AXA Group Remuneration Policy 2021

Principles

This Remuneration policy is designed to support the Group's long-term business strategy and to align the interests of its employees with those of the Company and the shareholders by (i) establishing a clear link between performance and remuneration over the short, medium and long terms; (ii) ensuring that the Group can offer competitive compensation arrangements across the multiple markets in which it operates while avoiding potential conflicts of interest that may lead to undue risk taking for short-term gain; and (iii) ensuring compliance with Solvency II Regulations and any other applicable regulatory requirements.

AXA Group applies a "pay-for-performance" approach which i) promotes long-term sustainable performance by incorporating risk adjustment mechanisms in variable compensation schemes, ii) recognises employees who bring the greatest value to the firm on the basis of financial results while demonstrating individual leadership and behaviours. The intent of this approach is to attract and retain the best skills and talents, to foster employee engagement and to strengthen AXA's leadership.

The Remuneration Policy follows four main guiding principles:

- Competitiveness and market consistency of the remuneration practices;
- Fairness based on individual and collective performance in order to ensure remuneration is reflecting employee's individual quantitative and qualitative achievements and impact;
- Internal equity based on remuneration policies and procedures designed to ensure that employees are paid equitably based on criteria such as role, skills, contribution or impact, and do not discriminate on the basis of gender or other irrelevant factors; and
- Achievement of Group's overall financial and operational objectives over the short, medium and long terms as well as execution against medium and long-term strategic objectives as a prerequisite to fund any mid-to-long term award.

Compensation structure

AXA ensures an appropriate balance between fixed and variable components of remuneration where the fixed component represents a sufficiently high proportion of the total remuneration to avoid employees being overly dependent on the variable components and to allow the operation of a flexible policy on variable pay components.

In this context, the overall remuneration structure is based on the following components which are designed to provide balance and avoid excessive risk taking for short-term financial gain:

- **A fixed component** which comprises base salary and any other fixed allowances. Fixed remuneration primarily reflects the relevant organizational responsibility, professional experience, technical and leadership skills required of the role, criticality or scarcity of skills as well as the individual's capability to sustainably perform the duties of the role and,

- **A variable component** which comprises an upfront cash element (Short Term Incentive - STI) and may be supplemented by a deferred element recognising the importance of aligning remuneration over long-term value creation. The deferred element or Long-Term Incentives (LTI) is awarded through equity-based instruments or equivalents, such as AXA Performance Shares. The financing of variable remuneration is calculated according to defined performance indicators taking into consideration both financial and non-financial achievements.

All variable remuneration amounts are awarded in accordance with performance and there is no minimum payment guaranteed.

The level and the structure of the executives' target variable compensation are based on (i) internal fairness with a similar job at the same level in an equivalent perimeter, (ii) market practices reflected by external benchmark from an independent provider, (iii) level of seniority within the organization and if applicable (iv) any regulatory requirements.

Short Term Incentive ("STI")[1]

For executives, the STI pay-out is determined based on a combination of business performance (Operating Entity and/or Group) and the achievement of the individual objectives.

Long Term Incentives ("LTI")

AXA recognizes the importance of aligning remuneration over long-term value creation by awarding AXA LTI in addition to STI. Beneficiaries and individual AXA Performance Shares grants are determined taking into account (i) the criticality of the job within the organization, (ii) the criticality of the individual in the current job and potential for the future, and (iii) the sustainability of the individual contribution.

[1] For some executives, target variable remuneration may comprise the upfront cash element and the deferred element (in the form of AXA LTI).

AXA Performance Shares are designed to align the individuals interests with the overall performance of the Group, and the corresponding Operating Entity as well as with the stock performance over the medium-long term (3-5 years).

AXA Performance Shares are subject to an acquisition period of 3 years and performance conditions.

All AXA Performance Shares initially granted are integrally subject to performance conditions measured over the performance period. These criteria measure the financial and non-financial performance of the AXA Group as well as the beneficiary's Operating Entity performance, according to pre-determined targets.

The number of AXA shares definitively granted shall be equal to the number of rights to AXA Performance shares initially granted multiplied by the performance rate, which may vary between 0% and 130%.

Specific requirements for Identified Staff and Key Control Functions

Solvency II regulations establish specific remuneration arrangements applicable to certain categories of staff: "Identified Staff" and "Key Control Functions". Identified Staff are those in charge of driving AXA in an administrative, management or supervisory capacity and other categories of staff whose professional activities have a material impact on AXA Group's risk profile. The Key Control Functions defined in Solvency II are Risk Management, Compliance, Internal Audit and Actuarial.

Integration of sustainability risks

With Corporate Responsibility criteria already incorporated in the performance conditions of the AXA LTI, the Remuneration Policy is consistent with the integration of 'sustainability risks' within the meaning of, and as required by Regulation (EU) 2019/2088 of November 27, 2019, as amended. In 2021, the integration of sustainability risks has been enhanced for both short-term and long-term remuneration elements:

- The weight of the Group Corporate Responsibility criteria in AXA LTI performance conditions is increased from 10% to 30%. Achievement on specific climate related targets (reduction of (i) operations' carbon emissions and (ii) carbon footprint of assets) complements the target on AXA's score on the *Dow Jones Sustainability Index* (assessing Environmental, Social and Governance dimensions).
- The target letters for Market / Operational Entity Heads includes Corporate Responsibility qualitative criteria.