



Occupational Benefits

Deed of foundation

AXA Foundation for Supplementary Benefits, Winterthur

Name, domicile

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1.1

“Winterthur” Life Insurance Company in Winterthur established a foundation on May 23, 1969 in accordance with Art. 80 et seq. of the Swiss Civil Code by the name of “Winterthur” foundation for employee benefits.

The current name of the founder is:

AXA Life Ltd

The current name of the foundation is:

AXA Stiftung Zusatzvorsorge, Winterthur

AXA Fondation Prévoyance complémentaire, Winterthur

AXA Fondazione previdenza complementare, Winterthur

AXA Foundation for Supplementary Benefits, Winterthur

(hereinafter referred to as Foundation)

1.2

The Foundation is domiciled in Winterthur. It is subject to the statutory supervisory authority.

Objective

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2.1

The purpose of the Foundation is to provide extra-mandatory retirement, survivors' and disability benefits. 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.

Employers with the members of their boards of directors may also affiliate to the Foundation.

2.2

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

2.3

The Foundation is active in all of Switzerland.

Foundation assets

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3.1

The Foundation assets accrue from the regulatory employer and employee contributions, single premiums, voluntary payments by the employer or a third party, and income from the investment of Foundation assets and any surpluses from the group insurance contract.

3.2

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

Governing bodies of the Foundation

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The governing bodies of the Foundation are

- the Board of Trustees
- the occupational benefits fund commissions of the affiliated employers
- the Managing Director of the Foundation
- the auditors

Board of Trustees

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5.1

Composition and election

The Board of Trustees comprises an equal number of employee and employer representatives. It comprises a minimum of 4 members.

Election rights and the election procedure are governed by separate electoral regulations.

5.2

Integrity and loyalty

The persons elected to the Board of Trustees must have a good reputation and offer assurance that they will execute their responsibilities correctly. 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 interest arises on account of their personal and business relations. In particular, they may not work as a trustee or in an executive capacity or hold a leading position in other collective or joint foundations at the same time.

5.3

Term of office

A trustee's term of office is 4 years. Re-election is possible.

A member is deemed to have resigned from the Board of Trustees during the term of office if

- a) the employment relationship with the affiliated employer ends and the member leaves the Foundation or
- b) the affiliation contract with the employer is canceled or

- c) he or she no longer fulfills the prerequisites for the election as an employee or employer representative or
- d) he or she resigns by giving notice in writing or
- e) he or she no longer meets the requirements with respect to integrity and loyalty (para. 5.2).

If the condition for resignation under a) or b) above is met during the final year of a term of office, the member in question can still complete that year in office with the consent of the Board of Trustees.

5.4

Appointment of trustees

The Board of Trustees constitutes itself. It elects a chairperson from its members, whereby the chair alternates between the employer and the employee side for each term.

5.5

Duties and authorities

The Board of Trustees is responsible for managing the Foundation as a whole and must ensure compliance with statutory obligations, define the Foundation's strategic goals and principles and provide the resources needed in this regard. It also defines the structure of the Foundation, ensures its financial stability, and supervises its management. In particular, it must perform the following duties:

- Define the organizational structure;
- Appoint and dismiss persons entrusted with management responsibilities;
- Elect the members of the commissions and committees appointed by the Board of Trustees;
- Appoint the persons who have signatory powers; only joint signatory power with two signatures may be issued;
- Define the powers of the occupational benefits fund commissions;
- Determine the group of insured persons and ensure that they are informed, provided such powers do not rest with the occupational benefits fund commission;
- Decide on the principles for determining the benefits objectives and pension plans that are valid for the affiliated occupational benefits funds;
- Define the financing system, provided such powers do not rest with the occupational benefits fund commission;
- Decide on the full or partial reinsurance coverage of the occupational benefits foundation;
- Define the principles for the use of any unallocated assets;
- Enact and make changes to the regulations;
- Determine the objectives and principles that apply to the management of assets and the implementation and monitoring of the investment process;
- Invest the assets, provided the assets are not invested as part of an insurance contract;
- Conclude the contracts necessary for managing the assets;
- Review periodically the medium-term and long-term relationship between how assets are invested and the obligations;
- Determine the technical interest rate and other technical fundamentals;
- Determine the interest rate on retirement assets and any other interest rates that apply to the Foundation and the occupational benefits funds;
- Design the accounting procedures;
- Responsibility for drawing up the annual financial statements;
- Approve the annual financial statements;
- Define the communications strategy and represent the Board of Trustees externally;
- Ensure the initial training and professional development of employee and employer representatives on the Board of Trustees;
- Appoint and dismiss the pension actuary and the auditor;
- Accept the reports by the pension actuary and the auditor;
- Accept the reports by management and by commissions or committees;
- In the event of a shortfall in coverage: Introduce suitable restructuring measures to remedy the gap in coverage.

5.6

Passing of resolutions

The Board of Trustees is quorate if the majority of the trustees are present. Trustees who take part in the meeting by telephone or video are regarded as present at the meeting.

Resolutions regarding amendments to the deed of foundation require the approval of two thirds of the incumbent trustees.

Otherwise the resolution will be reached by means of a simple majority of the votes. Abstentions are not included in the count.

If votes are tied, the chair's vote, or the vice-chair's vote if the chair is unable to attend, counts double.

Resolutions may also be passed by circular letter, in which case they must be approved by all trustees currently in office.

Minutes must be kept on all resolutions.

5.7

Duty of professional secrecy

The members of the Board of Trustees must observe the duty of professional secrecy regarding any information they obtain while executing their responsibilities. They remain subject to this duty after the termination of their function.

Reinsurance coverage

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

Occupational benefits fund commission

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7.1

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

7.2

The occupational benefits fund commission consists of at least 2 members. The employees shall be represented at least in proportion to their contributions.

The employer representatives are nominated by the employer. The employee representatives are elected by the insured employees. Individuals who are not insured may also be nominated or elected as members of the occupational benefits fund commission.

The administrative tasks are performed by the occupational benefits fund commission. These activities are governed by the organization regulations of the occupational benefits fund commission.

Closing the accounts

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The accounts will close annually on December 31.

Discontinuation and liquidation

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9.1

When liquidating an occupational benefits fund affiliated with the Foundation, beneficiaries' entitlements shall be settled in accordance with the provisions of the Regulations. There can be no question of any reversion of the assets to affiliated employers.

9.2

If the Foundation is dissolved, all claims held by beneficiaries will be met or secured, e.g. by transferring the assets to an occupational benefits institution of the affiliated employers or by other means suitable for maintaining the provision of occupational benefits. No assets will revert to the founder or to the affiliated employer. The Board of Trustees decides on the use of any remaining assets in accordance with the Foundation's objective and with the consent of the supervisory authorities.

The supervisory authority's approval is reserved if the Foundation is to be discontinued and liquidated.

Entry into force

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This deed supersedes the version of April 18, 2018.