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“Go ahead. Go ahead with AXA,” proposed the new global corporate ad campaign.

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After making important acquisitions in Australia and Japan, AXA announces its alliance with UAP, and becomes France’s largest insurer and the world’s second largest insurance and asset management company. Scope, the employee opinion survey, goes global for the first time in its history.

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Like Equitable in the United States, which became AXA Financial Inc, all AXA affiliates move to the AXA name in the Asia Pacific region. A plethora of acquisitions on every continent, including Nippon Dantai in Japan and a partnership with Minmetals in Shanghai, the first French-Chinese joint venture in life insurance.

Affirmation

A time of leadership

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This was a time of panic. Europeans were anxious about the transmission of Mad Cow Disease or BSE (Bovine Spongiform Encephalitis), which had been raging in England for ten years and was now spreading to the other countries. A sheep was fêted: Dolly, a scientific miracle cloned using adult cells. And medical research finally had good news to report about AIDS: thanks to tritherapy, this disease no longer meant an automatic death sentence. The Internet was peacefully introducing profound lifestyle changes: there were 150 million Web users worldwide in 1999, half of them surfing from the United States. The Asian geopolitical landscape changed with the return of Hong Kong to the Motherland, better known as the People’s Republic of China. A historic disaster—the sinking of the Titanic—was the inspiration for the costliest movie ever made by Hollywood. Titanic, which cost more than 200 billion dollars to bring to the big screen, was a planetary blockbuster. The whole world was afraid of catching the Y2K bug when the third millennium was ushered in, but in reality it was storms Lothar and Martin that sowed disorder in December of 1999 across most of Europe, hitting France with particular ferocity.

Previous double page: on December 26, 1999, the statues on Paris’s Trocadéro plaza watch the countdown on the Eiffel Tower, showing six more days to the year 2000.



The United States, Australia, Japan... AXA multiplied acquisitions in countries where life insurance was king. Claude Bébéar and the Group's young corporate secretary, Henri de Castries, seemed pretty busy on the other side of the world. So when it was announced on November 12, 1996 that AXA and UAP were aligning their forces, the world was caught by surprise. The secret had been well kept and not a word of the final negotiations, held on November 11 –a holiday in France– leaked out. UAP employees, twice as numerous as their AXA counterparts at Avenue Matignon, could not believe they had been taken prisoner by a company that they liked to joke about as being nothing but a bunch of hyperactive, self-important opportunists, certainly not a competitor worth taking seriously.

Assureur public numéro 1 (Number one public insurer): this is how UAP introduced itself in the 1970s. Since the end of 1993, under the direction of Jacques Friedmann, the company had gone private. The euphoria of the privatization fizzled out quickly in the wake of the real estate crisis, since UAP was the second biggest investor in property in France and thus heavily exposed. Its international expansion, which was being conducted at great speed, made things worse: losses reached two billion francs in 1995.

Since the alliance with AXA was presented as a transaction between equals, the deal took the form of a public exchange offer. Thus appearances were saved and a takeover just barely avoided.

Top: Claude Bébéar and Jacques Friedmann announce the alliance of AXA and UAP, a deal completed over the long holiday weekend of November 11, 1996. Bottom: a UAP poster ad from the 1970s.

A famous weekend

“I had heard Claude Bébéar talk about the possibility of acquiring UAP several times but I didn’t think it would happen and, frankly, I thought he was becoming a bit megalomaniacal. I was blown away on the famous weekend of November 11. We were all hands on deck, writing and rewriting our press release announcing the agreement with UAP. It was a huge company—in terms of staff, business, and image.

In my area, communications, they had a huge team that looked really professional to us. They already had an Intranet and a fully integrated audiovisual department. On the other hand, they spent a lot of money, whereas we kept a fairly tight lid on expenditure.”

Armelle Soymié



The new whole was gigantic: France's number one insurance company, the world's number one asset manager, and number two worldwide in insurance. Everything had to be reorganized. UAP was structured by product lines and not by distribution channel lines. But the cultural gap was even greater than the organizational one. The AXA style was direct and intimate, sleeves rolled up, lapel pins everywhere—an apparently minor detail that nonetheless seemed totally incongruous to the people from UAP, whose upper ranks were staffed with high-level civil servants.



It was the leaders who had to be convinced; for this reason, the AXA Manager program launched in 1995 had become more critical than ever. Seminars were held weekly in the middle of the vines on the grounds of the magnificent Cantenac-Brown and Suduiraut chateaux in the Bordeaux region. Other, more selective, programs like Telemaque and Columbus also helped bridge the gap. The first sought not only to provide training for the leaders of tomorrow in traditional management, but also and above all to share the ethos and values of AXA and its way of relating to employees and the community. The second program focused on change management.

While managers received firm guidance under the auspices of AXA University, the challenge was to make sure that all AXA employees got on board. Hence the creation of Simply Leaders: between

*Top: Chateau Cantenac-Brown, where weekly AXA Manager training seminars were held.
Bottom: "Simply Leaders" conventions welcomed thousands of attendees from 1997 to 1999.*

Getting on board

“The 1997 Leaders Convention that I took part in was a turning point: it was magical hearing Claude Bébéar explain that though our business was fragmented we would create a global brand. We would succeed. We would win. Leaving this meeting, I wanted only one thing: to get on board and be part of this adventure. Looking at the staffing needs in the international department, I felt like I had a chance. At the time, AXA Asset Management was looking for someone to handle private clients. I thought this job would put me more in touch with the international dimension. Since the company was still young, it was a bit like the Far West. We had to keep the company going, create an identity for it, prove our legitimacy and, obviously, find that affluent private client base. After that, I had the opportunity to go to Japan, a country I had been dreaming of returning to since my cooperative service days.”

Olivier Mariée



1997 and 1999, these conventions were held to share the Group's vision with AXA employees around the globe. Activity in the human resources arena reached a rare level of intensity. Scope became global: for the first time since this in-house employee opinion survey had been launched, everyone in the Group, all around the world, answered the same set of questions at the same time. The AXAgrams appeared everywhere starting in 1998, sketching out the management code in a number of symbols: twenty-eight pictograms that not only showed the way, they also expressed the ethos and suggested the attitudes to adopt. In January of 1997, in the inaugural issue of the new employee magazine, which was naturally called "Leaders," Claude Bébéar announced that, though the Group had accomplished its external growth mission with brio, a black mark remained: profitability. And the way to the light at the end of the tunnel was through the path of restructuring.

The task of restructuring the Group internationally was a huge and complex undertaking, because UAP was not the sole owner of all its foreign businesses, particularly those in the United Kingdom, Germany and Belgium. It was thus necessary to buy out minorities and carry out complicated and sophisticated transactions under the watchful eye of both the markets and public policymakers.



Opposite: advertising campaign for the AXA-UAP merger in France, 1998.
Top: the AXA Group's new in-house magazine, Leaders. The first issue was published in January 1997.
Bottom: the 28 pictograms, or "AXAgrams", illustrating AXA's management code were used approximately from 1998 to 2000.



In France, an advertising campaign with the tagline “Go ahead. Go ahead with AXA.” discreetly announced that “Today, UAP becomes AXA.” In the La Défense business district, the Assur Tower, which was UAP’s administrative headquarters, changed its name and then all UAP agencies followed suit. In July of 1998, the in-house magazine Leaders, which had been created for all AXA-UAP employees eighteen months earlier, adopted the AXA color code exclusively. The addition of the large salaried network of UAP, which for a decade had been in perpetual reform without much to show for it, led to the creation of AXA Conseil. Despite opposition from unions and employees alike, the reform was carried out in eighteen months.



Throughout the period of commotion surrounding the merger with UAP, AXA quietly but forcefully pursued its goal of developing the asset management business: after the creation of AXA Asset Management Europe in 1994, piloted by Jean-Pierre Hellebuyck, Henri de Castries launched AXA Investment Managers (AXA IM) in 1997. Donald Brydon, formerly of Barclays, was hired on as CEO and given an unambiguous challenge to meet: that of making AXA the leading asset manager. No less and no more.

Nicolas Moreau, whose career with the Group began in 1991, joined the team to develop new business in areas such as structured products, derivatives and quantitative management techniques.

Top: the merger between AXA and Royale Belge in 1998 was announced symbolically in the media by a kiss.
Bottom: at the top of Assur Tower, UAP’s former administrative headquarters, the three letters of AXA are installed in January 1998.

Betting on collective construction of the future

“With the arrival of UAP, I learned things on the job every day. If I didn’t make one mistake every day, it was that I’d made two or three. But I just stuck it out, realizing that the only way to build a global group was to get people on board so that the next steps could be built.

And you can’t ask everyone to change everything they do. We explained that there was no such thing as a bad model, no such thing as more valid roots than others, and that our goal was to make a new tree grow by working together.

AXA University’s management training program, which we had finalized when Equitable was acquired, was one way of sharing our culture.

We knew what we wanted and where we wanted to end up, but everyone needed to know where and how their contribution fit in. They needed to have a clear idea of their role and be able at all times to say: this is what I offer clients, colleagues and shareholders.”

Françoise Colloc’h

What's your ambition for AXA?

In Media Relations, the ambition was to have a calm and adult relationship with the media without taking the slightest criticism as a slap in the face, and also working to make sure that everyone understood that AXA has just one genuine core business. It is about

**men and women
protecting others and
creating wealth in their
community day in and
day out.**

Today, in Human Resources, I am fighting the same battle. If we want to be the preferred company of our customers, we have to start from the inside.

Christophe Dufraux

At the time of the merger, my ambition was to become a part of AXA and prove that people from UAP had something to bring to the table. I also wanted to

be part of history

in the making. I felt pretty quickly that it would be possible. The alliance of the mastodon UAP and the dynamic AXA gave birth to a French giant, writing a new page in the success story dreamed up by Claude Bébéar.

Jean-Laurent Granier

I want AXA to mark its difference in every country and to be perceived as attractive by our clients and distributors. This will demonstrate that

we have the top people

and that we have done good work together.

Xavier de Bellefon

Rugby culture

“AXA’s strong culture elicited either the intense desire to belong, which is how I felt, or an immediate repulsion that could be violent, in particular on the part of people who were more comfortable in a company with a less pervasive culture. I was conquered, because it tallied with my idea of engagement in the workplace. At UAP, I suffered in this regard. Like Claude Bébéar, but a few years later, I too was captain of the rugby team at Polytechnique. While a sense of individualism reigned at UAP, in AXA I found a rugby culture, made up of the quintessence of team spirit and fighting spirit. It was energizing and friendly: you take responsibility for yourself and nothing is really prohibited, though a certain discipline is required. Pragmatism is the rule because we aren’t talking about executing a plan that has been written by someone else. We’re talking about your plan. If it turns out halfway along to be a mistake, then you adapt, you change and you reach your goal from another route. Trained in life insurance, I was working at the time for the salaried sales networks of UAP, which had been in need of reform for years. We had come up with a plan, but management was dragging its heels...As it turned out, we had to deal with a merger and a network reform at the same time.”

Jean-Laurent Granier

In fact, this project was the first large-scale restructuring initiative carried out from within: the pooling of the assets of the Group’s insurance companies and their managers with the aim of achieving better returns and better service. Under the banner of AXA Investment Managers, diverse teams of experts from various companies, with different cultures and histories, were brought together. They came from Colonia, Sun Life or Royale Belge. They all discovered how a global group operates. It was during this time that Dominique Sénéquier, who had joined AXA just prior to the UAP merger, launched AXA Private Equity, with a nine-person team. The next major step for asset management was the acquisition of Rosenberg Institutional Equity Management in 1999 (the future AXA Rosenberg), reputed for its expertise in quantitative products and operating primarily in the United States, the United Kingdom and Asia.

In parallel, the assistance sector was gaining in strength and recognition. By 1998, AXA Assistance had been formed to house all of UAP’s assistance business, from Gesa (General Europa SA) to its international operations, plus AXA’s assistance business SFA (*Société Française d’Assistance*), which was present in fifteen countries. Above and beyond the businesses of asset management and assistance, the Group was also experiencing a quantum leap in the level of professionalism in all lines of the insurance business, including direct selling. Indeed, the telephone and now



The AXA rugby team, composed of tied agents and employees from all around the world. At the center of the photo, Claude Bébéar. End of 80s.



Top: on August 8, 1999, the day National Mutual became AXA China Region, the AXA brand shone over Hong Kong.
Bottom: AXA ad campaign in Hong Kong in 2001: “Be happy, you have nothing to lose. Go ahead with AXA!”

the Internet were making direct insurance all the rage. In the United States, DLJ Direct was called the “Cadillac of Web brokers” by Time Magazine. The company, a leader in the realm of online sales, boasted 42 billion dollars’ worth of e-transactions. In Spain, Direct Seguros began selling personal motor insurance over the phone as early as 1997. Then AXA Direct set up shop in Japan. And in late 1999, Direct Assurance opened its website for business.

Since the acquisition of UAP, the Group had been expending all of its considerable energy on the integration of this mastodon and on transforming the newcomers into committed Axiens. Wasn’t it about time to put as much energy and enthusiasm into clients and the outside world? In 1998, 400 million francs were invested in a global advertising campaign to strengthen recognition of the brand: print ads in business and financial newspapers then gave way to a television ad and local adaptations in various countries. While the first campaign showed the Group in an intentionally serious light, positioning it as a global leader of insurance and asset management, this time the aim was to enhance closeness to customers. Emphasis was placed on striking visuals, featuring individuals who were also potential customers: a man prepares to leap across a chasm; another studies the sky through a telescope... each time, AXA is by their side to enable them to take risks, safely.

Thinking about something other than the merger

“I joined the Group in 1997, just as the UAP merger was in full swing. Jean-Luc Bertozzi, who was running AXA Assurances, asked me to launch a major commercial project that would be part of the bid to reinvent insurance selling methods: ‘During the merger, sales continue.’ We supported the first steps agents took with more industrial methods of selling: telemarketing, data mining, and so on. At AXA, I met a group of executives who were very dynamic, motivated and competent. Nothing like the rather traditional image of the insurer. Executives who were willing to give young people a chance. When Jean-Raymond Abat, who was then in charge of Spain, asked me to take care of the agent and broker networks, I found myself with my first operational job and responsibility for fifteen hundred people working in our regions. I was not yet thirty and had just a year and half in the insurance business under my

belt. I arrived in Spain while a merger was in full swing and I experienced the launch of the AXA brand there in 1999. I spent a total of seven years, first as a sales manager and then as a marketing and product manager. I had the right and the duty to reinvent our ways of doing things. Between that and the energy of my Spanish colleagues, it was a very intense period! I also witnessed the birth of the Mediterranean region and the first joint projects between Italy, Spain and Portugal. This was a very exciting stage of discovery and offered a few moments worth anthologizing. We all agreed to trade and copy best practices, but we were often confronted with communications problems because not everyone spoke English. We had a number of meetings where everyone basically spoke their own language. In spite of appearances, this Italian-Spanish-Portuguese tower of Babel was actually quite efficient!”

Xavier de Bellefon

Hong Kong moves to AXA, a lucky day

“The AXA brand is highly respected in Asian financial circles today. In Hong Kong, the regional headquarters of the Asian life business, the decision to do away with the old name was not an easy one, because the link was highly emotional. But the desire to succeed was there. During the 1998 World Cup, I came to Paris with five sales executives from Hong Kong. Everywhere we went, we saw AXA agencies. The impact of the brand on our little group was very strong because it was so different from Asia. We made the name change radically and spectacularly –on a lucky day in China: 8/8/99.

72 / Eight is the number associated with luck; the number nine is associated with long life.

We painted a huge AXA logo on the façade of a big building we had rented. There was also advertising in every subway station... it was massive and terribly efficient!”

Mark Pearson



The 4,000 employees and agents of the new AXA China Region entity form a giant AXA logo on August 8, 1999.



The same year, an annual survey measuring AXA's image and brand awareness was launched in 18 countries. A more refined analysis of customer satisfaction was developed with Customer Scope, tested in Germany, Spain and France in 1999. The objective was to measure at six-month intervals whether or not the brand promises were being kept. Innovation is certainly one of the keys to staying in the race and keeping an ear to the beat of client expectations. In September, the first AXA customer innovation awards were announced.

By the time 1999 came to a close, every company was called AXA. Adopting the brand made it possible to unify the former UAP subsidiaries and AXA, showing the entire world the new power of the Group. After a hundred and forty years of existence, Equitable became AXA Financial Inc. In making the change, the company was also signaling that it was no longer just a traditional life insurer, but that it now sold a number of investment products. Be it in Asia Pacific - Hong Kong, Australia and New Zealand- or in Africa – subsidiaries in Cameroon, Ivory Coast, Gabon, Senegal, inherited from the UAP - the name AXA appeared alone.

The group had reached the number two spot worldwide in insurance, just behind Japan's Nippon Life, and was number one in Europe. It was the number two insurer in terms of assets under management. Claude Bébéar could pass the torch.

Above: Adaptation of the "Go ahead. Go ahead with AXA." campaign in the Ivory Coast, in 1998.
Opposite: two memorable visuals from the 1998 global advertising campaign : "Go ahead. Go ahead with AXA."
Following double page: the AXA brand is introduced in Australia in 1999. A helicopter lowers the AXA logo onto the roof of AXA's headquarters in Melbourne.



When the time is right

“The key events in the development of AXA are undoubtedly the acquisition of Drouot, which was the first trigger, and the acquisition of Equitable, which made us a truly global group. The most amusing moment? The acquisition of UAP, because that was an impossible dream in 1975 when I started to define a strategy. At that time, my dream was for Mutuelles Unies to resemble UAP in twenty years, when it would be old enough. And twenty years later, I bought UAP! I had decided and let it be known long ago that I would pass the torch at the age of sixty-five. All too often, I have seen executives who were not able to leave at the right time. France is the only country where people get raises at the end of their career. It would not have been good for the Group had I stayed. While age offers a measure of wisdom and experience, it is also a time when we are less naive. Though naiveté can be a weakness, it is also an undeniable strength when it comes to risk-taking.

For my succession, I had one set idea: that the next boss had to be about twenty years younger than me so that he could stay the course and build over time. It makes no sense to appoint someone in their sixties to serve for just a few years. It would have been a guarantee of failure to choose someone who would not overshadow me or someone who was my clone. The CEO of Equitable said that the success of an executive is measured by his ability to pick a successor who is his better if not his equal... I chose Henri de Castries. I knew that I would go on to do something completely different. I thought about politics, but I decided not to because of the necessary tradeoffs and preferred to create the Institut Montaigne. One has a duty to others to continue to work for as long as one has something to offer society.”

Claude Bébér



“How does one succeed Claude Bébéar?

By doing one’s job the best one can day after day. Claude Bébéar turned a small mutual insurer into a large group, without inventing something totally new like Steve Jobs. He managed to pull off an extraordinary degree of development by conducting an incredible series of core business acquisitions. I am his successor, but it isn’t like being appointed curator in a museum, charged with watching over the heritage. I don’t perform my duties in the same way Claude Bébéar did. Similarly, our culture is not set in stone. I am delighted that we have one, but I am also delighted to know it can evolve. We like the insurance business and we have a strong desire to do business at the global level, working on risk—which is the raw material of our trade.”

Henri de Castries

1997

AFFIRMATION 96 00

To the tune of the seminars

Where was the corporate meeting of June 1997 held? Nowhere and everywhere. After the Ténéré and the Great Wall of China, AXA set its sights on virtual space, embarking for cyberspace to encourage its executives to think about the challenges of new technologies. Computers were still a rare sight on directors’ desks and used mostly by secretaries. To get executives to dive into the world of tomorrow’s communications, Françoise Colloc’h and her team wanted to find a place where they would be unable to escape from technology. The place would be a large sailboat in the Mediterranean, off the Turkish coastline, with some trips to dry land planned to acquaint participants with ancient history and civilizations. As they boarded the ship, each participant—dressed in white and blue sailing gear—was handed a cell phone and a small laptop computer. The polo shirts were emblazoned with the AXA logo, slightly altered for the occasion with an “at” sign. With the exception of the excursions ashore and the plenary sessions, participants spent their time glued to their computer screens, playing a spe-

cially devised game for the corporate meeting. Even though the rules of the game seemed a bit obscure, everyone got into it, helped by a group of IT assistants dressed in red. Their enthusiasm was so great that the central server actually broke down from excessive connections and in the end there were no winners or losers.

2000

To the tune of the seminars

When it comes to Amazon 2000, held in April, most of the participants remember one man in particular. It was neither Claude Bébéar nor Henri de Castries. No, the man in question was Aimé Jacquet, coach of the French soccer team and the mastermind behind France's victory in the 1998 World Cup. When he explained to those assembled that winning required a vision, a solid sense of team spirit and the ability to integrate multiculturalism, the public was enthusiastic and ready to don cleats in order to win and stay on top of the world in its realm of expertise. To succeed, it is also necessary to adopt a different attitude toward clients, being more attentive to them and offering them better service. Indeed, this was the central theme of the corporate meeting, which also marked the changing of the guard between Claude Bébéar and Henri de Castries. The setting of choice for this meeting was Manaus, on the banks of the Amazon. Two hundred and twenty four people from more than fifty countries wearing intrepid reporter style jungle garb (jungle hat with netting, vest with multiple pockets, khaki pants and the indispensable rain poncho) were put through a number of tests that included compass

orientation and an Indiana Jones-style treasure hunt. The objective was to learn how to survive in the jungle, by laying traps, lighting fires with a machete, building a lean-to shelter—all handy skills in the event of a stock market crash. Once over their adventures, participants resumed their discussion of customer service. A surprise gift was reserved for Claude Bébéar: a show retracing the great moments in the history of AXA by those who were there. A total of seventeen milestone events were selected, from the first steps in Canada on the part of the young Mutuelles Unies executive, to the key moments like the Ténéré seminar and acquisitions, without skipping over the less glorious ones and without forgetting to throw in a few French specialties for good measure, like the relationship between AXA and wine (a thousand bottles from AXA Millésimes* had been shipped to the jungle). The skits were played, sung, shouted. People wanted to hear from Claude Bébéar. He passed the microphone and the torch to Henri de Castries, the new chairman of the Management Board, who would take AXA further along the path initiated by the Group's pioneers: "Let's try and become what we've dreamed of becoming."

* AXA Millésimes, which holds all of the Group's wine-related assets, is a wholly owned subsidiary of AXA founded in 1984.

