

AXA ASIA PACIFIC HOLDINGS LIMITED

BOARD CHARTER

1. Responsibilities of the Board

The Board has the overall responsibility for:

- governance of AXA Asia Pacific Holdings Limited (AXA APH) and the AXA APH Group, including its strategic direction
- reviewing and approving plans established by management
- monitoring of performance against agreed plans
- establishment and monitoring of internal controls and compliance with applicable legislative and regulatory requirements
- delegation of authority to management.

A schedule of matters reserved to the Board is set out in the Appendix to this Charter. The Board reviews this Charter and the schedule of matters reserved to the Board annually.

The Board may delegate to its Committees, a Director or Directors, management or any other person, authority to exercise any of its powers other than the powers reserved to it.

2. Ethics

The Directors of AXA APH consider that there are fundamental ethical values that underpin their role as Directors and as members of its Board and Committees. At all times Directors will:

- act with integrity
- be honest and open with each other
- ensure whenever and wherever possible that they do not engage in any activities that may result in a conflict of interest with their duties to the Group and that cannot be appropriately managed
- work co-operatively among themselves and with management in the best interests of AXA APH and the AXA APH Group
- recognise the separate roles and responsibilities of the Board and management
- be diligent and continuously strive to improve AXA APH and the AXA APH Group's and Board's operations and performance

- observe the letter and the spirit of the Constitution, laws, regulations and any AXA APH policies under which the AXA APH Group operates
- have an active interest in and concern for the communities in which the AXA APH Group operates
- avoid any behaviour that is likely to reflect badly on the Board or the AXA APH Group as a whole.

3. Conflicts of Interest

Directors are required to disclose any conflicts of interest and to abstain from participating in any discussion or voting on any matter in which they have a material personal interest except with the prior approval of the Board.

4. Disclosure of Director's Interests

Directors are required to disclose any notifiable interestsⁱ to the Group General Counsel and Company Secretary:

- on the date that the Director is appointed
- upon a change to a notifiable interest of a Director
- upon a Director ceasing to be a Director.

AXA APH must lodge a notice with the ASX within five (5) business days of the occurrence of such an event.

5. Business of the Board

The Board will maintain a 12-month rolling plan of business to be conducted by either the Board or its Committees that includes the following:

- consideration and approval of the strategic plan
- consideration and approval of AXA APH's 3 year financial plan
- consideration and adoption of financial statements
- consideration and declaration of dividends
- receipt of regular reports from management on the financial and operational performance of the Group against agreed performance targets
- review of the Board and management's performance.

6. Board Membership

The Board and Senior Management will collectively have the full range of skills needed for the effective and prudent operation of AXA APH. Each Director will have skills that allow him or her to make an effective contribution to the Board deliberations and processes.

The Board will comprise a majority of independent non-executive Directors.

7. Independence

The Board will regularly assess the independence of each Director in light of interests disclosed by them.

An independent Director is a non-executive director who is not a member of management and who is free of any business or other relationship that would materially interfere with – or could reasonably be perceived to materially interfere with – the independent exercise of their judgment.

When determining the independent status of a Director, the Board should consider whether the Director:

- is a substantial shareholder of AXA APH or an officer of, or otherwise associated directly with, a substantial shareholder of AXA APH
- is employed or has previously been employed in an executive capacity by AXA APH or the AXA APH Group, and there has not been a period of at least three years between ceasing to hold any such employment and serving on the Board
- has within the last three (3) years been a principal of a material professional adviser or a material consultant to AXA APH or the AXA APH Group, or an employee materially associated with the service provided
- is a material supplier or customer of AXA APH or the AXA APH Group, or an officer of or otherwise associated directly or indirectly with a material supplier or customer
- has a material contractual relationship with AXA APH or the AXA APH Group other than as a Director of AXA APH.

8. Chairman of the Board

The Directors will appoint as Chairman of the Board one of the independent non-executive directors, by secret vote or such other method as agreed by the Board.

The Chairman plays an important leadership role within AXA APH and is involved in:

- chairing meetings of shareholders and Board meetings

- monitoring the performance of the Board, the mix of skills of Directors and the effectiveness of individual contributions
- maintaining ongoing dialogue with the Group Chief Executive and providing appropriate guidance.

9. Meetings

The Board will meet at least 6 times per year and will meet at least twice in the absence of management.

10. Independent Professional Advice

After consultation with the Chairman, Directors may seek independent professional advice at AXA APH's expense. Following its receipt, such advice would normally be made available to all Directors.

11. Board Performance

To enhance Board and management effectiveness, the Board will regularly evaluate its performance relative to the matters reserved to the Board and the performance of its Committees and individual directors. An external consultant may be engaged to assist the Board with the review process.

12. Attendance

Directors are expected to regularly attend meetings of the Board and Committees of which they are members. The Board may invite any management representatives, advisers, consultants and others as it thinks fit, to attend Board meetings.

13. Secretary

The Company Secretary will act as Secretary of the Board and will attend meetings of the Board as required.

14. Minutes

Minutes of meetings of the Board and resolutions of the Board must be prepared by the Secretary within one month and approved by the Chairman. Minutes will be circulated to all Directors and confirmed at the next subsequent meeting of the Board.

15. Induction & Training

The Board shall maintain an induction process for new directors.

AXA APH encourages Directors to update and enhance their skills and knowledge by funding appropriate training programmes on director responsibilities.

SCHEDULE OF MATTERS RESERVED TO THE BOARD

The following matters are reserved to the Board.

Governance

- Overseeing the business and affairs of the Group by:
 - reviewing and approving strategic direction, objectives and goals proposed by management
 - approving major corporate initiatives
 - monitoring performance against approved plans
- Adopting a Code of Conduct and Board Charter
- Appointing the Chairman
- Establishing Board Committees, determining membership and adopting Terms of Reference for the Committees
- Adopting a set of management delegations to allow management to carry on the business of the Group
- Adopting policies including environmental, health and safety policies

Shareholder approval

- Convening shareholders' meetings
- Selecting and nominating Directors for election and re-election by shareholders
- Recommending to shareholders the total aggregate remuneration payable to the Directors
- Recommending to shareholders the appointment of external auditors

Financial

- Approving accounting policies and practices
- Approving AXA APH's 3 year financial plans annually
- Monitoring Group performance including the receipt of regular reports from management on the financial and operational performance of the Group against agreed performance targets
- Approving interim and annual reports and financial statements
- Approving dividends

- Approving the capital management of AXA APH including the issue of further shares and share buy-backs

Insurance and operating companies

- Appointing a Board Insurance & Operating Subsidiaries Committee
- Reviewing periodic financial condition reports of the insurance subsidiaries including both asset and liability management and other financial models
- Reviewing principles in use from time to time by management for determining crediting rates on participating business and approving crediting rates
- Reviewing reports on the financial and capital position of non-insurance subsidiaries

Risk management

- Appointing a Board Audit & Compliance Committee
- Approving internal controls, risk management policies and procedures
- Monitoring business conduct and compliance with laws, regulations, AXA APH policies and relevant codes of conduct
- Approving risk management statements

Remuneration and performance management

- Appointing a Board Nominations and Remuneration Committee
- Appointing and if appropriate, terminating the contract of the Group Chief Executive
- Ensuring the adequacy of succession planning
- Reviewing the performance of the Chairman, the Board and the Committees of the Board

Investment

- Appointing a Board Investment Committee
- Approving material acquisitions and disposals (including property)

ⁱ Notifiable Interest of a Director:
(a) in relation to a company, the following,

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- (i) Relevant interest within the meaning of section 9 of the Corporations Act in securities of the company or a related body corporate;
 - (ii) Interests in a contract to which the director is a party or under which the director is entitled to a benefit, and that confer a right to call for or deliver shares in, debentures of, or interest in a managed investment scheme made available by, the company or a related body corporate.
- (b) in relation to a trust, relevant interest within the meaning of section 9 of the Corporations Act in securities of the trust.