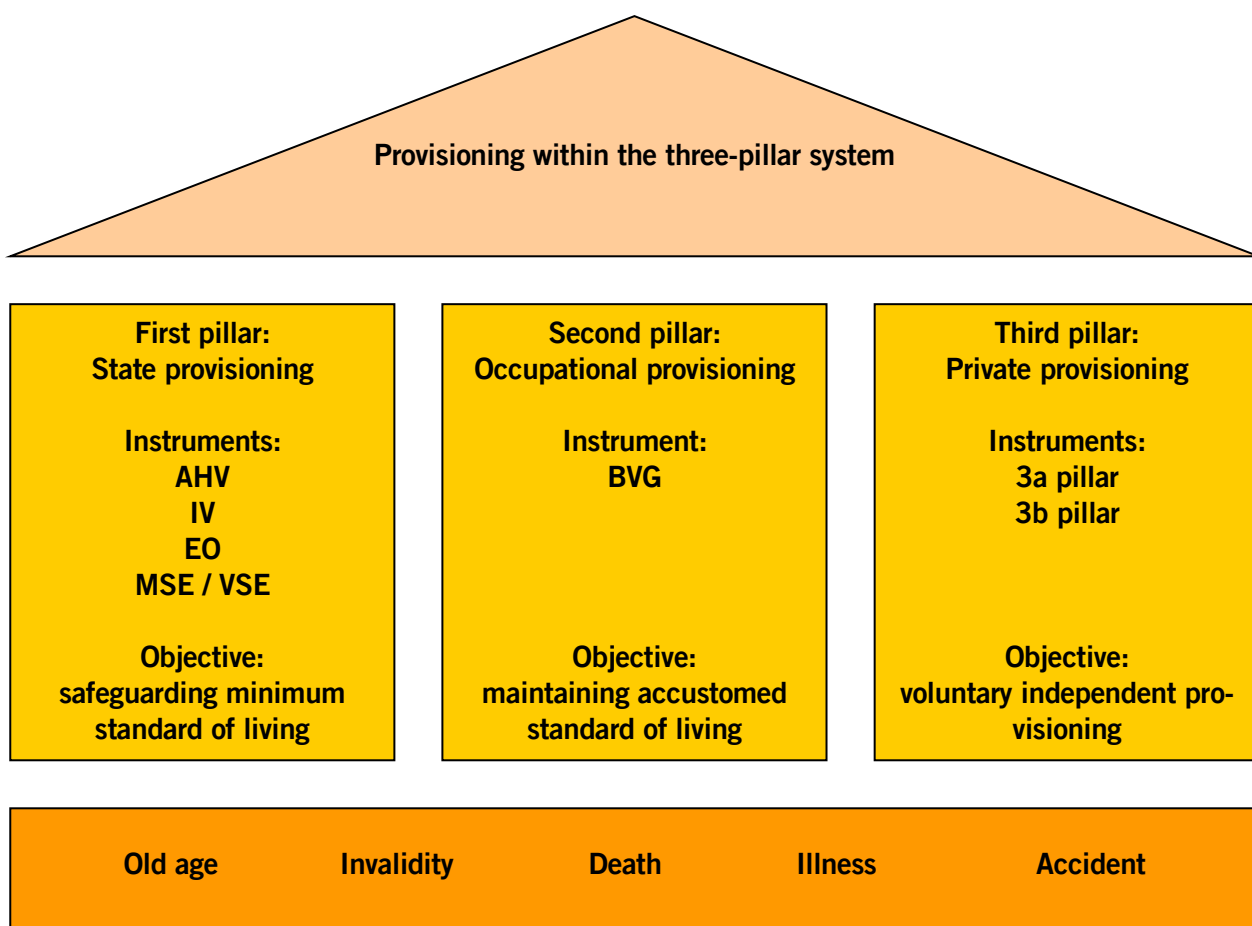


## Overview of the Social Security System

The social security system in Switzerland is essentially a three-pillar system. It aims to safeguard a reasonable quality of life for the elderly, in the event of invalidity, illness and accident. In addition, the social insurance system provides financial support for family members if the insured person dies. Further, the insurance system covers risks such as the cost of illness and accidents, unemployment as well as family allowances. The following list provides an overview of the various social insurance pillars in Switzerland.

### Three-Pillar System



<b>AHV</b>	Old-age and survivors' insurance [Alters- und Hinterlassenenversicherung]
<b>IV</b>	Invalidity insurance [Invalidenversicherung]
<b>EO / MSE / VSE</b>	Income loss insurance, maternity and paternity compensation [Erwerbsausfall-, Mutterschafts- und Vaterschaftsentschädigung]
<b>BVG</b>	Occupational pension funds [Berufliche Vorsorge]
<b>3a + 3b pillars</b>	Private pension funds [Private Vorsorge]

## First Pillar: State Provisioning (AHV / IV / EO / MSE / VSE)

(AHV Alters- und Hinterlassenenversicherung [Old-age and survivors' insurance], IV Invalidenversicherung [Invalidity insurance], EO / MSE / VSE Erwerbsausfall-, Mutterschafts- und Vaterschaftsentschädigung [Income loss insurance, maternity and paternity compensation])

<b>Brief description</b>	AHV / IV: Covers the minimum standard of living once income lapses due to old age, death and invalidity. EO / MSE / VSE: Governs the income loss compensation for persons providing military, civilian or civil protection service and income compensation during maternity.																				
<b>Circle of individuals</b>	With mandatory insurance: <ul style="list-style-type: none"> <li>- Employees living or working in Switzerland</li> <li>- Employees assigned abroad for a specific period</li> <li>- Self-employed individuals</li> <li>- Persons not gainfully employed</li> </ul>																				
<b>Contributions (monthly)</b>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">For employees:</td> <td colspan="2">For the self-employed:</td> </tr> <tr> <td>AHV</td> <td style="text-align: right;">8.7 %</td> <td>AHV</td> <td style="text-align: right;">8.1 %</td> </tr> <tr> <td>IV</td> <td style="text-align: right;">1.4 %</td> <td>IV</td> <td style="text-align: right;">1.4 %</td> </tr> <tr> <td>EO / MSE / VSE</td> <td style="text-align: right;">0.5 %</td> <td>EO / MSE / VSE</td> <td style="text-align: right;">0.5 %</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>10.6 %</b></td> <td><b>Total</b></td> <td style="text-align: right;"><b>10.0 %</b></td> </tr> </table> <p>Basis of assessment: income from gainful employment Other rates apply to persons who are not gainfully employed.</p>	For employees:		For the self-employed:		AHV	8.7 %	AHV	8.1 %	IV	1.4 %	IV	1.4 %	EO / MSE / VSE	0.5 %	EO / MSE / VSE	0.5 %	<b>Total</b>	<b>10.6 %</b>	<b>Total</b>	<b>10.0 %</b>
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<b>Total</b>	<b>10.6 %</b>	<b>Total</b>	<b>10.0 %</b>																		
<b>Funding</b>	Contribution procedure. Employers are obliged to settle the entire AHV / IV / EO / MSE / VSE contribution (10.6 % of the paid gross monthly salary) with the registered compensation office. However, they may deduct half of this (5.3 %) from the salary of the employee. Self-employed persons must bear the entire contributions themselves.																				
<b>Legal entity</b>	Compensation office Schwyz or recognised compensation offices of industry associations																				
<b>Contact</b>	Compensation Office / IV Office Schwyz Rubiswilstrasse 8 / P.O. Box 53 CH-6431 Schwyz Tel. +41 41 819 04 25 <a href="http://www.aksz.ch">www.aksz.ch</a>																				

## Second Pillar: Occupational Provisioning (BVG)

(BVG Bundesgesetz über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge [Swiss federal occupational, survivors' and invalidity pension act])

<b>Brief description</b>	The BVG is designed to safeguard the accustomed standard of living for the elderly.
<b>Circle of individuals</b>	The insurance is mandatory for employees subject to AHV once they have reached the age of 18 with an (AHV) annual salary of at least CHF 22'050.00. Self-employed individuals may insure themselves voluntarily.
<b>Contributions (monthly)</b>	Premiums differ according to age and gender. They lie between 7 and 18 % of coordinate income (yearly gross income minus deduction for coordination).
<b>Funding</b>	Capital accumulation procedure. BVG benefits are financed by salary premiums. The employer must assume at least 50 % of the premium for risks, savings, special measures and security funds.
<b>Legal entity</b>	Various foundations, cooperatives and public-law bodies (supervised by cantonal and Swiss supervisory authorities). Collective foundations or industry associations are recommended for smaller enterprises.
<b>Contact</b>	List of offices, foundations and other institutions: <a href="http://www.vorsorgeforum.ch">www.vorsorgeforum.ch</a> >> Links

### Third Pillar: Private Provisioning (3a + 3b Pillars)

<b>Brief description</b>	<p>Voluntary private provisioning. Can offset pension shortfalls or secure additional benefits. Interesting for self-employed individuals and businesspersons. A distinction is made between dedicated provisioning (3a pillar with tax benefits) and free provisioning (3b pillar).</p> <p><b>Dedicated provisioning</b> The law promotes this form of provisioning by providing tax incentives, i.e. individual provisioning contributions are deductible from the taxable income up to a certain level. The money can be withdrawn only once an insured event occurs (age, death or invalidity) or under certain conditions in order to acquire residential property.</p> <p><b>Free provisioning</b> Free provisioning is open to everyone and is not subject to a limit on levels. There are no tax benefits.</p>
<b>Circle of individuals</b>	Is open to everyone
<b>Funding</b>	Individual saving
<b>Contact</b>	Banks, insurance companies and further institutions

### Further Insurance Institutions

#### Accident Insurance (UVG)

(UVG Bundesgesetz über die Unfallversicherung [Swiss federal accident insurance act])

<b>Brief description</b>	Mandatory for employees in Switzerland. Insurance against occupational accidents, non-occupational accidents and industrial diseases.	
<b>Circle of individuals</b>	The insurance is mandatory for all employees in Switzerland. The UVG is voluntary for self-employed individuals.	
<b>Contributions</b>	Contributions in % of the insured income. Companies are ranked in classes and premium scales according to their accident risk and operating conditions. Maximal insured income: CHF 148'200.00 / year.	
<b>Funding</b>	The premiums for occupational accident insurance are borne by the employer; premiums for non-occupational insurance are borne by the employee.	
<b>Legal entities</b>	Swiss Accident Insurance Agency (SUVA) or approved collective UVG accident insurance institutions	
<b>Contact</b>	<p>Districts of Höfe, March + Einsiedeln: Suva Linth Ziegelbrückstrasse 64 P.O. Box 60 CH-8866 Ziegelbrücke Tel. +41 55 617 24 24 <a href="http://www.suva.ch">www.suva.ch</a></p>	<p>Districts of Schwyz, Küssnacht + Gersau: Suva Central Switzerland Löwenplatz 1 P.O. Box 4330 CH-6002 Luzern Tel. +41 41 418 86 86 <a href="http://www.suva.ch">www.suva.ch</a></p> <p>Private accident insurance companies under <a href="http://www.sv.ch">www.sv.ch</a> &gt;&gt; Der SW &gt;&gt; Mitglieder</p>

## Health Insurance (KVG)

(KVG Bundesgesetz über die Krankenversicherung [Swiss federal health insurance act])

<b>Brief description</b>	The health insurance covers the medical costs of an illness. In the event of an accident, the cost of medical treatment is covered by the health insurance, insofar as no special accident insurance is available. Basic insurance cover (health care) is mandatory, the supplementary insurances are voluntary.
<b>Circle of individuals</b>	The insurance is mandatory for all persons resident in Switzerland.
<b>Contributions</b>	Premiums and benefits vary from health insurer to health insurer
<b>Funding</b>	Individually by the policyholders (per capita premium) Employers do not normally contribute towards the premium.
<b>Legal entities</b>	Recognised health insurers, list under <a href="http://www.bag.admin.ch">www.bag.admin.ch</a> >> Versicherungen >> Krankenversicherung >> Versicherer und Aufsicht >> Verzeichnisse der zugelassenen Krankenversicherer  Exemptions from the mandatory subjection to Swiss health care insurance for persons resident in Canton Schwyz may be requested from: Compensation Office / IV Office Schwyz Rubiswilstrasse 8 P.O. Box 53 CH-6431 Schwyz Tel. +41 41 819 04 25 <a href="http://www.aksz.ch">www.aksz.ch</a>
<b>Contact</b>	Various health insurance companies, an overview is available under: <a href="http://www.santesuisse.ch">www.santesuisse.ch</a> >> über santesuisse / Mitgliederverzeichnis  Comparison of health insurance premiums: <a href="http://www.comparis.ch">www.comparis.ch</a>

## Unemployment Insurance (ALV)

(ALV Arbeitslosenversicherung [Unemployment insurance])

<b>Brief description</b>	Supports the continued payment of a part of the salary for a limited period in the event of unemployment as well as the reintegration of unemployed persons in the labour market. Also makes provision for short-working, bad weather and insolvency compensation.
<b>Circle of individuals</b>	Mandatory for employees; self-employed individuals cannot insure themselves against unemployment – not even on a voluntary basis.
<b>Contributions</b>	Up to the annual salary limit of CHF 148'200.00, the ALV contribution amounts to 2.2 % of the annual salary. Maximum covered salary: CHF 12'350.00 / month
<b>Funding</b>	Employees and employers each pay 50 % of the contributions
<b>Legal entities</b>	Public cantonal unemployment offices, recognised private offices run by employment organisations
<b>Contact</b>	Labour Office Unemployment Office Department Lückenstrasse 8 P.O. Box 1181 CH-6431 Schwyz Tel. +41 41 819 16 41 <a href="http://www.sz.ch">www.sz.ch</a> >> Unternehmen / Arbeit, Gewerbeaufsicht >> Arbeitslosenversicherung

## Family Allowances (FAK)

(FAK Familienausgleichskasse [Family compensation office])

<b>Brief description</b>	Provides family allowances (excluding the agricultural sector)
<b>Circle of individuals</b>	Mandatory for all employers and self-employed individuals
<b>Contributions</b>	Employers: 1.3 % of the gross AHV salary Self-employed individuals: 1.3 % up to an income from employment of CHF 148'200.00 / year
<b>Funding</b>	Contributions are paid by employers (without the involvement of employees) and on a voluntary basis by self-employed individuals.
<b>Legal entities</b>	Family Compensation Office Schwyz as well as recognised family compensation offices
<b>Contact</b>	Compensation Office / IV Office Schwyz Rubiswilstrasse 8 P.O. Box 53 CH-6431 Schwyz Tel. +41 41 819 04 25 <a href="http://www.aksz.ch">www.aksz.ch</a>

## Summary

(AG = Arbeitgeber [employers]; AN = Arbeitnehmende [employees, not self-employed]; SE = Selbständigerwerbende [self-employed individuals])

	<b>Mandatory / Voluntary</b>	<b>Contributions / Funding</b>	<b>Settlement</b>
<b>AHV / IV / EO / MSE / VSE</b>	Mandatory for AN / SE	AG and AN each pay half of the 10.6 %, self-employed pay max. 10.0 %	Compensation office
<b>BVG</b>	Mandatory for AN	AG pays at least 50 % of the premium	Pension fund, individual
<b>3a + 3b pillars</b>	Voluntary	Individual	Individual
<b>UVG</b>	Mandatory for AN	Premium financed individually, but by AG	SUVA or other insurance companies
<b>KVG</b>	Mandatory for AN / SE	Individual	Health insurers, individually by AN
<b>ALV</b>	Mandatory for AN	AG and AN each pay half of the 2.2 %	Cantonal or private office
<b>FAK</b>	Mandatory for AG / SE	AG / SE pay 1.3 %	Compensation office

Schwyz, 8 January 2024 (replaces the version issued on 3<sup>rd</sup> January 2023) rm