The pension system in Switzerland

### Old age, survivors’ and disability insurance

<table>
<thead>
<tr>
<th>Group of persons</th>
<th>Benefits</th>
<th>Calculation basis for benefit level</th>
<th>Temporary incapacity for work</th>
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<th>Adjustment of benefits</th>
<th>Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>AHV/DI</td>
<td>Mandatory insurance</td>
<td>Persons who live or work in Switzerland, Swiss citizens and persons who work abroad for the federal government or organizations designated by the Federal Council</td>
<td>• Employees who work for a fixed contractual period</td>
<td>• Persons deployed abroad for a fixed contractual period</td>
<td>• Self-employed persons</td>
<td>No benefits</td>
<td>No benefits during a one-year waiting period</td>
<td>• Widow/widower’s pension</td>
<td>In accordance with the Ordinance on Cost-of-living Adjustments.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>People who work for an AKV pension</td>
<td>• Persons receiving daily uninterupted year of residence in Switzerland</td>
<td>• Foreigners with 10 uninterrupted years of residence in Switzerland, and refugees and stateless persons with 5 uninterrupted years</td>
<td>• Citizens of EU and EFTA countries</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
<td>None</td>
<td>Federal government and cantons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Eligible claimants</td>
<td>• Persons not gainfully employed</td>
<td>• Persons with gainful employment who have earned an annual AHV salary above CHF 21,510</td>
<td>• Persons deployed abroad for a fixed contractual period</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
<td>None</td>
<td>Federal government and cantons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Subsistence minimum</td>
<td>• Differences in the pensionable salary and recognized expenditures such as accommodation, living costs that are customary for the canton, etc. (subsistence minimum)</td>
<td>• Differences in the average daily wage and recognized expenditures such as accommodation, living costs that are customary for the canton, etc. (subsistence minimum)</td>
<td>• Persons deployed abroad for a fixed contractual period</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
<td>None</td>
<td>Federal government and cantons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Occupational benefits insurance</td>
<td>• Yes, unless the insured person would have been entitled to earlier retirement</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
<td>None</td>
<td>Federal government and cantons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Voluntary insurance</td>
<td>• Yes, unless the insured person would have been entitled to earlier retirement</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
<td>None</td>
<td>Federal government and cantons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retirement pension</td>
<td>• Yes, unless the insured person would have been entitled to earlier retirement</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
<td>None</td>
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<tr>
<td></td>
<td></td>
<td>Volunteer insurance</td>
<td>• Yes, unless the insured person would have been entitled to earlier retirement</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
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<td>Federal government and cantons</td>
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<td>Self-employed persons</td>
<td>• Yes, unless the insured person would have been entitled to earlier retirement</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
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<td>Federal government and cantons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Supplementary benefits insurance</td>
<td>• Yes, unless the insured person would have been entitled to earlier retirement</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• No upper threshold for the pensionable salary</td>
<td>• Widow/widower’s pension</td>
<td>No benefits</td>
<td>None</td>
<td>Federal government and cantons</td>
</tr>
</tbody>
</table>

### Calculation of Mandatory AHV/DI Contributions

- **Mandatory AHV/DI Contributions**: Maximum CHF 146,100 (same as for UVG)
- **Voluntary AHV/DI Contributions**: Maximum CHF 146,100 (same as for UVG)

### Calculation of Regular AHV/DI and DI Contributions

For higher incomes, an additional solidarity contribution of 1% is paid for salary components above CHF 146,101

### Nominated AHV/DI Contributions

- **Payments**: For higher incomes, an additional solidarity contribution of 1% is paid for salary components above CHF 146,101

### Calculation of widow/widower’s pension

- Widow/widower’s pension: 60% of the relevant retirement pension
- Widow/widower’s pension: 20% of the relevant retirement pension

### Adjustments to Pensions

- **Adjustments**: The Federal Council can adjust benefits as appropriate.

### Death Benefits

- **Benefits**: Widow’s/widower’s pension (minimum amount)
- **Benefits**: Widow’s/widower’s pension: 40% of the relevant retirement pension
- **Benefits**: Widow’s/widower’s pension: 80% of the relevant retirement pension

### Unemployment Benefits

- **Unemployment Benefits**: 80% of the pensionable salary for a maximum of 12 months within 2 years
- **Compensation for reduced working hours**: 80% of the effective loss of income for a maximum of 6 months within 2 years

### Bad Weather Compensation

- **Compensation**: 100% of the pensionable salary for the last 4 months of the employment relationship
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### Status

- **Status**: January 2022. All information without guarantee
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**Group of persons**

- **Mandatory insurance**: Compulsory for all employed persons and the self-employed (under certain conditions).
- **Voluntary insurance**: Available to all employees and self-employed persons.

**Benefits**

- **Compensation**: Includes maternity compensation and loss of earnings.
- **Permanent occupational disability**: Benefits for workers incapacitated for work due to work-related injuries or illnesses.
- **Death prior to retirement**: Benefits for members of the pension system who die before reaching retirement age.
- **Adjustment of benefits**: Adjustments to pension benefits based on changes in the consumer price index.

**Calculations and Adjustments**

- **Calculation basis for benefit level**: Based on the insured employee’s pensionable salary.
- **Temporary incapacity for work**: Benefits for temporary incapacity due to work-related injuries or illnesses.
- **Medical treatment and cost reimbursement**: Reimbursement of medical expenses and costs for treatment.
- **Pensionable salary**: The basis for calculating pension benefits.
- **Maximum**: CHF 348,200 for regular employees, CHF 148,200 for self-employed.

**Financial basis**

- **Contribution rates**: Set by law and vary based on employment status and risk class.
- **Financial basis**: Reflects the economic performance of the pension system.

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**Accident Insurance**

- **Compensation**: May include maternity compensation and loss of earnings.
- **Maternity compensation**: Eligible claimants are persons who carry out off-duty work.
- **Loss of earnings**: Beneficiaries are persons with their domicile in Switzerland for sickness or accident.

**Insurance**

- **UVG**: Compulsory for all employed persons and the self-employed (under certain conditions).
- **KVG**: Available to all employees and self-employed persons.

**Mandatory insurance**

- **Healthcare insurance**: Includes hospital insurance, which is mandatory for all insured persons.
- **Mandatory healthcare insurance**: Provides standardized benefits for all insured persons.
- **Voluntary daily benefits**: Swiss residents employed in agriculture or civil defense, civilian service, or voluntary insurance under the UVG, and maternity (loss of earnings benefits and maternity benefits).

**Voluntary insurance**

- **Self-employed persons**: Eligible for voluntary insurance for self-employed persons working in agriculture or under specific rules applicable to family members working in agriculture.

**Daily benefits**

- **Daily benefits insurance**: Benefits for insured persons in modified daily benefits and for young people in agriculture.
- **Healthcare insurance**: Benefits for insured persons in healthcare insurance and for young people in agriculture.

**Pensionable salary**

- **Eligible claimants**: Persons undergoing specific training or those who were self-employed, provided they were covered under the AHV for at least 9 months and were gainfully employed at least 5 months before the birth.

**Voluntary insurance**

- **Persons emigrating from Switzerland for sickness or accident**: Eligible for maternity benefits and loss of earnings.
- **Persons undergoing specific training**: Eligible for maternity benefits and loss of earnings.

**Daily benefits**

- **Maximum**: CHF 348,200 for regular employees, CHF 148,200 for self-employed.
- **Requirement**: No supplementary pension for female spouses.

**Pension**

- **Amount**: Depends on disability level (linear increase from 10% to 100% for some cases).
- **Benefit**: 80% of the pensionable salary.

**Impairment compensation**

- **Lump sum payment**: Dependent on severity of physical or mental impairment.
- **Maximum**: CHF 348,200.

**Mandatory healthcare insurance**

- **Premiums**: Revenue from social security contributions.
- **Coverage**: Must cover all mandatory healthcare expenses.

**Military insurance**

- **Eligible claimants**: Persons serving in the army, civilian defense, civil service, Youth and Sports program, and those undergoing specific training.

**Loss of earnings compensation (maternity compensation)**

- **Eligible claimants**: Persons undergoing specific training or those who were self-employed, provided they were covered under the AHV for at least 9 months and were gainfully employed at least 5 months before the birth.

**Pensionable salary**

- **Maximum**: CHF 148,200.
- **Requirement**: No disability pension for female spouses.

**Loss of earnings benefits**

- **Maximum**: CHF 348,200.
- **Benefit**: 80% of the pensionable salary.

**Mandatory healthcare insurance**

- **Premiums**: Revenue from social security contributions.
- **Coverage**: Must cover all mandatory healthcare expenses.

**Employee and employer**

- **Premiums**: For occupational and non-accidental causes, companies are divided into risk classes. Each risk class has different risk levels.

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