



# PPK planning for the future

Advertising material

**Employee Capital Plans (PPK), a long-term program designed to guide people to financial security in their retirement.**

**A PPK is considered a private citizen fund.**

- The money in a PPK account is inheritable upon death.
- You may withdraw all your money from the PPK account, on the terms agreed in the PPK Act.
- You can opt in and out of the programme, at any time.
- Your money is invested in life-cycle funds with the level of risk adapted to your age.
- PPK funds have low management fees, and their upper limit is set by the PPK Act.

## What are the sources of the funds in your PPK account

### Your contributions

basic (obligatory) **2%\***, plus additional (optional) up to **2%** of your gross salary

### Contributions from your Employer

basic (obligatory) **1.5%\***, plus additional (optional) up to **2.5%** of your gross salary

### State Treasury

one-off welcome contribution: **PLN 250**, annual contributions: **PLN 240**

### Your PPK account

Accumulation of capital and investments

\* Preferences for the lowest earners: a minimum of 0.5% of salary for those making less than 120% of the minimum wage (i.e. PLN 2,700 gross per month in 2019). Payments financed by an employee are deducted from the net salary.

## How much you can gain

Review how much you can accumulate in the PPK account, how much you should contribute, what your employer's share would be, and what payments you are eligible from your PPK at the age of 60 years.

**Check for yourself with the PPK investment calculator on [axa.pl/ppk](https://axa.pl/ppk)**

Gross monthly salary **PLN 4,500**

Age **35**

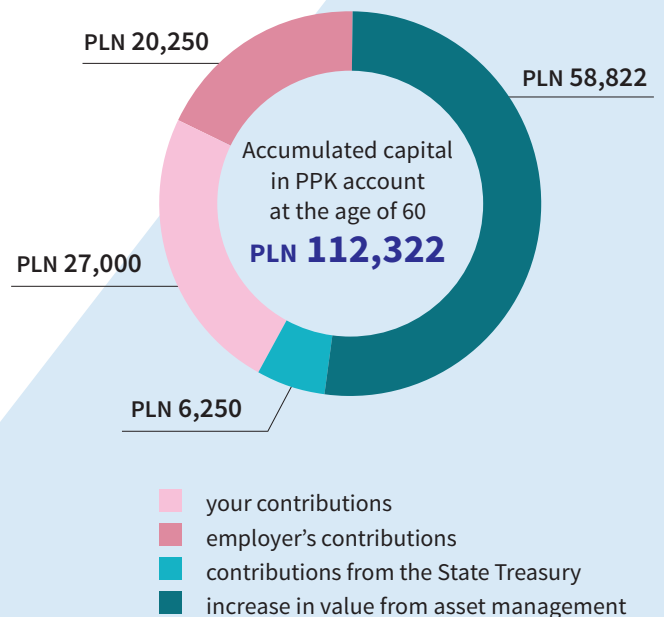
Your monthly contribution (2.0%) **PLN 90**

Your employer's monthly contribution (1.5%) **PLN 68**

Accumulated capital in PPK account at the age of 60 **PLN 112,322**

One-off payment **PLN 28,080**

Monthly payment (120 months) **PLN 909**



Assumptions for the simulation: age 35 years, gross salary PLN 4,500 (fixed), annual rate of return 5.5%, your contribution 2%, employer's contribution 1.5%, saving for 25 years – one-off payment of 25%, and the remaining 75% in 120 monthly instalments. The calculation shown here is not adjusted for inflation and wage variability over time.

# How to have a PPK

If you are 18–55 years old, there is nothing you need to do to save money with a PPK. If you are covered by mandatory retirement and annuity insurance, the employer will automatically enrol you in the program. The employer will also charge and make payments to the financial institution.

- If you are over 55 and under 70 years, you can join the PPK program by request.
- If you want to make additional contributions to your PPK (up to 2% of your salary), just inform your employer.

# How to withdraw funds from your PPK

At the age of 60	Before the age of 60
<p>The balance in your PPK account is paid out on a non-taxable basis once you reach the age of 60, if:</p> <ul style="list-style-type: none"> <li>▪ you withdraw 25% of the funds once,</li> <li>▪ you withdraw 75% of the funds in a minimum of 120 monthly instalments.</li> </ul> <p>You can request a change in the payment method, but note that this change may involve the payment of tax.</p>	<ul style="list-style-type: none"> <li>▪ <b>You can withdraw funds from your PPK account at any time</b> – they are disbursed to you less 30% of the amount of the contributions from the employer (these funds go to your individual account in the Social Insurance Institution), State Treasury payments, and due capital gains tax.</li> <li>▪ <b>In the event of a serious disease concerning you</b>, your spouse or a child, you can withdraw up to 25% of the money without having to pay it back.</li> <li>▪ <b>If you need funds to cover a down payment</b> on housing, you can withdraw up to 100% of the funds (applies to people under the age of 45 years). These funds have to be paid back.</li> </ul>

# What additional benefits do you have from AXA

## DISCOUNTS FOR TAKING OUT INSURANCE

As a PPK participant in AXA you could save money by taking insurance from AXA. Check our discounts below, and review the rules of the promotions that will be available on your PPK account, for details about the promotion and information on when and how to access them.

INSURANCE PRODUCT	home insurance	travel insurance	vehicle insurance	
			liability insurance	third party and motor hull insurance
DISCOUNT	discount <b>10%</b>	discount <b>10%</b>	refund <b>PLN 50*</b>	refund <b>PLN 100*</b>

\* A refund is due twice during the first two years of participation in the PPK. The refund is contingent on such conditions as giving marketing consent. Details are available in the rules of the promotion for participants of the PPK.

## AXA BENEFIT DISCOUNT PROGRAM

PPK participants gain access to optimal discounts and can enjoy them without restrictions. Visit [axabenefit.pl](http://axabenefit.pl) to review over **400** special products and services representing well-known brands and local suppliers from various categories, including home and garden, culture and education, children, clothing and footwear, travel, restaurants, beauty and health. The AXA Benefit program offer is under constant expansion, to include new partners and promotions.

Sample products and services



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Conclusion of a contract for maintaining a PPK with AXA Emerytura Specjalistyczny Fundusz Inwestycyjny Otwarty (hereinafter: AXA Emerytura SFIO) and participation in this fund carries investment risk, and the participant must take into account that at least part of the invested funds may be lost. The amount and method of collecting handling fees is set out in the prospectus of AXA Emerytura SFIO and the contract for managing and maintaining the PPK. The individual rate of return on investment is contingent on the date of acquisition and the day of purchase of the units, and on the amount of handling fees and tax obligations charged to the participant, in particular the amount of tax on capital income.

The figures presented in the calculation herein are only simulations and are not a guarantee of earning similar profit/loss in the future. AXA Retirement SFIO does not guarantee the implementation of the investment objective.

Detailed descriptions of risk factors are provided in the information brochure, AXA Emerytura SFIO, available at AXA TFI's registered office, at distributors and on the [tfi.axa.pl](http://tfi.axa.pl) website, where key information for investors is also published, information for alternative investment fund customers and annual and half-yearly financial statements of AXA Emerytura SFIO. Units are distributed solely in the Republic of Poland.

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