



Swiss Pensions Accounting Assumptions Survey

An analysis of market trends in pensions accounting
assumptions as of 31 December 2025



May 2026

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Overview

Key trends for 31 December 2025 IFRS and US GAAP actuarial (financial and demographic) assumptions used to derive pension liabilities

Over 2025, we observed the following key themes in accounting assumptions for Swiss Pension plans:

1. median discount rates increased by 30bps, from 0.95% at 31 December 2024 to 1.25% at 31 December 2025; and
2. median interest credit rates increased by 25bps, from 1.50% at 31 December 2024 to 1.75% at 31 December 2025; and
3. median salary increase rates remained constant at 1.50%.

Assumptions	Median 31.12.24	Median 31.12.25	Change
Discount rate	0.95%	1.25%	0.30%
Interest credit rate	1.50%	1.75%	0.25%
Salary increase rate	1.50%	1.50%	0.00%
Pension increase rate	0.00%	0.00%	0.00%

Source: KPMG Analysis

In contrast to the prior year, Swiss corporate bond yields increased during 2025, resulting in higher discount rates at 31 December 2025 than at 31 December 2024. Higher discount rates reduce pension liabilities, as future cash flows are discounted at a higher rate.

Companies surveyed

This survey is based on data gathered from publicly listed companies, KPMG audited entities and advisory clients, and other entities where KPMG has been provided with pensions accounting information.

While the majority of companies included within our survey reported under IFRS, we did not observe any significant differences in the assumptions used across different accounting standards.

Overview of entities included in survey			
Type of company	IFRS	US GAAP	Total
SIX listed	37	5	42
Swiss subsidiary	7	2	9
Privately held / other	15	5	20
Total	59	12	71

Source: KPMG Analysis

KPMG analysis



This edition of Swiss pensions accounting survey looks at trends in accounting assumptions based on the experience of 68 companies (71 plans) reporting under IFRS or US GAAP as of 31 December 2025.

The survey covers companies advised by a range of actuarial consultancies and includes both domestic Swiss companies and subsidiaries of overseas parents.





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Discount rate

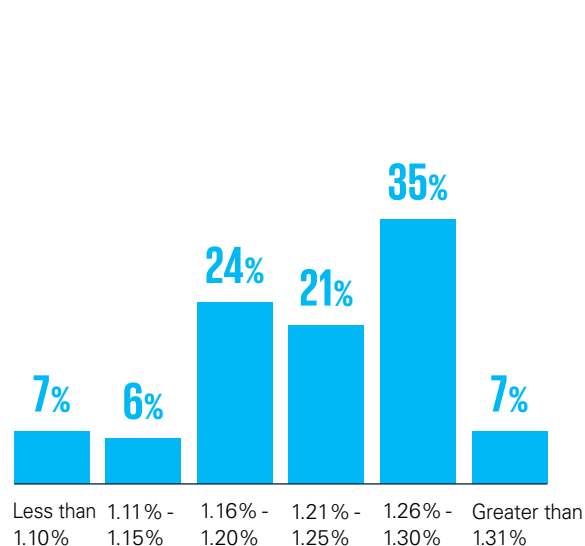
Figure 1:

Discount rates

31 December 2024 median: 0.95%

31 December 2025 median: 1.25%

Percentage of plans



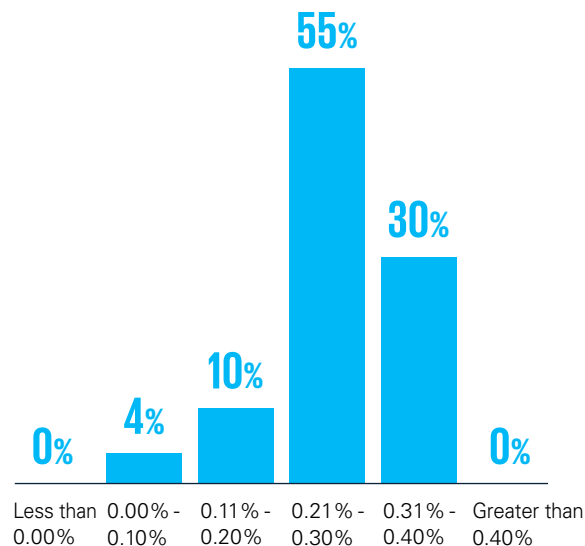
Source: 71 plans

Figure 2:

Increase in discount rates from 31 December 2024 to 31 December 2025

Median increase 2025: 0.30%

Percentage of plans



Source: 67 plans

KPMG analysis



The discount rate is based on corporate bond yields at the end of the reporting period.

IFRS and US GAAP requires the duration of the bonds used to be consistent with the duration of the liabilities. Swiss corporate bond yield curves are relatively flat such that the difference in discount rates by duration is modest.

For plans in our survey, discount rates increased by on average 30bps over the period from 31 December 2024 to 31 December 2025 (48bps of decrease from 2023 to 2024).



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Interest credit rate

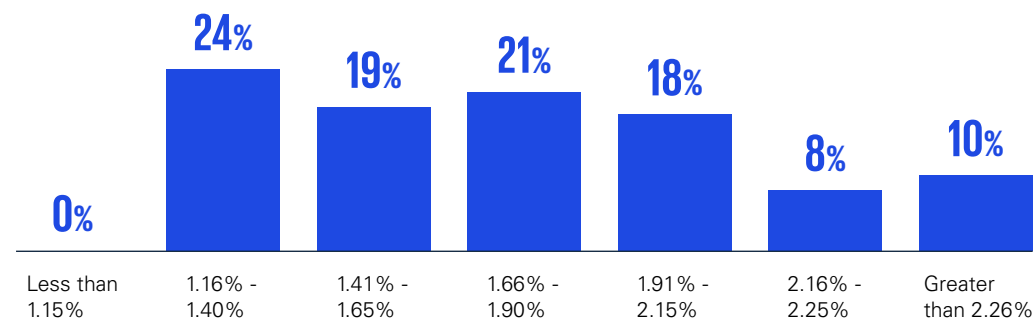
Figure 3:

Interest credit rate

31 December 2024 median: 1.50%

31 December 2025 median: 1.75%

Percentage of plans



Source: 62 plans

KPMG analysis



The interest credit rate assumption reflects the rate at which employee savings capital is assumed to be credited with interest in each future year.

The observed median interest credit rate from our survey was 1.75% as at 31 December 2025 (1.50% as at 31 December 2024).

For reference, the legal minimum rate applicable for 2026 remains unchanged from the 2025 rate of 1.25%.

A range of interest credit rate assumptions was observed, with the majority of the plans using an assumed rate within the range 1.16% – 2.15%.



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Pension increases

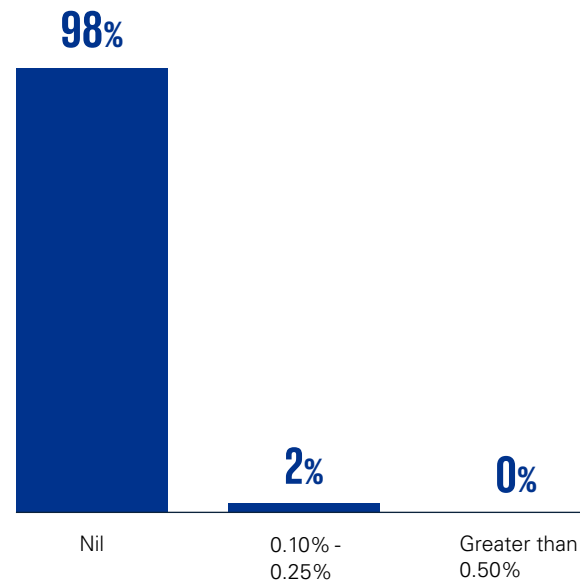
Figure 4:

Pension increases

31 December 2024 median: 0.00%

31 December 2025 median: 0.00%

Percentage of plans



Source: 63 plans

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KPMG analysis



Pension increases are not mandatory in Switzerland and are generally only granted when a plan is in a very comfortable financial position.

At 31 December 2025, only 2% of plans surveyed made an assumption for future pension increases greater than Nil. Of those assuming future pension increases, an assumed rate within the range of 0.10% – 0.25% p.a. is made.



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Inflation and salary increase assumptions

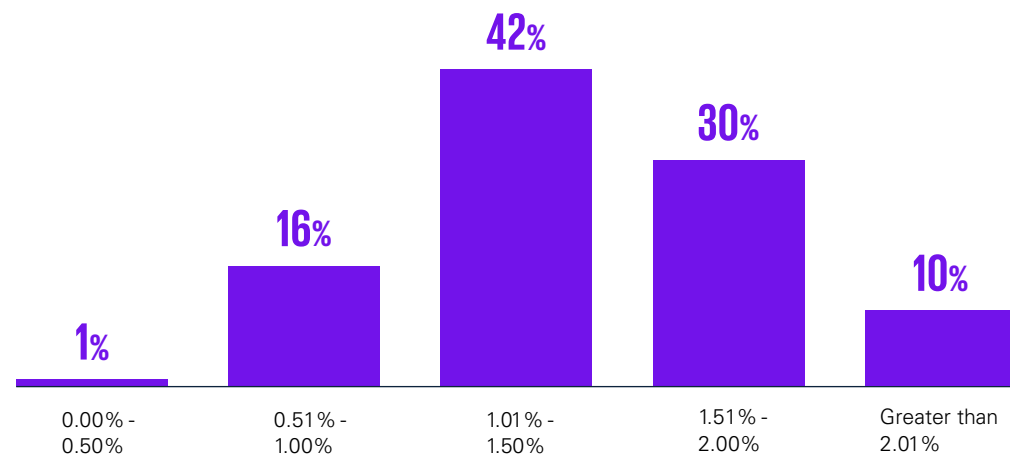
Figure 5:

Salary increases

31 December 2024 median: 1.50%

31 December 2025 median: 1.50%

Percentage of plans



Source: 67 plans

KPMG analysis



The inflation assumption is generally not a significant assumption for the measurement of Swiss pension liabilities. However, it is often used as a basis for setting the salary increase assumption (which is also not particularly significant for typical Swiss cash balance plans).

Our survey shows a median nominal salary increase assumption of 1.50% as at 31 December 2025 (unchanged since the prior year end), with around 70% of the plans adopting an assumption within the range of 1.01% – 2.00%. The stable median salary increase rate is reasonably in line with movements in inflation expectations over 2025.



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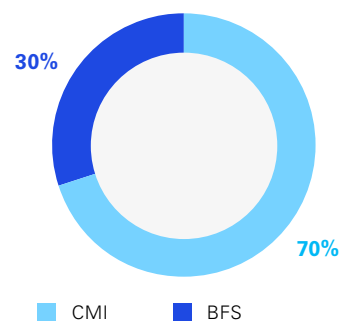
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Mortality

Figures 6 & 7:

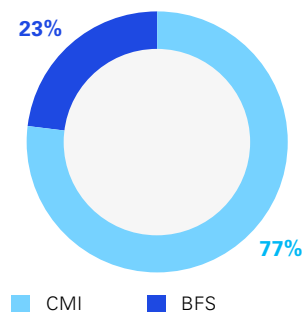
All plans surveyed



Adopted a standard CMI model and assumed a long-term rate of 1.25%	76%
Adopted a standard CMI model and assumed a long-term rate of 1.50%	17%
Adopted a standard CMI model and assumed a long-term rate of 1.75%	4%
Adopted a standard CMI model but the long-term rate used was not known	2%

Source: 66 companies

Listed companies (SMI index)



Adopted a standard CMI model and assumed a long-term rate of 1.25%	50%
Adopted a standard CMI model and assumed a long-term rate of 1.50%	30%
Adopted a standard CMI model and assumed a long-term rate of 1.75%	10%
Adopted a standard CMI model but the long-term rate used was not known	10%

Source: 13 companies

KPMG analysis



The most recently published demographic tables in Switzerland are the BVG/LPP 2025 tables. Due to the timing of their release in late December 2025, these tables were not yet in wide-spread use by IFRS and US GAAP reporters as at 31 December 2025.

All of the companies in our survey used the BVG/LPP 2020 base mortality tables as at 31 December 2025, with around 70% using the CMI model for mortality improvements.

A CMI approach was particularly common amongst large Swiss listed companies (SMI index) where it was also used by around 80% of observed.



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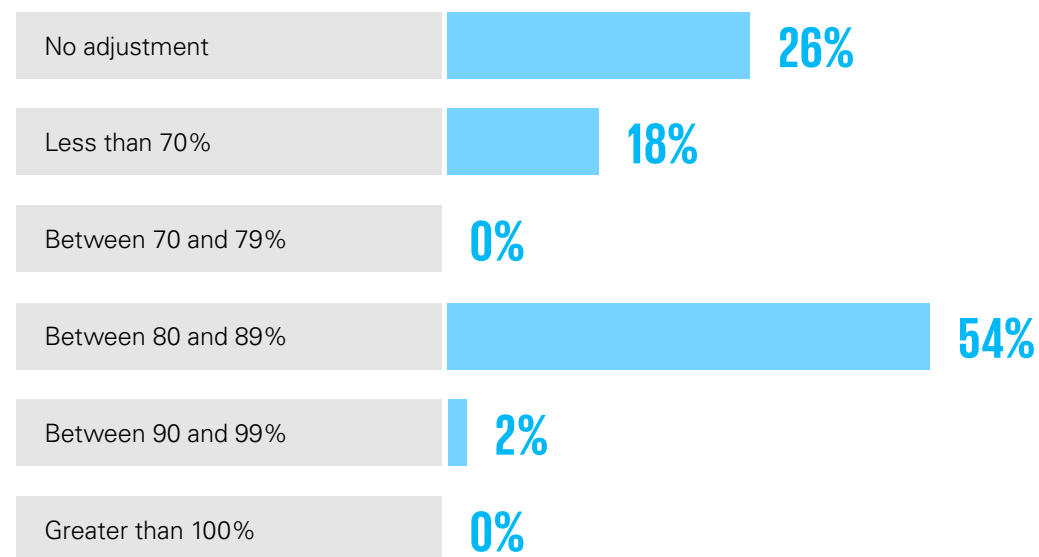
Disability

Figure 8:

Disability

31 December 2024 median: 80%

31 December 2025 median: 80%



Source: 57 plans

KPMG analysis



The BVG/LPP standard disability rates include all cases in which individuals have a high enough degree of disability to receive a disability benefit (a degree of disability of 40% or higher).

A number of companies surveyed adjusted the assumed disability rate downwards as a proxy for the fact that some individuals will only receive part of the disability benefit.

Around 75% of the companies made such an adjustment and of those that did, the median adjustment was to multiply the standard rates by a factor of 80%.



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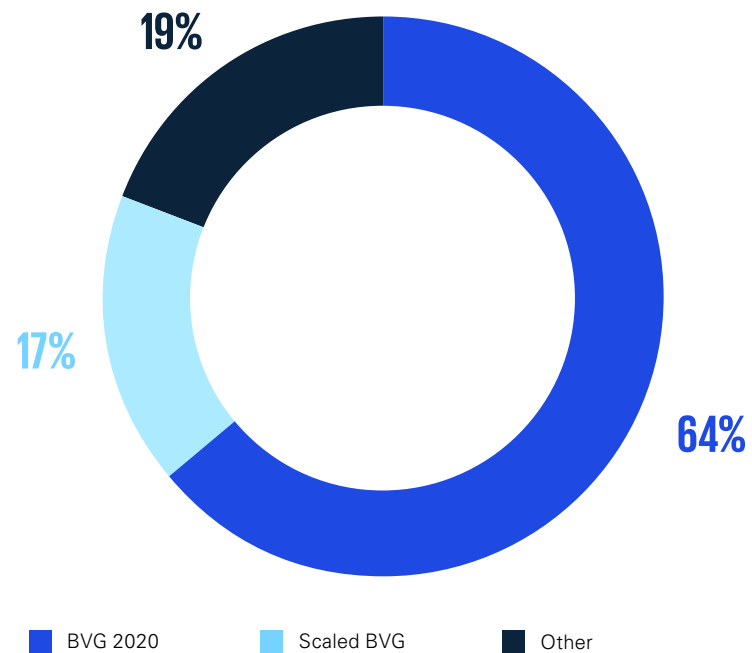
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Employee turnover

Figure 9:



Source: 56 plans

KPMG analysis



Around 80% of companies surveyed used the standard BVG/LPP 2020 employee turnover scale with no adjustments.

Others used their own scale or applied a fixed percentage increase/decrease to the BVG/LPP standard tables.

For those applying a percentage increase/decrease to the BVG/LPP standard tables, the median factor was 120%.



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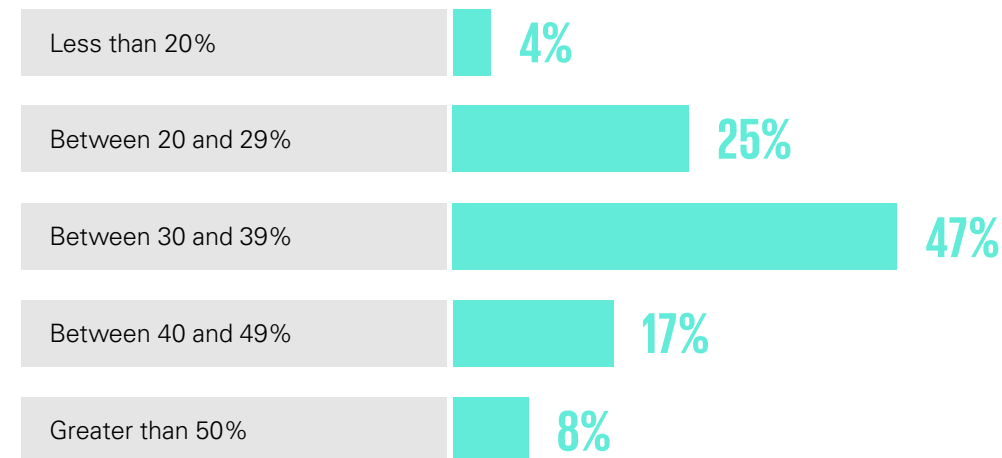
Lump sum

Figure 10:

Lump sum

31 December 2024 median: 30%

31 December 2025 median: 30%



Source: 53 plans

KPMG analysis



The median assumption in our survey was that employees would take 30% (unchanged since the prior year) of their account balance as a lump sum on reaching retirement age.

Some used a significantly higher assumption (in certain cases higher than 50%), while the lowest allowance for lump sum take-up is 10%.

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