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Easy reference to fulfilment ratios

Introduction

At AXA, we are committed to providing clear and transparent information to our customers. The Insurance Authority in Hong Kong and the Monetary Authority of Macao are also placing increasing emphasis on treating customers fairly, including a requirement for insurers to publish a new metric for participating life insurance policies (also called "participating policies") - the fulfilment ratio. This requirement applies to all participating life insurance plans (also called "participating plans") with non-guaranteed benefits, excluding investment-linked assurance schemes.

Participating policies pay both guaranteed and non-guaranteed benefits:

- Guaranteed benefits are those benefits we will pay regardless of how the participating fund performs.
- Non-guaranteed benefits are potential additional benefits for which the return depends on various factors including the investment return of the participating fund.

To understand more about a participating policy, you may refer to our participating policy fact sheets for plans available for sale, which can be found on www.axa.com.hk or www.axa.com.mo.

The fulfilment ratio is a measure of the performance of the actual non-guaranteed benefits at a given time, expressed as a percentage of the illustrated non-guaranteed benefits given to customers at the point of purchase.

In addition to the fulfilment ratio, to provide you with information on both the guaranteed and non-guaranteed benefits, we also provide you separately with the total value ratio, which compares the actual against the illustrated total value. To understand more about the total value ratio, you may refer to our Total Value Ratios Brochure which can be found on https://www.axa.com.hk/fulfilment-ratios-and-total-value-ratios or https://www.axa.com.mo/en/fulfilment-ratios-and-total-value-ratios.

This brochure provides easy-to-use guidance on the essential principles and information on the fulfilment ratios from our participating policies and covers:

1. How the fulfilment ratios are calculated
2. How to read AXA's fulfilment ratio tables
3. The fulfilment ratio tables for AXA's participating plans
4. Frequently asked questions
5. Glossary of terminologies

For any further queries, please contact your financial consultant.

ABOUT AXA HONG KONG AND MACAU

AXA Hong Kong and Macau, a member of the AXA Group, prides itself on serving over 1.3 million customers[1] in the region. In addition to being the #1 global Property & Casualty commercial lines insurer[2], we are also one of the largest health protection providers in Hong Kong and Macau.

"Empowering people to live a better life" is the goal of AXA Hong Kong and Macau, which is reflected in everything we do. We are one of the most diversified insurers, providing a full range of coverage for individual and commercial customers. We offer all-round, integrated solutions across Life, Health and Property & Casualty to address all their insurance needs.

As an innovative insurer, we leverage on Big Data and AI to transform the customer experience end-to-end, making insurance simpler and more personal. We continue to drive innovation notably in health and protection, supporting customers in prevention, treatment and recovery.

We also believe it is our inherent responsibility to support the communities in which we operate. AXA Foundation is our flagship corporate social responsibility programme covering all of our efforts in promoting health, education and community support to create a positive and lasting impact in Hong Kong and Macau.

[1] Including customers of AXA China Region Insurance Company Limited, AXA China Region Insurance Company (Bermuda) Limited (Incorporated in Bermuda with limited liability) and AXA General Insurance Hong Kong Limited

[2] AXA Corporate Solutions, AXA Matrix Risk Consultants, AXA Insurance Company, and AXA Art with AXA XL's insurance and reinsurance operations combined

1. How the fulfilment ratios are calculated

When a customer purchases a participating policy, an illustration of the guaranteed and non-guaranteed benefits on an accumulated basis is presented across a number of policy years. Each year, based on various factors including the investment return of the participating fund, AXA decides on the actual non-guaranteed benefits to pay the customer, informing the customer through the policy anniversary statement.

The fulfilment ratio is a measure of the performance of the actual non-guaranteed benefits at a given time, expressed as a percentage of the illustrated non-guaranteed benefits given to customers at the point of purchase. The fulfilment ratio is calculated across all policies for a single plan, rather than for an individual customer. It is an average measure of performance, which may not reflect the circumstances of an individual policy. AXA follows the calculation methodology and disclosure format prescribed by the Insurance Authority in Hong Kong and the Monetary Authority of Macao.

Simplified illustrative example for the fulfilment ratio in 2015 reporting year

$$\frac{\text{Actual non-guaranteed benefits}}{\text{Non-guaranteed benefits illustrated at the point of purchase}} = \text{Fulfilment ratio (\%)}$$

Assume a plan has issued four policies A, B, C, D in three different years:

Policy	Policy effective year	Policy year (reporting year – effective year*)	Illustrated non-guaranteed benefits	Actual non-guaranteed benefits
A	2012	3	3,000	2,500
B	2012	3	2,000	1,800
C	2013	2	2,500	2,550
D	2014	1	1,000	1,000

The fulfilment ratios are calculated as follows:

Fulfilment ratios for reporting year 2015		
Policy year 1 (2014) Policy D only	Policy year 2 (2013) Policy C only	Policy year 3 (2012) Policies A & B
$\frac{1,000}{1,000} = 100\%$	$\frac{2,550}{2,500} = 102\%$	$\frac{2,500 + 1,800}{3,000 + 2,000} = 86\%$

* Effective year is the year in which the policy was issued

Illustration 1: Illustrative example

In the above example (Illustration 1):

- In policy year 1, the fulfilment ratio is 100%. This indicates that the received non-guaranteed benefits are the same as the illustrated non-guaranteed benefits.
- In policy year 2, the fulfilment ratio is higher at 102%, which indicates that the received non-guaranteed benefits are higher than the illustrated non-guaranteed benefits.
- In policy year 3, the fulfilment ratio is lower at 86%, which indicates that the received non-guaranteed benefits are less than the illustrated non-guaranteed benefits. As two policies were sold in 2012 (policy year 3), the sum of both non-guaranteed benefits are used to calculate the fulfilment ratio.

The above example is for illustrative purposes only. When you are planning to purchase one of our participating plans, we advise you to carefully read all the marketing materials including the product brochure, the participating policy fact sheet and the proposal along with this document.

2. How to read AXA's fulfilment ratio tables

For each AXA participating plan with policies issued in the 5 years prior to the reporting year, there is a table of fulfilment ratios of non-guaranteed benefits. These tables are grouped as either "available for sale" or "not available for sale" as follows:

Fulfilment ratios for plans available for sale

- Life Protection and Savings - Savings Oriented
- Life Protection and Savings - Protection Oriented
- Critical Illness Protection

Fulfilment ratios for plans not available for sale

- Life Protection and Savings - Savings Oriented
- Life Protection and Savings - Protection Oriented
- Critical Illness Protection

For these plans, fulfilment ratios are listed for policies issued in or after 2010. Each table has a number of rows of fulfilment ratios depending on the types of non-guaranteed benefits for that plan and the policy currency.

A fulfilment ratio table is explained in detail below:

Fulfilment Ratio		For Reporting Year 2015				
		Policy Year 1 (2014)	Policy Year 2 (2013)	Policy Year 3 (2012)	Policy Year 4 (2011)	Policy Year 5 (2010)
Smart Saver III Savings Series						
HKD	Annual Dividend	100%	99%	99%	Not Applicable (b)	
	Terminal Dividend	Not Applicable (a)			Not Applicable (b)	
Non-HKD	Annual Dividend	95%	96%	97%	Not Applicable (b)	
	Terminal Dividend	Not Applicable (a)			Not Applicable (b)	

Illustration 2: AXA's fulfilment ratio table

1 **Policy year**

The policy year refers to the number of years before the reporting year (in this example 2015) that policies were purchased, increasing number of years from left to right. For example, the fulfilment ratios for policy year 2 include all policies that were purchased in 2013, 2 years before the reporting year of 2015.

2 **Type of non-guaranteed benefits (annual dividend, terminal dividend, etc.)**

Our plans offer different types of non-guaranteed benefits. Given the different nature of these non-guaranteed benefits, we present the fulfilment ratios separately. To understand which non-guaranteed benefits are applicable to your policy, please refer to your policy contract or contact your financial consultant.

3 **Policy currency**

AXA offers policies in different currencies. This refers to the currency in which the policy was issued.

4 **Fulfilment ratio not applicable**

Some fulfilment ratios may not be applicable. An explanation has been provided where relevant. For example:

- There were no non-guaranteed benefits provided in this year due to the plan features
- The plan was launched after this year
- The plan was closed before this year

3. The fulfilment ratio tables for AXA's participating plans

The following fulfilment ratios are for reference only. They relate to past history and are not indicators of future performance of participating plans. The actual non-guaranteed benefits declared in the future may be lower or higher than the amounts implied by the published fulfilment ratios in this document.

Fulfilment ratios for plans available for sale

The following tables show the fulfilment ratios for AXA's participating plans which are currently for sale.

Life Protection and Savings – Savings Oriented

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1	Policy Year 2	Policy Year 3	Policy Year 4	Policy Year 5	Policy Year 6	Policy Year 7	Policy Year 8	Policy Year 9
		(2018)	(2017)	(2016)	(2015)	(2014)	(2013)	(2012)	(2011)	(2010)
Prime Harvest Income Plan										
All currencies	Annual Dividend	Not Applicable (a)	Not Applicable (c)							
	Terminal Dividend	Not Applicable (a)	Not Applicable (c)							
Ever Harvest Income Plan										
All currencies	Annual Dividend	Not Applicable (a)	Not Applicable (c)							
	Terminal Dividend	Not Applicable (a)	Not Applicable (c)							
Smart Saver III Savings Series										
HKD*	Annual Dividend	Not Applicable (a)	106%	103%	105%	106%	103%	100%	Not Applicable (c)	
	Terminal Dividend	Not Applicable (a)				109%	109%	110%	Not Applicable (c)	
Non-HKD	Annual Dividend	Not Applicable (a)	105%	104%	98%	95%	96%	93%	Not Applicable (c)	
	Terminal Dividend	Not Applicable (a)				86%	85%	82%	Not Applicable (c)	

Notes:

Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

*Not applicable to Macau

Life Protection and Savings – Savings Oriented (Con't)

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1 (2018)	Policy Year 2 (2017)	Policy Year 3 (2016)	Policy Year 4 (2015)	Policy Year 5 (2014)	Policy Year 6 (2013)	Policy Year 7 (2012)	Policy Year 8 (2011)	Policy Year 9 (2010)
Smart Jumbo Saver III Savings Series										
HKD*	Annual Dividend	110%	107%	106%	104%	101%	98%	95%	Not Applicable (c)	
	Terminal Dividend	Not Applicable (a)				108%	107%	107%	Not Applicable (c)	
Non-HKD	Annual Dividend	110%	107%	107%	96%	93%	92%	89%	Not Applicable (c)	
	Terminal Dividend	Not Applicable (a)				85%	84%	82%	Not Applicable (c)	
Smart Jumbo Saver III Savings Series (Simplified Version) *										
HKD	Annual Dividend	110%	107%	107%	105%	101%	101%	Not Applicable (c)		
	Terminal Dividend	Not Applicable (a)				106%	102%	Not Applicable (c)		
Non-HKD	Annual Dividend	110%	108%	108%	98%	93%	94%	Not Applicable (c)		
	Terminal Dividend	Not Applicable (a)				85%	86%	Not Applicable (c)		
Flexi Power Saver										
All currencies	Special Cash Payment	Not Applicable (a)	Not Applicable (c)							
	Terminal Dividend	Not Applicable (a)	Not Applicable (c)							
IncomePartner Deferred Annuity Plan*										
All currencies	Annuity Payment	Not Applicable (c)								
	Terminal Dividend	Not Applicable (c)								

Notes:

Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

*Not applicable to Macau

Life Protection and Savings – Savings Oriented (Con't)

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1	Policy Year 2	Policy Year 3	Policy Year 4	Policy Year 5	Policy Year 6	Policy Year 7	Policy Year 8	Policy Year 9
		(2018)	(2017)	(2016)	(2015)	(2014)	(2013)	(2012)	(2011)	(2010)
Wealth Advance Savings Series II - Classic										
All currencies	Reversionary Bonus	Not Applicable (c)								
	Terminal Bonus	Not Applicable (c)								
Wealth Advance Savings Series II - Ultimate										
All currencies	Reversionary Bonus	Not Applicable (c)								
	Terminal Bonus	Not Applicable (c)								

Notes:

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

Life Protection and Savings - Protection Oriented

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1 (2018)	Policy Year 2 (2017)	Policy Year 3 (2016)	Policy Year 4 (2015)	Policy Year 5 (2014)	Policy Year 6 (2013)	Policy Year 7 (2012)	Policy Year 8 (2011)	Policy Year 9 (2010)
Smart Protector II Life Insurance Series										
All currencies	Annual Dividend	Not Applicable (a)	100%	100%	93%	79%	80%	73%	72%	74%
	Terminal Dividend	Not Applicable (a)				107%	106%	98%	91%	89%
Fortune Guard Life Insurance										
HKD	Reversionary Bonus	Not Applicable (a)	Before 29 May, 2017: Not Applicable (e) On or after 29 May, 2017: Not Applicable (a)	Not Applicable (e)				Not Applicable (c)		
	Terminal Bonus	Not Applicable (a)		Not Applicable (e)				Not Applicable (c)		
Non-HKD	Reversionary Bonus	Not Applicable (a)		Not Applicable (e)				Not Applicable (c)		
	Terminal Bonus	Not Applicable (a)		Not Applicable (e)				Not Applicable (c)		
Fortune Protector Life Insurance										
HKD	Reversionary Bonus	Not Applicable (a)	Before 29 May, 2017: Not Applicable (e) On or after 29 May, 2017: Not Applicable (a)	Not Applicable (e)				Not Applicable (c)		
	Terminal Bonus	Not Applicable (a)		Not Applicable (e)				Not Applicable (c)		
Non-HKD	Reversionary Bonus	Not Applicable (a)		Not Applicable (e)				Not Applicable (c)		
	Terminal Bonus	Not Applicable (a)		Not Applicable (e)				Not Applicable (c)		
Grand Heritage*										
All currencies	Terminal Dividend	Not Applicable (a)	Not Applicable (c)							
LifeDelight Insurance Plan										
All currencies	Terminal Dividend	Not Applicable (c)								

Notes:

Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

Not Applicable (e): In general, we illustrate the non-guaranteed benefits to customers based on our estimate of the future investment return at the point of purchase, and the same figures will be used to calculate the fulfilment ratio. However, for the policies of Fortune Guard Life Insurance and Fortune Protector Life Insurance, the proposals illustrate the non-guaranteed benefits under two (applicable to Hong Kong) or three (applicable to Macau) hypothetical rates of investment return instead. In this regard, the fulfilment ratio calculated with the illustrated figures may not carry the same meaning as other fulfilment ratios we present in this document. For the same reason, the fulfilment ratio is not applicable.

*Not applicable to Macau

Critical Illness Protection

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1 (2018)	Policy Year 2 (2017)	Policy Year 3 (2016)	Policy Year 4 (2015)	Policy Year 5 (2014)	Policy Year 6 (2013)	Policy Year 7 (2012)	Policy Year 8 (2011)	Policy Year 9 (2010)
HealthSelect II Major Illness Plan										
HKD	Terminal Dividend	Not Applicable (a)		Not Applicable (b)	Not Applicable (c)					
Non-HKD	Terminal Dividend	Not Applicable (a)		Not Applicable (c)						
HealthVital II Major Illness Plan										
HKD	Terminal Dividend	Not Applicable (a)		Not Applicable (b)	Not Applicable (c)					
Non-HKD	Terminal Dividend	Not Applicable (a)		Not Applicable (b)	Not Applicable (c)					
CritiPartner Critical Illness Plan										
HKD	Terminal Dividend	Not Applicable (a)	Not Applicable (c)							
Non-HKD	Terminal Dividend	Not Applicable (a)	Not Applicable (c)							
CritiPartner Plus Critical Illness Plan										
HKD	Terminal Dividend	Not Applicable (c)								
Non-HKD	Terminal Dividend	Not Applicable (c)								

Notes:
Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.
Not Applicable (b): There were non-guaranteed terminal benefits but no policies were terminated in this year.
Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

Fulfilment ratios for plans not available for sale

In this section we provide the fulfilment ratios from plans that were removed from sale after 2010.

Life Protection and Savings - Savings Oriented

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1 (2018)	Policy Year 2 (2017)	Policy Year 3 (2016)	Policy Year 4 (2015)	Policy Year 5 (2014)	Policy Year 6 (2013)	Policy Year 7 (2012)	Policy Year 8 (2011)	Policy Year 9 (2010)
Wealth Advance Savings Plan										
HKD	Reversionary Bonus	Not Applicable (a)		100%	Not Applicable (c)					
	Terminal Bonus	Not Applicable (a)		112%	Not Applicable (c)					
Non-HKD	Reversionary Bonus	Not Applicable (a)		100%	Not Applicable (c)					
	Terminal Bonus	Not Applicable (a)		112%	Not Applicable (c)					
Fortune Goal Saver										
All currencies	Annual Dividend	Not Applicable (a)		101%	102%	103%	Not Applicable (c)			
	Terminal Dividend	Not Applicable (a)		100%	100%	Not Applicable (b)	Not Applicable (c)			
Smart Saver III Savings Series (Simplified Version)*										
HKD	Annual Dividend	Not Applicable (d)			106%	106%	105%	Not Applicable (c)		
	Special Investment Bonus	Not Applicable (d)			Not Applicable (a)	107%	110%	Not Applicable (c)		
Non-HKD	Annual Dividend	Not Applicable (d)			96%	96%	97%	Not Applicable (c)		
	Special Investment Bonus	Not Applicable (d)			Not Applicable (a)	87%	90%	Not Applicable (c)		

Notes:

Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.

Not Applicable (b): There were non-guaranteed terminal benefits but no policies were terminated in this year.

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

Not Applicable (d): The plan was closed before this year.

*Not applicable to Macau

Life Protection and Savings - Savings Oriented (Con't)

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1 (2018)	Policy Year 2 (2017)	Policy Year 3 (2016)	Policy Year 4 (2015)	Policy Year 5 (2014)	Policy Year 6 (2013)	Policy Year 7 (2012)	Policy Year 8 (2011)	Policy Year 9 (2010)
AXA FlexiWealth Protection Series*										
HKD	Annual Dividend	Not Applicable (d)				90%	88%	86%	Not Applicable (c)	
	Special Investment Bonus	Not Applicable (d)				96%	96%	96%	Not Applicable (c)	
Non-HKD	Annual Dividend	Not Applicable (d)				86%	85%	84%	Not Applicable (c)	
	Special Investment Bonus	Not Applicable (d)				85%	80%	Not Applicable (b)	Not Applicable (c)	
MAXX Savings Series										
All currencies	Annual Dividend	Not Applicable (d)	79%	85%	82%	81%	85%	74%	74%	77%
	Special Investment Bonus	Not Applicable (d)	Not Applicable (a)			Not Applicable (b)		89%	89%	89%
MAXX II Savings Series										
HKD*	Annual Dividend	100%	95%	92%	92%	87%	88%	86%	Not Applicable (c)	
	Terminal Dividend	Not Applicable (a)				96%	96%	96%	Not Applicable (c)	
Non-HKD	Annual Dividend	100%	100%	98%	92%	84%	84%	84%	Not Applicable (c)	
	Terminal Dividend	Not Applicable (a)				85%	Not Applicable (b)	80%	Not Applicable (c)	

Notes:

Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.

Not Applicable (b): There were non-guaranteed terminal benefits but no policies were terminated in this year.

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

Not Applicable (d): The plan was closed before this year.

*Not applicable to Macau

Life Protection and Savings - Savings Oriented (Con't)

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1	Policy Year 2	Policy Year 3	Policy Year 4	Policy Year 5	Policy Year 6	Policy Year 7	Policy Year 8	Policy Year 9
		(2018)	(2017)	(2016)	(2015)	(2014)	(2013)	(2012)	(2011)	(2010)
Smart Jumbo Saver II Savings Series										
All currencies	Annual Dividend	Not Applicable (d)			84%	80%	Not Applicable (c)	76%	77%	78%
	Special Investment Bonus	Not Applicable (d)			Not Applicable (a)	Not Applicable (b)	Not Applicable (c)	90%	89%	89%
Easy Wealth Savings Series*										
HKD	Annual Dividend	Not Applicable (d)			88%	88%	87%	Not Applicable (c)		
	Special Investment Bonus	Not Applicable (d)			Not Applicable (a)	96%	96%	Not Applicable (c)		
Non-HKD	Annual Dividend	Not Applicable (d)			83%	83%	84%	Not Applicable (c)		
	Special Investment Bonus	Not Applicable (d)			Not Applicable (a)	Not Applicable (b)		Not Applicable (c)		

Notes:

Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.

Not Applicable (b): There were non-guaranteed terminal benefits but no policies were terminated in this year.

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

Not Applicable (d): The plan was closed before this year.

*Not applicable to Macau

Critical Illness Protection

Fulfilment Ratio		For Reporting Year 2019								
		Policy Year 1 (2018)	Policy Year 2 (2017)	Policy Year 3 (2016)	Policy Year 4 (2015)	Policy Year 5 (2014)	Policy Year 6 (2013)	Policy Year 7 (2012)	Policy Year 8 (2011)	Policy Year 9 (2010)
HealthElite Critical Illness Insurance										
HKD	Terminal Dividend	Not Applicable (a)				Not Applicable (b)	Not Applicable (c)			
Non-HKD	Terminal Dividend	Not Applicable (a)				Not Applicable (b)	Not Applicable (c)			
HealthSelect Major Illness Insurance										
HKD	Terminal Dividend	Not Applicable (a)				100%	100%	Not Applicable (b)	Not Applicable (c)	
Non-HKD	Terminal Dividend	Not Applicable (a)				100%	100%	Not Applicable (c)		
HealthVital Major Illness Insurance										
HKD	Terminal Dividend	Not Applicable (a)				100%	100%	Not Applicable (b)	Not Applicable (c)	
Non-HKD	Terminal Dividend	Not Applicable (a)				100%	100%	Not Applicable (c)		

Notes:

Not Applicable (a): There were no non-guaranteed benefits provided in this year due to the plan features.

Not Applicable (b): There were non-guaranteed terminal benefits but no policies were terminated in this year.

Not Applicable (c): The plan was launched after this year, or there were no policies issued under this plan in this year.

4. Frequently asked questions

a. How does AXA calculate the fulfilment ratios?

AXA follows the calculation methodology and disclosure format prescribed by the Insurance Authority in Hong Kong and the Monetary Authority of Macao to calculate the fulfilment ratios from the plans with non-guaranteed benefits.

b. Why is there no fulfilment ratio for my plan?

Tables of fulfilment ratios are available for plans with policies issued in the 5 years prior to the reporting year except if:

- Your plan does not offer non-guaranteed benefits
- Your plan is an investment-linked assurance scheme

In general, the fulfilment ratios are listed for policies issued in or after 2010.

However, there can be multiple reasons why your plan does not have a fulfilment ratio for a particular policy year, the most common factors are listed below:

- There were no non-guaranteed benefits provided in that year due to the plan features
- The plan was launched after that year
- The plan was closed before that year
- For fulfilment ratio of terminal dividend, none of the policies issued in that policy year was terminated during the reporting year

c. Why do the fulfilment ratios in this brochure differ from my policy?

The fulfilment ratios are average ratios calculated for a large number of policies under the respective plans, instead of being calculated on an individual policy basis. The fulfilment ratios shown in this brochure may not reflect the circumstances of any particular policy and are for reference only.

d. Why can't I see the fulfilment ratios for policies issued in last year and this year in the fulfilment ratio table?

Non-guaranteed benefits may only be payable after the policies have been in force for at least one year, depending on the plan features. Therefore for policies issued in last year and this year, their fulfilment ratios will be published starting from the next reporting year at the earliest.

e. Why do the fulfilment ratios vary among different participating plans?

Different participating plans may have different investment strategies, as well as different approaches or philosophies to determine the non-guaranteed benefits. As a result, the considerations when determining the non-guaranteed benefits may vary. Even if the investment returns and other factors perform the same, AXA may declare different amounts of non-guaranteed benefits for different participating plans.

f. Do historical fulfilment ratios represent future performance?

No. The fulfilment ratios are intended to be only a summary of the differences between the actual non-guaranteed benefits declared and the amounts illustrated at the point of purchase in the past. Such declarations were determined based on the historical performance of a number of factors such as the actual investment returns. In the future, these may or may not happen again, and there is no guarantee that the fulfilment ratios in the future will be the same as, or similar to, those in the past.

To understand more about how the non-guaranteed benefits will be determined, you can refer to the participating policy fact sheets available on our website.

g. How do I compare the fulfilment ratios with other insurers?

Starting from 1 January 2017 (applicable to Hong Kong) or 1 January 2019 (applicable to Macau), all insurers are required to publish their fulfilment ratios on their website. Insurers are required to follow the same methodology and format provided by the Insurance Authority in Hong Kong and the Monetary Authority of Macao.

h. Why is the fulfilment ratio of Terminal Dividend and Terminal Bonus not available if none of the policies issued in that policy year was terminated in the reporting year?

The methodology prescribed by the Insurance Authority in Hong Kong and the Monetary Authority of Macao specifies that the fulfilment ratio of the terminal dividend and the terminal bonus is the ratio of total payment of the benefits against the illustrated amounts at the point of purchase for all relevant policies actually terminated in the reporting year. If there is no relevant policy terminated in the reporting year, there is no payment of the terminal dividend and the terminal bonus made, so the fulfilment ratio is not available.

5. Glossary of terminologies

We have changed some insurance wordings to provide more clarity on their meaning and to align with the Insurance Authority in Hong Kong and the Monetary Authority of Macao's prescribed industry standards. These changes have no impact on the plan features and in no way affect the terms and conditions stated in the policy contract. The glossary below details the differences:

Plan name	Terminologies used in this document	Terminologies that may be used in other documents
Fortune Guard Life Insurance **Fortune Protector Life Insurance**	Terminal Bonus [+]	
HealthElite Critical Illness Insurance **HealthSelect Major Illness Insurance** **HealthVital Major Illness Insurance**	Terminal Dividend	Special Bonus
MAXX II Savings Series **Smart Jumbo Saver III Savings Series** **Smart Jumbo Saver III Savings Series (Simplified Version)** [^] **Smart Protector II Life Insurance Series** **Smart Saver III Savings Series**	Terminal Dividend	Special Investment Bonus

[+] Only the Chinese terminology has been changed.

[^] Not applicable to Macau

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(Only for use in Hong Kong Special Administrative Region and Macau Special Administrative Region)

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Fulfilment Ratios Brochure

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