



## 2012: dead not buried

Henri de Castries advised the EWC at their Paris meeting on the 27<sup>th</sup> November that despite the “*exceptional economic situation*” AXA finds itself in, that the model for Ambition 2012 remains, although clearly the financial targets would have to be changed.

He warned EWC delegates that “*difficult sacrifices would have to be made*” but that AXA “*would come out stronger*”. He stated that AXA would “*piteously hunt down useless expenses*”.

Painting a positive picture of AXA’s financial position and solvency compared to its competitors he said that the current financial crisis was a “*buyers market*” and AXA was well positioned to take advantage of opportunities but that “*when looking at honey pots you have to avoid falling knives*”.



## HDC: “Not satisfied with the UK”

Henri de Castries told EWC delegates that he was “*not satisfied with sales or combined ratios in the UK*”. Accepting that the UK market was difficult compared to that on the continent he said that AXA had “*no choice*” but to undertake restructuring in P&C and Life. The decisions were “*difficult*” he said, “*but essential*”.



## California Storm at EWC

UK management made a presentation on *Project California* to delegates at the Paris EWC outlining the two options, one of which is to outsource to a third party. This would be primarily to deal with the “*closed book*” of Life business in the UK.

Upon hearing these possible plans to outsource core **AXA Life** business activity and employees in the UK, all delegates at the Paris EWC passed a motion of solidarity with UK workers.

Delegates from a number of countries, including France, Germany and Italy, expressed their unhappiness that **AXA** was considering outsourcing and stated that in their view it was contrary to **AXA** values. They were also extremely concerned at the precedent this might set across Europe if the UK went down the route of outsourcing a core business activity to a third party.