

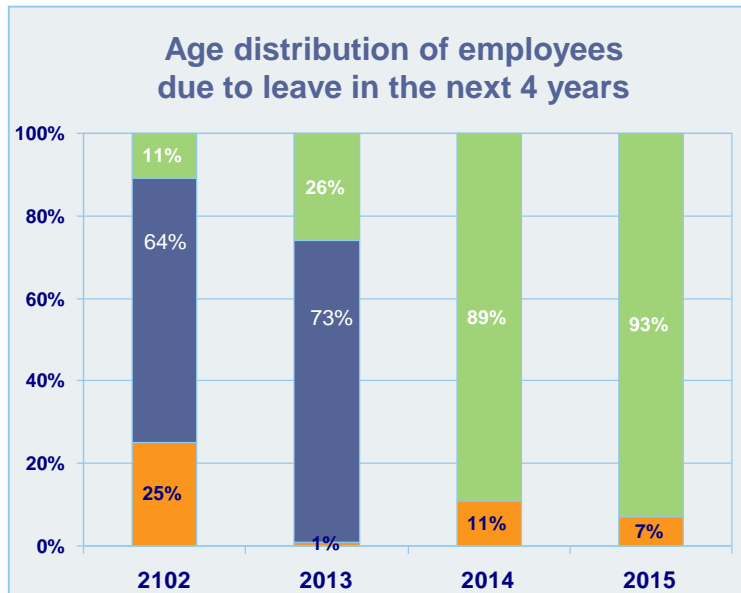
Major issue within AXA Belgium → Aging

How can we improve end of careers



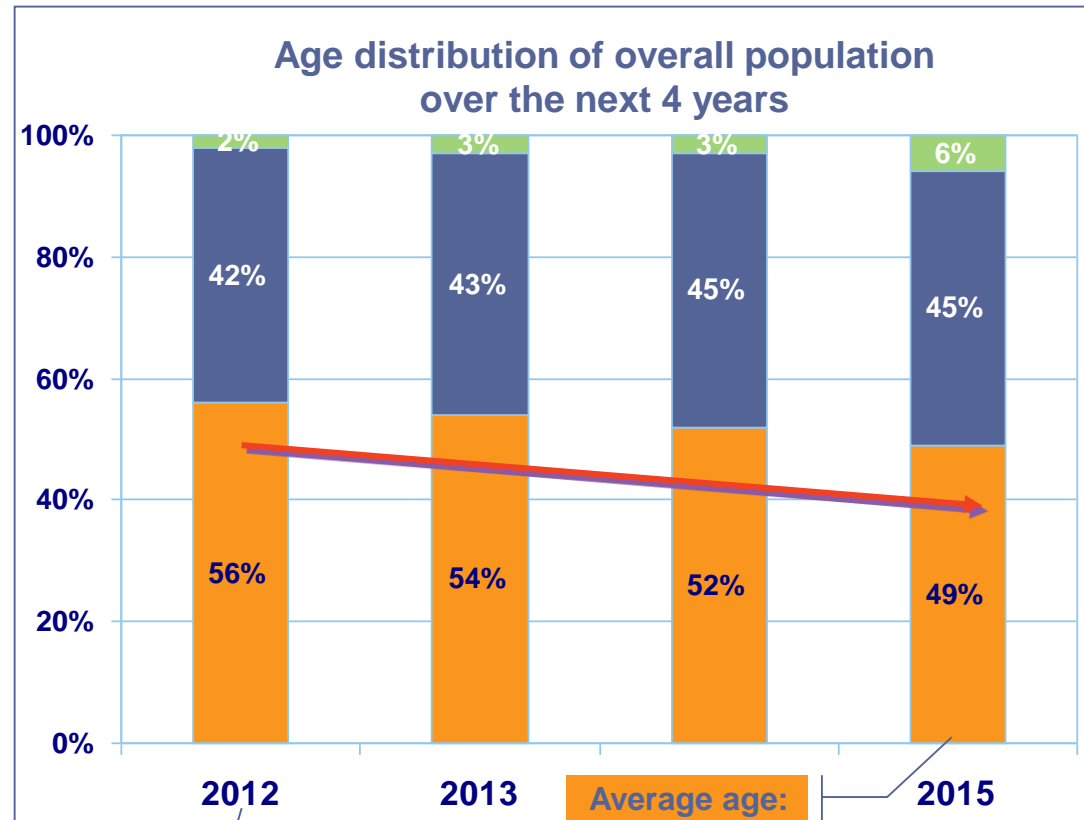
AXA's demographics & forecast

- Despite increasing departure rate among >50 yrs in the next two years, average age of global population will rise.



More than 50% is older than 50 y

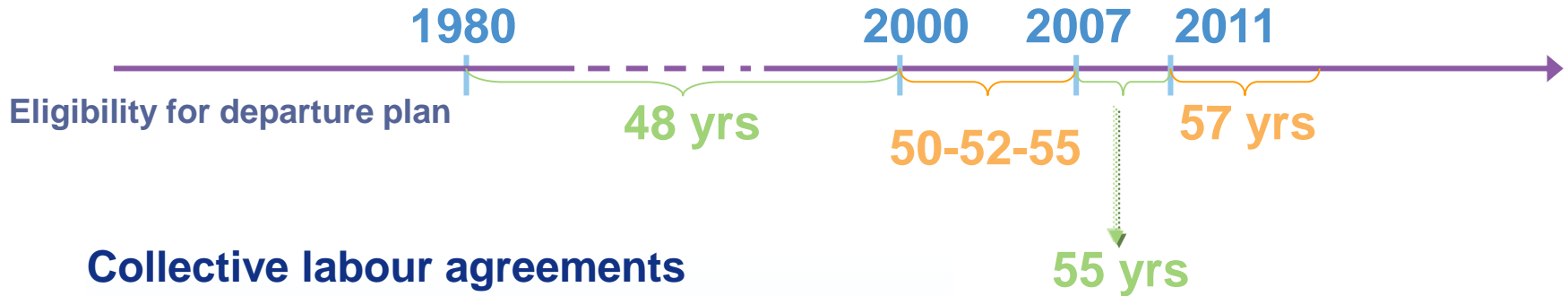
More than 62% is older than 45



Average age: 47 yrs.

Average age: 48 yrs.

End-of-career at AXA until today



Collective labour agreements

- Bridging pension (full-time or part-time)
- Canada dry formulas
- Anticipated pension as of the age of 60
- Time credit (full time, $\frac{1}{2}$ or $\frac{1}{5}$)

Leading to a mindset:

- One's career "ends" at 50yrs
- No active initiatives to ensure 50+ maintain a constructive role in the working processes
- Government subsidies cover employer's 'creativity' in managing 50+'s career

Impact of the Di Rupo / new government measures

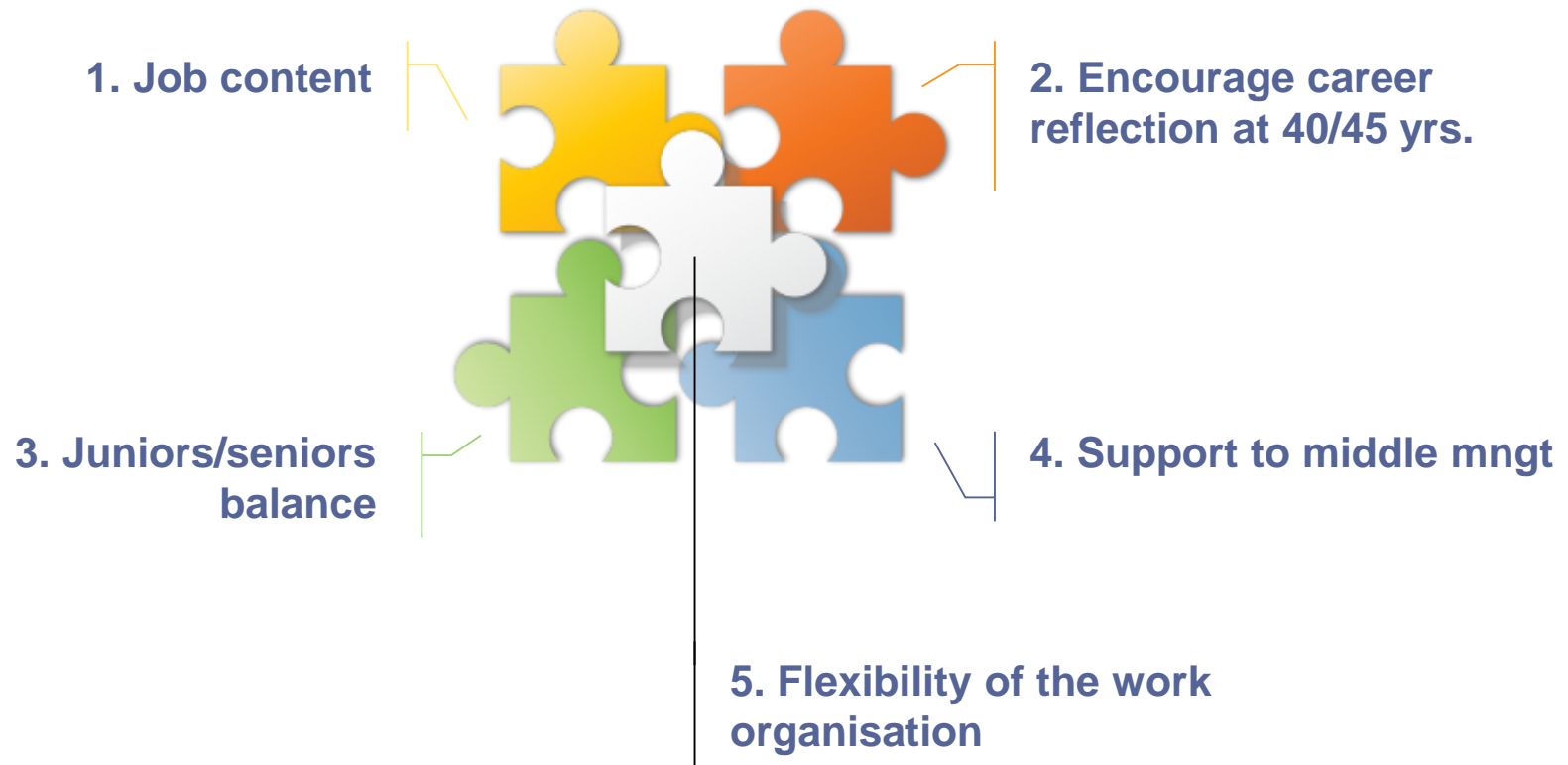
- Required duration of professional career from 35 years to 40 years => and still evolving
- Pension age from 60 years of age to 62 years of age => and still evolving
- End-of-career time credit as from the age of 55 instead of 50 => as from 2015 from the age of 60 ?
- Years of professional activity performed within the legal frame of end-of-career time credit: no longer considered as a full active period for the pension calculation



CAREER WILL LAST LONGER

End of career at AXA – change of mindset

- Aside from the technical work-regime-based policy, set up of a broader framework based on 5 principles



Change of mindset

1. Job content (as of the age of 55)

- Redefining roles in order to keep 55+ integrated in a positive and constructive way in the working process and new way of working
 - We organised a survey 55+ in order to capture preferences of our employees regarding end of career options (working regime, easing measures, enrichment measures)
 - Enrichment measures → f.i. experience@work
 - We involved our business units (business needs & change of mindset) & unions



2. Encourage career reflection at 40/45 yrs

- Perspectives of 40/45+ are changed (instead of the possibility of leaving within 5/10 years → they still have to work 20 or 25 years)
 - We organised workshops 45+ in order to discuss “which are motivators or demotivators that facilitate/not → longer working (3 most important issues, recognition, autonomy, management)



Change of mindset

3. Juniors/seniors balance

- Need to attract, develop and adapt to new generation (cf. slides annex 1..)
- 3 to 4 generations on the workforce → intergenerational management



4. Support to middle management

- They are sandwiched between various objectives:
 - Pressure on results from top management
 - Expectations of employees for a smart workplace, more flexibility, better worklife balance
 - From “management by control” to “management by trust”



Change of mindset

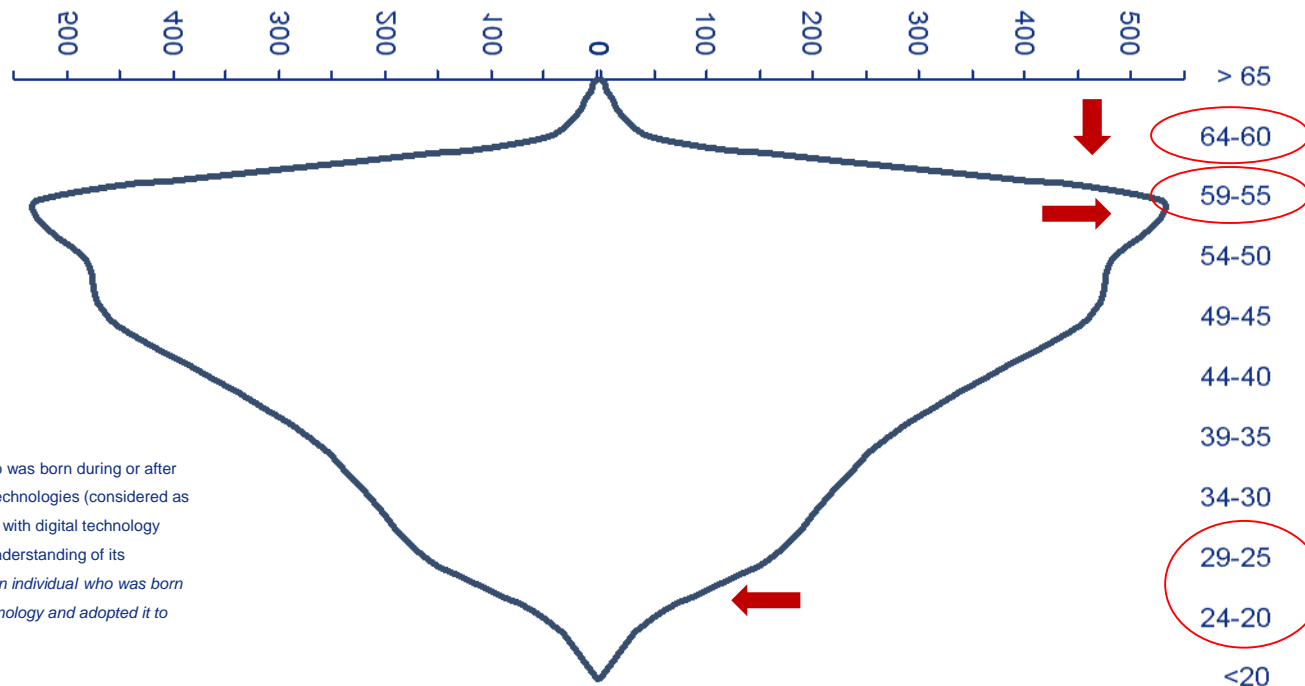
5. Flexibility of the work organisation @ AXA

- Partial homeworking
 - More flexible part time regime's
 - Household support (conciergerie)
- NWOW project 2017 (move AXA Belgium => the center of Brussels)



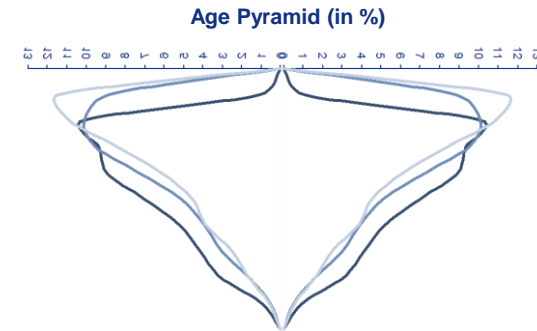
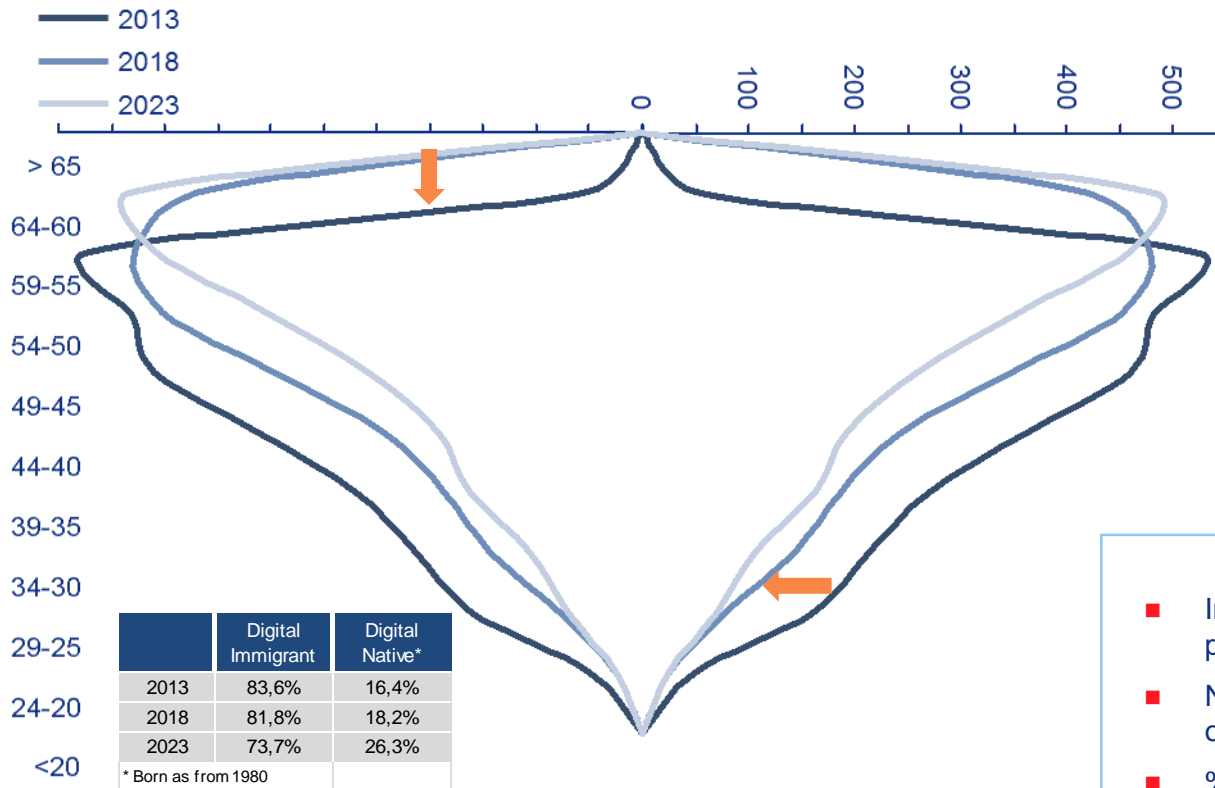
Annex 1 :Summary - Context

- Context 1 : CCT 2011 & CCT 2014 have structurally reduced the numbers in the age category 60-64
- Context 2 : The potential outflow 55+ over the next 10 year is +/- 1.200 (in active HeadCount). This combined with an average turnover of 300 over the same period, the outflow increases to +/-1.500... This creates a large opportunity for potential inflow or changing the shape of the age pyramid
- Context 3 : The limited number of inflow in younger age categories (combined with a higher turnover in that age category) has kept the bottom of the pyramid very small. This means that the digital natives* in AXA are a minority....



(*) A **digital native** is a person who was born during or after the general introduction of digital technologies (considered as from 1980) and through interacting with digital technology from an early age, has a greater understanding of its concepts. A **digital immigrant** is an individual who was born before the existence of digital technology and adopted it to some extent later in life.

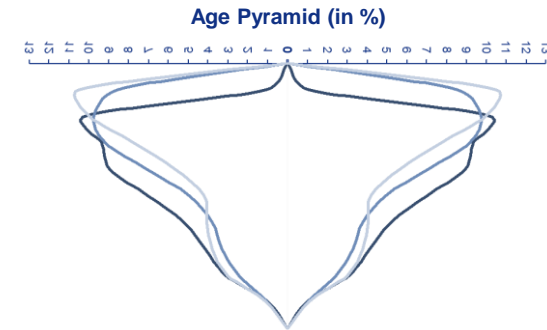
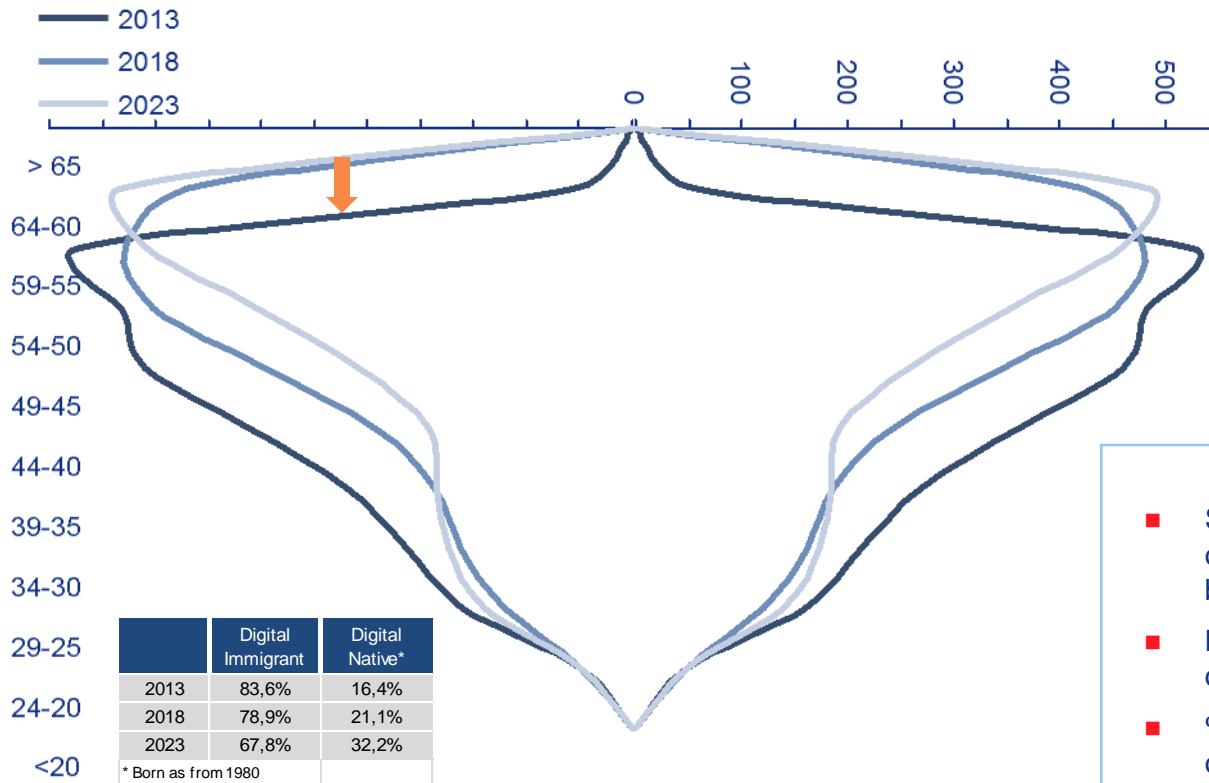
Annex 2 : Scenario 1 : Annual recruitments of # 50 (20-29Y)



Impact age pyramid

- Insufficient inflow 20-29Y to change age pyramid (similar shape, but smaller bottom)
- New 55+ plan will flatten the top (towards level of pyramid 2013)
- % of digital natives will reach 1 out of 4 within 10 years
- Problem of 55+ remain in place the next 10 years (consistent inflow of 55+)
- Outflow much larger than inflow, resulting in net reduction of active HC of -930 over 10 years

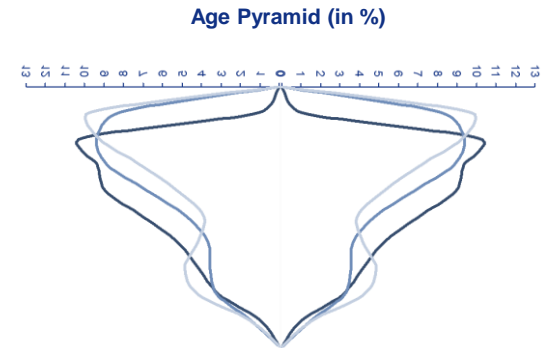
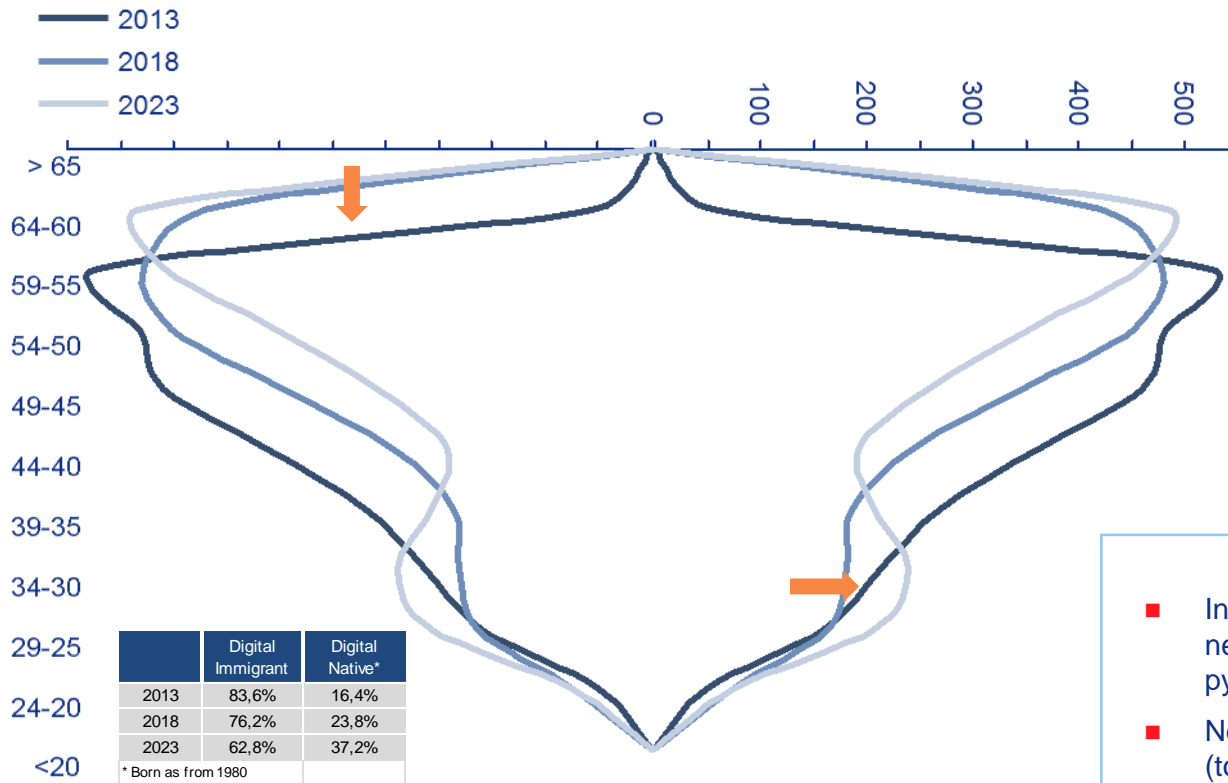
Annex 3 : Scenario 2 : Annual recruitments of # 100 (20-29Y)



Impact age pyramid

- Sufficient inflow 20-29Y to maintain same level of younger age categories (similar shape at bottom of pyramid)
- New 55+ plan will flatten the top (towards level of pyramid 2013)
- % of digital natives will remain limited to +/- 1 out of 3 within 10 years
- Problem of 55+ remain in place the next 10 years (consistent inflow of 55+) + similar inflow of 20-29Y is necessary to guarantee shape of the age pyramid
- Outflow larger then inflow, resulting in reduction of active HC of -570 over 10 years

Annex 4 : Scenario 2 : Annual recruitments of # 150 (20-29Y)



Impact age pyramid

- Inflow of >150 in age category 20-29Y is necessary to change the shape of the age pyramid.
- New social plan will only flatten the top (towards level of pyramid 2013)
- % of digital natives more than doubles within 10 years
- Outflow still larger than inflow which results in a reduction of active HC of -200 over 10 years