



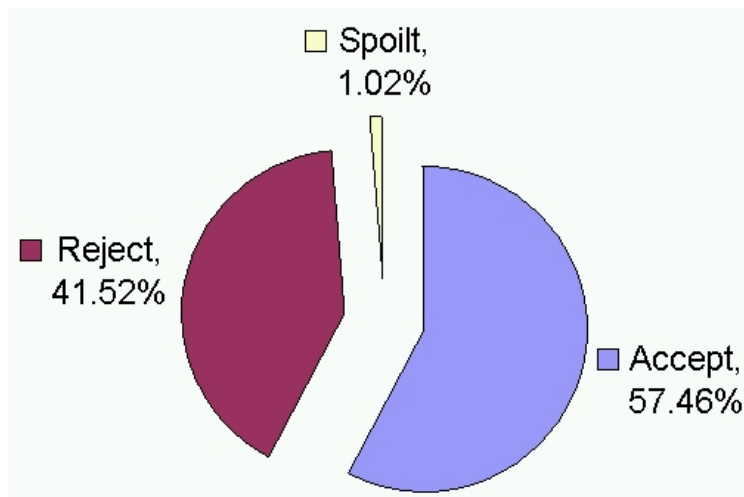
PAY or BONUS for ALL

The result of the Unite pay ballot is that 57.46% of members voted to accept management's pay offer of a pay pot of 2% plus a £200 lump sum. Although a yes vote for the pay offer, Unite are aware that this is not an overwhelming acceptance.

Unite have received extensive feedback that the main objection to the offer was from members that believed a bonus would be of more benefit to them personally than a pay rise. In particular this was from those that are high in the pay scale for their grade, who have looked at the company pay matrix and decided that they would prefer a bonus to a pay rise.

Analysis of the votes shows significant differences across the AXA operating companies, with the pay offer proving most popular with AXA Insurance and least popular with AXA Life. This does reflect differences in the current bonus schemes between AXA Insurance and AXA Life and also the relative position of employees in the pay scales across the two companies.

Unite have continued negotiating with AXA and have fully represented our findings and the concerns of our members, attempting to resolve what can be done against a background of acutely limited funds from the company. In these exceptional circumstances we have, through the collective bargaining process, jointly agreed with AXA that it would be preferable for employees to have the choice of the option they consider best for them this year.



Unite are pleased that following these extended negotiations AXA and Unite have now agreed a process to allow employees to indicate on an individual basis whether they would prefer to receive a bonus payment or a pay rise plus £200 lump sum payment. Although this does mean extra cost for AXA, it can definitely be considered a win-win solution for everyone that was concerned they would lose out excessively from either receiving just a bonus or just a pay rise plus £200 lump sum.

Employees in the Unite bargaining unit (levels 9 to 6a in AXA Insurance, AXA Life, AXA Shared Services and AXA UK) will this year be able to choose whether they will receive either a bonus or a pay rise plus a lump sum of £200.

The process for employees to nominate this choice will be detailed on the AXA Intranet this week.

If you are one of these employees please ensure that you read the Q&A document that is being produced and discuss any questions with your manager.