



Occupational Benefits

Surplus participation regulations

AXA Foundation for Supplementary Benefits, Winterthur

Calculation and distribution of bonuses from the group insurance contract

Par. 1

The group insurance contract concluded between the Foundation and AXA Life Ltd. is entitled to bonuses. AXA Life Ltd. calculates the bonus payments annually by taking account of supervisory provisions.

AXA Life Ltd. calculates the bonuses for the savings, risk and costing processes separately.

- Saving process: This includes the actuarial reserves for current retirement pensions (incl. prospective surviving spouse's and surviving partner's pensions), current disabled person's child's pensions as well as for current surviving spouse's and surviving partner's pensions that have replaced a retirement pension.
- Risk process: This includes the risks of death and disability, incl. actuarial reserves for current survivors' pensions that fell due as a result of the death of the insured person before his/her retirement age, and actuarial provisions for current disability pensions, disabled person's child's pensions and premium waivers.
- Costing process: This process compares the cost premiums with the actual cost of providing occupational benefits insurance (management and sales).

AXA Life Ltd. submits a statement of the bonus participation to the Foundation annually and provides information about its basis and disbursement principles.

Bonuses are allocated at the latest by June 30 of the following year.

For occupational benefits funds with an individual profit formula (bonus formula), AXA Life Ltd. calculates the bonuses based on the individual risk process.

Allocation of bonuses

Par. 2

Bonuses are allocated to the Foundation after the Board of Trustees has reached its resolution regarding the adjustment of pensions to the cost of living increase pursuant to Art. 36 par. 2 BVG/LPP.

For occupational benefits funds with an individual profit formula (bonus formula), the corresponding bonuses are directly allocated to the individual occupational benefits funds.

One-time bonus as part of the transformation of the Foundation into a semi-autonomous occupational benefits institution

Par. 3

The one-time extraordinary bonus transferred by AXA Life Ltd. as part of the transformation of the Foundation from a full-value insurance to a semi-autonomous occupational benefits institution as of January 1, 2019 is used as a provision for supplementary interest in favor of the insured as well as for the elimination of any underfunding.

Every year, the Board of Trustees decides on the amount of supplementary interest for the mandatory and extra-mandatory retirement assets. In order to avoid or remedy an underfunding, the Board of Trustees can decide to use the provision for supplementary interest in part or in full to eradicate the shortfall. The provision for supplementary interest must be fully used within 5 years at the latest.

Entry into force

Par. 4

These regulations enter into force retroactively as of January 1, 2020 and replace the version of January 1, 2019.