

Under EU rules, AXA Life Europe dac ("ALE") is required to provide certain disclosures regarding insurance business, where investment is being made in European equities (stocks and shares) traded on a regulated market.

ALE is the provider of insurance-based guaranteed products which allow customers to have access to unit-linked funds.

In some of our business lines, the customer decides on the investment allocation from a broad range of funds with no investment advice offered by ALE at the point of sale or at any time during the life of the policy ("Standard Investment Policies").

In some other business lines, ALE creates an investment basket based upon a risk profile of funds selected by ALE. At the point of sale, the customer selects from a range of investment baskets with a risk profile ranging from high to low ("Investment Basket Policies"). ALE maintains the risk profile of each investment basket through regular reviews of the selected funds, the assigned weightings and periodic rebalancing.

Our Standard Investment Policies and our Investment Basket Policies both enable customers to invest in European equities on a regulated market through a universe of unit-linked funds domiciled across a number of European countries. Therefore, under EU rules, ALE is required to set out its Shareholder Engagement Policy.

A. Shareholder Engagement Policy

Specified Actions	ALE Approach
(1) Integration of shareholder engagement into ALE investment strategy	ALE does not have an overarching investment strategy which determines how customer assets are to be invested. In the majority of cases, ALE's customers make their investment fund choices based on recommendations from advisory firms.
(2) Monitoring of investment manager on relevant matters, including: (a) strategy;	For Standard Investment Policies, ALE provides customers with access to a range of fund literature and information through its customer-facing websites and customer service teams. All active investment decisions are made directly by ALE's customers and their advisers.

Specified Actions	ALE Approach
<p>(b) financial and non-financial performance and risk;</p> <p>(c) capital structure; and</p> <p>(d) social and environmental impact and corporate governance;</p>	<p>Notwithstanding this, the performance of the funds which comprise the Standard Investment Policies are reviewed quarterly by an internal ALE committee on the basis of relevant criteria which may include strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance</p> <p>For Investment Basket Policies investment teams monitor the funds which make up the investment baskets on an ongoing basis and make appropriate asset allocation adjustments as required to ensure the investment baskets adhere to the correct risk profile. In addition, the performance of the funds which make up the Investment Basket Policies is reviewed quarterly by an internal ALE committee on the basis of relevant criteria which may include strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance.</p>
<p>(3) Conducting dialogue with investment manager companies</p>	<p>While ALE has regular engagement with its investment managers, we do not make stock selection decisions on any investment arrangements offered to policyholders. In some investment basket strategies, ALE has set the asset allocation targets per fund in accordance with risk profiles and these allocations are maintained through regular rebalancing.</p>
<p>(4) Exercise of voting rights and other rights attached to shares;</p>	<p>ALE offers insurance-based guaranteed products, which means customers acquire units in a policy but do not acquire a legal right to the underlying assets – these are owned by ALE. Equally ALE does not acquire any voting rights in the funds in which ALE policyholders are invested. All voting rights</p>

Specified Actions	ALE Approach
	lie with our investment managers who will vote in accordance with their own corporate voting policies which we believe align with market standards.
(5) Co-operating and communicate with shareholders, stakeholders and other investee companies	We expect our investment managers to communicate and potentially to co-operate with shareholders, stakeholders and other investee companies.
(6) Managing actual and potential conflicts of interests in relation to the firm's engagement.	At all times ALE operates in accordance with its internal conflicts of interest policy.

B. Arrangements with Asset Managers

Under the same EU rules, ALE is required to provide the following public disclosures regarding its arrangements with asset managers:

Considerations	ALE Approach
1. How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the profile and duration of the liabilities of the life insurer's long-term liabilities.	ALE does not have any bespoke asset management arrangements in place – all funds available to ALE customers are available in the general market and have not been set up exclusively for use by ALE.
2. How that arrangement incentivises the asset manager to make investment decisions based on assessments about medium to long-term financial and non-financial performance of the investee company and to engage with investee companies to improve their performance in the medium to long-term.	Asset managers are incentivised to grow funds in which investments are made by ALE as the sole remuneration of those asset managers is obtained from the annual management charges applied on client monies invested within the fund. Fees payable by ALE to asset managers are at fixed rates and chargeable on assets under management. ALE does not engage in any performance-based fee arrangements with asset

Considerations	ALE Approach
	management firms over any time period.
<p>3. How the method and time-horizon of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the profile and duration of the liabilities of the life insurer, in particular, long-term liabilities, and take absolute long-term performance into account.</p>	<p>Our Standard Investment Policies and the Investment Baskets are intended to be compatible with the needs of retail clients investing in ALE's insurance-based guaranteed products with a medium to long-term investment time horizon. An internal ALE committee monitors fund performance over various time horizons on a quarterly basis.</p> <p>As noted above, the asset manager's sole remuneration is obtained from the annual management charges on any client monies invested within their fund, and so asset managers are incentivised to either preserve or grow these monies in line with their published investment objective.</p>
<p>4. How the life insurer monitors portfolio turnover costs incurred by the asset manager and how it defines and monitors a targeted portfolio turnover or turnover range.</p>	<p>ALE does not currently monitor portfolio turnover as this is not subject to limits in ALE's fund agreements with each asset manager.</p>
<p>5. The duration of the arrangement with the asset manager.</p>	<p>ALE's current arrangements with asset managers will continue until such time as the relevant fund agreement is amended or as a result of the closure of the fund.</p>

C. Equity Investment Strategy

Under the same EU rules, ALE is required to make the following public disclosure:

Consideration	ALE Approach
<p>How the main elements of ALE's equity investment strategy are consistent with</p>	<p>Our Standard Investment Policies and the Investment Baskets are intended to be compatible with the needs of retail clients investing in ALE's insurance-</p>

<p>the profile and duration of its liabilities (in particular, its long-term liabilities).</p>	<p>based guaranteed products with a medium to long-term investment time horizon. An internal ALE committee monitors fund performance over various time horizons on a quarterly basis.</p>
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