



INFORMATION FOR EMPLOYERS

Company pension plans

Motivate Employees Effectively – With Individual Retirement Concepts

Occupational retirement provision is an **advantage** for you and for your employees

Rarely has a supplemental benefit been so valuable for both your company and your employees: Occupational retirement provision (bAV) strengthens your position as employer and protects the future of your top personnel.



Numerous surveys confirm that employees rank access to an employer retirement plan important when assessing employers.*

■ Yes 61%
■ No 39%

■ Yes, but not so important 42%
■ Yes, very important 46%
■ No 12%

Everything speaks in favor of occupational retirement provision – surely in your company as well!



Conclusion: Help your employees build up retirement capital and show your social responsibility.



Conclusion: Job candidates tend to prefer companies offering occupational retirement provision.



We recommend to actively offering occupational retirement provision, thus fulfilling the legal claim of your employees to salary conversion (deferred compensation).

*Source: Deloitte, "bAV zwischen Wunsch und Wirklichkeit", survey on occupational retirement provision 2017

Your advantage: You find and retain the best workers.

The situation:

Owing to the favorable business climate and the demographic development, there is a lack of young, qualified employees.



As employer you have to offer extensive benefits in order to find and retain good workers in the long term.

The solution:

Occupational retirement provision is a special incentive for employees – and you as employer show that you care.



An ideal supplement: Working-time accounts

A growing number of employees expects maximum flexibility when it comes to balancing work and life. Working-time accounts provide the possibility to save up salary, bonus payments, overtime or holidays not taken to finance a later sabbatical. For more information on working-time accounts please refer to page 9.

The advantage for your employees: They obtain security for their old age.

The situation:

The statutory pension insurance only provides basic protection. The threat of poverty in old-age is real if no supplemental provision is made.



Interest rates are low. This makes it difficult to invest money profitably. New pension concepts are necessary.

The solution:

Occupational retirement provision enables employees to enjoy a carefree retirement.

The government strengthens occupational retirement provision

Since January 01, 2018, the Act to Strengthen Occupational Pensions (BRSg), a reform package which includes changes to tax and social law, has been in effect aiming at extending the coverage of occupational pensions in companies.



1. Extended tax incentives allow your employees to invest higher tax-free amounts.

The BRSg doubles the maximum tax-free salary conversion from 4% to 8% of the contribution assessment ceiling stipulated for German statutory pension insurance (CAC)¹. Based on this new regulation, your employees can invest up to monthly EUR 564 tax-free in their occupational pension if you agree.

2. As employer you assume additional social responsibility.

Employees who earn low salaries are hardly able to afford private retirement provision. Occupational retirement provision of this group of employees is fully funded by you. For this commitment you are now receiving a government incentive.

The conditions:

- The employee earns a maximum monthly gross income of EUR 2,575.
- You invest at least EUR 240 and maximum EUR 960 annually in the employee's occupational pension plan.

That's how the Government incentive works:

Your company receives a Government incentive of 30% (EUR 72 to EUR 288) on top of the above employer contribution. The incentive is offset against wage tax to be paid.

3. Riester pensions will now be exempt from social security contributions.

There's good news: The Riester pension has become more attractive with the launch of the BRSg. This is because the Riester contracts concluded under an occupational pension plan are no longer subject to statutory health and long-term care insurance contributions.

The advantages in detail:

- Pension benefits arising from a company-sponsored Riester contract will be exempt from statutory health and long-term care insurance contributions.
- The Government additionally sponsors the contracts with an increase of the basic subsidy from EUR 154 to EUR 175.
- Special expenses deduction (maximum EUR 2,100 annually) and child subsidy remain unchanged.

4. Your social security savings under salary conversion arrangements benefit your employees.

Under a salary conversion scheme where premiums into a direct insurance plan, a Pensionskasse or a pension fund (§ 3 (63) EStG) are exempt from social security contributions, the employer is required to contribute 15% of the salary converted up to 4% of the CAC West. This additional contribution increases the pension benefit and boosts the motivation of your employees.

If your business is subject to a collective agreement, deviating rules may apply or could be agreed. Your competent employer association will surely provide more information.

Extended tax incentives allow your employees to invest higher tax-free amounts.



¹ Premiums subject to flat-rate taxation or tax-free premiums under Riester contracts are offset against the maximum salary conversion of 8%.
² Up to 4% of the contribution assessment ceiling applicable in 2022

That's how you find the **suitable** occupational pension model for every need



MANAGING DIRECTOR/SHAREHOLDER: Closing the pension gap – maintaining the standard of living in old age.

TOP EMPLOYEES: Retaining and effectively protecting employees with above-average income.

EMPLOYEES EARNING MORE THAN EUR 2,575 MONTHLY: Implementing salary conversion tailored to the specific need.

EMPLOYEES EARNING MAXIMUM EUR 2,575 MONTHLY: Demonstrating commitment and responsibility – making use of Government incentives.



Occupational retirement provision – **tailor-made** and perfectly managed

Benefit from the various possibilities! The different vehicles implementing an occupational pension plan provide many options for you and your employees.

	Tax incentive in accordance with § 3 (63) Income Tax Act	Government incentive		Compulsory employer contribution	Possibility of Riester subsidy?	Insolvency protection	Balance sheet effects/impact
		Tax	Social security				
DIRECT INSURANCE	yes	The combined annual maximum tax-exempt premium amounts to 8% of the contribution assessment ceiling stipulated for West German statutory pension insurance (CAC West). (2022: EUR 6,768)	Exempt up to 4% of the CAC West (2022: EUR 3,384)	Under a salary conversion scheme where premiums into a direct insurance plan, a Pensionskasse or a pension fund (§ 3 (63) EStG) are exempt from social security contributions, the employer is required to contribute 15% of the salary converted up to 4% of the CAC West.	yes	yes	no
SUPPORT FUND	no		Employer-sponsored: exempt	—	no	Coverage via the Pension Guarantee Association (PSV) and compulsory contribution payment for employees who are subject to the Company Pension Plans Act (BetrAVG).	no ¹
PENSION PROMISE <small>(covered by special life insurance, so-called indirect insurance)</small>	no	Unlimited tax-exempt premiums	Employee-funded: exempt up to 4% of the CAC West, in addition to § 3 (63) Income Tax Act	—	no	Managing directors-shareholders who are controlling in terms of labor law can obtain insolvency protection via pledging	Tax balance sheet: Pension obligations are carried as liabilities, indirect insurance in force is carried as asset Commercial balance sheet: Balance sheet approach according to the German accounting law modernization act (BilMoG) with netting option to net to zero, where necessary. (BilMoG pension plan)

Note: Salary conversion arrangements may result in lower social security benefits and mandatory membership of statutory health and long-term care insurance, if applicable. Benefits are taxed individually and are subject to mandatory statutory health and long-term care insurance contributions.

¹ Disclosure in the notes to the financial statements only if there is a difference between liabilities and existing cover funds.

Occupational pension solutions at a glance

DIRECT INSURANCE

Direct insurance is the most popular form of occupational retirement provision. As employer you conclude annuity insurance on behalf of your employees. You are the policyholder under the insurance contract.

SUPPORT FUND

You become a member of the Allianz PensionsManagement e. V., a multi-employer support fund, in order to establish an occupational pension plan for the employee. The pension plan is funded through indirect insurance policies concluded with Allianz LebensversicherungsAG. Thus, you are no longer responsible for the risk associated with post-retirement obligations and administration.

PENSION PROMISE

covered by indirect insurance

The classic form of occupational retirement provision provides benefits to your employee upon occurrence of a claim which your company has to fund itself. This type of pension plan requires the establishment of book reserves. You externalize the liquidity risks by concluding Allianz indirect insurance.



A good salary is only half the story...

Our occupational pension products provide a range of special solutions and supplements enabling you to provide extensive and tailor-made pension plans for your employees.

Comprehensive retirement provision – sharing responsibility

Supplementary modules providing for the protection of income and survivors complete the occupational pension plan of your employees.

Disability and survivors' provision	With retirement provision (AV)	Disability module (B module)	Ensures the occupational pension.
		Disability pension module (BR module)	Supplements the income upon disability and ensures the occupational pension.
		Supplementary disability provision (EBV)	For employees for whom an Allianz occupational pension plan has already been established.
		Survivor's provision	Ensures the subsistence level of the survivors.
KSP in bAV	Without AV	Stand-alone disability provision (SBV)	For employees who are not covered under an Allianz occupational pension plan.
	Without AV	Functional Impairment Policy	Protection for employees for whom their functional capacity is of utmost importance.

A modern portfolio: Functional Impairment Policy forming part of the occupational pension plan – the new Allianz insurance policy covering basic functional capacities* can now be combined with occupational retirement provision.

Working-time accounts – the efficient way to create flexibility

Flexible working time arrangements offer many opportunities for you and your employees. They allow organizing working time more in line with employees' individual needs and interests and company requirements.

How it works:

The working time account is a flexible working time arrangement. Your employees save up remuneration for a subsequent release phase. Remuneration consists of portions of salary, but also overtime or holidays not taken.

Your advantages:

In competition for qualified staff you increase your attractiveness for top employees and benefit from a flexible staff management tool. You position yourself as innovative and employee-oriented company and make yourself attractive for the best, thus most ambitious, candidates. Older employees, too, can start the release phase early by maintaining the level of their pension at the same time.



How employees can use their time credits



Sabbatical
Employees use a sabbatical to gain new perspectives and experiences and experiences.



Weiterbildung
80% of employees hope to acquire more professional competence.



Vorruhestand
60% of employees wish to retire earlier.



Flexibilisierung
Only 6% of men work part-time.



Prioritäten
A healthy work-life balance becomes increasingly important.

Important to know:

You decide which options you provide in your company for the use of time credits.

An all-in perspective: options, ideas, modules

As market leader we have been successful in designing occupational pension plans for decades.



Our experts know the special needs of your industry and develop the tailor-made solution for your company and your employees.

- **Metalworking industry** MetallRente, VDMA
- **Press/Media** VdP
- **Healthcare** KlinikRente, VdH
- **Small-sized enterprises** BVP
- **Gardening and landscaping** GaLaBau
- **Manufacturing** IPV
- **Agriculture** LVV
- **Law and economics** BdASW
- **Crafts and trades** HWP
- **Transport economics** MobilitätsRente



Did you know ...

... that we are a partner of many important collective and consortium agreements (consortium agreement of the chemical industry, for example)?
... that we are also a partner of the largest pension schemes (such as MetallRente, PresseVersorgungswerk, KlinikRente, MobilitätsRente, HWP, BVP, GaLaBau)?

Your Allianz, partner of pension schemes



Supplementary private provision

Attractive terms are easily implemented with the help of the informed employee consultation service.

Pension concepts

Should the pension plan rather be more opportunity-oriented or more security-oriented?
You and your employees have the choice!

Reorganization

Managing risk internally or externally? In light of new accounting rules for pension obligations some companies ask themselves this question. Allianz has the solution: Reorganizing pension promises, externalizing obligations.

The needs of your company are the focus of attention

We actively support you

Leaving all usefulness and advantages of occupational retirement provision aside: Planning, implementation and ongoing administration of course involve time and cost. Our personal support and digital services make it as easy as possible for you.



Planning: Together we will find the suitable occupational pension solution.

Together with you, we will develop the best solution for you and your company. No matter which solution you choose – we deliver it from one source (if you wish we also provide additional solutions such as disability provision or working time accounts).

Implementation: Informed and convinced employees.

We help you and your personnel department to inform your staff, e.g. by providing:

- Presentations in the company,
- Information material and individual consultations,
- Assistance in amending employment contracts and much more.

Ongoing administration: Professional administrative support.

We specifically provide support after conclusion of the contract, e.g.:

- Annual meeting to assess your occupational pension concept,
- Reduction of your administrative expense, e.g. by providing special electronic administration platforms (FirmenOnline),
- Our actuarial services such as balance sheet reports, expert opinions, etc.

The digital occupational pension services

With an array of online tools we make it especially easy for you and your employees to benefit from an occupational pension plan:

- Online calculation tool for pension plans implemented through direct insurance
- State subsidies calculation tool – Riemster or direct insurance?
- My Allianz – our customer portal with online insurance portfolio and attractive bonus program
- FirmenOnline – two portals for innovative digital occupational pension management



Digital occupational pension management and modern instrument to address employees: intuitive, efficient and personal

The comprehensive solution provided by FirmenOnline considerably simplifies the occupational pension management in your company. FirmenOnline provides a perfect platform for bringing together employer, employee, intermediary and partner in order to benefit from various synergies.

Employer portal:

- ✓ Quick pricing and new enrollment
- ✓ Simple portfolio management and preparation of lists
- ✓ Import and administer contract data of contracts concluded with other insurers
- ✓ Extensive search and filter functions
- ✓ Contract history and overview of premium payments etc.

Employee Consulting

- ✓ Advising employees completely digitally and without media breaks
- ✓ Focused on the essentials and intuitive to use.
- ✓ Location-independent consulting.
- ✓ Individual tools can be individually selected for consultation.
- ✓ Own tools can be uploaded to the application for advice.



Good to know!

The security standards of FirmenOnline are similar to those applied in online banking. The portals are of course in full conformity with data protection laws.

Employee portal:

- ✓ Individually configured by the respective Allianz intermediary
- ✓ Integrated corporate pension calculation tool
- ✓ Direct contact to competent Allianz intermediary
- ✓ Forwarding of the request for contract conclusion
- ✓ Usable on desktop, tablet and smart phone

We should make a **joint effort** to set up your occupational retirement provision

In light of our many years of experience, our financial strength and proven consulting expertise we are convinced that we are the perfect partner for your occupational pension solution.

Good reasons speaking in favor of Allianz as your partner

Superior financial strength

Total assets under management amount to **EUR 321¹ billion** according to market values in 2020, which corresponds to 28%² of assets held by all German life insurers.

Full trust

80 out of 100 of the largest companies choose Allianz for the implementation of their occupational pension plans.

Unique cooperation

In Germany, Allianz provides services to over **20 million customers**. Our approx. 27,000 intermediaries provide competent advice and approx. 27,000 employees do their best every day to satisfy our customers. This truly is an impressive network of cooperation.

A convincing record

In 2019, the maturity benefits, pensions, death benefits and surrender values paid out by Allianz Lebensversicherungs-AG to customers increased by 7.8% to a total of EUR 15 billion.

¹ In % of book value of investments, asset reserves and liability reserves, GDV, Allianz Lebensversicherungs-AG, as of Dec. 31, 2020.
² Allianz Lebensversicherungs-AG, fair values according to IFRS, as of June 30, 2021.



Your advantages at a glance

- Individual occupational pension concepts (e.g. target group solutions, funding options)
- Annual meeting to review the occupational pension concept
- Online platforms for employees (FirmenOnline employee portal, My Allianz) for the employees
- Annual digital benefit report
- Personal contact person for your occupational pension plan

Let's start now – the future doesn't wait!

Together we will ensure the success of your company and the future of your employees. Your Allianz pension specialist will be pleased to help setting up a perfect occupational pension plan.

Allianz bAV

www.allianz.de/bAV

www.allianz.de/zeitwertkonto

We are here to assist you!

