



# PwC 1e Pension Plan Survey 2025



7<sup>th</sup> edition September 2025

# Momentum continues: strong growth and innovation in the Swiss 1e market



## Looking ahead:

After several years of tracking the 1e pension market annually, we will shift to a new cadence going forward. The study will now be published every 2–3 years to allow for deeper insights and enable a more long-term perspective.

## Introduction

The Swiss 1e pension market continues to expand, particularly within multi-employer pension funds (MEPFs), and shows no signs of market saturation. Digital transformation remains a top priority for providers, with high levels of engagement across the board.

Despite a broader slowdown in the overall 1e pension fund market compared to last year's study, the 1e segment continued its upward trajectory. MEPFs recorded a 15% increase in insured members, while assets under management rose by 25% – marking the second consecutive year of strong growth. This surge was undoubtedly supported by favourable asset market conditions in 2024.

This year's survey focuses exclusively on MEPF providers, with a spotlight on their development paths as well as on digitalisation and the growing relevance of artificial intelligence (AI). These topics are firmly anchored in their innovation agendas. Company-own pension funds have been excluded this year due to the low participation rate, in order to ensure the relevance and comparability of our analysis.

**CHF 8.03 billion**

assets under management in 1e plans with MEPFs surveyed (+25%)

**28,522**

employees covered by 1e MEPFs surveyed (+15%)

**10 out of 14**

MEPFs are highly engaged in digitalisation

**+490 (+12%)**

new companies affiliated to multi-employer pension funds in 2024

**10.4% average growth**

expected by 1e MEPFs for each of the next 5 years

**7.2%**

average return on assets achieved by participating 1e pension funds in 2024

Legend: MEPF = Multi-employer pension fund

# Key statistics and findings at a glance



- 1 1e growth continues – no signs of saturation**  
Market still expanding, though with more realistic expectations.
- 2 Digital and AI innovation gaining traction**  
Most providers offer portals and are working on smarter, AI-supported solutions.
- 3 Efficiency gains through scale**  
Administrative costs per insured keep falling thanks to growing memberships.
- 4 Crypto sparks interest – with caution**  
Providers explore crypto options but remain prudent.

# 01

## 1e market development: facts and figures

No signs of market saturation with 1e multi-employer funds, though growth expectations are more cautious



# No signs of approaching 1e market saturation with MEPFs, though growth expectations contained

## 1e MEPFs saw a 15% increase in new insured members enrolled in 1e pension plans

The 14 MEPFs surveyed insure 28,522 insured members and CHF 8.03 billion in pension capital as of the end of 2024. They cover 58% of the total market when measured by insured members.

The number of insured members of the MEPFs surveyed is increasing steadily year by year. In the previous year's survey, overall growth of survey participants and the 1e market was similar. This year, the surveyed MEPFs had a growth rate overall of 15% (+3,642) as of 31 December 2024 compared to 14% (+3,058) in the previous year.

### Similar growth in new affiliations

Although the number of affiliations as of January 2025 achieved similar growth to the MEPFs surveyed, increasing by +12% (+490), this was slightly more than the previous year. Additionally, the average size per affiliation in the MEPFs surveyed has increased by 16% compared to the previous year (+4%).

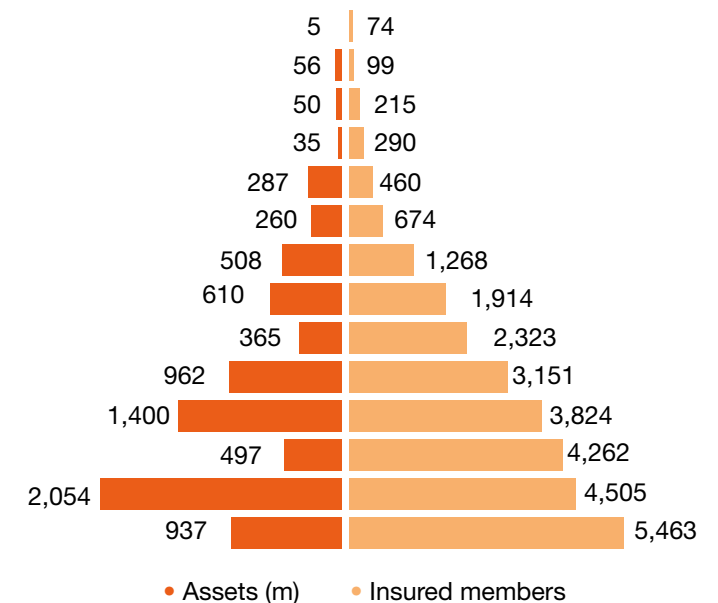
### Stronger growth in AuM with MEPF

The growth in assets under management (AuM) with MEPFs has outpaced the increase in insured members. The AuM of the surveyed MEPFs grew by 25% (+CHF 1.6 billion), surpassing last year's growth rate of 19%.

### Future?

In recent years, annual AuM growth expectations were notably ambitious, with average rates consistently ranging between 20% and 23%. This year marks a clear shift: expectations have been revised significantly downwards to a more modest 10.4% per annum.

Multi-employer 1e pension funds



The AuM of the surveyed MEPFs grew by

25%

# Overall 1e market shows slower growth

## The overall 1e market is developing at a slower pace

The 1e market insures approximately 3,000 new individuals as of the end of 2024, which is an increase of about

# 7%

### Slower growth both absolute and relative in the number of insured persons:

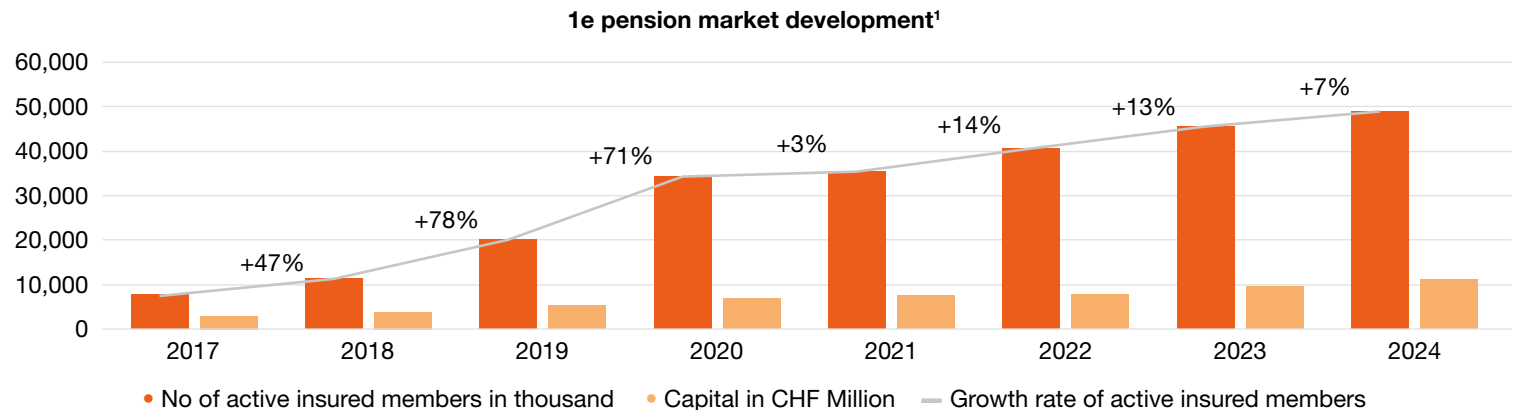
The growth in insured persons is declining both in absolute and relative terms compared to the previous two years. The 1e market insures approximately 3,000 new individuals as of the end of 2024, which is an increase of about 7%.

### Continuing but slower double-digit growth in 1e AuM:

Despite a favourable investment year, the growth in pension assets under 1e plans has slightly slowed compared to the previous year. Pension capital increased by CHF 1.6 billion (+17%) versus CHF 1.8 billion (+23%) the year before.

The 1e MEPFs surveyed outpaced the market as a whole by 8 percentage points in relative growth. Compared to last year, their development was much more in line with the broader 1e market.

This stronger performance is partly due to the growing significance of MEPFs within the 1e landscape. While 14 MEPFs represented 68% of total 1e assets last year, their share has risen to 72% this year. In addition, some of the companies with in-house pension funds in Switzerland have been impacted by reorganisations, which influenced the numbers of members in these plans.



<sup>1</sup> BFS Pensionskassenstatistik (2024)

# Are 1e plans becoming less attractive due to potentially higher lump sum taxation?

## Buy-ins per insured member dropped last year

In 1e pension plans, both contributions and buy-ins are significantly higher than in collective MEPPFs. Regular contributions in 1e plans are typically 1.5 to 2 times the level seen in collective MEPPFs<sup>2</sup>.

In 2024, the average buy-in in 1e plans was CHF 22.2k, a stark contrast to the CHF 1.6k average per active member in collective MEPPFs. This difference is largely explainable by the fact that 1e plans are designed as top-up solutions for higher-earning individuals with potentially higher opportunities to buy into a pension plan.

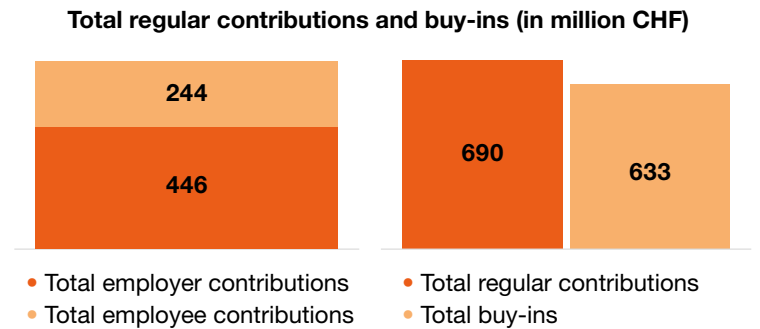
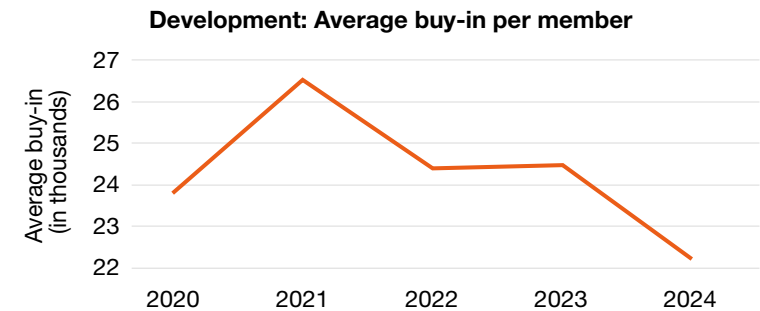
There has however been a noticeable decline in buy-ins to 1e plans, with a 9% drop compared to previous years, when average buy-ins ranged between CHF 23.8k and CHF 26.5k.

### Reduction of average buy-in because of potential higher lump sum taxation?

The decline in 1e buy-ins in 2024 potentially results from a complex mix of financial, psychological, and structural factors, including ongoing political discussions which may have created uncertainty about future conditions for pensions and buy-ins (e.g., lump sum taxation treatment, withdrawal flexibility), more attractive alternative investments, increased cost of living, inflation pressure, low confidence in personal investment decisions, lack of knowledge and communication around possibilities to buy in to the pension plan, inflexibility of assets within the pension fund, or property purchase 3-year blocking period considerations.

In 2024, the average contribution per member remains stable at

**CHF 15.6k**



### Consistently strong contribution financing by employers

As in previous years, the employer's contribution remains significantly more generous – on average 65% higher than the market average (58%<sup>2</sup>). In 2024, the average contribution per member remains stable at CHF 15.6k.

<sup>2</sup> Pensionskassenstatistik Kennzahlen 2018 – 2022 (Bundesamt für Statistik, BFS)

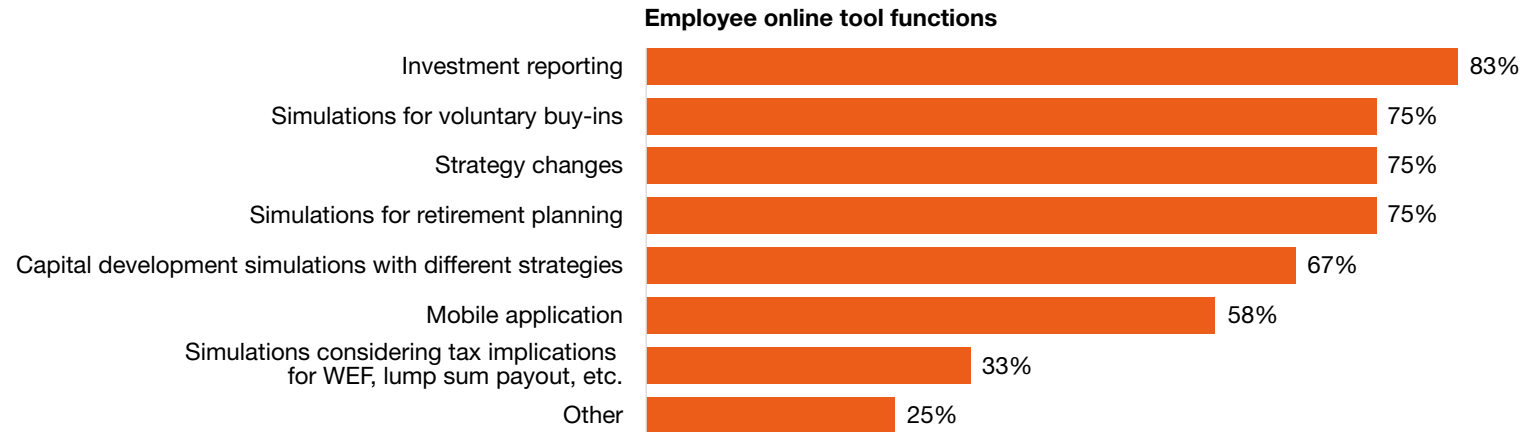
# 02

## Engagement in digitalisation



# Strong digital momentum in 1e MEPFs

**Providers diving deeper into enhancing the functionality of online portals and full process automation**



Today, 11 out of 14 providers offer an online portal – highlighting a significant shift since the first edition of the survey in 2019, when an online presence for clients was only talked about and not an online tool for insured members in particular.

Interestingly, two of the 14 providers still operate with two separate portals: one dedicated to pension-related information and another for e-banking and performance reporting. The functionality of MEPF employee portals varies widely, but commonly includes investment reporting, strategy adjustments and simulation tools. The majority (75%) provide both investment reporting and buy-in simulations within the portal, while 75% allow employees to adjust their investment strategy online. However, only 58% currently offer a mobile application. There is

still a lot to do if MEPFs want to match the digital standards and offerings of the broader financial services sector.

Beyond the features shown in the chart, all providers offer access to key pension documents via the portal. Most also include a risk assessment tool to help employees select an appropriate investment strategy.

In addition, ten providers reported that they are actively working on enhancing their employee portals. These improvements include a better user experience, fully digital processes (e.g. onboarding, buy-ins, strategy changes and exits), as well as the addition of new features such as advanced simulations and financial planning tools.

# 75%

allow employees to adjust their investment strategy online.

<sup>2</sup> Pensionskassenstatistik Kennzahlen 2018 – 2022 (Bundesamt für Statistik, BFS)

Providers highlighted strong potential for AI in areas such as portfolio management, administrative processes, simulations and advisory services.



# Unlocking the power of AI in multi-employer pension funds

## Survey insights: AI adoption gaining momentum

Our survey shows that the journey toward AI adoption has begun, with several promising initiatives already underway. Four out of 14 providers currently use AI internally to enhance operational efficiency, and another three are actively implementing similar solutions. While external, member-facing applications are still emerging, two providers have already integrated a chatbot into their employee portal. When asked about future use cases, providers highlighted strong potential for AI in areas such as portfolio management, administrative processes, simulations and advisory services – signaling a clear openness to embracing technology for a greater impact.

## Beyond the survey: unlocking the digital potential of MEPFs

Our broader experience in working with MEPFs confirms a growing appetite for digital innovation. Many providers see digitalisation – and AI in particular – not only as an opportunity to improve internal efficiency but also as a key enabler for more interactive and user-centric member communication. From streamlining administrative workflows to offering personalised support through AI-powered tools, the possibilities are broad and highly relevant. Given their central role in managing pension solutions for multiple employers, MEPFs are well positioned to lead the way in transforming the pension experience – both behind the scenes and at the front end.

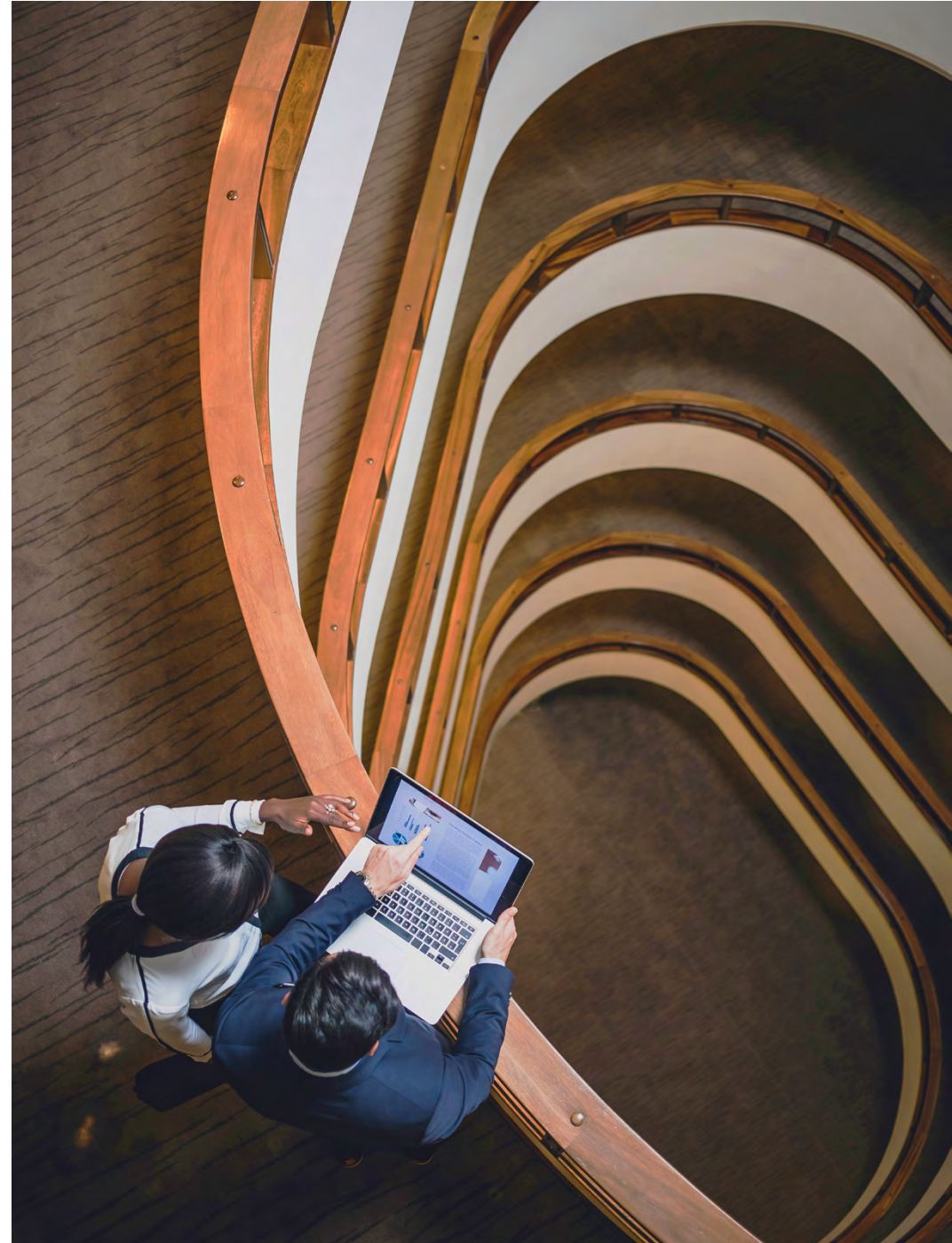


An interesting development in this context is Swisscanto's newly launched small-cap equity fund, which uses artificial intelligence to uncover attractively valued companies. AI is used to analyse a vast proprietary dataset to reveal hidden correlations and identify tomorrow's winners - free from human bias.



# 03

## Further observations



# 1e MEPFs resume scaling after a year of stable costs

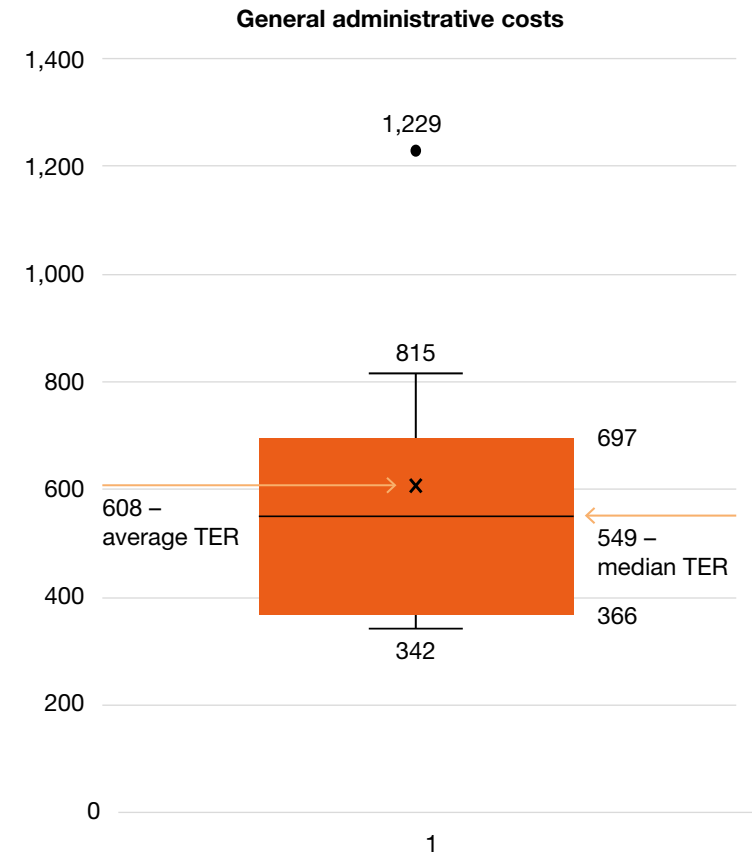
## Scaling resumes after a year of stable costs

Several providers managed to further reduce admin costs, although some reported a slight increase in costs per member due to organisational changes compared to the previous year.

MEPF providers successfully decreased the average admin cost per member from CHF 667 to CHF 608, representing an average reduction of -9%. Comparing this with the Swiss average admin costs with a collective foundation, 1e plans are still 1.9x more expensive per member (CHF 322 per member<sup>3</sup>).

The significant growth in insured members with certain providers have positively contributed to the average admin cost per member. The average increase in insured members is 15%, with the lowest growth rate at -4% and the highest at +252% as of the end of 2024.

Additionally, providers are investing heavily in enhancing process efficiency through the digitalisation of operations, which supports greater efficiency and contributes to lowering costs.



The average increase in insured members is

**15%**

<sup>3</sup> Schweizer Pensionskassenstudie 2025 (Swisscanto by Zürcher Kantonalbank)

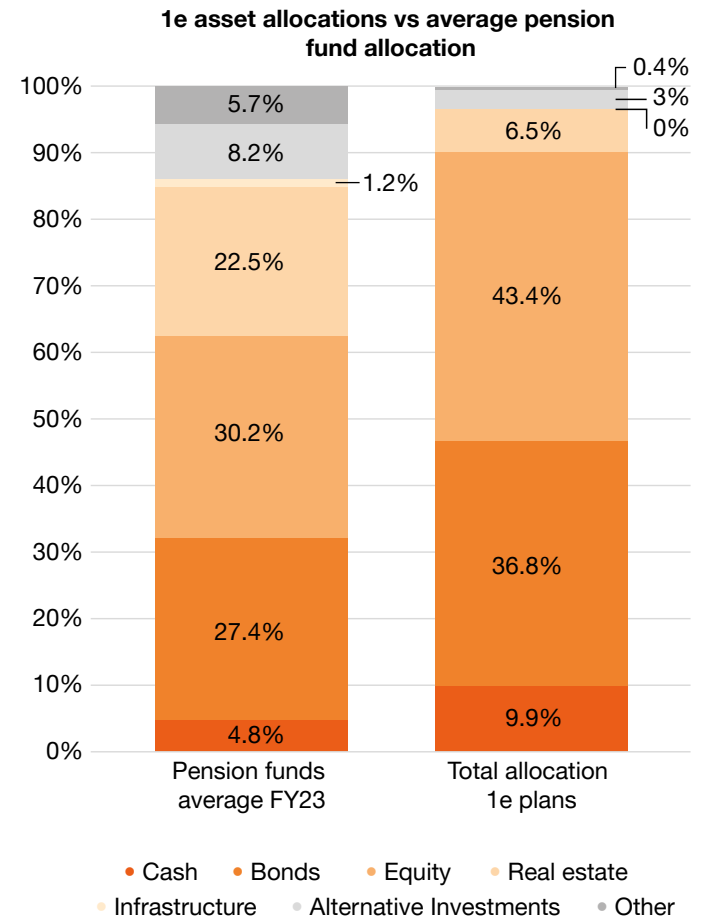
# Crypto gains attention, but caution remains

## Is crypto becoming a viable asset class in pension plans?

Equities (43.4%) and bonds (36.8%) continue to dominate asset allocation in 1e pension plans. By contrast, real estate plays a minor role at just 6.4% – notably lower than the average allocation in traditional pension funds.

This underweight is likely due to the liquidity requirements in 1e plans and the fact that real estate investments via funds can exhibit volatility similar to equities. Compared to the previous year, there has been a modest increase in allocations to equities and bonds, while allocations to liquid assets and real estate have slightly decreased.

A new development is the emergence of cryptocurrencies within the 2<sup>nd</sup> and 3<sup>rd</sup> pillar discussions. Among the 14 MEPFs surveyed, only three currently offer crypto assets as an investment option. While crypto is gaining attention, the prevailing view is that, given its volatility and regulatory uncertainty, it remains poorly suited for inclusion in the 2<sup>nd</sup> pillar – despite its rising popularity.



# 3

MEPFs currently offer crypto assets as an investment option.

<sup>4</sup> BFS Pensionskassenstatistik (2024)

# 1e performance aligned with average pension fund performance

## Average performance of MEPFs slightly below average pension fund return

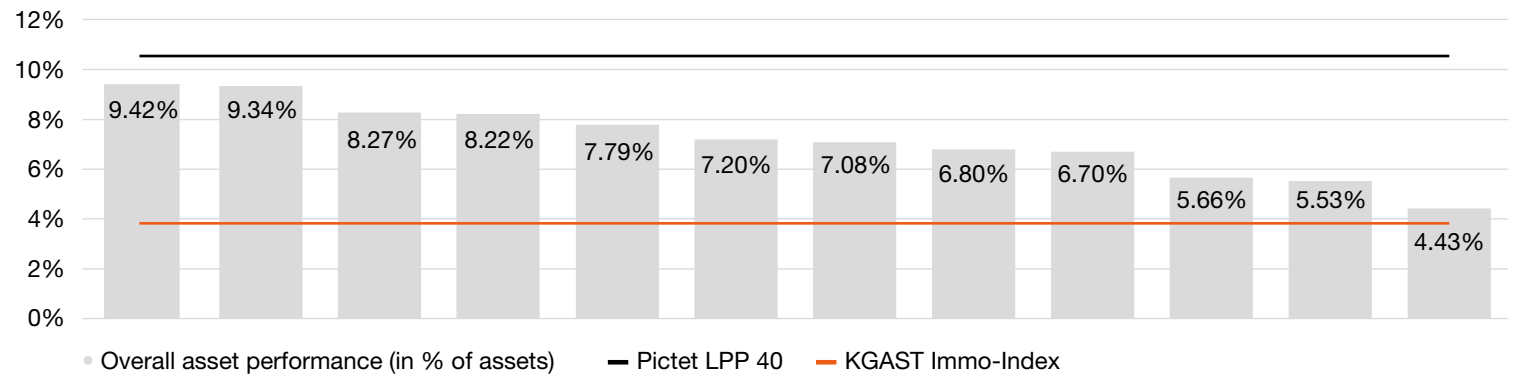
The average return achieved by the surveyed 1e MEPFs in 2024 was 7.2%, placing most providers at or slightly below the average performance of traditional pension funds, which UBS reported at 7.73%.<sup>5</sup> The spread in the 1e plan performance was notable, with returns ranging from 4.4% to 9.4%. By comparison, the Pictet LPP 40 posted a return of 10.5% in 2024, highlighting the performance potential of more dynamic investment strategies available under 1e plans.

The allocation in cash and bonds is one sign of lost value, pointing to rather conservative choices that may limit long-term capital growth in 1e pension plans.

This raises an important question: how can insured members fully leverage the flexibility of 1e plans to achieve higher returns and strengthen their retirement outcomes?

The consistent trend of 1e plan returns falling behind average pension fund returns suggests that member engagement and education are critical. Empowering members to make informed investment choices – and ensuring they understand the long-term impact of these decisions – is essential for unlocking the full value of the 1e model.

Asset performance of 1e pension funds vs different indices



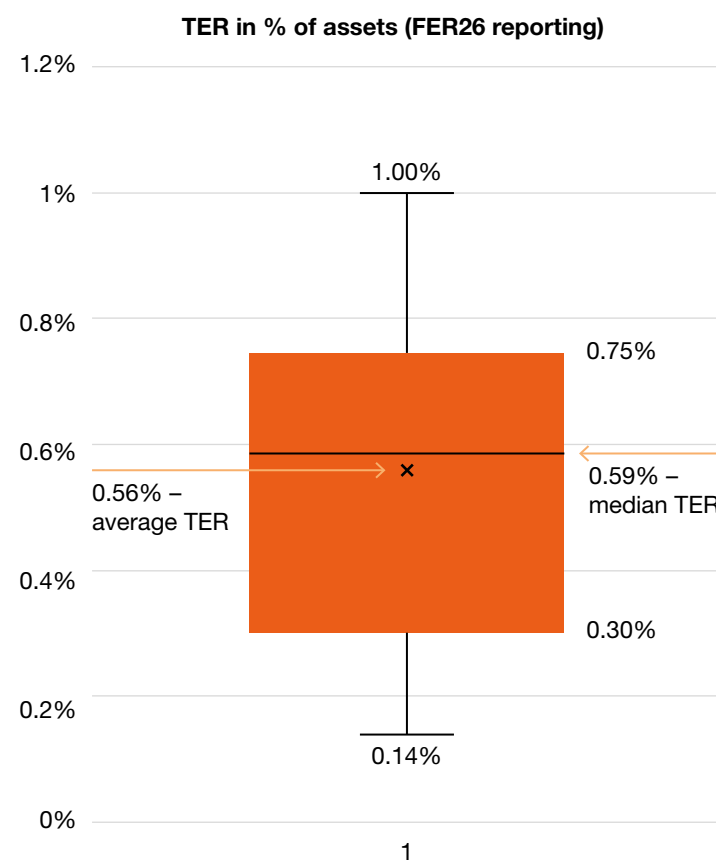
### Other indices' performance in 2024

- Bonds (SBI Domestic AAABBB): **8%**
- MSCI World TR (CHF): **19.19%**
- UBS Schweizer PK Index: **7.73%**

<sup>5</sup> UBS Pensionskassen-Performance (2024)

# Total expense ratio vary across different MEPFs – 10% average decrease

**Is flexibility worth the price of the higher TER?**



The average Total Expense Ratio (TER) for 1e MEPFs (14) remains higher than the latest Swiss pension fund average<sup>6</sup>.

In 2024, the average TER for 1e MEPFs was 0.56%, representing a decrease of 11% compared to the previous year. The median TER remained largely unchanged at 0.59%.

There is still a wide range in TERs across the MEPFs surveyed, from 0.14% to 1.00%. However, it is noteworthy that providers with above-average TERs generally offer greater flexibility in investment strategy design – primarily through actively managed strategies.

The dominant asset classes continue to be bonds and equities.

By contrast, the average TER reported in the Swisscanto Pension Fund Study 2025<sup>6</sup> was 0.41%, down from 0.49% the previous year.

<sup>6</sup> Schweizer Pensionskassenstudie 2025 (Swisscanto by Zürcher Kantonalbank)



# 1e survey participants – in alphabetical order

## Multi-employer foundations

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Agilis 1e Sammelstiftung

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AXA Sammelstiftung 1e

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Credit Suisse Sammelstiftung 1e (as of 1 January 2025 UBS 1e Sammelstiftung)

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FCT 1e (Fondation Collective Trianon 1e)

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Finpension 1e Sammelstiftung

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GEMINI 1e-Sammelstiftung

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Liberty 1e Flex Investstiftung

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PensFlex – Sammelstiftung für die ausserobligatorische berufliche Vorsorge

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Sammelstiftung Vita Select der Zürich Lebensversicherungs-Gesellschaft AG

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Swisscanto Sammelstiftung 1e

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Swiss Life Sammelstiftung Invest\*

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UBS Optio 1e Sammelstiftung

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VSMplus Sammelstiftung für Personalvorsorge

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VZ Sammelstiftung

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**Thank you**