

Minutes of Plenary Meeting

November 27th in Paris

To open this new Plenary meeting, Hedi BEN SEDRINE, AXA EWC Secretary welcomed the guest of the Extra-European: Rosa Erika FERNANDEZ (Mexico), Fritz GROB and Kilian IMWINKELRIED (Switzerland) and Hiroaki IRIGUCHI (Japan).

He then reviewed the activity of the last six months of the AXA EWC and gave the floor to Jean-Christophe SCIBERRAS (Group Director of Labor Relations) who gave a brief presentation of his career path in labor relations before joining the AXA Group and the EWC since October.

Jean-Christophe SCIBERRAS expressed his satisfaction with the level of exchanges with the members of the Secretariat. He stressed the importance of the Group's size and social dialogue at AXA, as an essential lever for the Group's performance and wished for a great deal of listening and interaction between Management and employee representatives to understand the strategy put in place.

Speech by Thomas BUBERL, President of the AXA EWC, focused his presentation on the main lines to keep time for exchanges with reps:

A rather difficult year 2019 with the transformation of the Group and the implementation of the strategy, the completion of the sale of AXA Equitable in November, the sale of some of these activities (AXA Ukraine or AXA Bank Belgium), the integration of XL on corporate risks and investments in the Health and Personal Protection business, today the Group is recognized as a leader in these 2 areas

The next objective is to finalize the deployment and results of Ambition 2020 and prepare the following plan, which will be presented to investors at the end of March and will be in line with the strategic orientations of the previous one (Corporate Development, Health and Welfare, Improving Customer Satisfaction)

This new Plan will be influenced by the subject of the AXA Group's purposes and will also be built by reflections led by Management and employees to find meaning in what insurance can bring to the daily lives of clients.

An important step will be taken by the Group in green investments and to start with the announcement that it will fully exit coal by 2030 and help these same companies makes the transition to energy.

Before moving on to questions from elected officials, Hedi Ben Sedrine said that the members of the Secretariat had participated the previous day in workshops on the AXA Group's purpose and had proposed reflections on this theme.

During the preparatory meeting the day before, the European employees' representatives worked on various workshops in order to identify the themes and questions they wanted to submit to the President.

Patricia NUNEZ oversees the questions on simplification, announced two years ago and whose consequences affect the Group's employees today.

Frank LEYS (Belgium) asked about the communication of the sale of AXA Bank Belgium, which was made very late by the Group and generated concern and misunderstanding on the part of employees.

Thomas explains that the culture of sharing and information still exists within the Group and emphasizes that social dialogue and transparency must prevail, but there are also legal constraints and confidentiality is important when it comes to sales. Concerning the sale of the Bank in Belgium, this solution seemed the most plausible for the future of this entity and its employees.

Regarding the subject of AXA XL, Marie-Pascale DUVERNOIS (France) stressed that IT tools and HR systems are not shared with the rest of the Group and that integration remains to be finalized.

Hedi BEN SEDRINE pointed out that integration is progressing but that there are difficulties during this transition period that are costly in terms of energy and quality of life for XL employees in Europe. Resources are not sufficient for operational teams and HR and we are facing a very critical human situation. The Secretary insists that the President report these matters directly to XL's Management and that adjustment actions on the organization be carried out quickly. The cultural differences between XL's management and European entities can be a barrier to integration and create a gap between the initial project and the reality on the ground.

Thomas gives some answers: XI is dominated by an Anglo-Saxon culture and it is necessary to work on operational and social integration but there is a big learning to be done by XL Management on integration, especially cultural integration. On the tools, the Group is well aware that it is necessary to make the transition and this requires time

Mayté BONILLA VELAYOS (Spain) explained that one of the consequences of simplification is the transfer of jobs locally or internationally and that the employees affected must be informed.

The President replied that the Group can no longer work in silos and must invest where necessary if it wants to grow, but not necessarily by reducing jobs. Information will be shared anyway.

Bernard BOSCH (France) asked a question about the social pact of tomorrow in a context of a workload that is increasing too much. How can we maintain an acceptable level of social dialogue and an absence of psychosocial risks, secure employability with appropriate training without a vision of an updated Strategic Work Force Planning?

Thomas BUBERL explains that the Group must move in order not to disappear and must develop in a responsible position, in a sustainable way and with a lot of investment. It must keep in mind the balance for employees through social dialogue with elected officials. SWFP and training are still relevant and widely deployed. Employees must be supported and the Pulse Tool makes it possible to evaluate the organization several times a year and understand what is happening in the field.

Stratos KEFALAS (Greece) in charge of the emerging countries theme supervises the interventions of Agnieszka TRACZYK (Poland) who wants confirmation on the rumours of the sale of AXA Poland and AXA Slovakia and to know the reasons for it. Pavel GOTTWALD (Czech Republic) asked whether the Management could offer guarantees to employees affected. Stratos adds that rumours of AXA Assistance's sale in Greece have also raised concerns.

Thomas BUBERL said that rumours should not be commented on even if they generate instability for employees. It is certain that competitors want to broaden their scope by seeking opportunities and AXA Poland has made great efforts to succeed locally despite a particularly difficult regulatory environment. The entity is recognised on the Polish insurance market and becomes attractive to competitors. There are always considerations to be made about investments, such as for example for AXA Partners, which needs a transformation to adapt to the market context. Concerning social guarantees, the President confirmed to the elected representatives of the EWC that support will always exist in the event of a sale or purchase of an entity.

Andrea WOLF then supervises interventions on the theme of quality of life at work, in degraded mode, linked to cost pressure and job losses in the Group.

Peter FLÜGGE (Germany), Isabelle DESOUBRY (Belgium) and Francisco ROTIROTI (Italy) underlined the essential need for investment in terms of resources and tools and the wider development of teleworking to relieve the existing teams.

For Thomas BUBERL, it is the complexity of current products and processes that is the source of the problem and local management must work on simplifying these processes to reduce workloads. The significant investments that are being made in the IT sector must lead to the right solutions. Local management has the necessary autonomy to decide on the investments to be made to work on improving their profitability.

The Secretary of the EWC asked the President to give his vision of a global orientation concerning telework, which is now a very important subject managed by country and often by entity.

A reflection should be undertaken on teleworking and the sharing of good practices. We must ask ourselves what flexibility is best suited for employees. It is necessary to avoid social isolation, to ensure that the mental health of employees is preserved, and to find the right balance between teleworking and face-to-face meetings. The working environment remains an important criterion to be taken into account.

Sophie LAVENTURIER (Belgium) asked the President about dividends, the increase in which was considered too high by some local entities, concerned about the lack of a budget for local investments.

Thomas BUBERL invites elected officials to distinguish between investment and dividend. The exercise consists in providing sufficient remuneration to the shareholder while retaining what the Group needs to invest and pay its debts. Local entities use their budgets according to their needs and the surplus is centralized by the Group for optimal use. Local investments are always very important and it is the entrepreneurial spirit that is sometimes lacking locally.

On the proposal of the Secretary of the CGE, and to refine the understanding of the mechanisms, this subject could be proposed at a future Bureau meeting, in the form of training to be given by a financial specialist of the Group.

On the subject of Strategic Work Force Planning, the elected representatives' request is to be able to follow this subject because 1/3 of the professions will disappear and training support must be provided for a very large number of employees who will change professions

Steve BLEASE then asked the delegates to comment on Brexit.

David NEWSOM (United Kingdom) asked what AXA's plans are to address the slowdown in growth due to the threat of Brexit.

Thomas Buberl replied that the Group has prepared for a "hard" Brexit scheduled for the end of January, but the effects will be limited on the entities and on strategy. The Group plans to continue to invest in resources and resources to ensure that AXA UK is a success. In response to the question from Maria HAMMOND (Ireland) concerning the negative effects on growth and employment in Ireland, the President confirmed the existence of many links between Ireland and the UK and therefore the possible common effects of Brexit, but he remained very confident in view of the work already done in that country and the possibilities for development.

Taking advantage of the presence of Japanese and Mexican representatives, Thomas Buberl reviewed AXA's situation in Japan, which is very well positioned after a difficult period of low interest rates, but has been refocused on protection and health portfolios for the past 10 years and which must further improve its presence in direct distribution channels, particularly in Life and Motor business and must invest in the broker distribution channel.

For Mexico, transformations were necessary (IT, reoriented portfolios, partnership development) to boost growth and in particular through many innovative partnerships.

Spontaneous questions.

On the issue of Ambition 2021-2023 and its impact on cost reduction, Thomas BUBERL said that the Management was currently considering ways forward for Ambition 2021-2023. No decision is made. This will be a logical continuation of Ambition 2020. Regarding efficiency, it is clear that there is still work to be done in terms of simplification for employees and implementation of investments for entities.

On the subject of specialized distribution networks at AXA France and the transformation of tools and employees, it will be necessary to rely on training in new tools and support for underwriters and agents.

Thomas BUBERL concluded this session by taking up the 3 points that he felt were the most structural and urgent to deal with. He will follow them personally:

- Strategic WorkForce Planning 2.0 is an important topic and should be followed up with elected officials to support employees
- AXA XL: Integration generates pressure that becomes difficult to manage and cultural difference is a question that arises in the accompaniment of this integration.
- Working conditions shaken by the changes imposed by the Group must be restored to normal thanks to the necessary investments. Solutions must also be found to simplify processes and support employees in the face of the increasing complexity of insurance products.

Thomas Buberl regretted the lack of time to answer the questions of the elected representatives of the EWC because he considers that these exchanges are essential to identify the issues facing employees.

Vote sur le remplacement de deux membres du Secrétariat du CEG

Bernard BOSC (France) said that a first instance judgment would be delivered on 28 January. Therefore, CFDT members will not participate in the vote

Caroline CANAVESE (Management Expert) explained that the two candidate delegates, Angela DOYLE (UK) and Marie-Pascale DUVERNOIS (France) are running to replace Annie BROWNLEE

After the vote of the elected representatives, Angela DOYLE won the vote by 32 votes against 7 for Marie-Pascale DUVERNOIS

Francesco ROTIROTI, sole candidate to replace Mario PROIETTO, was elected with 39 votes.

Presentation of AXA Climate

Antoine DENOIX (Chief Executive Officer of AXA Climate) expresses AXA's desire to take action on the subject of climate change. AXA CLIMATE was created with objectives of climate protection and responses in the areas of insurance, assistance and resilience in the face of the increase in "Protection Gap" (gaps between the size of extreme weather risks and the rate of protection of populations).

With the increase in climate risks (intensity and frequency of natural disasters) around the world, AXA must react, because the stakes are enormous in terms of results for the Group (AXA XL) but also impacting on political or health dimensions.

AXA Climate develops the parametric insurance product based on compensation to the client based on the evolution of a given weather indicator. It is characterized by its ease of processing and helps affected clients bounce back faster with faster claims. It also makes it possible to work in geographical areas where AXA is not present in traditional insurance, such as Africa, and to develop these business lines after the implementation of the parametric.

Its mission is to become a platform for solutions on climate risk issues in highly exposed regions, either for traditional clients or for governments seeking to reinsure themselves. But AXA Climate's development focus is not only based on insurance growth but also on exploring new ways to help the client through assistance and advice to large institutions or governments. Risk prevention is a major asset of parametric insurance, making it possible to anticipate the consequences of major climatic risks and limit their financial aspects.

Understanding climates, meteorology and analyzing satellite data are essential for the development of this entity. The current team consists of about 40 people.

In line with the logic of proximity to the customer, the future of this insurance product is to compensate as closely as possible to the loss suffered by the customer and not a fixed amount determined in advance.

Finally, in support of satellite data and risk models developed by AXA Climate, prevention with institutions and governments will make sense in the future.

To the question from the Secretary of the EWC concerning the growth potential of this business line, Antoine DENOIX replied that parametrics alone will never be a huge market, it will have to be combined with traditional insurance products, developed in particular by AXA XL. This combination will be the key to making it a mass phenomenon.

Inclusion and Diversity: Achievements and Strategies

Kirsty LEIVERS (Head of Diversity and Inclusion at the Group HR Department) explained that the gender balance is relatively well balanced in the organisation. But the gaps are felt as they move up the hierarchy, although the efforts made in recent years to remedy them are bearing fruit, but they must be continued, by helping women to access operational jobs and important positions, but always maintaining a balance. The Group is also working on equal pay worldwide with a target that should be achieved by 2023. The Group's objective is not to make savings on these subjects.

Disability, LGBT or origin are issues that AXA must quickly address in order to reduce the stigma that these employees may face. Communication and training for managers and employees on these topics exist, particularly in the UK, and access and knowledge of these offers must be improved throughout the Group

according to local situations and all employees encouraged to take an interest.

It is also necessary to help managers manage complex situations, train HR teams to promote diversity in recruitment and encourage the employees concerned to express their views on the difficulties encountered. Successful inclusion with positive impacts on health and well-being at work for all employees. This is one of the objectives of Ambition 2023.

Other dimensions will be taken into account in this plan: health, mental health, training, working environments and finally upskilling for employee employability.

It is also necessary to work on the mix of generations in the teams and to identify the talents in all generations.

Karima Silvent (Group HR Director) then gave a number of answers to the questions asked by the elected representatives:

There are many training modules on Diversity but the access and readability of this offer is not intuitive and a prioritisation of these training courses is in progress.

The integration of employees with disabilities remains operationally difficult and efforts are needed to recruit and adapt access to environments and workstations.

With regard to the social lift for employees, AXA has a responsibility not only to ensure inclusive recruitment but also to promote inclusion, and there is still room for improvement within the Group to achieve this objective.

The last point raised by Karima Silvent is that the Strategic WorkForce Planning (SWFP) methodology will be modified because heavy. We must use the technologies made available to assess the skills that the Group will need tomorrow, and for employees, we must make greater use of the tools made available to assess themselves through a training account and reflect more dynamically in a projection towards a professional future. In fact, employees must become actors of their future without adding too much workload but on the contrary by adding a plus... On Ambition 2021-2023, a reflection was launched for a sustainable integration of the SWFP, linked to the training dimension.

The Secretary of the EWC invites Karima Silvent to participate more often in this forum to discuss the issues facing the Group's employees and also wishes to have a more regular follow-up of the SWFP at the EWC Bureau level.

Next Meetings: Secretariat and Bureau on 21 and 22 January in Paris