

## ABOUT US – WHO WE ARE

We are an innovative and customer-oriented start-up and a regulated European pension fund in one.

## FACT SHEET Safety Aspects

### BUSINESS POLICY

The business policy of the ePension Fund is aimed at constant full coverage of the technical reserves in keeping with article 73 of the Luxembourg law dated 13 July 2005 (section 26.1 of the ePension pension guideline Germany). This means that ePension always needs to have sufficient and adequate funds available to be able to cover the entire service spectrum of its pension plans.

### REGULATION/FINANCIAL SUPERVISION

The business operations of ePension and its central service providers are regulated by several financial supervisory authorities:

- 1)** As the financial supervisory authority in Luxembourg, where the pension fund is based, the CSSF directly supervises its business operations by:
  - Auditing and controlling regulatory compliance
    - Articles of Association
    - Pension Rules
    - Statement of Investment Policy
    - Technical Note
    - Fees and Charges Policy
  - Quarterly audits of the reporting and balance sheets
  - Approval and control of the fund's significant service providers by an auditor's report (ISAE 3402) on the IT and administrative control
- 2)** Local financial supervisory authorities in the countries where the pension fund operates supervise the compliance with local laws
  - Compliance with the requirements under labour and social security law
  - Compliance with the requirements under income tax law
- 3)** As the Swiss supervisory authority, FINMA monitors all activities of the central service provider Tellco AG. At ePension, this concerns the areas of asset management and compliance.

### AUDITS

In addition to this, ePension is also continuously monitored by independent third parties:

#### 1) BY AN INDEPENDENT CUSTODIAN BANK

The custodian bank constantly monitors in its function the asset management's compliance with the approved investment criteria, thus ensuring that the customers' money is always invested in the stipulated bandwidths.

#### 2) BY AN INDEPENDENT ACTUARY

With the annual actuary „Report of the Liability Manager“, AON confirms that the assumptions and measures applied by ePension

- are suitable for the business purpose, and therefore accepted, and
- comply with the legal framework conditions

In addition, AON monitors and confirms that the commitments entered into are 100 % covered by corresponding assets, as a minimum.

#### 3) BY AN INDEPENDENT AUDITOR

Ernst & Young SA (EY) in Belgium prepares an annual report on the financial situation of ePension and sends it to the supervisory authority there. EY thus documents how the maintenance of the solvency is ensured.

### IORP II - CONFORMITY

ePension acts in conformance with IORP II. IORP II is an EU Directive for institutions for occupational retirement provision (IORPs). It lays down minimum standards for the financing of pension schemes, the nature of their investments, and enables their cross-border management.

Amongst other aspects, ePension ensures this conformity by always keeping an adequate solvency margin available to cover the full volume of its business activity, and by ensuring full capital coverage of the underwriting reserves at all times.