



Occupational benefits

Deed of foundation

AXA Foundation for Occupational Benefits, Principality of Liechtenstein

Name, registered office

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1.1

On May 7, 1982, “Winterthur” Life Insurance Company in Winterthur formally established a foundation as defined by Art. 552 ff. of the Liechtenstein Persons and Companies Act (PGR) under the name “Stiftung der Winterthur-Leben für betriebliche Vorsorge im Fürstentum Liechtenstein” (Foundation of Winterthur Life for Occupational Benefits in the Principality of Liechtenstein).

The present name of the founder is: AXA Life Ltd

The present name of the Foundation is:

AXA Stiftung Betriebliche Vorsorge, Fürstentum Liechtenstein
AXA Foundation for Occupational Benefits, Principality of Liechtenstein
(hereinafter “the Foundation”)

1.2

The Foundation is headquartered in Vaduz and is subject to statutory supervision.

Purpose

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2.1

The Foundation was established as an occupational benefits institution to provide occupational retirement, survivors’ and disability benefits for clients of AXA Life Ltd. It protects the employees and employers of affiliated companies (hereinafter referred to as “employers”) in accordance with its regulations from the economic consequences of loss of earnings due to old age, death, and disability. To this end, it manages benefits in accordance with the provisions governing mandatory and voluntary occupational benefits insurance.

2.2

The Foundation manages a separate occupational benefits fund for each affiliated employer.

Reinsurance cover

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In order to achieve its purpose, the Foundation may take out insurance contracts or enter into existing contracts where it must be both policyholder and beneficiary.

Foundation assets

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4.1

The Foundation assets accrue from the employer and employee contributions as set out in the regulations, single premiums, voluntary payments by employers or third parties, and income from the investment of Foundation assets and any surpluses from the group insurance contract. This includes foundation capital of CHF 30,000.

4.2

The Foundation manages the accounts required for each occupational benefits fund.

Foundation bodies

5

The executive bodies of the Foundation are:

- the Board of Trustees
- the occupational benefits fund commissions (OBFCs) of the affiliated employers.

Board of Trustees

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6.1

Composition

The Board of Trustees consists of at least 3 members who are appointed by the Founder.

6.2

Integrity and loyalty

The persons appointed to the Board of Trustees must have personal integrity and offer assurance that they will execute their responsibilities impeccably. They are subject to fiduciary due diligence obligations and must uphold the interests of the Foundation’s insured persons when performing their activities. They must ensure that no conflict of interests arises on account of their personal and business relations.

For the purpose of reviewing personal integrity and ensuring the impeccable execution of the trustee’s responsibilities, special attention is paid to any criminal records, loss certificates, as well as to any pending court or administrative proceedings.

6.3

Term of office

A trustee’s term of office is 4 years.

6.4

Constitution

The Board of Trustees constitutes itself.

6.5

Duties and powers

The Board of Trustees is responsible for the overall management of the Foundation, ensuring that it meets its statutory obligations, defining its strategic goals and principles, and determining the resources necessary for this. It lays down the organization of the Foundation, ensures its financial stability, and monitors both executive management and any third parties acting on behalf of the occupational benefits institution. In particular, it must fulfill the following non-transferable and irrevocable tasks:

- defining the organizational structure
- appointing and dismissing persons entrusted with management responsibilities
- electing members to the commissions and committees set up by the Board of Trustees
- appointing the persons with signatory powers for the Foundation; only joint signatory power with two signatures may be issued
- determining the procedure for creating occupational benefits fund commissions and their powers
- determining the group of insured persons and ensuring that they are informed, provided such powers do not rest with the occupational benefits fund commission
- issuing the principles for determining the objectives and pension plans that are valid for the affiliated occupational benefits funds
- defining the financing system, provided such powers do not rest with the occupational benefits fund commission
- deciding on the full or partial reinsurance of the occupational benefits foundation
- defining the principles for the use of any unallocated assets
- issuing and amending regulations
- defining the objectives and principles underlying asset management as well as the implementation and monitoring of the investment process
- investing the assets, unless the pension assets have been invested in the context of an insurance contract
- concluding the required agreements necessary for the investment of the assets
- periodically reviewing the medium-term and long-term relationship between how assets are invested and the obligations
- determining the prerequisites for the surrender of benefits
- developing an internal control system that is appropriate to the size and complexity of the occupational benefits institution
- determining the level of the technical interest rate and other technical fundamentals
- setting the interest rate for retirement assets and any other interest rates that apply to the Foundation and the occupational benefits funds
- designing the accounting procedures
- assuming responsibility for drawing up the annual financial statements
- approving the annual financial statements
- defining the communications strategy and representing the Foundation externally
- ensuring the initial and further training of members of the Board of Trustees
- appointing and dismissing pension insurance experts and the auditors
- accepting the reports of the pension insurance experts and the auditors
- accepting the reports drawn up by executive management and by any commissions or committees
- in the event of a shortfall in coverage: implementing adequate measures in order to remedy the gap in coverage.

6.6

Passing of resolutions

The Board of Trustees is quorate if a majority of its members is present. Members are also deemed to be present if they take part in the meeting by telephone or video link.

Resolutions relating to changes in the deed of foundation require the approval of two thirds of all members of the Board of Trustees in office.

Other resolutions are passed by a majority of votes of those present. In the event of a tie, the Chair's vote counts double.

Resolutions may also be passed by circular. These require the approval of all members of the Board of Trustees in office.

The Board of Trustees shall keep minutes of its resolutions. Resolutions passed by circular must be recorded in the next minutes.

6.7

Duty of confidentiality

The members of the Board of Trustees are legally bound to treat the facts brought to their knowledge in the context of their activities as confidential. This obligation shall continue to apply after they have left office.

7.1

Each of the employers affiliated to the Foundation must set up an occupational benefits fund commission that is responsible for the proper implementation of pension provision.

7.2

Composition

The occupational benefits fund commission shall consist of at least 2 members.

In the context of mandatory occupational benefits, the same number of employer and employee representatives should be appointed.

In the context of voluntary occupational benefits, the employees shall be represented to at least the level that matches their contributions.

If the occupational benefits fund commission is not elected, it shall consist of the employer and all the insured employees.

7.3

Election

The employer representatives are nominated by the employer. The election of the employee representatives is undertaken by the insured employees who have a contractual working relationship with the affiliated company. Individuals who are not insured may also be nominated or elected as members of the occupational benefits fund commission.

The successfully elected candidates are those that gain the highest number of votes. In the event of a tied vote, the employee with the most years of service shall be elected as the employee representative. An elected person has the right to refuse their appointment.

Employee representatives and reserve members may be elected as part of the same electoral process. A reserve member only takes on the role in the occupational benefits foundation commission when another member has left.

The employer shall organize the staging of the election. Here it may envisage an electoral meeting or the casting of ballots.

The occupational benefits fund commission shall inform AXA Life Ltd, for the attention of the Foundation, of its composition when it sends the election minutes and notify it of any changes. The members of the occupational benefits fund commission shall be expressly designated as employer or employee representatives.

7.4

Term of office

The term of office of the members of the occupational benefits fund commission is four years. Re-election is possible.

A member steps down from the occupational benefits fund commission during his or her term of office by submitting the corresponding resignation statement in writing. If the member in question has a contractual working relationship with the affiliated employer, he or she may step down without any such resignation statement if the employment contract is dissolved.

If no elected reserve member is available, a new member must be elected within a reasonable period of time to serve out his or her predecessor's term of office.

7.5

Constitution

The occupational benefits fund commission constitutes itself.

7.6

Duties and powers

The occupational benefits fund commission exercises the following powers in particular, within the limits defined by the principles that apply to the Foundation:

- appointing the authorized signatories for the occupational benefits fund and determining their signatory power
- issuing and making changes to the pension plan
- deciding on the financing of the occupational benefits fund
- deciding on the use of the unallocated assets of the occupational benefits fund.

It informs the eligible parties about their rights and obligations. It also provides the employees with information not contained in the Organization Regulations and the pension plan, in particular about the election, composition and organization of the Board of Trustees and occupational benefits fund commission, as well as about the implementation of occupational benefits. In this regard, AXA Life Ltd acts in an advisory capacity.

Furthermore, the occupational benefits fund commission has the rights and obligations as laid out in the regulations by the Board of Trustees.

It may transfer pending business to one or more employees of the employer who may attend meetings in an advisory capacity.

7.7

Meetings, convocation and agenda

The occupational benefits fund commission shall meet as often as required, but at least once a year.

Meetings are convened by the Chair or by a third of sitting members at least 10 days in advance. Adherence to this notice period may be waived subject to the approval of all members.

Meetings are presided over by the Chair. If he or she is unable to attend, another member shall be appointed to preside.

7.8

Quorum, passing of resolutions and minute-taking

The occupational benefits fund commission is quorate if at least half the employer representatives and half the employee representatives are present.

Resolutions are passed by a majority of votes of those present. In the event of a tie, the Chair's vote counts double.

Resolutions regarding the issuance and amendment of pension plans or the dissolution of affiliation agreements may not be passed if all the employer representatives or all the employee representatives participating in the decision are opposed.

At the behest of the Chair, resolutions may be passed by circular unless a member immediately demands that the issue be discussed in a meeting following receipt of the corresponding proposal. Resolutions passed by circular must be recorded in the next minutes.

Minutes must be kept on all resolutions. The minutes are deemed to be approved unless amendment proposals are submitted to the Chair in writing within one month of the minutes being provided to members of the occupational benefits fund commission. Any other proposed changes must be resolved in the next meeting.

7.9

Accountability

The occupational benefits fund commission must render account of its activities to the Board of Trustees upon request. It submits all documentation, minutes, and records in connection with its activities to the Board of Trustees on request.

7.10

Duty of confidentiality

The members of the occupational benefits fund commission and the persons commissioned with occupational benefits provision are legally bound to treat the facts brought to their knowledge in the context of their activities as confidential.

This obligation shall continue to apply after termination of their corresponding functions.

8.1

Should one of the occupational benefits funds affiliated to the Foundation be dissolved, the entitlements of the beneficiaries belonging to this fund must be settled first in accordance with the provisions of the regulations. In keeping with the decision of the occupational benefits fund commission, the remaining sum will either be remitted to a new occupational benefits foundation of the corresponding company or its legal successor, or transferred to the beneficiaries. There can be no question of any reversion of the assets to affiliated employers.

8.2

Should the Foundation be dissolved, all entitlements of beneficiaries will be met or secured, e.g. by transferring the assets to occupational benefits institutions of affiliated companies, or through other arrangements appropriate to the maintenance of the insurance coverage. There can be no question of any reversion of the assets to AXA or to the affiliated companies. The Board of Trustees decides on the appropriation of any remaining assets in line with the Foundation's purpose and with the approval of the supervisory authority.

This deed of foundation enters into force with effect from April 17, 2019, replacing the version of January 1, 2019.

Dissolution

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Entry into force

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