

On the safe side /



With its occupational pension insurance, AXA offers its clients maximum pension security, fairness between generations, and good returns with increasingly lower costs and risk premiums.

Secure the future today

Occupational pension insurance calls for plenty of farsightedness: the capital people save today has to finance other people's pensions decades later. This is why long-term stability is paramount to AXA in terms of occupational pension insurance. Regardless of demographic and economic trends, customers and their employees can always rely on their pensions being safe with AXA. In 2014 AXA again did a lot to further strengthen this trust.

Secure investments

In the full-value insurance segment, AXA provides its clients with guarantees totaling CHF 50 billion. The pension contributions are invested in a broadly diversified manner, mainly in top-quality and corporate bonds in Switzerland and abroad. AXA also grants direct loans to debtors in Switzerland, such as local governments and cantonal pension insurance schemes. Thanks to global diversification, currency hedging and its extensive reserves, it is equipped to deal with any economic trend.

Financial strength

Optimized costs

Fairness between generations

Good returns

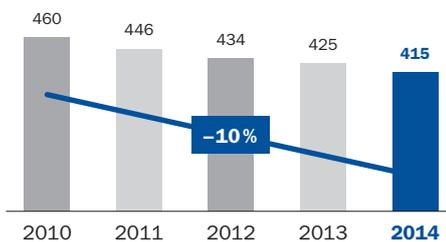
Despite a low-interest-rate environment, in 2014 AXA generated gross investment income of CHF 1.7 billion in its group life business. Over the years it has achieved above-average returns in a market comparison. These good results are the expression of the company's financial strength and a long-term investment strategy.

► Over 90% of income goes to the insured persons and serves to ensure security and to guarantee an interest rate on retirement assets which is also above the market average.

Lowest costs

Of all the insurance companies operating in the occupational pension insurance segment, AXA has the lowest average administrative costs per active insured person. In 2014 these costs declined again by 2.3% to just CHF 415. AXA will do everything it can to lower costs further, as greater efficiency means more benefits for the insured persons.

Administrative costs per active insured person in CHF



Risk premium per active insured person in CHF



Falling risk premiums

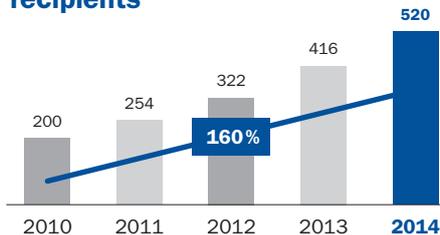
Risk premiums also declined again in 2014. AXA continuously passes on income to the insured persons on the basis of a positive claims trend, health management and increased efficiency.

Greater fairness between generations

Life expectancies have risen encouragingly in recent decades. Because the statutory conversion rate was not adjusted to an adequate extent, individual savings are no longer able to fully finance pensions – resulting in a redistribution from active insured persons to pensioners.

At AXA the redistribution in 2014 amounted to CHF 520 million. Because AXA wishes to secure pensions for the future, its full-value insurance collective foundations are gradually lowering the extra-mandatory conversion rate, i.e. that applicable to salary components over CHF 84,600 per year – to 5% by 2018.

Redistribution from active insured persons to pension recipients



Freedom of choice and higher benefits

A 100% guarantee in full-value insurance limits opportunities for returns. AXA therefore offers its clients freedom of choice – including semi-autonomous solutions in addition to full-value insurance, where clients bear part or all of the investment risk.

Thanks to greater flexibility in investments and less regulation, higher returns are possible for these models. However, security is of utmost importance with semi-autonomous solutions too.

Financial strength

Despite low interest rates and a challenging market environment, AXA has a strong solvency ratio. The rating agency Standard & Poor's confirms AXA's capital strength with the outstanding rating A+ and a positive outlook. In doing so, it is recognizing the strengthened equity base in particular: from 2007 to 2014 the equity capital of AXA Life Ltd. rose from CHF 1.9 billion to CHF 4.8 billion.

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