



RECOGNITION AGREEMENT BETWEEN AXA AND UNITE

1. INTRODUCTION

This Recognition Agreement between AXA and Unite seeks to build on the existing working relationship. It will assist us to maintain our relationship which aims to generate a working environment in which individual contribution is appropriately developed and recognised so as to create a successful business, offering long term employability.

Both parties recognise that effective employee representation, social dialogue and a working relationship adds value to the business. AXA and Unite are committed to a positive working relationship through full and constructive dialogue, consistent with the dynamics of a progressive company operating in a rapidly changing and very challenging business environment.

Both parties recognise that the decision to become a member of the union shall be at the sole discretion of the employee.

2. DEFINITION

All employees (irrespective of grade) may join Unite, the trade union recognised in this agreement.

The Bargaining Unit covered by this agreement consists of AXA employees graded Level 6a to 9 (or equivalent) in AXA Insurance, AXA Life, AXA Shared Services, and AXA UK

Where an employee within the Bargaining Unit chooses not to become a Unite member, their terms and conditions will still be negotiated as set out in clause 4 below.

The number of Union Workplace Representatives will be based on the number of employees in any given site or defined work area as 1 one per 100 employees or part thereof.

In addition there is an entitlement for a number of Union Learning Representatives, which is described in the Union Learning Agreement and not covered under this Recognition Agreement, and an entitlement for designated Union Health & Safety Representatives at large sites.

Details of all these entitlements are covered in Appendix 1.

The number of Union representatives will be reviewed on 1st January each year.

A full-time trade union official from Unite will be available to provide mentoring and guidance to the representatives and support and advice to the Company. Full details of representation arrangements are set out in Appendix 2.

The parties agree to review these regularly and if necessary amend them to ensure their effectiveness.

3. GENERAL PRINCIPLES

- (i) AXA and Unite, on behalf of their members, recognise and respect each others' separate and shared aims in the context of building a successful business. AXA recognises Unite as the negotiating body for all its employees within the Bargaining Unit.
- (ii) Unite recognises the right of AXA management to plan and manage the business and communicate to and receive feedback from all employees whether union members or not. AXA and Unite seek to establish and maintain for all employees terms and conditions of service which provide competitive advantage. Terms and conditions will align with the principles of all aspects of current employment legislation and as such will be fair and in particular will support equality of treatment, irrespective of sex, marital status, disability, age, religious or political beliefs, race, colour, nationality, ethnic or national origins or sexual orientation.
- (iii) AXA and Unite will seek to work together in a spirit of co-operation wherever possible. This will be achieved by timely and transparent communicating, consulting and sharing of information, as well as listening and recognising the joint interests all parties have in making AXA a successful Company.
- (iv) Both parties recognise that membership of the union is not a condition of employment. Employees who are Unite members will agree to work with other employees who are not members of the union.
- (v) Both parties also recognise the importance of an ongoing dialogue to promote co-operation and which relates to the speed of change required in the Company. It is agreed therefore, that there will be a Joint Consultative Committee at which AXA Life, AXA Insurance, AXA Shared Services and AXA UK will be represented. This will meet monthly, or at such other intervals as may be dictated by the developments within the Business. The AXA Head of Employee Relations (Consultation), or a nominated deputy, will chair the monthly meeting. This will be a forum for structured exchanges to discuss important business issues facing AXA and the forum for all negotiations on terms and conditions of employment other than those matters which can be negotiated and agreed at a local level by local representatives and managers.
- (v) The JCC will have wide representation across parts of the organisation represented by the union. The agenda for meetings of the JCC will include management updates on corporate developments.
- (vi) In addition to the monthly JCC meeting there will be regular meetings in AXA Life, AXA Insurance and AXA Shared Services (incorporating AXA UK) between the relevant Head of Employee Relations (or deputy) and a Full-time Representative (or deputy). These meetings will focus on local issues. It is expected that the National Company Committee will be kept informed of the content of these meetings and that members of the NCC may deputise for a Full-time Representative.
- (vii) Both parties recognise that, on occasion, issues will occur that are too urgent to wait until the monthly JCC. In this case the nominated point of contact for the Company will be Head of Employee Relations (Consultation) or their nominated deputy e.g. in periods of absence and on behalf of the union, the Full-time Representative will take responsibility for keeping other members of the JCC advised as appropriate.
- (viii) Both parties recognise that open and timely sharing of relevant information, particularly on movements in the pay markets in which AXA operates, will be fundamental to the creation of trust and confidence required to underpin this Agreement.

- (ix) The good sense of joint communication is accepted by both AXA and Unite and will be used whenever relevant.
- (x) The establishment of these principles is a statement that both AXA and Unite wish to avoid an adversarial or conflict-ridden relationship and both recognise the importance of keeping this in mind, also, in any separate communications they issue.
- (xi) Unite recognise they are likely to become privy to confidential information. The Unite Representatives agree to maintain the confidentiality of any information provided to them until they are advised that this information can be disclosed to any third parties including other union members, members of staff or management.
- (xii) Consultation and dialogue between AXA and Unite will be undertaken in accordance with the AXA Group Principles on Social Dialogue below:

AXA pledges to employees, particularly in the case of major organisational changes:

When involved in projects that may involve major changes and could impact jobs AXA will see that employee representatives are provided with adequate information and maintain constructive labour-management relations.

With respect to the agreed definition of rights and duties and their local obligations, AXA business units should inform their employees' representatives in phases (within an appropriate time frame), as below:

- i) pre-decision making reflection (main lines)
- ii) preparation of plans of action
- iii) joint discussions about these plans of action and their local impact
- iv) implementation and follow-up.

This model is meant to help employees and their representatives understand the changes underway and provide the transparency required in each phase.

In addition, AXA has developed the principles listed below. The AXA Group has established these principles on the foundation of its values and in the interest of its employees, clients and shareholders, and true to its desire to maintain constant labour-management relations dialogue with employee representatives.

Principle 1: When organisational changes affect jobs, AXA pledges to supply relevant information and to consult with employee representatives.

Principle 2: During the information-gathering and dialogue processes, AXA pledges to provide data and information that includes possible alternative solutions for the employees involved, when this applies.

Principle 3: In the interests of its employees, clients and shareholders, AXA pledges to do its best to optimize internal and external job redeployment opportunities, when applicable, for all AXA employees affected by possible employment issues.

Principle 4: AXA will do its utmost to prevent compulsory redundancies and other collective disruptions, by pursuing other approaches whenever possible. In particular, AXA will:

- ◆ Seize the opportunities offered by natural headcount attrition to facilitate employment issues.
- ◆ Make every effort to help employees analyze their skills and career paths and offer them training and reassignment opportunities whenever this becomes necessary and is possible.

- ◆ Give priority to voluntary departures and job redeployment instead of redundancies and other forms of collective disruption. Such alternative labour-management measures give the company the latitude needed to make the desired changes. They also give employees the opportunity to choose their future, even in the midst of difficult restructuring situations.

Pursuant to the above principles, AXA pledges to maintain its internal skills base and to operate with a view to profitability, in order to sustain the company in the long term. To this end it encourages staff members be flexible and consider accepting job change offers.

Principle 5: When recourse to geographic mobility is necessary, it must be offered as a matter of priority to employees who volunteer to move. The company will see to it that these employees are provided with the help they need to integrate into their new environment as smoothly as possible.

Principle 6: Aware that training is an important and priority investment in the mid and long terms both for its employees and for the Group as a whole, AXA pledges to develop a continuous learning culture enabling its staff to develop their skills and to meet their professional goals and the company's needs. To this end, wherever possible, each AXA company offers appropriate training and development programs as resources permit.

4. SCOPE

AXA recognises the right of the union to negotiate on issues which have impact on terms and conditions of employment for its members and those employees in the Bargaining Unit. This will include the following:-

- i) Benefits and Pay
- ii) Equal Opportunities and promotion of Diversity
- iii) Introduction of new technology
- iv) Changes in working practices
- v) Grievance and Disciplinary matters to ensure compliance with employment legislation
- vi) Health and Safety Issues
- vii) Working Hours
- viii) Extent of Training and Development
- ix) Pensions
- x) Company practices or guidelines which are to be introduced or amended in relation to the above.

5. REPRESENTATION

- (i) The full-time Union Official for Unite will be responsible for the nomination and election of the Unite representatives, which the Company commits to support. Representatives will be appointed or elected for a period of three years.
- (ii) Unite representatives will conform to their conditions of employment, the requirements of this Agreement and regulations of AXA. Reasonable time off to carry out their functions within the terms of this Agreement shall be provided. [Refer to Appendix 2]. These union functions count as part of the day job and representatives' business workload will be adjusted to take this into account. Further representatives' line managers will contact Unite or Employee Relations to include targets specific to and appraisal of representative's union work.
- (iii) Actions taken by any union representative in good faith and in pursuance of his or her duties shall not adversely affect his or her employment with AXA.

6. TIME OFF AND FACILITIES

- i) AXA undertakes to pay the salary and expenses of the union representatives in the normal way with regard to union activities in connection with the business of AXA and provide time off as stipulated in Appendix 2.
- ii) Provided a formal request is made to line management and agreed in advance, AXA shall permit an employee who is a member of the union to take reasonable time off during the employee's working hours for the purpose of trade union activities.
- iii) AXA will provide reasonable accommodation for union meetings.
- iv) AXA will provide Unite representatives with access to private telephone facilities and office equipment as reasonably necessary to undertake the role, including a desk with lockable drawer and/or lockable cabinet if such a request is reasonable.
- v) AXA will allow the use of designated company notice boards for the display of Unite materials.
- vi) AXA undertakes to provide reasonable facilities for representatives including email and internet access, use of the telephone and access to photocopying.
- vii) Unite representatives may use the corporate e-mail system for works council/trade union purposes, to send and receive emails both internally and externally. Subject to a formal request being made, and subject to compliance with Group IT policies, Unite may operate an electronic bulletin board or discussion list services within the corporate email service, provided such facilities are technically possible.
- viii) Employees may use the corporate email system to communicate with their Unite representatives and officials.
- ix) Unite representatives may access the internet through the company server and this facility will be provided to all union representatives by AXA.
- x) Unite representatives may create their own website using the company's intranet facilities, and may include such material as it feels is appropriate to its website, providing such content fully complies with the relevant company policies and guidelines.
- xi) Employees have the right to access intranet and internet sites run by Unite.
- xii) AXA will provide dedicated office space where the volume of a representative's work justifies it.

Nothing in this agreement removes the duty on an AXA employee to fully comply with all relevant legal requirements, company policies and procedures, including but not limited to:

- Staff/Employee Handbook
- IT Security Policy
- Home-Working Policy
- AXA Code of Conduct Policy.

7. OPERATION OF THE AGREEMENT

Unite agree to: -

- i) Ensure union representatives come from all areas of the business, and that every member is given an equal opportunity to participate.
- ii) Pass on non-sensitive information to their membership in order that their members can fully appreciate the business environment in which decisions have been reached. This will lead to an increased awareness among members of AXA's challenges and opportunities.
- iii) Help the business achieve its targets where possible whilst at the same time recognising that the needs of the business and employees will not always accord fully.
- iv) Help the business adapt to changing circumstances and to become more competitive.
- v) Recognise the right of AXA management to plan and manage the business and communicate with all its employees.
- vi) Listen to representations made by AXA and where appropriate be willing to adapt decisions, plans and their communication.

AXA agrees to:

- (i) Recognise the importance of the Unite's organising and recruitment efforts and will, where reasonably possible:
 - a) Provide local workplace representatives with a list of all new employees when they join the company.
 - b) Arrange for the introduction of workplace representatives to new starters on the day they join the company or as soon after this date if this is impractical.
 - c) Where there is a face to face induction to the company, allow workplace representatives to be present, and make a pre-agreed presentation.
 - d) Include details of the role of Unite within AXA and how to join on any electronic induction course.
 - e) Provide from time to time on request a list of employees by department to identify strengths and weaknesses in the numbers of members and reps/activists.
 - f) Provide a list of leavers for the purposes of retention of members in Unite once they have left AXA to go elsewhere.
 - g) Allow Unite to recruit new members on company premises on a day-to-day basis, subject to the time allocation stipulated in Appendix 2.
 - h) Allow for and locally agree with Unite the timing and handling of large scale 'desk-to-desk' recruitment exercises.
- (ii) Provide equal partner status to the Unite representatives on any body where they have representation rights.
- (iii) Consult with the Unite concerning any significant planned change, which affects employees in the Bargaining Unit.
- (iv) Listen to representations made by Unite and where appropriate be willing to adapt decisions, plans and their communication.

Both parties agree to a conflict avoidance approach. The aim is to ensure that disputes between the parties are resolved at the earliest possible stage. Therefore, all efforts will be made to speedily resolve all issues arising. If there is a failure to reach agreement then the matter will be referred to the AXA Group Human Resources Director and a full-time official of the union for conclusion.

8. LEGAL STATUS OF THE AGREEMENT

Both parties agree that there is no intention to create a legally binding agreement - that is the parties accept that the Recognition Agreement is not intended to be legally enforced or contractual, nor will it change the terms and conditions of employment of any AXA employees.

9. TERMINATION OF THE AGREEMENT

Both parties agree that this Recognition Agreement can be terminated at any time by either party giving six months notice of intention to terminate. Such notice must be given in writing.

Signed on behalf of AXA

Signed on behalf of Unite

Sonia Wolsey-Cooper
Group Human Resources Director

Hugh Jones-Glass
Unite

Date.....

APPENDIX 1

RECOGNITION AGREEMENT

UNION FACILITIES

Staff Numbers as at June 2007					
Location or Business Area	Staff	Workplace Reps	Main Rep*	H&S Rep	Total Reps
Basingstoke	865	9	Y	1	10
Birmingham	169	2	Y	1	3
Bolton	360	5	Y	1	6
Bristol (all sites)	2727	15	Y	1	16
Cardiff	29	1			1
Commercial Sales (Direct)	57	1			1
Coventry	557	6	Y	1	7
Glasgow	258	3	Y	1	4
Haverhill	173	2	Y	1	3
Ipswich	1051	10	Y	1	11
Leeds	79	1			1
Leicester	23	1			1
Life Sales (Britannia)	55	1			1
LIW/Home Based	278	3			3
London (all sites)	291	3	Y	1	4
Lytham	263	3	Y	1	4
Manchester	78	1			1
Morecambe	216	3	Y	1	4
Newcastle	22	1			1
Nottingham	15	1			1
Northampton	2	1			1
Reading	60	1			1
Redhill	37	1			1
Tunbridge Wells	181	2	Y	1	3
Watford	17	1			1
Total	7863	78	12	12	90

*The Main Rep will be counted as one of the workplace reps for a location or business area.

APPENDIX 2

UNION FACILITIES

1. Union Representatives

As a result of negotiations with Unite, facilities for Union Representation will now be allocated on the following basis:

Number of Staff	Number of Workplace Representatives (per identified business unit or location)
1 – 100	1
every extra 100 or part there of	1

For specified large sites or, where appropriate business areas (see Appendix 1) there will be an additional entitlement of a Health & Safety representative.

2. Time Off for Union Duties

There will be a main Union Representative for each large site (for example Ipswich or the AXA Centre in Bristol) or, if appropriate, business area who will be the main point of contact (Main Union Representative) and will be allocated up to 25% of the working week for union duties.

All Representatives who are members of the National Company Committee will be allocated up to 15% of the working week for union duties. If a member of the National Company Committee is also a Main Union Representative, this 15% is deemed to be included within the overall figure of 25%.

Other Union Representatives (Workplace Representatives, Union Learning Representatives and specific Health & Safety representatives) will receive up to 10% of the working week for Union duties.

The Company should expect each Representative to spend some of their working week on union facing activities (such as recruitment). This time is deemed to be included within an individual representative's overall quota.

Union duties constitute union organised activity and meetings. Should AXA management wish to meet with a union representative either at a national, business unit or local level, then the time for these meetings is not included within the percentage time available.

In the first year of their appointment, representatives will be allocated sufficient time for initial representative training.

Thereafter all Representatives will be expected to attend a minimum of one union or TUC organised training course per year in order to allow them to develop within the role.

AXA recognises the importance in having trained and knowledgeable union representatives and as a general rule this time will not be included within these quotas.

Commitments connected to mergers or major business re-organisation may be in addition to the above quotas and will be mutually agreed at the time.

If, as a result of location, time spent travelling on Company business means that an individual Representative is likely to exceed their normal quota, this may be agreed with the individual's business

manager. If this cannot be agreed, the matter should be referred to the Head of Consultation for Employee Relations.

Attendance at the European Works Council (EWC) does not count towards a Union Representative's allocation of time off for union duties. Any time off taken to attend meetings of the EWC must however be agreed in advance with local management.

2.1 Can roles within the Union be held consecutively?

It is necessary for some roles within the union structure to be held consecutively in order to maximise effective consultation:

- The Full-time Representatives and Chair(s) of the NCC will be the principal attendees of the JCC
- Union members attending the EWC must be a member of the NCC.

3. Full time Union Representatives

The Union Representatives will be assisted by 3 full time Union Representatives. Full details of this role are detailed in the Full Time Representative Contract.

4. The Role of the Representative

The role of the Representative includes the following:

- Recruit new members.
- Represent members in disciplinary/grievance procedures where requested.
- Develop an understanding of business goals and strategy.
- Promote service excellence.
- Enable the decision making process.
- Receive, collate and act on the views of members.
- Review new and existing policy and practice.
- Consult and negotiate on terms and conditions.
- Review health and safety practice.
- Consult on any company restructuring.
- Encourage trust and effective communication between managers and their teams.

5. Union Representatives' Charter

A Union Representative's Charter (see Appendix 3) has been developed jointly by Unite and Management. When a member of staff agrees to become a Union Representative, this Charter will be discussed and signed up to by both the member of staff and their manager.

Management accepts the right of the union to appoint its Representatives. The union accepts the Company's right to object to an appointment. Further, the union recognises that where an employee whose last performance rating was "Unsatisfactory" or "Below Expected", such an employee should have as their prime focus, improving their own performance. The union will give due consideration to the Company's objection on Performance grounds when deciding upon the suitability of such an individual to be appointed as a Representative or the duties they perform, however the final decision rests with the union.

Similarly where a "live" disciplinary warning is in place, Management will discuss the employee's suitability to be a Union Representative with the professional officer of Unite with the expectation that they can reach an agreement which is acceptable to both parties, however the final decision rests with the union.

6. The Company's Commitment

The Company will ensure the necessary equipment and communication links are arranged to facilitate effective integration with Company offices. It will also provide appropriate facilities to allow Union Representatives to perform their duties.

The Company will meet the costs of travel and accommodation for Union Representatives conducting Company orientated business.

The Company will ensure that no Union Representative receives unfavourable treatment by any Management structure for diligently carrying out official union business. In addition, the amount of work allocated to the Union Representative will take into consideration their union commitments and their union work will be borne in mind when assessing performance. The Company recognises the valuable role that Union Representatives play and that being a Union Representative is part of the day job.

The Company recognises the legal right of all members of staff, regardless of grade, to belong to a trade union and recognises the benefits of union representation.

7. Unite's Commitment

Unite will adequately train their Representatives, to ensure that they have the style, conduct and experience to enable the way of working prescribed in the Recognition Agreement. They will seek to maximise employee influence.

Unite will meet all the Union Representatives non-business costs.

Unite will provide a full-time officer to support and guide the Union Representatives.

Unite Representatives' Charter

Name of Unite Representative: _____

Name of Manager: _____

Name of Senior Manager (if appropriate): _____

Department: _____

Location: _____

Role

_____ has been appointed as a Main/Workplace/Learning/Health & Safety Representative* at the _____ office.

They have also been appointed as Chair/Vice-Chair/a member of the National Company Committee (NCC)*.

Duration

_____ has been appointed as a Unite Representative for a period of three years effective from _____.

Time Off

Their total allocation of time off for union duties is up to 10 /15 /25 %*.

The Unite Representative agrees to provide their manager with as much notice as possible of any time off requirements they may have. Further, at the beginning of each month, they will provide a list of all known union duties for that month. There may be occasions when time off for union duties is required at short notice e.g. individual disciplinary cases, and this should be granted unless exceptional operational reasons mean this is not possible. In all cases, the Unite Representative should discuss their time off requirements with their manager.

* delete as appropriate

Facilities

Reasonable facilities will be provided for the Unite Representatives in accordance with Section 6 of the recognition agreement.

Performance Management

The Manager agrees that when allocating work to the Unite Representative, they will take into account the fact that they are entitled to up to 10 /15/ 25 %* of their time for union duties in accordance with Section 5 of the recognition agreement.

Performance objectives should include union duties, set in accordance with the Unite Representative's union role profile, and when reviewing the Unite Representative's performance feedback should be sought from their Full-time representative.

Confidentiality

As part of their role Unite Representatives are likely to become privy to confidential information. The Unite Representative agrees to maintain the confidentiality of any information provided to them until they are advised that this information can be disclosed to any third parties including other union members, members of staff or management. However to enable them to undertake their duties properly union representatives have the right to disclose and confidential information to Full-time Unite Representatives or NCC delegates who will treat such information with the same level of confidentiality.

Signed _____
Unite Representative

Print Name _____

Signed _____
Unite Seconded Representative

Print Name _____

Signed _____
Manager

Print Name _____

Signed _____
Employee Relations Manager

Print Name _____

Signed _____
Senior Manager (if appropriate)

Print Name _____

* delete as appropriate

