these against the selected candidates' qualifications, experience, references and degree of fitness and probity, if applicable.

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<sup>1</sup> Firms such as AXA Life Europe, authorised by the Central Bank of Ireland, are not subject to the Irish Minimum Competency Requirements when providing services in other EU or EEA Member States, however AXA Life Europe must comply with the corresponding requirements of the Member State into which it is providing its services. In other words, AXA Life Europe is required to adhere to any applicable French minimum competency requirements when providing services into France, and with any applicable United Kingdom minimum competency requirements when providing services in the UK.

## Data Protection

The Data Protection Acts 1988 to 2018 (hereinafter referred to as the “DPA”) impose a number of constraints upon the collection or processing of personal data or information.

Personal data is defined as data relating to a living individual who is or can be identified either from the data or from the data in conjunction with other information that is in, or is likely to come into, the possession of the data controller.

A data controller is the individual or the legal person who controls and is responsible for the keeping and use of personal information on computer or in structured manual files.

AXA Life Europe has registered as a data controller for the personal data it holds on its clients and for the HR data that it holds on PCFs and CFs.

AXA Life Europe and its employees must adhere to the following 8 principles of data protection whereby personal data:

1. must be obtained and processed fairly;
2. must only be kept for specified, explicit and legitimate purpose(s);
3. must not be disclosed in a manner incompatible with its purpose(s);
4. must be kept secure from unauthorised/unlawful access or alteration;
5. must be accurate, complete and, where necessary, kept up to date;
6. must be adequate, relevant and not excessive in relation to its purpose(s);
7. must not be retained for any longer than specified purpose; and
8. must be provided to data subjects upon request.

Specific departments within the Company which handle customer or employee data should ensure they develop, implement and enforce their own department data protection policies and procedures, indicating levels of confidentiality, access rights and retention requirements.

Employees must rectify incorrect information maintained and notify the Head of Compliance and Legal of any access request received from a client or partner. Failure to do so may lead to disciplinary action.

AXA Life Europe retains some basic facts in relation to its employees, which would be classed as personal data. An employee has the right at any time, to obtain a full copy of these details held by AXA Life Europe about that employee.

AXA Life Europe is required to adhere to the Code of Practice on Data Protection for the Insurance Sector, which was approved by the Data Protection Commissioner under section 13(2) of the DPA in August 2008.

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This Code applies to all personal data held by or on behalf of insurance companies established in the State. This includes data relating to a person who holds policies (or who has applied for or held policies in the past) and any other individual whose claim is being assessed, processed or negotiated under a policy issued by the insurer. The Code of Practice is available on [www.dataprotection.ie](http://www.dataprotection.ie).

Under the General Data Protection Regulations, which were made law in Ireland via the Data Protection Act 2018, a data controller must notify the Data Protection Commissioner of any breach which presents a risk to the affected individual within 72 hours of being made aware of that breach. Where an employee is aware of a data breach or suspects a data breach has occurred, he/she must notify the Data Protection Officer immediately. The Data Protection Officer for AXA Life Europe is:

Steven Taggart

Email: [steven.taggart@axa-lifeinvest.com](mailto:steven.taggart@axa-lifeinvest.com)

Tel: 014711351

## Anti-Money Laundering/Terrorist Financing

Money laundering is the term given to the processes by which the identity of funds representing the proceeds of criminal conduct is changed through apparently legitimate transactions and processes, so that the money appears to originate from a legitimate source.

Terrorist financing is where funds are collected with the intent or knowledge that they will be used for terrorist purposes regardless of whether the funds arise from legitimate or criminal means.

As AXA Life Europe is established in Ireland, the Company is subject to the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 which sets out the requirements regarding anti-money laundering and counter-terrorist financing. This legislation was amended subsequently, notably by Part 2 of the Criminal Justice Act 2013 and by the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2018, and it places specific obligations on AXA Life Europe to:

- i) verify the identity of new customers;
- ii) retain records of identification for at least 5 years<sup>2</sup> from the date of the last transaction with the retail customer or the termination of the business relationship with the customer, whichever is the later;
- iii) where relevant, retain original documentation (or copies admissible in legal proceedings) relating to transactions for a period of at least 5<sup>1</sup> years following the execution of the transaction;
- iv) establish measures to prevent and detect money laundering or terrorist financing including appropriate training on the legislation, and how to proceed once a suspicion of an offence under the legislation has been formed;
- v) establish procedures to ensure all transactions connected with certain designated states and territorial units are reported;
- vi) ensure adequate controls are in place over customer money and transactions passing through customer accounts; and
- vii) embed a risk-based approach to AML / CFT, including the requirement to complete both a business level risk assessment and customer-transaction level risk assessments;
- viii) implement internal reporting procedures, including nominating a Money Laundering Reporting Officer to whom reports of suspicions of offences and reports of any transactions with designated states should be made.

In February 2012, the Minister for Justice issued Guidance Notes on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing in

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<sup>2</sup> A period of 6 years is required for the purposes of the Statute of Limitations. The Regulator also requires authorised firms to retain records for 6 years. Therefore, in practice, records will be retained for 6 years rather than the 5-year term provided under the CJA.

2011. These Guidance Notes are available on the Irish Central Bank of Ireland's website [www.centralbank.ie](http://www.centralbank.ie).

Whilst these Guidance Notes do not constitute a legal interpretation of the Acts they may be considered by a court when deciding whether AXA Life Europe has complied with the Criminal Justice Act 2010. The Guidance Notes are also used by the Central Bank of Ireland when supervising the activities of AXA Life Europe. Consequently, it is important that all staff are aware of the contents of the Guidance Notes and adhere to the provisions of the Guidance Notes in respect of identifying and verifying all clients/prospective clients where applicable and identifying and reporting suspicious transactions where relevant.

The Head of Compliance and Legal is responsible for training AXA Life Europe staff on Anti-Money Laundering and Counter-Terrorist Financing. This training includes:

- An explanation of money laundering and terrorist financing,
- An explanation of the stages involved in money laundering,
- An explanation of the legal obligations of AXA Life Europe and its employees,
- Examples of money laundering and terrorist financing,

Training will be provided on a regular basis, particularly for staff involved in processing customer applications and payments. The Head of Compliance and Legal is responsible for retaining records of training provided and staff trained.

**There is a statutory obligation on all staff to report suspicions of money laundering. AXA Life Europe has appointed the Head of Compliance and Legal to act as the Money Laundering Reporting Officer (MLRO) to facilitate the process of making a suspicious transaction report. If suspicions are raised that money laundering may be taking place the following procedures should be followed:**

- Do not discuss your suspicion with your colleagues as knowledge of such suspicions may lead to them having to report such a transaction.
- Report your suspicion verbally to the MLRO, this verbal report should be followed up in writing on the Internal Report Form (See **Appendix 1**).
- Where you are suspicious of money laundering, this report must be completed even if the transaction is not completed.
- The MLRO will acknowledge receipt of the Internal Report Form to the reporting staff member.
- The MLRO will decide whether to carry out further investigations and/or report the transaction to the Garda Síochána and the Revenue Commissioners. This decision is solely at the discretion of the MLRO and as this is a matter of law the MLRO cannot be required to discuss this matter or disclose their actions to any other person.

- In considering what action to take, the MLRO will update the Internal Report Form accordingly (See **Appendix 1**). If, after completing this review, the MLRO decides that the initial report gives rise to knowledge or suspicion of money laundering, or an offence under section 32 of the 1994 Act, the MLRO must disclose their information to the Garda Síochana and Revenue Commissioners.
- If a report (See **Appendix 2**) is made to An Garda Síochana and the Revenue Commissioners, a confirmation of the receipt of the report will be sent to the MLRO.

It is essential that people are informed of suspicions of money laundering on a need to know basis only. The more people who are aware of suspicions the more who will become subject to the reporting requirements. In addition, it becomes more likely that the suspected money launderer will be “tipped off”, which is also an offence under the 1994 Act.

Suspicious Transaction Reports (STRs) must be submitted to the Irish Financial Investigation Unit via the goAML website. Only the MLRO is authorized to submit STRs via this website.

The MLRO will report details of any suspicious transactions reported by AXA Life Europe to the Board of Directors on at least an annual basis.

AXA Life Europe has detailed anti-money laundering procedures in place, and these are reviewed on an annual basis to ensure all staff receive up-to-date training annually. In addition, the Head of Compliance and Legal reviews higher risk transactions against anti-money laundering requirements as part of the Compliance Monitoring Programme.

## Internet and e-Mail Usage

Email and internet facilities are provided for business purposes.

AXA Life Europe seeks to maximise the profitable use of electronic communications systems. However, misuse of both email and the internet can have serious consequences (including legal liabilities) for AXA Life Europe and or the employees concerned.

AXA Life Europe has produced specific policies on Internet Usage and on e-Mail usage. Employees should refer to these documents for additional guidance on requirements in these areas.



## Anti-bribery and corruption

AXA Life Europe is committed to the highest standards of ethical business conduct.

AXA Life Europe has established a policy in relation to the fight against bribery and corruption. Employees are required to familiarise themselves with this policy and to comply with its requirements.

## Complaints

Complaints represent an opportunity for us to discuss at first hand the service our customers have received. They allow us to demonstrate that we are a responsible, caring organisation and to identify actions which may prevent repeat complaints. Successful complaint handling is integral to our customer centred philosophy.

Complaints can be received from our distribution partners, Independent Financial Advisers, other AXA Group Companies, or directly from retail customers, whether raised orally, in writing or by electronic means. All complaints of whatever nature must be treated fairly and properly, and remedial action must be taken promptly.

AXA Life Europe has established a policy and procedure on complaint handling. Employees interacting with customers are required to familiarize themselves with this procedure and comply its requirements.

The principle requirements AXA Life Europe must adhere to when dealing with complaints are:

- i. the time scales and standards that must be attained by AXA Life Europe when dealing with complaints from consumers
- ii. the standards set out by the Irish Financial Services Ombudsman (“FSO”), which settles complaints between consumers and financial services providers.
- iii. the standards set out by local conduct of business rules in the various jurisdictions in which ALE does business.
- iv. the standards that may be set out by AXA Life Europe’s distribution partners in the distribution agreements.

At the end of each quarter, the Compliance Function will undertake a regular review of the complaints dealt with by the Operations team, paying particular attention to repeated complaints about the same issue which may indicate a continued weakness in the Company’s procedures, customer service or a product deficiency.

The analysis of complaints undertaken by the Compliance Function is reported to the Board of AXA Life Europe, as part of the quarterly Compliance report.

All complaints of whatever nature must be treated fairly and properly, and remedial action must be taken promptly. If an employee is in any doubt as to whether he/she has received a complaint, the matter should be discussed with the Head of Compliance and Legal, who will make a ruling. In addition to monitoring complaints received by the Head Office of AXA Life Europe, all branches of AXA Life Europe must provide a quarterly report of complaints to the Compliance Officer and such complaints should be included

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in an annual report to the Board. In the event of a serious complaint the Board would be informed at the next Board Meeting.

Upon receipt of a complaint the Complaints Register is updated with the following information:

- (i) Personal details of the complainant,
- (ii) Date of receipt of the complaint,
- (iii) Location of complaint,
- (iv) Type of complaint,
- (v) Description and notes.

## Gifts and Entertainment

AXA Life Europe is committed to the highest standards of ethical business conduct.

AXA Life Europe has established a policy in relation to gifts and entertainment to avoid any potential conflict of interest between AXA Life Europe employees and its clients' and partners' interests. Employees are required to familiarise themselves with this policy and to comply with its requirements.

Situations may arise where some doubt exists around whether a gift can be accepted. In such cases, staff are advised to act in a cautious manner and discuss the relevant situation with the Head of Compliance and Legal.

## Procurement Ethics

AXA's Group Procurement Department has adopted a specific set of additional ethics guidelines that apply to employees of AXA Group companies who are involved in the procurement of goods and services from third parties on behalf of those companies ("Procurement Associates"). Under these guidelines Procurement Associates must observe the following guidelines and practices in addition to the other provisions of the Guide:

- **Fairness/Competitive bidding:** Procurement Associates must treat all potential players fairly when it comes to consultations on all significant purchases without exception.
- **Neutrality:** Procurement Associates are prohibited from accepting, directly or indirectly, gifts, entertainment, consideration, personal benefits or other inducements of any kind from existing or potential vendors without the express permission from the head of their company's Procurement Department. This means that Procurement Associates, without express permission from the head of their company's Procurement Department, may not:
  - Accept any meal, invitation to a sporting, social or similar event from a vendor or participate in any trip, seminar, visit or other event of any kind organized by a vendor.
  - Accept personal gifts, entertainment or favours from a vendor including "perishable" gifts that may be received unsolicited from vendors from time to time (any such perishable gifts received should be refused wherever possible) failing which, they should be donated to AXA Hearts in Action or a similar local initiative.
  - Accept any form of services or products from a vendor at discounted rates or on special terms or conditions that are not generally available to the public.

In addition, receiving any form of "kickback" or other compensation from a supplier is strictly prohibited and may also constitute a violation of law.

**Confidentiality:** Suppliers' offers and the content of contracts with them are strictly confidential and should be treated accordingly. Under no circumstances, should this information in any form whatsoever be communicated outside the AXA Group without express approval of the local head of Procurement, unless

- 1) communication is required by law, regulation or legal/regulatory investigations or processes, or
  - 2) when duly validated by a senior manager for investigations into legal or regulatory matters or for other valid business reasons.
- **Transparency/traceability:** All important items with respect to a purchasing decision must be recorded in a document that is kept on file at least until the amortization period for the property in question has been completed. In the case of non-amortized immaterial goods, the shelf life of these elements should be at least the period of validity of the signed contract. This document should contain the technical and

financial factors that influenced the choice, as well as the opinions and authorizations that preceded it, according to the procedures in force at the time the choice was made.

In addition to all written correspondence (letters or emails) with the supplier, this file should reflect all technical and financial factors having influenced the choice and any authorizations required or obtained prior to the decision, in line with existing procedures.

### **Corporate Responsibility**

The AXA Group has produced standard Corporate Responsibility clauses for inclusion in all contracts with external third parties. These can be obtained from the ALE General Counsel.

In addition, a specific Corporate Responsibility assessment needs to be carried out before entering into a contractual arrangement with external third parties and should be included in the submission which goes to the Outsourcing Committee for approval.

## Retention of Records

AXA Life Europe performs certain application processing and claims settlement activities. AXA Life Europe Limited is required to maintain at its registered office or place of business in Ireland proper records of all business carried on by the undertaking in Ireland under its authorisation. AXA Life Europe retains these records in relation to the insurance business it processes. The length of time the Company is required to retain records is primarily determined by the Statute of Limitations 1957 as amended by the Statute of Limitations (amendment) Acts, 1991 and 2000 (hereinafter together referred to as the “Statutes”). The Statutes impose limitations of time upon existing rights of action on matters of tort, contract and title. AXA Life Europe is also required to adhere to the requirements of the Data Protection Act 1988 to 2018 whereby information should not be retained any longer than is necessary for the purposes for which it has been obtained.

There are further retention periods specifically set out under the Criminal Justice Act, 1994 (as amended) requiring designated bodies to retain records for a period of 5 years following the termination of a client relationship or date of the last transaction whichever is the later. The statute of limitation period for breach of contract and tort is 6 years. In addition, the French Insurance Code requires insurance undertakings operating in France to maintain copies of records for ten years after the end of the business relationship with the client.

To reduce the burden of compliance in relation to the retention of records (both paper-based and electronic records), the operational procedures of AXA Life Europe will be based on a consistent holding period for all relevant documents. Therefore, all documents created by or for AXA Life Europe which fall within the categories set out below will be kept for a period of six years for UK and Ireland, and ten years for France:

- Tax legislation,
- Statute of limitations,
- Central Bank of Ireland requirements,
- Data Protection legislation.

All client documentation and other such documentation that relates to regulated activity will be held for the relevant number of years after the relationship ends with the client. Logistically it may not be feasible to retain all original documentation in hard copy for an indefinite period so AXA Life Europe retains important original documentation (e.g. customer application forms, policy documentation, etc...) in hard copy in client files ensuring it can be easily retrieved whilst other day-to-day documentation (e.g. email correspondence, letters, research memos, marketing material communicated etc...) is stored in electronic format in accordance with the provisions of the Electronic Commerce Act, 2000.

To meet the various requirements outlined above, AXA Life Europe will retain all relevant records for a minimum period of six years (UK and Ireland) or ten years

(France) whether paper based or electronic. Staff in any doubt should contact the Head of Compliance and Legal.

AXA Life Europe will ensure that the records are retained in such a form and manner to ensure that:

- the Central Bank of Ireland can access the records readily and to reconstitute each key stage of the processing of each transaction;
- any corrections or other amendments, and the contents of the records prior to such corrections or amendments, are easily ascertained; and
- it is not possible for the records otherwise to be manipulated or altered.



## Conflicts of Interest

AXA Life Europe is required to behave with diligence, fairness and transparency towards its partners, clients and the retail customers whose policy applications and claims it processes on behalf of various insurance undertakings. AXA Life Europe therefore needs to manage any possible areas of conflict between its interests and its customers' interests.

Conflicts of interest can arise at two levels:

- 1) At a personal and individual level
- 2) At the level of the Company

**At a personal level**, a “conflict of interest” exists when a person’s private interest interferes, may interfere or even appears to interfere in any way with the interests of the Company.

Conflicts of interest may arise, for example, when an employee, or a member of his or her family, receives improper personal benefits (including personal loans, services, or payment for services that the employee performs in the course of Company business) as a result of his or her position in the AXA Group, or gains personal enrichment or benefits through access to confidential Company information. Conflicts may also arise when an employee or a member of his or her family, holds a significant financial interest in a company that does an important amount of business with the Company or has outside business interests, which may result in divided loyalties or compromise independent judgment.

Conflicts of interest can arise in many common situations, despite your best efforts to avoid them. Company employees are encouraged to seek clarification of, and discuss questions about, potential conflicts of interest. If you have questions about a situation, you should bring it to the attention of your manager or to a representative of your company’s Compliance Department.

Although activities outside the Company or the AXA Group are not necessarily a conflict of interest, a conflict could arise depending upon your position within the Company and the Company’s or AXA Group’s relationship with the activity in question. Outside activities may also create a potential conflict of interest if they cause an employee to choose between that interest and the interests of the Company or the AXA Group. The Company recognizes that the guidelines in this section are not applicable to Company directors who do not also serve in management positions within the AXA Group (“Outside directors”).

Employees may not serve as directors (or in an equivalent position) of any outside business organization, unless such service is specifically approved by the CEO of the Company.

This approval requirement applies regardless of whether an employee plans to serve as a director of an outside business organisation (1) in a personal capacity or (2) as a

representative of the Group (or of the Company) holding a corporate board seat on the outside organisation (e.g. where the Group may have a significant but non-controlling shareholding interest in the outside company). There are several factors and criteria that the Company will use in determining whether to approve an employee's request for an outside business directorship. For example, directorships in outside companies are subject to legal limitations in certain jurisdictions. Directorships in outside companies should also satisfy a number of business considerations, including (1) furthering the interests of the AXA Group, and (2) not detracting in any material way from the employee's ability to fulfil his or her commitments to the Company. The Company will also take into consideration the time commitment and potential personal liabilities and responsibilities associated with the outside directorship in evaluating requests.

Employees should be cautious with respect to personal investments which may lead to conflicts of interest or raise the appearance of a conflict. Conflicts of interest may arise in cases where an Employee or a member of his or her family, hold a substantial interest in a company that has significant dealings with the Group either on a recurring or "one-off" basis. For example, holding a substantial interest in a family-controlled or other privately held company that does business with the Company or Group may give rise to a conflict of interest or the appearance of a conflict. In contrast, holding shares in a widely held quoted company that does business with the Company or Group from time to time may not raise the same types of concerns. For purposes of reporting and pre-clearing your investments in companies that do business with the Company or Group, you will be regarded as having a substantial interest in a company if you or your family members hold, directly or indirectly, an equity interest of 3% or more (regardless of the form of such interest). Prior to making any such personal investments, Employees should consult with their supervisor or with a representative of the Company's Compliance Department and prior clearance should be obtained from the Company's CEO. The 3% threshold noted above has been established for purposes of reporting and pre-clearing your personal investments in companies that do business with the Company or Group, however, whether an actual or potential conflict of interest is deemed to exist as a result of holding such an interest will depend on a number of factors including the size of the investment, the nature of your employment duties, and the significance of the other company's dealings with the Company or Group. Employees should also be cautious with respect to outside business interests that may create divided loyalties, divert substantial amounts of their time and/or compromise their independent judgment. If a conflict of interest situation arises, you should report it to your manager and/or to a representative of the Company's Compliance Department. Business transactions that benefit relatives or close personal friends, such as awarding a service contract to them or a company in which they have a controlling or other significant interest, may also create a conflict of interest or the appearance of a conflict. Employees should consult their manager and/or a representative of the Company's Compliance Department before entering into any such transaction.

We recognize that employees often engage in community service in their local communities and engage in a variety of charitable activities and we commend employees' efforts in this regard. However, it is every employee's duty to ensure that all outside

activities, even charitable or pro bono activities, do not constitute a conflict of interest or are otherwise inconsistent with employment by the Company.

**At a Company level**, a “conflict of interest” can exist when there is a situation whereby AXA Life Europe or an employee subcontractor of AXA Life Europe has a competing interest with a Partner or Client, whether professional or personal, arising out of the provision of services to that Provider / Client.

These conflicts of interest may arise between:

- AXA Life Europe and a Partner / Client;
- Two or more Partners / Clients of AXA Life Europe in the context of the provision of services by AXA Life Europe to those Partners / Clients;
- AXA Life Europe and Third Parties (including related/affiliated companies);
- Or within AXA Life Europe or its organisation.

In order to identify the types of conflict of interest that may potentially damage or adversely affect the interests of a Partner / Client, AXA Life Europe must take into account whether AXA Life Europe (including its directors, managers and employees) or a person directly or indirectly linked by control to AXA Life Europe is in any of the following situations:

- (a) has an interest in the outcome of a service or transaction which is at variance with the Partner’s / Client's interests;
- (b) is likely to make a financial gain, or avoid a financial loss, which is at variance with the Partner’s / Client's interests;
- (c) has a financial or other incentive to favour the interest of another Partner / Client(s);
- (d) carries on the same business as the Partner / Client;
- (e) receives or will receive an inducement (e.g. soft commission arrangement) other than the standard commission or fee.

If there is a potential conflict of interest, the existence of which may damage the interests of a Partner / Client, then AXA Life Europe must take steps to ensure, with reasonable confidence, that any risk will be prevented, or disclose the risk to the Partner / Client in advance of entering into the relationship.

To ensure conflicts of interest are identified and managed appropriately, the CEO(s) and the Head of Compliance and Legal of AXA Life Europe conduct a review of relevant AXA Life Europe business activities to:

- ascertain any actual or potential financial/non-financial gains that would accrue to AXA Life Europe or another group company at a Partner’s / Client’s expense;

- identify any cases where AXA Life Europe or one of its branches has any other type of interest in AXA Life Europe's services or transactions, different from that of the Partner or Client;
  - compile a record of cases where there is a material risk to a Partner's / Client's interests;
  - indicate in such cases, what practical measures have been or should be adopted to prevent damage to the Partner's / Client's interest, or if the risk cannot be prevented with reasonable confidence, how this risk is disclosed to the Partner / Client.
- Practical measures include:
  - Disclosure of the potential conflict of interest to the Partner / Client;
  - Formalisation of relationships such as putting a formal contractual agreement in place;
  - Establishment of clear roles and responsibilities within AXA Life Europe;
  - Combination of the above.

Where an employee believes there is a potential conflict of interest, which has not already been considered the employee should immediately notify the Head of Compliance and Legal.

## Health and Safety

The Safety, Health And Welfare At Work Act, 2005 (as amended), and regulations made thereunder, place upon AXA Life Europe the statutory duty of providing a safe and healthy working environment for all employees, so far as is reasonably practicable, at its premises at Wolfe Tone House.

Section 8 of the 2005 Act imposes general duties on the employer insofar as health and safety is concerned. Such duties include, *inter alia*:

- managing and conducting work activities in such ways to ensure, so far as is reasonably practical, the safety, health and welfare at work of employees;
- preventing, so far as is reasonably practical, any improper conduct or behaviour likely to put safety or health at risk;
- with regard to the place at work, ensuring so far as is reasonably practicable, that the design, provision and maintenance of it is in a condition that is safe and without risk to health and that there is safe means of access and egress from it and that the design, provision and maintenance of plant machinery or any other articles are safe and without risk to health;
- preventing any risk to health resulting from the use of any article or substance or exposure to noise, vibration or ionising or other radiations or any physical agents;
- providing systems of work which are planned, organised, performed, maintained and revised as appropriate so as to be safe and without risk to health;
- providing and maintaining facilities and arrangements for the welfare of employees;
- providing information, instruction, training and supervision necessary to ensure safety of employees;
- determining and implementing safety measures and in so doing considering changing circumstances and the general principles of prevention of any risk to health and safety;
- where risks cannot be eliminated or adequately controlled, providing and maintaining such protective clothing and equipment as is necessary;
- preparing and revising as appropriate adequate plans and procedures to be followed and measures to be taking in the case of an emergency;
- reporting accidents and dangerous occurrences as prescribed;
- obtaining where necessary the services of a competent person (as defined) for the purposes of ensuring so far as is reasonably practicable the safety, health and welfare at work of employees.

### ***Information for employees***

In addition to the general duties of employers, all information in relation to safety, health and welfare at work matters should be given to employees in a form, manner and, as appropriate, language that is reasonably likely to be understood by the employees and should include information as to any hazards that exist in respect of health and safety, the protective and preventative measures in place in order to control the risks and the names of any person designated with any health and safety duty.

### ***Instruction, training, supervision of employees***

Employers have an additional duty to ensure that instruction, training and supervision are provided in a form, manner and, as appropriate, language that is reasonably likely to be understood by employees. Employers must also ensure employees receive time off without loss of pay to receive appropriate information and training and that when assigning a specific health and safety task to an employee, ensure that the employee's capabilities are taken into account.

Employers should retain copies of all employee training records.

### ***Safety documentation***

It is incumbent upon every employer to identify hazards in a place of work under their control, to assess risks presented by those hazards and thereafter create a written assessment as to how any of its employees would be exposed to any risks. This Risk Assessment must then be reviewed where there has been any significant change to matters to which it relates or where there is any other reason to believe it is no longer valid. Where risks have been identified, the employer(s) must take steps to eliminate, or at the very least minimize, the risk and to implement any improvement considered necessary in the interest of the safety, health and welfare of employees.

An employer must then prepare, or cause to prepare, a written statement which will be based on the hazards identified in the Risk Assessment. This Safety Statement must set out how those risks and the safety, health and welfare at work of the employees is to be secured and/or managed. It should therefore identify the hazards and risks assessed, set out the protective and preventative measures taken, and resources provided for protecting health and safety together with the plans and procedures to be followed in an event of an emergency or serious/imminent danger. The document must also set out the duties of employees with regard to health and safety, to include cooperation with the employer or any other person who has a health and safety responsibility, the names and, where applicable, the job title or position of any person responsible for performing health and safety tasks and the arrangements in place with regard to the appointment of a safety representative and consultation with employees in respect of health and safety matters. The Safety Statement must be brought to the attention of employees in a form, manner and, as appropriate, language that is reasonably likely to be understood by those employees. In respect of all employees, the safety statement must be brought to their attention at least annually or following any amendment to it and to newly recruited employees upon commencement of employment. It must also be brought to the attention

of any other person who attends the place of work who may be exposed to any specific risks to which the Safety Statement applies.

A copy of the Safety Statement, or relevant extract thereof, must be kept available for inspection at or nearer the place of work to which it relates while work has been carried out there.

### ***Where employers share a place of work***

Section 21 of 2005 Act makes provision for employers who share a place of work such that they must cooperate in complying with, and implementing, the provisions of the legislation in relation to health and safety matters. By taking into account the nature of work carried in that place of work, they must coordinate their actions in relation to protection from and prevention of risks and inform each other and their respective employees and safety representatives (if any) of any risks to their health and safety including by the exchange of Safety Statements or relevant extracts relating to the hazards and risks to employees.

### ***Safety representatives and safety consultation***

The 2005 Act allows for a discretion whereby employees may, from time to time, select and appoint from amongst their number a representative or, by agreement with the employer, more than one safety representative, to represent them at a place of work in consultation with the employer on matters related to health and safety. In any event, employers must consult with employees for the purpose of making and maintaining arrangements in respect of health and safety measures.

### ***Applicability to AXA Life Europe***

The 2005 Act provides that where an employer employs three or more employees it will be necessary for them to prepare, or cause to be prepared, a Safety Statement as outlined above.

The Health & Safety Officer in AXA Life Europe is Mr Gary McGrath.

## Employment Law

All employment related matters should be read in conjunction with the Employee Handbook.

### ***Pre-Contract Matters***

Most employers seek staff through job advertisements. Such advertisements are required to comply with legislation governing equality in employment. In addition, job advertisements should be carefully worded as applicants will rely on that wording and it may form part of a contract of employment.

The conduct of job interviews is important in that the prospective employer and/or employee may make representations which could be deemed to form part of the contract of employment. In addition, questions which breach the statutory code of equality cannot be asked.

### ***Contract of Employment***

Under the Terms of Employment (Information) Acts, 1994 and 2001 (as amended) an employer is obliged to provide an employee with a statement containing the basic terms of the contract of employment including the place of work, job title, date of commencement, pay details, terms and conditions relating to hours of work and the period of notice which the employer and employee are required to give to terminate the contract.

A national minimum rate of pay was introduced in April 2000. In certain industries and geographical areas, rates of pay and other terms and conditions are regulated by specific Employment Regulation Orders.

Ministerial Codes of Practice set out basic requirements for disciplinary procedures, grievance procedures and dispute resolution generally.

Most of the essential terms of the contract of employment are subject to the following legislation:

### ***Employment Equality Acts, 1998 to 2015***

It is unlawful for an employer to discriminate on grounds of gender, marital or family status, sexual orientation, religion, age, disability, race or membership of the travelling community, in any area of employment including recruitment, training and promotion. In addition, employers must take steps to ensure that harassment (including sexual harassment) of employees does not occur. Otherwise the employer may be held liable and incur substantial costs.

### ***Payment of Wages Act, 1991***

This sets out several approved methods for paying wages including commission, bonus payments, holiday pay and sick pay. However, it does not cover expenses, pensions or



other benefits in kind. It also prohibits deductions from wages without the prior agreement of the employee, unless in exceptional cases.

### ***Maternity Protection Acts, 1994 and 2004***

From March 2007, there is a minimum period of maternity leave of 26 weeks, with up to 16 weeks' additional leave (not covered by Maternity Benefit). Employees must take at least 2 weeks' maternity leave before the baby is due, and at least four weeks after the baby is born. The legislation sets out safeguards for protecting employment rights during that period and prescribes health and safety measures to be taken during pregnancy and after return to work.

### ***Parental Leave Acts 1998 to 2019***

Parental leave entitles parents to take unpaid leave from work to spend time looking after their children. You can take up to 26 weeks' parental leave for each eligible child before their 12<sup>th</sup> birthday. In general, you must have been working for your employer for at least a year to get the full amount of parental leave. You must give your employer at least 6 weeks' notice before taking parental leave.

### ***Safety, Health & Welfare at Work Acts, 2005 to 2014***

Employers have a duty to ensure the safety, health and welfare of employees at work, as far as reasonably practicable. To prevent workplace injuries and ill-health, the employer must take certain actions. These include:

- managing and conducting work activities in such ways to ensure, so far as is reasonably practical, the safety, health and welfare at work of employees;
- preventing risks from employees using any article or substance, and from exposure to physical agents, noise and vibration;
- preventing any improper conduct or behaviour likely to put the safety, health and welfare of employees at risk;
- providing instruction and training to employees on health and safety;
- providing protective clothing and equipment to employees;
- appointing a competent person as the organisation's safety officer.

The duties of employees while at work include:

- Taking reasonable care to protect the health and safety of themselves and of other people in the workplace;
- Not engaging in improper behaviour that will endanger themselves or others;
- Not to be under the influence of drink or drugs in the workplace;
- Undergoing any reasonable medical or other assessment if requested by the employer;
- Reporting any defects in equipment or the place of work which might be a danger to health and safety.

The law requires every employer to carry out a risk assessment for the workplace. This risk assessment should:

- Identify any hazards in the workplace;
- Assess the risks arising from such hazards;
- Identify the steps to be taken to deal with any risks.

The employer must also prepare a safety statement, which is based on the risk assessment. The statement should include the details of people in the workforce who are responsible for safety issues. Employees should be able to access this statement and employers should review it regularly.

### ***Minimum Notice & Terms of Employment Acts, 1973 to 2005***

This sets out the minimum periods of notice for termination of employment. The period of notice depends on the employee's length of service.

### ***Organisation of Working Time Act, 1997***

Under this legislation employees are entitled to certain minimum rest periods in the working day and between one day's work and the next. The average working time in a seven-day period may not exceed 48 hours. This legislation also increases the statutory minimum paid holidays to 20 days per year (excluding 9 public holidays). The legislation also imposes an obligation on the employer to keep records for 3 years to show compliance with this Act. An employer who fails to keep such records shall be guilty of an offence.

### ***The European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003***

Where a business is transferred from one entity to another, resulting in a change of employer (e.g. a merger or acquisition), the rights and obligations of the transferor in relation to the contracts of employment of its staff are transferred to the new owner. The new owner must continue to observe the terms and conditions of the contracts of employment that have been transferred. Dismissal on the grounds that the undertaking or business has been transferred is prohibited. Dismissal can be justified if it can be shown that it is necessitated by economic, technical or organisational reasons which require changes in the workforce.

The transferor and transferee are obliged to provide certain information to their respective employees before the transfer is effected and to consult with employee representatives.

The Employees (Provision of Information and Consultation) Act 2006 includes provisions that impose on a transferor in a transfer of undertakings transaction a new obligation to notify the transferee of the rights and obligations relation to employees that will transfer to the transferee. The transferor may be held liable for any loss resulting to the transferee for the failure to disclose rights or obligations that were, or ought to have been, known to the transferor at the time of the transfer.

## ***Employer Protection***

Much of Irish employment legislation is aimed at providing protection for employees rather than employers. For employers, therefore, it is advisable to ensure that the contract of employment contains provisions to protect their interests in matters such as non-disclosure of confidential information by employees or the securing of intellectual property rights. Similarly, it is advisable for the employer to stipulate what forms of conduct or levels of performance will entitle the employer to terminate the employment. These stipulations should be augmented by the employer's relevant personnel policies, for example in relation to disciplinary, grievance, equality, harassment and e-mail usage. The importance for employers to have well drawn up and active personnel policies cannot be overstated. AXA Life Europe has drawn up various Human Resources policies to reflect these points

## ***Termination of Employment***

Where the contract of employment is terminated by reason of retirement or resignation, there is rarely much cause for dispute between employer and employee. The position is usually very different where it is necessary to dismiss an employee.

Practically every employee with at least one year's service enjoys the protection of the Unfair Dismissals Acts, 1977 to 2015. The two central principles of the legislation are that dismissal of an employee is deemed unfair unless there are substantial grounds justifying the dismissal and that fair procedures have been followed before dismissal is effected. A dismissal that meets only one of these criteria runs a grave risk of being held to be unfair. The Employment Appeals Tribunal adjudicates upon claims for unfair dismissal. If the Employment Appeals Tribunal finds in an employee's favour, it can direct that the employee be reinstated. Alternatively, compensation can be awarded up to a maximum of two years' remuneration. Remuneration is defined widely and includes not only salary but also benefits in kind such as car, pension contributions, health insurance, etc.

An aggrieved employee can also bring proceedings for damages in a court of law for wrongful dismissal.

Previously, employees, particularly those at a senior level within an organisation, sought injunctive relief from the courts at common law to restrain a dismissal from going ahead or taking effect. However, recent High Court decisions mean that employees are much less likely to receive injunctive relief.

Dismissals by reason of redundancy are governed by the Redundancy Payments Acts, 1967 to 2011. Employees with more than two years' service are entitled to be paid a redundancy lump sum by their employer in the amount of two weeks' salary per year of service plus one additional week's pay. For this calculation, only earnings up to €600 per week are considered. Where the statutory procedures set out in the redundancy legislation are followed correctly, the employer is entitled to a rebate from the Department of Enterprise, Trade and Employment of 60% of the statutory lump sum paid out to employees. If collective redundancies are contemplated, the Protection of Employment Acts 1977 to 2014 requires that 30 days prior notification be given to employee representatives and to the Minister for Enterprise, Trade and Employment. For trans-EU

employers, the Trans-national Information and Consultation of Employees Act 1996 may apply. The Employees (Provision of Information and Consultation) Act 2006 imposes additional information and consultation requirements as set out below.

### ***The Employees (Provision of Information and Consultation) Act 2006***

This legislation gives employees a right, subject to conditions, to require their employer to enter into negotiations to agree a framework for informing and consulting with employees on an ongoing basis in relation to business developments i.e. a works council/employee forum arrangement. The legislation initially only applies to undertakings with at least 150 employees reducing to at least 100 employees from 23 March 2007 and at least 50 employees from 23 March 2008. Pre-existing written agreements for information and consultation that embody the principles of the European Directive on which this Act is based, and which satisfies the minimum requirements will be adequate if they have been in place on or before 4 September 2006.

The Act provides for penalties for breaches of the information and consultation provisions of up to €30,000 and/or imprisonment for a term not exceeding three years or both.

### ***Industrial Relations***

The Industrial Relations Acts provide for a non-compulsory regime of conciliation and arbitration for disputes between employers and employees. An employee cannot be prevented by the employer from joining a trade union, should there be one in existence in the place of employment. However, if the employee does not wish to join a trade union he cannot be compelled to do so.

### ***Employment of Foreign Nationals***

EU law provides that a national of any EEA state may work in another member state without a work permit, visa or other equivalent document. Save for some exceptions, nationals of non-EEA countries require a work permit. The procedure is that the employer applies for the work permit in respect of each foreign employee, specifying the employment and the skill or knowledge of the proposed employee. Work permits are usually granted for twelve months but may be renewed on application. The Employment Permits Act 2006 provides for systems for the application and issue of work permits.

### ***Carers' Leave***

The Carers' Leave Act, 2001 gives an employee who has worked for an employer for a continuous period of 12 months a right to unpaid leave for the purpose of providing full-time care to a "relevant person" who is considered by the Department of Social, Community and Family Affairs to be in need of full-time care and attention. This entitlement was extended by the Social Welfare Law Reform and Pensions Act 2006, and the leave period is now a minimum of 13 weeks and up to a maximum of 104 weeks in respect of any one relevant person and the 104 weeks leave may be taken as a continuous period or in separate unit periods, the aggregate duration of which must not exceed 104

weeks. If you ask to take less than 13 weeks' carer's leave, your employer may refuse your request.

On the termination of a period of Carers' Leave an employee is entitled to return to the same work or, if that is not practicable, to suitable alternative work on terms and conditions not less favourable than those applicable to his/her original employment. An employee's service is not broken by a period of carers' leave.

### ***Part-time Workers***

The Protection of Employees (Part-time Work) Act, 2001 provides that a part-time employee should not be treated less favourably than a comparable full-time employee in respect of his/her conditions of employment. A part-time employee may only be treated in a less favourable manner than a comparable full-time employee where such treatment can be justified on objective grounds. The right not to be treated in a less favourable manner than a comparable full-time employee does not apply in relation to any pension scheme or arrangement or to a part-time employee who normally works less than 20% of the normal hours of a comparable full-time employee.

### ***Equal Status Act***

The Equal Status Acts 2000 to 2015 ("Equal Status Acts") provides that a person (which includes an organisation or other entity) shall not discriminate in providing a service to the public generally or a section of the public, under any of the nine grounds specified in the Equal Status Acts which results in that person being treated less favourably than another person. This suggests that the applicability of the Equal Status Acts only extends to discrimination against natural persons or groups of natural persons. The nine grounds are gender, marital status, family status, sexual orientation, religion, age, disability, race and being a member of the travelling community. It should be noted that, in respect of age, treating a person who has not obtained the age of 18 years less favourably or more favourably than another person, whatever the other person's age, shall not be regarded as discrimination on the grounds of age (except for the provision of car insurance to licensed drivers under that age).

The Equal Status Acts provides that a person shall not discriminate in the provision of services to the public generally on any of the nine discriminatory grounds. There is a carve out from the obligation not to discriminate under the Equal Status Acts where the treatment of persons in relation to insurance policies is effected by reference to either actuarial or statistical data or other relevant underwriting or commercial factors which are reasonable having regard to the data or other factors. An insurance company was held to be in breach of its obligations under the Equal Status Acts where it refused to quote a 77-year old man with 7 years' no-claims bonus for motor insurance. This demonstrates that discrimination, even where actuarially supported, must be reasonable.

AXA Life Europe is mindful of the obligations imposed by virtue of the Equal Status Acts not to discriminate against natural persons or groups of natural persons on any of the nine grounds.

## Corporate Governance and Disclosure requirements

### ***Appointment of Directors***

Directors may be appointed either by the board or by a resolution of the shareholder of AXA Life Europe. The number of Directors shall not be less than two or more than twelve. However, the Central Bank of Ireland will normally require at least four/five Directors on Boards of insurance companies. The appointment of Directors, including the appointment of an alternate Director by any of the Directors, requires approval from the Central Bank of Ireland. The Central Bank of Ireland has implemented a “Fit and Proper” regime which sets out the process by which Directors and senior managers (Approved Persons) may be appointed. The procedure involves the completion of an Individual Questionnaire (IQ) by the proposed Approved Person for submission to the Central Bank of Ireland and the verification of the information contained in the IQ by the CEO.

Remuneration of Directors shall from time to time be determined by AXA Life Europe in general meeting. Such remuneration shall be deemed to accrue from day to day. Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.

### ***Ceasing to be a Director***

A Director ceases to be a Director either where he resigns, is removed from office by the Company or the Board, or where he is subject to a disqualification or restriction order. A Director who is removed cannot be deprived of compensation or damages to which he or she is entitled, for example, under a contract of employment. However, the approval of the members of the Company is necessary prior to the payment of compensation by the Company to a Director for loss of office (S186 of the Companies Act 1963). The Company must file Form B10 in the Companies Registration Office (CRO) and update the Beneficial Ownership Register within 14 days from the date of any change in the composition of the Board. Additionally, where there is a change in the particulars of any of the Directors filed in the CRO, such as residential address, Form B10 must be filed in the CRO within 14 days from the date of change. The filing of B10s should be coordinated through the Company Secretary. However, it is incumbent on the Directors and Management to notify the Company Secretary of any changes.

### ***Disclosure Requirements for Directors***

Directors are required to disclose the following:

- certain personal information such as name, date of birth, address, nationality, occupation and details of any other directorships in the register of directors and secretaries;
- interests in shares of the Company or related companies in the register of directors’ interests (s53 of the Companies Act 1990);
- payments to be made to them in connection with share transfers;

- directors' service contracts with the Company must be made available for inspection by any member of the Company; and
- where a Director has in any way an interest in a contract or proposed contract with the Company, they are required to declare the nature of that interest at a meeting of the Directors of the Company (s194 of the Companies Act 1963).

### ***Restricted Transactions***

Directors have certain responsibilities and obligations where they enter into transactions with the Company of which they are a Director.

Where a Director of a Company or its holding company or a person connected with that Director acquires an asset from, or sells an asset to, the Company and the value of that asset exceeds: €65,000 or 10% of the Company's net assets, the arrangement must first be approved by resolution of the Company in a general meeting.

The Company is generally prohibited from making a loan or quasi-loan (i.e. a transaction which is a loan in all but name) to a Director of the Company or its holding company or a connected person unless certain stringent requirements are met and professional advice should be sought before substantial transactions involving Directors are entered into.

### ***Company Secretary***

Every company is required by law to have a Company Secretary. The primary role of the Company Secretary is to maintain and keep up to date the statutory registers of the Company.

The Company Secretary of ALE is Mr Steven Taggart.

### ***Meetings of the Company/Directors***

The Company, as a single member Company, is entitled to dispense with the statutory requirement to hold an Annual General Meeting (AGM). The current shareholder of the Company, AXA SA, has, by written resolution, dispensed with the requirement to hold an AGM. This means that there is no requirement for the shareholder to convene meetings and the majority of decisions that the shareholder may wish to take can be done by way of written resolution. However, there are certain exceptions to this rule such as the removal of the external auditors of the Company and in such instances, a meeting of the Company must be convened. To the extent that a meeting of the Company is convened, AXA Life Europe will need to comply with requirements (contained in the Companies Acts and the Constitution of the Company) as regards the notice periods required to be given which will depend upon the nature of the business to be transacted at the meeting and whether it will involve the passing of an ordinary or special resolution by the Company.

The majority of written resolutions passed by the Company require filing in the CRO within 15 days from the passing of the resolution.

Meetings of the Board of Directors of the Company must be held in accordance with the provisions contained in the Constitution of the Company. There is no statutory requirement concerning the number of Board Meetings that should be held or the business that should be transacted at such meetings. Meetings of the Board may be held by telephone conference, however, from a regulatory and tax perspective, it is important to demonstrate that the management and control of the Company is located in Ireland. One of the primary methods to demonstrate this is the physical attendance by Directors at regular Board Meetings in Ireland. The Central Bank of Ireland would consider that a minimum of four Board Meetings be held annually and at such other times as the business of the Company requires and where possible, all the Directors should physically attend those meetings in Ireland. It is also important for the Directors to attend and participate in Board Meetings in order to demonstrate that they have reasonably discharged their fiduciary duties to the Company. The quorum for Board Meetings is currently set at two. A resolution in writing signed by all the Directors is as valid as a resolution passed at a duly convened Board Meeting.

Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him or her personally or sent in writing by delivery, post, telefax, electronic mail or any other means of communication approved by the Directors to him at his last known address or any other address given by him to the Company for this purposes.

### ***Books of Account***

Every company is required to maintain proper books of account (Companies Act 2014). The Directors of the Company are required to ensure that this requirement is complied with. It is an offence for any Director of the Company to fail to take all reasonable steps to ensure compliance with this requirement. Proper books of account should:

- correctly record and explain the transactions of the Company;
- at any time, enable the financial position of the Company to be determined with reasonable accuracy;
- enable the Directors to ensure that the balance sheet and profit and loss account comply with the Companies Acts, and;
- enable the accounts to be readily and properly audited.

Generally, companies (and by extension directors) are required to prepare accounts on an annual basis. The annual accounts are prepared from the information contained in the Company's books of account and other relevant information.

The books of account should be kept at the Company's registered office or at such other place as the Directors think fit.

### ***Audit of Accounts***

Having prepared the financial statements, the Directors are generally obliged by law to have the financial statements audited at least once a year. Having conducted an examination of the financial statements, the auditor is required to report to the members



of the Company. In that report, the auditor is required to form an opinion on several matters including whether the financial statements give a true and fair view of the Company's affairs and whether the financial statements agree with the underlying books of account.

### ***Annual Return***

The Board is responsible for ensuring adequate returns are made to the CRO and the Central Bank of Ireland (the return to the Central Bank of Ireland is dealt with separately in the Compliance and Ethics Manual). The Company is required to file an annual return to the CRO in every year. The annual return must be filed within 28 days of the annual return date of the Company. The audited accounts of the Company must be attached to the annual return and those accounts must not be made up to a date earlier than 9 months prior to the annual return date. The Company is entitled to amend its annual return date. The filing of the annual return of the Company is coordinated through the Company Secretary.

### ***Profit Distribution***

The Company shall not make a distribution except out of profits available for distribution. Dividends may be declared by the Company at a general meeting or by the Directors. Dividends may only be declared out of profits available for distribution determined in accordance with "the relevant accounts" of the Company. The relevant accounts of a company would usually be the annual statutory accounts. However, where the proposed distribution exceeds the amount of the profits available for distribution based on the annual statutory accounts, a company is entitled to rely on interim accounts such as management accounts to show the relevant profit available for distribution. These interim accounts must be prepared in compliance with the Companies Acts and the balance sheet and income statement of such management accounts must be signed on behalf of the Directors by any two Directors.

### ***Duty to Prepare a Directors Compliance Statement ("DCS")***

The Central Bank is authorized under Section 25 of the Central Bank Act 1997 to serve a notice to insurance undertakings to submit a Compliance Statement to the Central Bank on their compliance with relevant obligations. The format of this statement is determined by the Central Bank of Ireland from time to time and it must be provided together with supporting documentation relevant to any material non-compliance reported. It should be submitted to the Central Bank no later than the date on which the Company is required to submit its annual quantitative templates and regular supervisory report. All persons holding the position of Director at the time of submitting the Compliance Statement should attest to the accuracy of the information contained.

### ***Duty to Establish an Audit Committee***

The Central Bank's Corporate Governance Requirements for Insurance Undertakings 2015 require insurance undertakings to establish a Board audit committee.

## ***Insurance Arrangements***

In addition to the normal insurance cover, AXA Life Europe has in place insurance cover for Professional Indemnity (Errors & Omissions) and Directors' & Officers' Liability Insurance. Senior staff requiring further details of either the areas of cover or the level of cover can obtain them from the Group Company Secretary.

Insurance cover only operates to the extent that AXA Life Europe or its staff have acted professionally and within the rules and procedures. It does not protect individuals who operate outside their authority or outside the bounds of acceptable practice. It will, however, protect AXA Life Europe against members of staff committing unauthorised or unapproved acts which result in financial loss.

Part of the policy terms requires AXA Life Europe to report losses/claims as soon as it becomes aware that a loss or potential loss has occurred. It is the responsibility of line manager, department heads or any other person in a position of responsibility to ensure that any losses, claims or potential losses or claims are advised to the Company Secretary at the soonest possible opportunity.

## ***Company name on business communications***

Section 49 of the Companies Act 2014 requires that every company shall:

- (a) display its name in a conspicuous position, in letters easily legible, outside every office or place in which its business is carried on and at its registered office; and
- (b) have its name mentioned in legible characters in each of the following:
  - (i) all notices and other official publications of the company;
  - (ii) all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the company;
  - (iii) all invoices, receipts and letters of credit of the company.

In addition, the Companies Act 2014 requires that companies must include the following details about its directors on all business letters on or in which the company's name appears:

- The first (or initials) and last name of each director (or any former first or last name of any director)
- The nationality of any director who is not Irish.

Every company which has a website is also required to display either on its homepage or to be identified on its homepage, a readily accessible webpage on which the following appear:

- the name and legal form of the company;

- the place of registration of the company and the number with which it is registered
- the address of the registered office of the company;
- in the case of a company exempt from the obligation to use the company type (Companies Limited by Guarantee/Designated Activity Companies) as part of its name, the fact that it is such a company;
- in the case of a company which is being wound up, the fact that it is being wound up;
- if the share capital of a company is mentioned on the website, the reference must be to the paid-up share capital.

## Breach reporting

AXA Life Europe operates a policy of self-disclosure. Put simply, if an individual commits a breach, he or she is encouraged to bring the matter to the attention of his or her line manager as soon as it is identified. Dependent on the nature of the breach, it may require the immediate involvement of the Head of Compliance and Legal and the CEO.

Individuals who report breaches will be dealt with in a very different manner to those who do not report them – i.e. disclosure will result in working to resolve the matter, where as non-disclosure, when the breaches are then discovered as part of the monitoring or internal audit process, may lead to disciplinary action being taken. Communication and open dialogue are encouraged, and no action will be taken to deter individuals from our policy of self-disclosure.

Any employee who discloses a breach or misconduct in good faith is protected from penalization or threat of penalization by the Company.

Breaches, for the purposes of reporting, fall under several different headings. While there are different categories and requirements, dependent on the nature of the breach, the treatment of breaches must follow our internal procedures, as detailed below:

- Breach of internal rules or requirements;
- Breach of applicable laws or regulations excluding fraud or theft (including insider trading);

If an employee believes there has been a breach, he or she must inform the Head of Compliance and Legal immediately using the Breach Reporting Form (**Appendix 4**). The Head of Compliance and Legal is responsible for recording all breaches and maintains a register (**Appendix 5**) for the Group and reports such breaches to the Board and to the Central Bank of Ireland. Reported breaches and suspected cases of misconduct will be handled with the utmost confidentiality.

The Head of Compliance and Legal has the initial responsibility for investigating the breaches or that are reported. However, the Head of Compliance and Legal can request assistance from other employees of AXA Life Europe as necessary to ensure that the breach is resolved in the most effective and efficient manner.

Each reported breach should be investigated to determine:

- what action needs to be taken to resolve the breach and return AXA Life Europe to a compliant state;
- whether the Central Bank of Ireland needs to be informed of the breach;
- if any partners / clients have been disadvantaged by the breach and if they need to be compensated in some way;

- whether the individuals involved in the breach (if employees of AXA Life Europe) are required to receive training or disciplinary action.

Following the investigation any action that is deemed necessary should be documented on the Breach Reporting Form as should the outcome of the action.

A breach with a financial implication may lead to an insurance claim or have a financial impact on AXA Life Europe. It is important to advise the Head of Compliance and Legal as soon as any breach that may have a financial consequence is identified. At all times AXA Life Europe must consider the best interests of the clients and avoid conflicts of interest. Where a client suffers a loss due a material breach by AXA Life Europe the client must be reimbursed in a timely manner.

## “Whistleblowing”

Whistleblowing occurs when an employee raises a concern or discloses information which relates to wrongdoing, illegal practices or unethical conduct which has come to his/her attention through their employment.

AXA Life Europe’s whistle-blowing policy is intended to encourage and enable employees to raise concerns within our company rather than overlooking a problem or “blowing the whistle” externally. Under this policy an employee is entitled to raise concerns or disclose information without fear of penalisation or threat of less favourable treatment, discrimination or disadvantage. The policy also sets out the legal obligations on certain individuals in relation to reporting concerns.

## Compliance Monitoring

AXA Life Europe has established a compliance plan to test the key compliance and regulatory obligations which the company is required to meet. While such a monitoring plan will test procedures on a sample basis, this will only provide comfort - not assurance - that the processes and regulations are being observed. The responsibility for the effective operation of the control environment rests with management and the line or departmental managers, who should ensure that effective controls are operating in their individual areas of the business to achieve compliance. Any breaches should be reported to the Head of Compliance and Legal as set out in section entitled *Breach reporting*.

The compliance monitoring plan comprises a combination of ongoing monitoring of higher risk areas and in-depth reviews of specific areas. Results of the monitoring and reviews will be presented by the Head of Compliance and Legal at regular meetings of the governance bodies of AXA Life Europe.

The Head of Compliance and Legal will conduct a follow up programme to ensure any actions agreed as a result of weaknesses found in the compliance monitoring programme are addressed and implemented within the agreed timeframe.

Each year, the Head of Compliance and Legal will review and update the compliance monitoring plan which will be agreed with the Board Audit Committee.

**APPENDIX 1 - SUSPICIOUS TRANSACTIONS (INTERNAL REPORTING FORM)**

---

**TO: MLRO**

**FROM:**

Name .....

Department.....

**CLIENT:**

Name(s).....

Policy Number .....

**INFORMATION/SUSPICION:**

Transaction/Instruction

.....

Reason for suspicion (please attach copies of any relevant documents)

.....

.....

.....

.....

**SIGNATURE**..... **Date:** .....

**MLRO USE:**

Date received ..... Time received .....

Ref.....

Other compliance officers informed: ..... **Date:**

.....

Garda/Revenue advised? ... Yes/No Date..... Ref .....



## APPENDIX 2 - SUSPICIOUS TRANSACTIONS (EXTERNAL REPORTING FORM)

In the event of a suspicious transaction, a copy of the following form should be completed for each new client and a copy remitted to the Head of Compliance and Legal

### STANDARD REPORTING FORMAT

*CRIMINAL JUSTICE ACT 1994*



GARDA REF. NO. \_\_\_\_\_

SOURCE REF. NO. \_\_\_\_\_ DATE \_\_\_\_\_

<b>Disclosure by:</b> <b>NAME OF INSTITUTION:</b> <b>PHONE:</b> <b>Contact: Money Laundering Reporting Officer</b>	<b>NATURE OF TRANSACTION (please tick)</b> <input type="checkbox"/> Credit Institution <input type="checkbox"/> Insurance <input type="checkbox"/> IFSC <input type="checkbox"/> N.B.F.I. <input type="checkbox"/> Stockbroker <input type="checkbox"/> Bureau de Change
<b>BRANCH NAME:</b>	<b>SORT CODE:(If Applicable)</b>
<b>BRANCH ADDRESS</b>	<b>PHONE:</b>
<b>ACCOUNT/POLICY NAME(S)</b>	<b>ACCOUNT/POLICY No's:</b>
	<b>DATE OF OPENING/COMMENCEMENT:</b>
	<b>DATE OF BIRTH:</b>
<b>ADDRESS OF SUBJECT:</b>	
<b>EMPLOYER:</b>	
<b>OCCUPATION:</b>	
<b>NATIONALITY:</b>	<b>PASSPORT NO.:</b>
<b>IDENTIFICATION AND/OR REFERENCES</b>	
<b>DETAILS of sums arousing suspicion indicating origin form (cash/cheques etc.) destination and instruction / authority.</b>	
<b>Other relevant information including reason for suspicion aroused, associates, associated companies etc.</b>	
<b>(To be continued on additional pages, if required)</b>	

## APPENDIX 3 - COMPLAINTS MEMORANDUM

	<i>Ref No..... (to be inserted by Compliance Dept)</i>
Customer's name	.....
Complainant's name (if different from above)	.....
Individual & department receiving complaint	.....
Source of complaint	.....
Name of individual handling complaint	.....
Name of Compliance individual reviewing matter	.....
Date received	.....
Date acknowledged	.....
Date settled	.....

**Details of complaint**

Received by Compliance and logged in register	.....
Date	.....

**STATUS**

Received / Under investigation / Reply issued / With Ombudsman / Resolved

## APPENDIX 4 - BREACH REPORTING FORM

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### BREACH REPORTING FORM

Breach ref no:.....

(to be completed by Compliance)

Breach category: CBI/Other regulatory/Procedural (*delete as appropriate*)

Department responsible:			
Breach identified by:			
Breach details:			
Date breach arose:		Date breach cleared:	
Steps taken to prevent breach recurring:			
Investigated by:		Date:	
Reviewed by Compliance:		Date:	
Note any further action required			

**APPENDIX 5 - BREACHES REGISTER**

Date of breach	Date detected/ notified	Nature of breach	Action taken to ensure that the matter was corrected and cannot recur	Date Central Bank of Ireland notified (for a significant breach)