

Our regulator, the Financial Services Authority, has implemented a number of rules/requirements under 'The Remuneration Code' which are intended to support their fundamental objectives of sustaining market confidence and to promote financial stability through reducing incentives for risk-taking by regulated firms.

The Remuneration Code therefore sets out requirements to ensure that remuneration policies and practices are consistent with and promote effective risk management. Within AXA Wealth, the scope of the Remuneration Code applies to Architas Multi-Manager Limited and AXA Portfolio Services Limited, and both of these are categorised as Tier 4 firms under the rules, which determines the extent to which the rules must be applied. In line with our regulatory obligations, the following information provides an overview of the governance and decision-making processes relating to our remuneration policies and practices. It also provides an overview of how pay and performance are linked within our 'Remuneration Code' firms:

1

The remuneration policies are set by HR, in conjunction with the requirements of the business unit, Finance, Business Risk & Compliance. The policies for Remuneration Code Staff will then be subject to approval by the AXA UK Remuneration and Nomination Committee. HR will design the reward policies in line with market benchmark and financial metrics agreed by Finance and requirements from the business. Business Risk will provide an additional control to ensure the schemes do not promote excessive risk. The AXA UK Remuneration and Nomination Committee have overall governance over the schemes for Remuneration Code staff including having direct oversight of the remuneration for those individuals in control functions.

2

There are a number of remuneration schemes in place depending on the level of seniority within the business which ensure alignment of reward with long term and short term objectives of the business and retention of key skills within the business. There is a direct link between performance and reward with company performance, dictated by specific key metrics, driving the amount of reward that can be potentially allocated. This can also be impacted by personal performance (and any risk adjustment where appropriate). Within scheme designs there are minimum thresholds which company performance and personal performance must achieve before any payment can be made. Examples of company performance metrics used within the various schemes are New Money, Assets, P&L, Post tax earnings, Customer Scope, Expenses and Company value.

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AXA Wealth includes the following companies: Architas Multi-Manager Limited (Company no. 06458717; Financial Services Authority registration no. 477328) & AXA Portfolio Services Limited (Company no. 1128611; Financial Services Authority registration no. 144849). They are both companies registered in England and limited by shares. Their registered office is 5 Old Broad Street, London, EC2N 1AD. Each company promotes and distributes its own products and is authorised and regulated by the Financial Services Authority under the registered numbers quoted above (<http://www.fsa.gov.uk/register/home.do>). AXA Wealth is a marketing brand used by AXA Portfolio Services Limited.