



AXA Foundation
for Supplementary Benefits

Regulations on the creation of provisions

of December 31, 2025
AXA Foundation for Supplementary Benefits, Winterthur

Purpose and principles

1 Objective

These Regulations set out the rules that apply to the creation of provisions for the Foundation and its occupational benefits funds.

2 Principle of consistency

The principle of consistency must be followed when calculating the provisions.

Retirement capitals

3 Retirement capital of active insured

The retirement capital for active insureds must equal the regulatory retirement assets of the active insureds.

4 Pension capital of pensioners

4.1 The retirement capital of pensioners must correspond to the cash value of the current and reversionary pensions.

4.2 Pensions paid by the Foundation are calculated in accordance with recognized principles using the technical fundamentals and the technical interest rate as set out in the Appendix. This does not apply to pensions brought into the fund as part of a new affiliation. These are valued by applying the actuarial interest rate used for calculating the purchase amount.

4.3 The liabilities for those pension recipients whose current and reversionary pensions are fully reinsured with AXA Life Ltd equal the actuarial reserves for pensions of AXA Life Ltd calculated on the basis of the group life insurance rate.

Technical provisions

5 Provision for retirement losses

5.1 The provision for retirement losses serves to close the financing gap between the available retirement assets and the pension capital needed to cover the pension obligations.

5.2 The provision for retirement losses is calculated as a supplement to the available extra-mandatory retirement assets of all insureds who are aged 58 or older on the balance sheet date. The supplement is contingent on the difference between the actuarially correct pension conversion rate in accordance with the Foundation's technical parameters and the regulatory or BVG/LPP conversion rate. The probability that the affected insured persons will draw their retirement benefits as a pension is also taken into account in this Foundation.

5.3 The pensions actuary must determine the provision necessary every year.

6 Provision for withdrawal losses

6.1 According to the occupational benefits fund regulations, an insured who leaves the Foundation in a vested benefits case is entitled to a withdrawal benefit in accordance with statutory conditions.

6.2 It is calculated as the difference between the withdrawal benefits and the retirement assets of all insured persons.

6.3 The pensions actuary must determine the provision necessary every year.

7 Further provisions

7.1 Any further provisions will be determined as necessary on the basis of specialist principles.

7.2 The creation and release of provisions will be carried out in conjunction with the pensions actuary.

Technical provisions for additional fund-specific benefit components

8 Creation, calculation, and reversal

8.1 For occupational benefits funds whose pension plan includes additional fund-specific benefit components, corresponding provisions are made at the occupational benefits fund level.

8.2 The pensions actuary recalculates the amount of the necessary provision annually by using recognized actuarial methods. For all fund-specific benefit components, the provision must equal at least the amount of the previous year, less the purpose-linked commitments.

8.3 If a benefit component is removed from the plan, the provision is dissolved in favor of the occupational benefits fund. The provision is recalculated if these benefit components of the pension plan change significantly.

9 Provision for AHV bridging pensions

9.1 In the case of full or partial early retirement in accordance with the pension plan, a provision is calculated for all active insured persons who are entitled to an AHV bridging pension on the accounting date or who have reached a certain age as defined in the pension plan.

9.2 The provision is calculated using purely mathematical valuation methods at cash value for the period up to ordinary retirement, without interest. In the absence of another resolution by the occupational benefits fund commission and approved by the pension actuary, the calculation assumes the maximum benefit period and receipt of pensions by all beneficiaries. Known changes in statutory provisions, in particular those affecting the maximum AHV pension, must be taken into account.

10 Provision for an increased conversion rate

10.1 In the case of full or partial retirement in accordance with the provisions of the pension plan, a provision is formed for all active insured persons who would be entitled to a retirement pension and for whom the conversion rate as defined in the pension plan is above the rate set by the board of trustees.

10.2 The provision is calculated based on the following formula:

$$\frac{(\text{Fund-specific conversion rate} - \text{Foundation-specific conversion rate}) \times \text{retirement assets on the balance sheet date}}{\text{Foundation-specific conversion rate}}$$

10.3 The same calculation method is used also in cases where the conversion rates for early retirement defined in the pension plan are higher than the conversion rates for early retirement defined by the Board of Trustees. The calculation must be based on the early retirement date that requires the largest amount to be financed for the entire portfolio of insured.

10.4 In the absence of another resolution by the occupational benefits fund commission and approved by the pension actuary, the lumpsum withdrawal rate is not factored into the calculation.

11 Provision for smaller reduction in retirement pension upon early retirement

In the case of guaranteed minimum age pensions, the provision is calculated with the same method as used for the increased regulatory conversion rate.

12 Provision for additional death lump sums financed by the occupational benefits fund

Not reinsured reversionary death lump sums for active insureds and/or pension recipients are included in the provision at cash value. The calculation uses the currently valid technical fundamentals of the Foundation.

13 Provision for additional benefits for pension recipients

Future benefit improvements for pension recipients that have been decided upon are included in the provision at cash value. The Foundation's currently applicable technical principles are applied for the calculation.

Final provision

14 Amendments to the Regulations on the creation of provisions

These Regulations and any later amendments are issued by the Board of Trustees.

15 Entry into force

15.1 These Regulations enter into force on December 31, 2025.

15.2 They replace the Regulations on the creation of provisions and reserves of December 31, 2023.

Appendix

Technical parameters

Technical fundamentals	BVG/LPP 2020 generation tables
Technical interest rate	1.50%

This Appendix enters into force on December 31, 2025.