

Corporate funds and collective foundations in Basel

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

The company pension funds of the large Basel employers are among the most important institutional investors in the region. The Pensionskasse Roche and the Novartis pension fund each manage assets of many billions of francs. Syngenta, which has been under Chinese ownership since 2017, maintains its own Swiss pension institutions, as does Baloise for its employees. Part G discussed how the pharmaceutical groups converted their plans to defined contribution or to hybrid forms and how they dealt with surpluses and employer contribution reserves.¹ These questions need not be repeated here. What matters for the present chapter is the role of these funds as investors and as members of the professional community of Swiss pension institutions.

Corporate funds of this size have professional investment teams that compare with those of medium-sized asset managers. They set strategic asset allocations, select external managers, manage parts of their portfolios internally and own extensive real estate holdings, some of them in Basel and its agglomeration. Because their sponsoring companies are global groups that report under international accounting standards, the funds are subject to scrutiny from two directions. Swiss supervisory law protects the interests of the insured persons, while the employers watch the effect of pension obligations on their balance sheets. Some of this tension survived the conversion to defined contribution, because IAS 19 continues to treat many Swiss plans as defined-benefit plans for accounting purposes.²

Beside the corporate funds stand the collective foundations, which insure the employees of small and medium-sized enterprises in the region. Insurers based in Basel have operated such foundations for decades and have used them as the legal vehicles for the full-insurance model discussed later in this chapter. Banks and independent providers operate semi-autonomous foundations in which the risks of death and disability are reinsured, while the retirement savings are invested by the foundation

itself. Some foundations serve particular professions, for example physicians, architects or the hospitality sector, and several have their seat or a substantial presence in Basel.³

The variety of institutions creates a market in which employers can choose among models with different levels of security and cost. A small company in Liestal or Riehen can buy the full guarantee of an insurer, accept the investment risk within a semi-autonomous collective foundation or establish its own fund if it is large enough. Each choice has consequences for the employees, who may face restructuring contributions in a period of underfunding or receive higher interest in good years. The legal framework that governs these choices, and in particular the investment rules of the BVV 2, is the subject of the second half of this chapter.⁴

1 Notes

1. On the corporate pension funds of Roche, Novartis, Syngenta and Baloise, see their annual reports and the notes on post-employment benefits in the consolidated financial statements of the sponsoring companies, as well as Part G, chapter II, of this book. Figures to be verified. ↩
2. On the classification of Swiss pension plans as defined-benefit plans under IAS 19 owing to the minimum guarantees of the BVG, and the resulting accounting effects for sponsoring companies, see the notes to the consolidated financial statements of the Basel groups and the literature on IAS 19 and Swiss pension plans. To be verified. ↩
3. On collective foundations operating in the Basel region, including those sponsored by insurers, banks and professional associations, see the register of pension institutions maintained by the regional supervisory authority and the annual reports of the foundations. To be verified. ↩
4. On the choice of pension solutions available to small and medium-sized enterprises (full insurance, semi-autonomous collective foundations, own pension fund) and their consequences for employers and employees, see the publications of the Swiss Pension Fund Association ASIP and the literature on Swiss occupational pensions. To be verified. ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/basel-corporate-funds-and-collective-foundations-in-basel

Copyright © 2026 Dr Alexander Ressos, TEP - Attorney-at-Law (Switzerland), Solicitor (Hong Kong), Solicitor (England & Wales). For more information on legal, tax and trust services in Switzerland, please visit www.ressos.ch