



AXA'S COMMITMENTS



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The commitments attest to AXA's desire to contribute to the sustainable development of the communities in which the Group does business.

Sustainable development is defined as development that meets «the needs of the present without compromising the ability of future generations to meet their own needs.»

How does AXA contribute to sustainable development?

Our core business lines - financial protection and wealth management - promote sustainable development.

Property and casualty insurance, life insurance and savings, and retirement and personal protection products and services provide vehicles which give individuals and businesses the confidence, protection and resources they need to undertake projects and investments they could not otherwise dream of. By offering economic protection against risks that are inherent to human existence, economic activity and the natural environment, our business plays a key role in Society and economies.

Moreover, by investing in the equity and bond markets, AXA supports businesses and governments and, in so doing, helps to create wealth and employment.

AXA also strives to conduct its business responsibly. We are committed to a number of best practices with respect to stakeholders, whether they are customers, shareholders, employees, suppliers, the community or the environment. These practices, many of which have been the norm for several years at AXA, stem from the values we promote



in the workplace: professionalism, innovation, pragmatism, team spirit and integrity. AXA employees around the world are expected to adhere to these values.

These public commitments to stakeholders demonstrate that AXA is determined to go faster and further in its commitment to foster integrity in conducting its business.

It will take several years before all of AXA's subsidiaries worldwide are able to fully live up to these pledges. While the ultimate aim is important, the real challenge lies in AXA's ability, year after year, to progress and improve, as well as to inspire its employees to honor these commitments.



Clients



Shareholders



Employees



Suppliers



Community



Environment



This visual symbolizes AXA's involvement in responsible commitments towards its stakeholders: clients - shareholders - employees - suppliers - community - environment.



AXA **and its Customers**

In conversations among clients of insurance companies, here are some fairly typical comments:

«Insurance companies are always around when it's time to cash premium payments, but when you really need them, they always find some way to avoid having to pay.»

«I needed a cash advance on my life insurance policy, but the agent who sold me the policy had retired. It took me weeks to find somebody in the insurance company who could actually help me.»

In the financial protection and wealth management business, examples of customer dissatisfaction abound.

Contacts with customers often occur at difficult or painful time in their lives - following an accident, an illness or death, for example - or are centered on very personal matters, such as finances, retirement or estate planning.

People in the business do not always speak about customers with a great deal of tenderness, either:

«All customers are alike. They always try and get more money than they have coming.»

By offering customers expertise in financial protection and wealth management that is based on adherence to a professional code of ethics and the desire to provide solutions that respond to real needs, AXA hopes that this perception of the business will become a thing of the past. AXA seeks to satisfy the 50 million customers it serves around the world by building close and lasting relationships based on mutual trust.



AXA's commitments to customers

We seek to offer our customers expert advice and a broad range of solutions that we aim to constantly adapt to their evolving needs.

To achieve this aim, we promise to continually work and innovate to deliver :

Effective local service:

- We will constantly strive to ensure that our employees and networks of advisors are close to customers and available.
- We seek to respond quickly and efficiently to customer requests for example via efficient communication platforms, and to ensure quality follow-through.

Professional expertise:

- We seek to continually work to enhance our products and services by listening to customers in order to determine their needs.
- We strive to provide our employees with the training and tools they need to deliver sound advice to customers.

Our professional code of ethics

AXA seeks to distinguish itself through the way it does business every day, in accordance with its [professional code of ethics](#).

This code covers five areas:

- sound advice
- transparency
- confidentiality of client information
- fairness
- fraud and money laundering

AXA is working to keep its distributors and business partners informed of the contents of this professional code of ethics and of the importance of complying with it.

Tools for measuring our progress

AXA measures customer satisfaction at specific times: when customers receive advice, purchase a product or complete the claims settlement process.

The feedback from these surveys helps us to continually assess and improve on our performance, with the aim of regularly improving customer satisfaction levels.





AXA **and its Shareholders**

In conversations among shareholders of large companies, here are some fairly typical comments:

«In fact, CEOs just do what they want, and then explain away their decisions after the fact.»

«Without our money, businesses wouldn't be able to grow. But company executives only tell us what they decide we need to know.

We don't always have the information we need to understand what's going on in the business so that we can make informed investment choices. And when we do find out the truth, it's often too late.»

Shareholders - whether individual or institutional investors - are often harsh in their assessment of company management. And the more unstable and volatile the markets and the economy, the more demanding shareholders have become.

Company executives often criticize shareholders for their tendency to focus on the short term at a time when businesses need a stable investor base more than ever.

AXA has implemented good corporate governance practices for many years. Our shareholder commitments formalize what is already standard practice at AXA and we have pledged to continually work to support and cultivate a tradition of transparency and disclosure on its strategy, operations and management practices.



AXA's commitments to shareholders

We seek to satisfy our shareholders by achieving operating performance that ranks among the best in the industry, and by furnishing complete and accurate financial information.

Operating performance that ranks among the best in the industry

AXA uses three performance indicators to measure shareholder satisfaction. These are selected for their relevance to various aspects of financial protection and wealth management:

In Property and Casualty, AXA seeks to:

- ▣ Improve the combined ratio, which is defined as the ratio of earned premiums to the costs of doing business (claims - reinsurance - operating expenses - commissions and fees).

In Life and Savings, AXA seeks to:

- ▣ Increase the contribution of new life insurance business, which measures the ability to write profitable business.
- ▣ Improve the cost income ratio, i.e. the ratio of total costs incurred in life and savings operations (policy acquisition, management and distribution) to gross life and savings margin.

In Asset Management, AXA seeks to:

- ▣ Improve the expense ratio, i.e. the ratio of expenses to revenues.
- ▣ Provide investment management performance that is better than the market average.

Complete and accurate financial information

Every effort is made to provide individual and institutional shareholders with relevant information pertaining to AXA's strategy, financial structure and performance (within the bounds of commercial confidentiality), as well as to its business lines, the markets in which it operates, executive compensation and other key issues.

This information is provided to shareholders via a range of communications resources designed to ensure broad and easy access. These resources include executive road shows in AXA's major markets, the corporate website (www.axa.com), press releases, announcements in the international financial press and a newsletter for individual shareholders.





AXA **and its Employees**

In conversations among employees who work for large corporations, here are some fairly typical comments:

«What difference does it make whether I do a good job or a bad job? In big corporations, nobody notices anyway.»

«Employees are just cogs in the wheel here. They use us and then throw us away when they don't need us any more.»

HR managers, on the other hand, are tempted to reply that employees always want more and, if their demands were actually met, the company would be out of business tomorrow.

But in a service industry, with neither patents nor heavy investments to fall back on, the company's most valuable assets are the men and women it employs and its greatest strength lies in their expertise and motivation.

For many years, AXA's HR practices have been guided by a concern for the professional fulfillment of every one of its employees.

This sense of fulfillment comes from respect for individuals as human beings, as well as from personal motivation, which depends in part on the employer's ability to make work meaningful and challenging and to reward individuals on the basis of merit.



AXA's commitments to employees

AXA will only achieve its goal of setting the global standard in its business if all of its employees are motivated and engaged.

Employee adherence to AXA values - professionalism, innovation, pragmatism, team spirit and integrity - is of critical importance.

In return, AXA promises to promote employee fulfillment and satisfaction by.

Providing a workplace in which employees are respected

AXA contributes to the satisfaction and fulfillment of employees by promoting respect in the workplace that goes beyond merely satisfying local regulations*.

AXA promises to:

- Provide equal opportunity in hiring, pay and promotion regardless of age, gender or ethnic/cultural origin.
- Respect the diversity of the backgrounds, experiences and contributions of all employees.
- Conduct business with integrity, in accordance with AXA's professional code of ethics, and encourage its business partners to do the same.
- Demonstrate opposition to workplace harassment.
- Promote constructive dialogue between all company stakeholders.
- Support employee efforts to achieve a healthy work-life balance.

Encouraging a management style that empowers and develops people

AXA's management style seeks to engage employees in Group strategy and objectives and to reward commitment and performance.

To this end, AXA is working to ensure that all employees have:

- **Quality information on key priorities:** employees are to be kept informed of the strategies, objectives and results of the Group, their company and their work unit.
- **Clear individual objectives:** managers are to explain what is expected and what resources are available to achieve objectives, and be available to discuss these issues with employees.
- **The support from managers needed to excel professionally** and contribute to improving company performance. AXA managers are to encourage teamwork and empower individuals.
- **Performance-based systems of compensation and rewards.** Employees are paid on the basis of their skills, their individual contribution and the performance of their company, in line with local regulations and prevailing wages in the local market.

AXA is committed to continue to build a learning culture that allows employees to constantly develop new skills and fulfill professional aspirations. All AXA companies offer training and development opportunities.



Tools for measuring our progress

Since 1993, AXA has been using the Scope survey to measure employee satisfaction with the quality of their work environment and management.

Feedback is provided to all levels of management - the Group, the company and the work unit, with the aim of promoting dialogue between managers and employees.

Action plans drawn up by each company on the basis of the Scope survey results seek to improve workplace efficiency and the quality of the work environment.

* and in compliance with internationally recognized standards (the Universal Declaration of Human Rights of the United Nations, the ILO Regulations)





AXA and its Suppliers

Every year, AXA companies around the world make business purchases that amount to several billion euros.

Because of the importance of the procurement function within AXA, we are committed to a number of broad principles aimed at optimizing negotiation and maintaining quality relationships with vendors and suppliers.

Our commitments to suppliers

Maintain quality relationships

■ **By adhering to a clearly defined code of conduct.**

AXA expects its employees to behave in an exemplary manner in their contacts with suppliers and non-exclusive distributors. Our goal is that Employees who are in charge of purchasing in AXA companies must read and sign a special code of conduct that stresses commitment to the following obligations:

- **Disclosure/Confidentiality.** Vendor offers are strictly confidential, as is the content of any contracts entered into.
- **Fairness/Competitive bidding.** All participants to a request for proposal issued by AXA are treated in accordance with the highest standards of honesty and fairness.
- **Objectivity/Neutrality.** AXA employees are prohibited from accepting gifts and entertainment or substantial value from existing or potential vendors which would cast doubts on their ability to make independent judgements.
- **Transparency/Traceability.** All relevant factors with respect to a purchasing decision must be recorded and kept on file at least until the end of the amortization period for the property in question.

■ **By respecting the terms of payment.**

- **By promoting ongoing dialogue** with AXA's key suppliers and non-exclusive distributors to foster strong relationships are constantly strengthened.



Encourage our suppliers to be socially and environmentally responsible

AXA is working to maintain strong and sustained relationships with its suppliers and non-exclusive distributors. For this reason, it is important that they share our conviction that their long-term survival and the quality of services depend on adopting socially and environmentally responsible behavior.

AXA is progressively working to add a clause to supplier agreements that requires our suppliers to comply with social and environmental regulations in force.

In addition, we will encourage suppliers and non-exclusive distributors to provide AXA with information on the social and environmental impacts of their business.



AXA and the Community

Our core financial protection and wealth management business places us at the heart of community life. Whether our customers are individuals, businesses, local communities or non-profit organizations, the way we do business has an impact on others. In much the same way, changes in the world around us - in, legislation, tax law, behaviors and attitudes, the environment - has an impact on our business.

Above and beyond our role as a provider of financial protection and wealth management solutions, our relationship with the outside world makes active participation in community life both a right and an obligation.

AXA's commitments to the community

AXA is receptive to the needs of the community, and responds through acts of corporate philanthropy and social innovation, as well as by making available its expertise.

Corporate philanthropy supported by employee volunteers

Every year, AXA volunteers take part in philanthropic initiatives in countries where the Group operates. Our employees generously offer their time, energy and skills to serve local community organizations.

Although highly varied, all of these initiatives share a common feature - they spring from solidarity - which links them to our insurance role.

AXA supports its employees in their volunteer work by providing equipment, material, and logistical assistance as well as grants in the form of time off or funding.

Sharing our expertise

As a leader in financial protection and wealth management, we can offer our various skills and expertise to the community through:

- ▣ Teaching and learning initiatives.
- ▣ Efforts to prevent road accidents, health risks, domestic accidents, etc. through education and information.
- ▣ Active participation in public or private debate on financial protection regulations and/or products.



A socially innovative employer

With more than 130,000 employees worldwide, AXA is a major employer whose social initiatives can facilitate:

- ❑ The integration of young talent and/or the disadvantaged into the world of work.
- ❑ The personal involvement of employees in the community by encouraging participation in community affairs and public office, etc.





AXA and the Environment

Protecting the environment is one of our most critical obligations to future generations.

AXA participates in conservation by making responsible commitments to respect the environment, consistent with its core financial protection and wealth management business.

AXA's commitments to environmental responsibility

Offering our corporate clients the benefit of our experience and expertise in environmental risks

This promise primarily concerns corporate environmental risk management, via AXA's insurance and asset management businesses.

- Educate our corporate clients on the importance of environmental risk prevention in countries where AXA has property-casualty operations. When required, help such clients identify environmental risks and take the appropriate preventive measures.
- Encourage environmentally responsible behavior on the part of businesses and governments by developing and/or promoting SRI funds for our retail and institutional clients.

Improving our own environmental record

AXA promises to manage its own direct environmental impacts by adopting an annual environmental reporting system for all AXA Group administrative facilities worldwide.

The information that emerges from this process will be used to optimize the management of major environmental impacts, including paper consumption and waste generation and recycling.

In April 2002, AXA became a signatory to the Statement of Environmental Commitment by the Insurance Industry, created under the auspices of UNEP (United Nations Environment Programme).



In addition, AXA also participates in and is a founding member of Entreprises pour l'Environnement (EPE), a non-profit organization that groups some 50 large corporations committed to proactive support for sustainable development.

AXA is a supporter of the EPE's partnership with the World Business Council for Sustainable Development (WBCSD).





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