

EUROPEAN AGREEMENT ON ANTICIPATING CHANGES

Between:

the AXA Group, represented by Henri de Castries, President and Chairman of the Board of AXA S.A., on the one hand,

and:

the French representative trade unions and UNI, on the other hand,

has been agreed the following:

RECITALS

This European framework agreement defines the principles for anticipating changes in the European companies of the AXA Group.

In a global context marked by continuous change, accelerating competition and the growing need to be competitive, the AXA Group needs to adapt to ongoing and future changes, responding to the needs of its customers and ensuring that its employees are able to develop their potential and motivation, since employees are the key element in creating value for the Group's shareholders and customers.

Consequently, the AXA Group pays particular attention to managing properly the necessary changes and their possible impact on its employees. In 2004, the AXA Group European Works Council began to discuss the need to draw up a set of principles governing social dialogue in cases of major organisational change with an impact on employment and the skills of its employees. These principles were formally included in Appendix 1 of the EWC Agreement signed on 29 June 2009.

A reminder of the principles of social dialogue in the AXA Group

Commitments to employees, particularly in the case of major organisational changes

For projects involving major organisational changes with consequences for employment, the Management of the Group asks each of its European entities to act in such a way as to ensure that adequate information is given to employees and maintain constructive social dialogue.

While ensuring that employee skills as outlined above are properly put to use and that local obligations are met, AXA entities must organise the process for informing their employees in successive stages (undertaken in due time) along the lines suggested below:

- thinking through the issues prior to making decisions (general orientations)
- drawing up an action plan
- agreeing on the application of the plan and its implications locally
- implementation and follow up

This model seeks to contribute to a good understanding of the change process by employees and their representatives, and to the transparency required for each stage.

In addition, AXA has developed a set of principles, stated below, to guide its European entities in the way they manage the process locally. These principles have been established consistently with the Group's values and in the best interests of its employees, customers and shareholders, as well as the determination to maintain the constant social dialogue that takes into account the different cultures of employee representation existing within the EWC.

Principle 1

AXA is committed to providing relevant information when the time comes for organisational changes that have consequences for employment, and to consulting employees and their representatives in accordance with local obligations and culture.

Principle 2

Within the framework of a process of information and consultation, the data and information supplied by AXA shall, as the case may be, include information about possible alternative solutions.

Principle 3

Taking into account the interests of its employees, customers and shareholders, AXA is committed to resorting as much as possible to internal redeployment measures but, if necessary, also to external measures for all employees concerned by possible employment issues.

Principle 4

AXA will in particular do everything possible to avoid resorting to redundancies and collective transfers, and to look as much as possible for other approaches, in particular:

- Seizing the opportunities given by natural movements in headcount reduction, in order to facilitate employment issues.*

- *Undertaking clear efforts to provide support for employees as they analyse their skills and career development opportunities and to provide training and reallocation opportunities when needed and possible.*
- *Resorting preferably to solutions built on voluntary departures and redeployment rather than to redundancies and collective transfers.*
- *Dealing with decisions to transfer activities internationally (e.g. offshoring) by applying the principles of social dialogue enshrined in this text to the European countries concerned.*

These alternative social measures give to the company the desired margins for transformation and to employees the choice of their future, even in difficult reorganisation situations.

By enacting these principles, AXA undertakes to take into account the need to keep its in-house skills and to operate with due concern for its profitability, in order to ensure the continuity of the business. To this end, it encourages its employees to be flexible and envisage the possibility of accepting new developments in employment.

Principle 5

AXA is committed to recognising the representatives of its employees (that is to say the social partners as recognised by the regulations in force in each country or, failing that, by the customs and practices of each local entity in respect of employee representation), and to respect their freedom, rights and roles deriving from national legislation and, as the case may be, the agreements in force in the local entities.

Principle 6

Considering that every employee is entitled to work conditions that ensure their safety and health within the framework of local legislation, AXA considers preventive actions that provide for health and safety at work to be a priority, together with such measures as will allow employees to adapt to changes in the best conditions.

Principle 7

When measures requiring geographical mobility are seen to be necessary, the priority should be to offer them to employees who volunteer and to manage such mobility in a way that facilitates their integration in their new environment in the best possible conditions.

Principle 8

Acknowledging that training is a major investment for both the Group and its employees, AXA is committed to pursuing the implementation of a culture of continuous learning and training that allows its employees to develop their skills and, as much as possible, satisfy their professional aspirations as well as the needs of the company. To this end, each AXA company shall offer, as much as its resources shall allow, access to appropriate training and development programmes.

Principle 9

AXA refuses any discrimination based on gender, race, colour, ethnic origins, genetic features, disabilities, sexual orientation, language, religion or convictions, membership of trade unions and related activities, and political opinions. The Group is committed to doing all it can to ensure that each employee is treated fairly in matters of employment, work and pay.

The AXA Group now wishes to better define these principles and pursue the dialogue with the social partners, to define actions that will preserve employment and adapt skills to future needs, so that it can maximise its chances of preserving its core business in Europe while improving its competitiveness.

Original approach and key role of the EWC

This agreement is the object of an original approach. Many people from employee representative institutions have been involved in this programme, each one intervening at their respective level:

- the European Works Council of the AXA Group (EWC) is the information and consultation body, as defined by the Directive 2009/38/EC, that deals specifically with transnational issues. Seen as a real partner by the Group's Management, the EWC is the preferred forum for the forward looking social dialogue that fosters a process of information prior to the implementation of action plans involving several countries, while respecting the national employee representative bodies and their prerogatives.
- UNI Europa Finance, the federation of European trade unions, representing employees in the Insurance and Banking sectors, is involved in negotiating this agreement. Acknowledging the major challenges faced by the AXA Group, UNI has been duly authorised by all the parties signing the EWC agreement, to sign this agreement. It takes part in the meetings of the EWC, where it has non-voting rights.
- Local employee representatives are key contacts and, depending on local regulations and customs, will be informed or consulted about each impact of the projected change on their company and in particular the consequences in terms of employment. Local partners will therefore be associated in the project, both up and down stream.

1. PURPOSE OF THE AGREEMENT

This framework agreement, signed by the EWC, defines the main lines of support for transnational transformation programmes applicable to the European entities of the AXA Group.

This agreement will be applied in each country and/or entity concerned, in dialogue with the local employee representatives, so as to take into account the economic, social, cultural and regulatory differences in each country. Moreover, those AXA Group entities that wish to may enter specific agreements that draw their inspiration from the provisions of this EWC agreement, transposing them to their own entity.

The purpose of this agreement is to define the approach and the tools that will enable employees to prepare for future changes and allow them to build up their employability and envisage solutions that are adapted to their specific situation.

- It defines the framework for providing the EWC with regular information about the changes taking place in the industry in which the Group operates and how it intends to position itself and develop its activities at the global, European and local level.
- It institutes a skills and employment observatory to map the main jobs in the company and undertake some forward thinking about how they are likely to evolve.
- It draws up a catalogue of HR measures to be considered when transformation is necessary, in order to support changes in job profiles and preserve the employability of the Group's employees.

2. SCOPE OF APPLICATION OF THE AGREEMENT

This agreement applies to the companies that belong to the AXA Group in Europe that come under the scope of application of the EWC agreement of 29 June 2009.

This agreement defines a general framework structure and is not intended to replace any national legislation and/or national or company-wide collective agreement that is in force or may be negotiated at a later stage, when the provisions of such legislation or agreements are more favourable than those contained in this agreement.

3. INFORMATION TO BE COMMUNICATED TO EMPLOYEE REPRESENTATIVE BODIES

When necessary and at least once a year, the AXA Group will communicate and comment to the EWC detailed information about the economic context of the insurance industry, about how the Group intends to develop its strategy at the global, European and, as the case may be, local levels.

In addition, the EWC provides a platform for cross-cutting entities to communicating their strategy when they deem it necessary.

4. IMPLEMENTATION OF A EUROPEAN SKILLS AND EMPLOYMENT OBSERVATORY

Depending on needs and context, the AXA Group will appropriately organise a specific meeting of the EWC Bureau dedicated to the European Skills and Employment Observatory, the purpose of which will be to map the main occupation profiles and do some forward thinking about the changes taking place, in the light of the major trends observed in the insurance industry and within the AXA Group.

The Observatory will focus on the business sectors that cover the occupation profiles that are experiencing growth. It will be organised based on cross-cutting entities (e.g. AXA Assistance, AXA Tech, etc.) and/or cross-cutting business lines (e.g. P&C, Life, etc.).

The Observatory will make it possible to identify the occupation profiles that are developing, regressing or emerging, and draw up a list of actions to be undertaken to support such changes and develop the employability of the Group's employees and monitor the development of these actions.

Moreover, a general state-of-the-situation report will be presented to the EWC Bureau every 24 months.

5. SUPPORT FOR EMPLOYEES DURING THE NECESSARY TRANSFORMATIONS

It is essential that the impact of a transnational employment transformation programme be anticipated in a fully transparent way.

This agreement consequently proposes measures to be considered for employees whose employment is threatened. It encourages solidarity between entities both at the local and international levels.

5.1. Preserving the employability of all employees

Preserving employability implies:

- Giving feedback about how employees go about their job; in this context, an annual performance review is essential and the AXA Group guarantees that each employee will benefit from such a review at least once a year.
- Implementing career development plans that will allow employees to be actively involved in building their future, facilitated by their managers and with the support of their Human Resources departments.
- Developing a training policy that offers suitable programmes for preserving or enhancing the employability of employees based on their development needs.
- Implementing a permanent instrument that will allow employees, on a voluntary basis, to apply for a job position open in another country within AXA's scope, in order to work there under a local contract.

5.2. Additional support for employees whose job may be threatened

The AXA Group is committed to:

- organising in the most suitable way, for any employee concerned, a meeting with the Human Resources Management for a personal interview with a view to helping them to manage their development and, if necessary, orient their mobility,
- putting in place a system of job posting via “My AXA Job”; all job positions open at Group level and in the various entities will be published, with the exception of Management Committee positions. Priority will be given to redeployment within the entity concerned, in accordance with local legislation. Any job not covered by intra-entity mobility will then be posted via “My AXA Job”.
- based on local regulations and customs and with the support of employee representatives, setting up measures that encourage chosen part-time work or end-of-service arrangements,
- when needed and on a voluntary basis, offering external mobility with the most adequate support depending on the context: coaching, outplacement, networking, transition management, etc.

All these actions are designed to ensure fair treatment of employees. Their implementation will depend on the extent of the employment issues at stake, on the situation of the labour market, on local policies put in place by the authorities, on collective negotiations or specialised counselling programmes to help local job redeployment, and on national practices and cultures in these areas.

In Group entities where all possibilities of redeployment have been exhausted, and before resorting to lay-offs, it will be possible to consider using planned redundancy schemes and/or voluntary departure plans in partnership with the representatives of the employees concerned, and in accordance with the legislation in force.

6. PROVISIONS FOR MONITORING THE AGREEMENT

The Bureau of the European Works Council will be the body monitoring the execution of this agreement.

The Bureau will be informed of any agreements signed within the framework of this agreement by entities belonging to the Group and, where necessary, particularly for aspects relating to the articulation between transnational and local competencies, will be involved in their conclusion.

7. DURATION AND INTERPRETATION OF THE AGREEMENT

This agreement is concluded for a fixed term of three years. It replaces the Draft Agreement dated 14 September 2011, at which date however the full Agreement came into force.

It is renewable by tacit agreement for a period of three years, unless terminated by one of the signatory parties following six months' notice before the end of the three-year period. As long as it is in force, this agreement may be modified by amendments.

The signatory parties have agreed that the text in the French language shall be normative and will be used as the reference should there be problems of interpretation or any dispute.

The agreement will be translated into the English language.

Paris, this 23rd day of November 2011

For AXA S.A.

For UNI Europa Finance

Henri de Castries

Maurice Zylberberg

For the French Trade Union Organisations

CFDT

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