

Council**C/60/13****Sixtieth Ordinary Session
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WIPO/UPOV ASHIP ANNUAL REPORT FOR THE YEAR TO DECEMBER 31, 2025*Document prepared by the Office of the Union**Disclaimer: this document does not represent UPOV policies or guidance*

1. At its hundred and third session, held in Geneva on October 23, 2025, the Consultative Committee received an update on the establishment of a multi-employer plan, named the WIPO/UPOV After Service Health Insurance Plan (ASHIP). The objective of the ASHIP is to manage the financial resources provided by the World Intellectual Property Organization (WIPO) and UPOV for the purpose of funding each organization's liability for After Service Health Insurance (ASHI) provided to eligible participants (see document [CC/103/3](#)).
2. In accordance with the governance and financial reporting arrangements established under document CC/103/3, the WIPO/UPOV ASHIP Annual Report for the Year to December 31, 2025, has been prepared following International Public Sector Accounting Standards (IPSAS). It also includes the ASHIP Statement on Internal Control signed by the Director General of WIPO and the Vice Secretary-General of UPOV.
3. The Annex to this document contains the WIPO/UPOV ASHIP Annual Report for the Year to December 31, 2025.
4. *The Council is invited to approve the "WIPO/UPOV ASHIP Annual Report for the Year to December 31, 2025".*

[Annex follows]

C/60/13

ANNEX

**World Intellectual Property
Organization/International Union for the
Protection of New Varieties of Plants**

After Service Health Insurance Plan

Annual Report

Year to December 31, 2025

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ADVISORY COMMITTEE CHAIR REPORT

Introduction

The World Intellectual Property Organization (WIPO) and the International Union for the Protection of New Varieties of Plants (UPOV) WIPO/UPOV After Service Health Insurance Plan (ASHIP) Annual Report, including the financial statements, for the year to December 31, 2025, is submitted to the WIPO/UPOV Advisory Committee as required under Part A of the Rules of the WIPO/UPOV ASHIP. In addition, the Annual Report is made available to the Assemblies of the Member States of WIPO and the Council of UPOV for information.

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS), as developed and approved by the International Public Sector Accounting Standards Board (IPSASB). The WIPO/UPOV ASHIP became operational with the transfer of the investments held by the participating organizations to the ASHIP on January 1, 2025. Therefore, the financial statements do not include comparative information for 2024, though disclosures related to funding of the participating entities are included in the notes to the financial statements.

The ASHIP financial statements identify separately the following ASHIP accounting entities (referred to in this report as “participating entities”):

- World Intellectual Property Organization (WIPO)
- International Union for the Protection of New Varieties of Plants (UPOV)

2025 Highlights and Financial Results

Creation of the WIPO/UPOV ASHIP

The objective of the WIPO/UPOV After Service Health Insurance Plan (hereinafter referred to as ASHIP) is to manage the financial resources provided by the Member States of the World Intellectual Property Organization (WIPO) and the Members of the International Union for the Protection of New Varieties of Plants (UPOV) for the purpose of funding each organization’s liability for After Service Health Insurance (ASHI) provided to eligible participants. ASHI provides for the reimbursement of a major portion of the expenses for after service health insurance coverage, which is optional for former staff members of each organization entitled to a pension from the United Nations Joint Staff Pension Fund (UNJSPF).

The WIPO Program and Budget Committee (PBC) recommended the approval of the proposal for the establishment of the After Service Health Insurance Plan as a multi-employer plan, meeting the requirements of IPSAS 39, with responsibility for the funds set aside by the WIPO Assemblies and the UPOV Council for the financing of employee benefit liabilities as outlined in document WO/PBC/37/12. The proposal was approved by the WIPO Assemblies of the Member States of WIPO at their 65th Session in June 2024 A/65/6.

The UPOV Consultative Committee, at its 101st session, held on October 26, 2023, noted the developments with regard to the financing of long-term employee benefits and endorsed CC/101/3 concerning UPOV’s participation in the creation of a separate entity under IPSAS 39 as adopted by WIPO for the financing of long-term employee benefits. At its 103rd session in 2025, the UPOV Consultative Committee acknowledged the decision of the WIPO Assemblies to utilize the multi-employer plan option under IPSAS 39 as the basis for the creation of the separate entity.

Funding of Each Organization’s ASHI Liability

WIPO

In 2013 the WIPO Assemblies (A/51/18, Financing of Long-Term Employee Benefits at WIPO) agreed to establish a separate bank account to hold WIPO’s strategic cash and investments set aside by Member States to finance long-term employee benefit liabilities including ASHI, accumulated annual leave and repatriation benefits. An initial transfer of 85.2 million Swiss francs from WIPO’s accumulated surpluses was made to the separate account in 2014. The funds are invested according to WIPO’s Investment Policy as adopted by Member States.

The funds were accumulated through a charge on total personnel costs to finance the direct costs of payment of the costs incurred for long-term employee benefits. The net difference between the amount raised from the charge less the actual payments for benefits incurred is utilized in the financing of the strategic cash and investments. The charge was initially 6 per cent, increased to 8 per cent in 2022 and to 10 per cent in 2024, enabling the amount contributed to strategic cash and investments to increase substantially.

For the purposes of financing the WIPO ASHI liability, the funds accumulated have been allocated at January 1, 2025, between ASHI and other long-term employee benefits based on the liabilities calculated in the 2025 Asset and Liability Management (ALM) Study performed by WIPO's independent actuary.

UPOV

In 2016, following the recommendation of the UPOV Consultative Committee (CC/91/3, Financing of Long-Term Employee Benefits), the UPOV Council approved the establishment of a separate bank account to hold funds allocated for financing UPOV's ASHI liability. These funds are accumulated through a 6 per cent charge on total personnel costs. The balance of these funds, after deduction of the actual payments for benefits, is transferred to that account for investment in accordance with the Investment Policy that WIPO applies to the account for financing WIPO's ASHI liability.

Operation of ASHIP

WIPO and UPOV are responsible for the payment of expenses related to health care and associated administrative costs for retirees, and their dependents/survivors through an insurance agreement with CIGNA. WIPO and UPOV collect the share of ASHI insurance premiums payable by retirees/survivors and transfer them to the insurance provider.

The ASHI liability, the portion of the health care costs that cover retirees and their dependents/survivors, is a liability of WIPO and UPOV, not of ASHIP which is responsible only for the investment and management of funds provided by Member States.

ASHIP is not subject to external regulatory or statutory framework. ASHIP's investments are managed in accordance with the WIPO Policy on Investments under which all decisions related to the investment of funds are managed. ASHIP's overall financing is governed by decisions from the Member States of the participating organizations in WIPO's Assemblies and in the UPOV Council. ASHIP's operations are in accordance with the WIPO/UPOV After Service Health Insurance Plan Rules and Terms of Reference for the Advisory Committee issued by the Director General of WIPO (Office Instruction 01/2025).

The ASHIP Advisory Committee provides support and advice for the ASHIP. The ASHIP Advisory Committee holds periodic meetings, which include monitoring of the historical experience and analysis of potential changes to the plan design and administration. The principal financial risks faced by the plan are changes in future general inflation and asset returns.

ASHIP does not invest in any annuity products or swaps. During 2025, WIPO's actuary performed an asset-liability (ALM) study of the organization's employee benefits liabilities, and updated ALM studies for use in setting its investment strategy for the ASHIP will be conducted on a regular basis.

WIPO and UPOV have expressed the intention for ASHIP to continue to accumulate funds to fund their ASHI liabilities. The primary mechanism for achieving this goal is providing steady contributions to the overall ASHIP Fund, building up assets.

2025 Financial Results

The overall increase in the cash and investments of the ASHIP in 2025 was 74.2 million Swiss francs. This result can be mainly explained by:

- the net contributions made to the ASHIP by the participating organizations in 2025 were 60.1 million Swiss francs, of which 60.0 million Swiss francs was provided by WIPO and 53 thousand Swiss francs was provided by UPOV.
- the net inflow or revenue from WIPO investments including interest, dividends, unrealized gains in the value of investments and net exchange gains totaling 14.2 million Swiss francs.

Membership

In accordance with the ASHIP Rules, unless otherwise stated, the term "participant(s)" refers to:

- a former staff member of WIPO or UPOV who separates from service while a participant in WIPO's group medical insurance plan (which also covers UPOV staff members) after completing at least five consecutive years of contributory service,
- the survivor(s) of such a person, and
- the former staff member's dependents.

ASHI is available only as a continuation, without interruption, following separation from service, of previous active-service coverage in WIPO's group medical insurance plan. ASHIP participants grew marginally by 5.3 per cent to 679 members (not including dependents) at the end of 2025, from 645 members at the end of 2024. The following table shows the membership in 2025 and 2024.

	2025		2024	
	WIPO	UPOV	WIPO	UPOV
Number of Participants				
Retirees	672	7	639	6
Spouses	307	6	292	6
Children	107	3	103	2
Parents	4	-	4	-
Total	1,090	16	1,038	14
Average Age of Participants				
Retirees	71.2	76.9	71.2	78.3
Spouses	69.2	78.0	69.6	77.0
Children	22.0	16.1	21.8	11.1
Parents	88.5	-	80.0	-

The effective date of the census data presented above is September 30, 2025, and September 30, 2024, and represent the data as provided to the external actuary for the preparation of annual ASHI liability calculations.

Investment Performance

During 2025, ASHIP continued to accumulate additional funds to reduce the long-term liabilities for after-service health insurance of WIPO and UPOV, adding an additional 74.2 million Swiss francs to its long-term investments. ASHIP continues to invest its funds in risk-informed long-term high-quality investment portfolios of fixed income investments (bonds), equities and real estate which are managed by reputable international investment managers.

The WIPO Treasury Unit monitors and ensures the ASHIP investments are conservatively managed. The WIPO portion of the ASHIP investment funds is placed in long-term investments in order to finance the long-term nature of its future expenditure. Investments in the strategic portfolio which includes the ASHIP investment are diversified into global assets including bonds, equities and Swiss real estate.

The performance of the investment portfolios in 2025 should be viewed from a long-term perspective, and in the context of the generally positive returns in recent years. The return on the long-term WIPO ASHIP investment portfolio was 5.5 per cent at the end of December 2025, which is 3.5 per cent above the 2.0 per cent long-term expected rate of return used by the actuaries in the funding forecast. Annual investment market returns are variable, and years of higher and lower performance are to be expected. ASHIP will continue with its strategic asset allocation strategy which is designed to ensure full funding of the liabilities in the long term. The following table summarizes the performance of the WIPO strategic portfolio in 2025 and since inception:

Investment Performance (%)*	2025	2024	5-Years	Since Inception
WIPO Strategic portfolio	5.5	9.0	2.8	3.2
Benchmark Return	5.7	8.6	2.6	3.1
Relative Return	-0.2	0.4	0.2	0.1

*- time-weighted rate of return

The equities, fixed income and real estate investments are managed by external fund managers, whose performance is closely managed by the WIPO Treasury Unit and monitored by the WIPO Advisory Investment Committee.

The UPOV portion of the ASHIP investment funds are held in cash and were not invested in 2025. The increase in the amount on deposit represents additional funds provided by Member States resulting from the difference between the 6 per cent of staff costs included in the UPOV budget for 2025 and the actual cost of premiums paid.

ASHIP Funding Levels

The ASHIP is responsible for the management of the funds provided by the Member States of WIPO and UPOV to finance each organization's after service health insurance liability.

In accordance with the resolutions of the WIPO Assemblies and UPOV Council which created the ASHIP, the status of the ASHIP is considered, under International Public Sector Accounting Standards (IPSAS) to be a multi-employer plan. The assets of the plan are:

- (a) held by the ASHIP, which is legally separate from WIPO and UPOV and exists solely to pay or fund ASHI; and
- (b) not available to either WIPO's or UPOV's creditors (even in bankruptcy), and cannot be returned to either WIPO or UPOV, unless either: (i) The remaining assets of the fund are sufficient to meet all the related ASHI benefits of the ASHIP as determined by an Asset and Liability Management (ALM) Study performed by an Independent Actuary designated by the WIPO Director General and the UPOV Vice Secretary-General after consultation with the Advisory Committee established under Part A of these Rules; or
- (c) The assets are returned to WIPO or to UPOV to reimburse either or both organizations for funds advanced on behalf of the ASHIP upon the request of (a) the Controller of WIPO for funds already paid by WIPO, or (b) the Vice Secretary-General of UPOV for funds already paid by UPOV.

The table below is presented for information of users of the financial statements. It shows the level of funding provided as at 31 December 2025 based on the liability calculated by the actuary in accordance with IPSAS 39, and for WIPO also based on the liability as calculated for the ALM study in 2025. The net unfunded balance of the liability for ASHI in accordance with IPSAS 39 is a liability of each participating organization in their respective financial statements. The strategy for funding WIPO's long-term employee benefit liabilities is based on the results of the ALM studies, which are performed by an external actuary at least every three years, with the most recent completed in 2025. The ASHI liability calculated in the ALM study differs from that reported in the WIPO financial statements under IPSAS 39, as the ALM valuation model includes the impact of new staff entrants and is based on the cost of insurance premiums as opposed to underlying medical costs. A long-term time horizon is appropriate when considering the movement in funding ratios. Changes in the discount rate and other variables outside of ASHIP's control may create annual volatility in the funding ratio.

WIPO ASHI Funding Status		
	December 31, 2025	January 1, 2025
	<i>(in thousands of Swiss francs)</i>	
ASHI liability (IPSAS 39)	576,891	624,363
Plan assets (cash and investments)	341,540	267,426
Unfunded liability (IPSAS 39)	235,351	356,937
<i>Per cent funded</i>	<i>59.2%</i>	<i>42.8%</i>
ASHI liability (ALM study)	397,700	382,388
Plan assets (cash and investments)	341,540	267,426
Unfunded liability (ALM study)	56,160	114,962
<i>Per cent funded</i>	<i>85.9%</i>	<i>69.9%</i>

UPOV ASHI Funding Status		
	December 31, 2025	January 1, 2025
	<i>(in thousands of Swiss francs)</i>	
ASHI liability (IPSAS 39)	4,783	5,353
Plan assets (cash)	1,159	1,106
Unfunded liability (IPSAS 39)	3,624	4,247
<i>Per cent funded</i>	<i>24.2%</i>	<i>20.7%</i>

Note that information for 2024 is presented for the information of users of the statements since the information is before the creation of the ASHIP.

During 2025 there was an increase in the funding level for both WIPO and UPOV from contributions by Member States and investment earnings. The following table provides information on the 2025 growth in the funding available for both participating entities.

	WIPO	UPOV	TOTAL ASHIP
	<i>(in thousands of Swiss francs)</i>		
Opening fund balance January 1, 2025	267,426	1,106	268,532
Budget charge to personnel expenditure	18,107	136	18,243
Share of insurance premiums	(6,052)	(83)	(6,135)
Approved additional funding	47,060	-	47,060
Withholding tax	914	-	914
Organization net contributions	60,029	53	60,082
Investment gains/(losses)	14,206	-	14,206
Other	(121)	-	(121)
Closing funding balance December 31, 2025	341,540	1,159	342,699

As indicated in the table above, Member States of WIPO provided an additional 60.0 million Swiss francs of net contributions, which combined with investment gains of 14.2 million Swiss francs represent a total of 74.2 million Swiss francs in added ASHI funding. UPOV Members provided an additional 53 thousand Swiss francs in net contributions.

ASHIP together with participating entities pursue the following strategies to improve the funding of ASHIP liabilities:

- ensure budgetary funding is sufficient to build up assets to help cover the defined benefit obligation; and
- increasing the proportion of return-seeking assets in the investment portfolio over a long-term time horizon.

The ASHIP Advisory Committee will monitor the funding of the ASHI liabilities closely and will make recommendations to the WIPO Director-General and the UPOV Vice Secretary-General to improve the overall performance of funding when deemed necessary.

(signed)

Andrew Staines
Assistant Director General WIPO and
Chair of the WIPO/UPOV ASHIP Advisory Committee
Geneva, May 6, 2026

STATEMENT ON INTERNAL CONTROL

1. Scope of Responsibility and Purpose

As the Director General of WIPO / Vice-Secretary General of UPOV, I am accountable for establishing and maintaining an effective system of internal control for the WIPO/UPOV After Service Health Insurance Plan (ASHIP).

This first Statement on Internal Control for ASHIP provides assurance on the establishment of ASHIP's governance, risk management and internal control processes for the year ended December 31, 2025.

2. Basis of Assurance

Our assurance of ASHIP's system of internal control is supported and informed by the following:

- Annual Letter of Representation from the Chair of the WIPO/UPOV ASHIP Advisory Committee confirming the adequacy of ASHIP's internal control system and that the financial statements do not contain material errors, omissions or irregularities.
- The minutes of the first meeting of the ASHIP Advisory Committee, held in December 2025, at which the Committee reviewed the ASHIP Rules and Terms of Reference, the initial asset transfer and opening balance, and approved the budget for 2025 and 2026. No issues of concern were raised.

3. Conclusion

Based on the assurance obtained as described above, and on the information available to me, I conclude that, for the reporting period ended December 31, 2025:

- ASHIP has a well-established system of internal control based on the WIPO system of internal control;
- No material weaknesses were identified that would affect the reliability of the Plan's financial statements; and
- There are no matters requiring disclosure in this Statement on Internal Control.

I am satisfied that ASHIP's governance, risk management and internal control processes provide reasonable assurance over the achievement of the Plan's objectives.

(signed)

Daren Tang
Director General of WIPO
Date: May 7, 2026

(signed)

Yolanda Huerta
Vice-Secretary General of UPOV
Date: May 7, 2026

FINANCIAL STATEMENTS

STATEMENT I: Statement of Financial Position

as at December 31, 2025

(in thousands of Swiss francs)

	Note	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	4	16,644
Non-current assets		
Investments	4	326,055
TOTAL ASSETS		342,699
LIABILITIES		
Non-current liability		
Plan asset liability		342,699
TOTAL LIABILITIES		342,699
Surplus/(deficit) 2025		-
NET ASSETS		-

STATEMENT II: Statement of Financial Performance

for the year ended December 31, 2025

(in thousands of Swiss francs)

	Note	2025
REVENUE		
Organization net contributions	5	60,082
Investment gains/(losses)	5	14,206
TOTAL REVENUE		74,288
EXPENSES		
Operating costs		65
Advisory fees		56
TOTAL EXPENSES		121
OPERATING SURPLUS		74,167
Amounts booked to plan asset liability		74,167
SURPLUS/(DEFICIT)		-

STATEMENT III: Statement of Changes in Net Assets

for the year ended December 31, 2025

(in thousands of Swiss francs)

The ASHIP has no reported net assets, as its policy is to record any surplus or deficit for the year as a transfer to the overall plan asset liability due to the participating entities.

STATEMENT IV: Statement of Cash Flow

for the year ended December 31, 2025

(in thousands of Swiss francs)

	Note	2025	WIPO	UPOV
Cash flows from operating activities				
Operating surplus/(deficit) for the year	Statement II	74,167	74,114	53
Less investment revenue included in surplus/(deficit)		(14,206)	(14,206)	-
Less contributions transferred from WIPO to ASHIP		(47,974)	(47,974)	-
Net cash flows from operating activities		11,987	11,934	53
Cash flows from investing activities				
Additional investments		(11,400)	(11,400)	-
Interest and dividends		1,843	1,843	-
Exchange gains and (losses) on investments		3,402	3,402	-
Investment management fees		(96)	(96)	-
Net cash flows from investment activities		(6,251)	(6,251)	-
Cash and cash equivalents at beginning of year	3	10,908	9,802	1,106
Cash and cash equivalents at end of year	3	16,644	15,485	1,159

STATEMENT V: Statement of Comparison of Budget and Actual Amounts
for the year ended December 31, 2025
(in thousands of Swiss francs)

	Original Budget (1)	Updated Budget (2)	Actual Expense on comparable basis	Difference (3)
	2025	2025	2025	2025
<i>(in thousands of Swiss francs)</i>				
ASHIP creation tasks (including preparation of ASHIP Rules and Terms of Reference for Advisory Committee)	15	15	15	-
Financial reporting and budget preparation	34	34	34	-
Staffing assistance to Advisory Committee	3	3	3	-
Advisory Committee travel expenses	1	1	-	1
External Audit fee	10	10	10	-
Actuarial fees	3	3	3	-
TOTAL EXPENSE	66	66	65	1

(1) Original Budget represents the approved budget for 2025 and was approved by the ASHIP Advisory Committee in December 2025.

(2) Updated Budget includes updated any changes to the Original Budget authorized by the ASHIP Advisory Committee in 2025. There were no changes authorized in 2025.

(3) Represents the difference between the Updated Budget 2025 and Actual Expense on a comparable basis for the year ended December 31, 2025.

NOTES TO THE FINANCIAL STATEMENTS

1. Reporting Entity

The WIPO/UPOV After Service Health Insurance (ASHIP) was created by the World Intellectual Property Organization (WIPO) and the International Union for the Protection of New Varieties of Plants (UPOV). It is treated as a multi-employer plan for both participating entities. The Financial Regulations and Rules of WIPO (WIPO Assembly decision 65/6) govern the financial management of the WIPO/UPOV After Service Health Insurance (ASHIP).

ASHIP is a separate entity and ASHIP's financial statements are reported separately from the WIPO and UPOV financial statements.

The ASHIP Rules state that ASHIP's basic objective is to manage the financial resources provided by WIPO Member States and UPOV members for the purpose of funding each organization's liability for After Service Health Insurance provided to eligible participants for former staff members of each organization entitled to a pension from the UNJSPF.

The Advisory Committee oversees the ASHIP and advises the WIPO Director-General and UPOV Vice Secretary-General on ASHIP operations and management, finance and investments, audit and control, benefits and best practices, rules and governance.

The ASHIP Secretariat is based at WIPO Headquarters in Geneva, Switzerland.

2. Basis of Preparation and Presentation

The financial statements of ASHIP have been prepared on the accrual basis of accounting in accordance with International Public Sector Accounting Standards (IPSAS) and the Financial Regulations and Financial Rules of WIPO. The financial year is from January to December. The financial statements have been prepared using the historical cost convention. Investments, however, are recorded at fair value or amortized cost. Where IPSAS do not address a particular issue, the appropriate International Financial Reporting Standard (IFRS) has been applied.

These Financial Statements were prepared on the basis that ASHIP is a going concern and will continue in operation and will meet its mandate for the foreseeable future (IPSAS 1).

Functional currency and translation of foreign currencies

These financial statements are presented in Swiss francs and, where indicated, values are rounded to the nearest thousand. Foreign currency transactions are translated into Swiss francs at the prevailing United Nations Operational Rates of Exchange (UNORE), which approximates the exchange rates at the date of the transactions. The UNORE are set twice a month at the beginning of the month and revised mid-month. Assets and liabilities in currencies other than Swiss francs are translated into Swiss francs at the prevailing UNORE year-end closing rate. Resulting gains or losses are accounted for in the Statement of Financial Performance.

The non-Swiss franc denominated assets and liabilities in the investment portfolios are translated into Swiss francs at the month-end closing rate used by the custodian.

Use of judgments and estimates

The financial statements include amounts based on judgments, estimates and assumptions by management. Changes in estimates are reflected in the period in which they become known.

Future accounting changes

The International Public Sector Accounting Standards Board (IPSASB) has published the following new and amended standards:

IPSAS 47 *Revenue*, was published in May 2023 with an implementation date of January 1, 2026. ASHIP has no revenue except from its investments which are accounted in accordance with IPSAS 28 – Financial Instruments: Presentation, IPSAS 30: Financial Instruments: Disclosures and IPSAS 41: Financial Instruments.

IPSAS 48 *Transfer Expenses*, was published in May 2023 with an implementation date of January 1, 2026. ASHIP does not incur any transfer expense and the adoption of the Standard will have no impact on the ASHIP financial statements.

IPSAS 49 *Retirement Benefit Plans*, was published in November 2023 with an implementation date of January 1, 2026. ASHIP is not a retirement benefit plan under IPSAS 49 and the adoption of the standard will have no impact on the ASHIP financial statements.

IPSAS 50 *Exploration for and Evaluation of Mineral Resources*, was published in November 2024 with an implementation date of January 1, 2027. The adoption of the Standard is not relevant to ASHIP's operations.

IPSAS 51 *Tangible Natural Resources Held for Conservation*, was published in January 2026 with an implementation date of January 1, 2028. The adoption of the Standard is not relevant to ASHIP's operations.

The WIPO Finance Division, in consultation with the Advisory Committee, continues to assess the impact of the above standards upon future financial statements in advance of their effective date.

3. Significant Accounting Policies

ASHIP applies the WIPO and UPOV accounting policies which are based on IPSAS. A financial accounting valuation of the WIPO/UPOV ASHI liabilities is performed annually in accordance with IPSAS 39 Employee Benefits.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, deposits held up to 90 days and other short-term highly liquid investments that are readily convertible to cash and subject to insignificant risk of changes in value.

Investments

Investments are classified as current or non-current assets according to the time horizon of the investment objectives. If the time horizon is less than or equal to one year, they are classified as current assets, and if it is more than one year, they are classified as non-current assets.

Financial Instruments

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. For ASHIP's financial assets and liabilities at the reporting date, the carrying amount is equivalent to the fair value.

Property, Plant and Equipment

ASHIP does not have any property, plant and equipment that should be recognized as assets in accordance with the Financial Regulations and Financial Rules of WIPO.

Receivables

Current receivables are for amounts due within 12 months of the reporting date, while non-current receivables are due after one year from the reporting date. Any write-off of ASHIP receivables will be in accordance with WIPO financial regulations and financial rules.

Provisions and Contingent Liabilities

Provisions are recognized for future liabilities and charges where the ASHIP has a present legal or constructive obligation as a result of past events and it is probable that the ASHIP will be required to settle the obligation.

Other commitments, which do not meet the recognition criteria for liabilities, are disclosed in the notes to the financial statements as contingent liabilities when their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of the ASHIP.

Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by ASHIP during the year and represents an increase in net assets.

The main sources of revenue for the ASHIP include but are not limited to:

- Contributions - revenue from contributions collected from participating entities. Where payment is due in the current accounting year, revenue is recognized in the current period. Where payment is due after the year end the amount is reported as accounts receivable.
- Investment gains - revenue is from gains on managed investments, and interest on excess cash invested by the WIPO Treasury.

Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrences of liabilities that result in decreases in net assets. Expenses are recognized when claims are due and where goods have been received or services rendered (delivery principle) and not when cash or its equivalent is paid.

Employee Benefit Liabilities

Employee benefit liabilities for ASHI represent the net responsibility after offsetting plan assets held by the ASHIP and are the responsibility of each participating entity, not of the ASHIP, and are reported in the financial statements of WIPO and UPOV.

Statement of Cash Flow

The Statement of Cash Flow (Statement IV) is prepared using the indirect method.

Budget Comparison

ASHIP's budgets are approved by the WIPO Director-General (after review of the ASHIP Advisory Committee). Budgets are prepared on a biennial basis.

Amounts Booked to Participating Entities

Any surplus or deficit is booked to the plan asset liability with the participating entities, which corresponds to their respective funding (cash and investments) held by ASHIP. As a result, the ASHIP has no reported net assets.

4. Supporting Information to the Statement of Financial Position

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, investments in money market funds, collateral deposits, bank deposits, and short-term highly liquid investments with original maturity dates of three months or less from the date of acquisition managed by the investment fund manager. The cash and cash equivalent asset held by ASHIP represents the net amount it holds on behalf of UPOV and the uninvested cash held on behalf of WIPO as follows:

December 31, 2025	
<i>(in thousands of Swiss francs)</i>	
WIPO cash and cash equivalents	15,485
UPOV cash and cash equivalents	1,159
TOTAL CASH AND CASH EQUIVALENTS	16,644

Investments

Investments held by ASHIP are summarized by asset class in the table below. Note that the amounts represent the ASHIP share of the WIPO strategic portfolio investment funds which also include WIPO investments to finance its annual leave and repatriation grant/travel liabilities. The ASHIP allocation is based on the total financing held by WIPO in connection with each of these employee benefit liabilities.

December 31, 2025		
Asset Class	Fair Value	Percentage of Investments
<i>(in thousands of Swiss francs)</i>		
Investment funds:		
Bonds		
Bonds in Swiss franc	112,470	34.5%
Senior Secured Loans	48,546	14.9%
Emerging Market Bonds	48,705	14.9%
Equity	66,533	20.4%
Real Estate	49,801	15.3%
TOTAL INVESTMENTS	326,055	100.0%

The WIPO Treasury manages ASHIP's investments in accordance with its Policy on Investments as adopted by its Member States for WIPO's strategic portfolio which has been set aside to finance after-service employee benefit liabilities, including ASHI. The resources set aside by UPOV's Members to finance the ASHI liability are held in cash but may be invested in deposits by the WIPO Treasury. A summary of the investment activities in 2025 is included in the table below. Note that funds held in the Emerging Market USD bonds fund were liquidated in 2025 to limit risks of exchange rate fluctuations.

	Bond in Swiss franc	Real Estate	Emerging Market Bonds USD	Emerging Market Bonds CHF	Senior Secured Loans	Equities	TOTAL
	<i>(in thousands of Swiss francs)</i>						
Investments fair value at January 1, 2025	87,057	41,183	39,359	-	37,540	52,485	257,624
Additional investments made	25,029	4,237	-	46,943	10,593	21,761	108,563
Dividends on non-current investments invested	681	296	-	-	-	731	1,708
Disposal of non-current investments	-	-	(36,833)	-	-	(13,269)	(50,102)
Forex gains/(losses) on investments	-	-	(4,665)	-	-	(2,183)	(6,848)
Fair value increase/(decrease)	(297)	4,085	2,139	1,762	413	7,008	15,110
Investments fair value at December 31, 2025	112,470	49,801	-	48,705	48,546	66,533	326,055

ASHIP financial instruments are categorized as follows:

Financial Assets and Liabilities	Category
Cash and cash equivalents	Amortized cost
Derivative assets and liabilities	Fair value through surplus and deficit
Investments arising from strategic portfolio	Fair value through surplus and deficit

ASHIP investments are exposed to certain foreign currency exchange, credit, interest rate, price and liquidity risks which arise in the normal course of its operations. This note presents information about ASHIP's exposure to each of the above risks and the policies and processes for measuring and managing risk.

Fair Values

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. The following methods and assumptions were used to estimate the fair values:

- Cash and short-term deposits, receivables, accounts payable and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments;
- Quoted investments (in investment funds which are publicly traded) are based on price quotations at the reporting date;
- Derivative financial instruments are based on quoted prices, adjusted for the UNORE at reporting date;
- Senior Loans held as investments are evaluated by the WIPO Investment Advisory Committee based on parameters such as interest rates and risk characteristics.

For ASHIP's financial assets and liabilities at the reporting date, the carrying amount is equivalent to the fair value.

Fair Value Hierarchy

For those instruments categorized as fair value through surplus or deficit, fair values are classified according to the following hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2);
- Inputs for the asset or liability that are not based on observable market data (Level 3).

Financial Assets and Liabilities	Fair Value Hierarchy
Cash and cash equivalents	Level 1
Derivative assets and liabilities	Level 2
Investments arising from strategic portfolio	Level 1

Credit Risk

Credit risk is the risk of financial loss to the ASHIP if counterparties to financial instruments fail to meet their contractual obligations, and it arises principally from the ASHIP's loans, receivables, cash and cash equivalents, and investments. The carrying amount of financial assets represents the maximum credit exposure. For the purposes of financial reporting, the ASHIP calculates expected credit losses allowances associated with its financial assets.

In accordance with the WIPO Policy on Investments, the strategic portfolio investments which include the ASHIP investments are diversified into global assets including bonds, equities, senior loans and Swiss real estate. The strategic portfolio investments are on track to achieve their long-term investment target of 2 per cent return with the objective to fully fund WIPO's long-term employee benefit liability over a 20-year period.

Deposits may only be held with institutions with a minimum short-term credit rating of minimum credit ratings for short-term investments to be A-2/P-2 for banks and government bonds, A3-P3 for corporate bonds. Money market investments, bonds, notes or other obligations and other fixed income products purchased directly by the WIPO Treasury may only be held with institutions with a minimum short-term credit rating of A-3/P-3 or a minimum long-term credit rating of BBB-/Baa3. Where these are acquired as shares in pooled market traded funds, at least 65 per cent of the portfolio holdings must be in Investment Grade (AAA/Aaa to BBB-/Baa3), while the balance of up to 35 per cent may be held in high yield bonds (BB+/Ba1 to C/Ca).

Unrated balances include cash on hand and non-current investments. Non-current investments held by ASHIP are in investment funds which are not rated by credit rating agencies, but in which the underlying investments are made in accordance with the WIPO Policy on Investments.

Liquidity Risk

Liquidity risk is the risk of the ASHIP not being able to meet its obligations as they fall due. The ASHIP does not have material exposure to liquidity risk as it has substantial uninvested cash resources which are replenished from the results of its investment revenue. The ASHIP's cash outflow is limited to fees charged by the investment custodian, charges for audit fees which are minor amounts financed from the cash inflow from investment income. The funds held on behalf of WIPO are invested over the long term and currently have no short- or medium-term liquidity requirements. The funds held for UPOV are held in either cash or short-term deposits.

Currency Risk

The ASHIP receives revenue from investments and incurs expenses in currencies other than its functional currency, the Swiss franc. It is exposed to foreign currency exchange risk arising from fluctuations of currency exchange rates. Where investments are held in currencies other than the Swiss franc, the ASHIP may use derivative financial instruments to minimize the risk arising from the fluctuation of the currency of the investment against the Swiss franc. Investment in derivatives for speculative purposes is not permitted.

Market Risk

Market risk is the risk of changes in market prices, including interest rates, affecting the ASHIP's income or the value of its financial instrument holdings. The ASHIP does not currently use financial instruments to hedge interest rate risk. The ASHIP's long-term investment (strategic portfolio) are subject to the risk of movements in market prices of the underlying investment funds. Based on historical experience for the investment strategies applied to these portfolios, the expected volatility for the strategic portfolio is 5.7 per cent.

Liabilities

Long-term plan asset liabilities represent the total amount of assets managed by the ASHIP on behalf of the participating organizations, WIPO and UPOV. In accordance with the decision of the WIPO Assemblies and UPOV Consultative Committee, the funds managed will continue to be held by the ASHIP until the ASHI liabilities of each organization has been fully funded as determined on the most recent Asset and Liability Management (ALM) study. Once full funding has been realized each participating organization may request that the ASHIP begin returning any excess funds to the organization to provide financing the organization's share of ASHI benefits payable on behalf of its retirees. The balance of liabilities at the reporting date is as follows:

Participating Entity Liability	December 31, 2025
	<i>(in thousands of Swiss francs)</i>
WIPO	341,540
UPOV	1,159
TOTAL LIABILITY	342,699

5. Supporting Information to the Statement of Financial Performance

Contribution revenue

The revenue of the ASHIP consists of:

	2025
	<i>(in thousands of Swiss francs)</i>
WIPO Contributions	
10% budget charge	18,107
WIPO share of retiree premiums	(6,052)
Approved additional funding	47,060
Withholding tax	914
Net WIPO contribution	60,029
UPOV Contributions	
6% budget charge	136
UPOV share of retiree premiums	(83)
Net UPOV contribution	53
Total net contribution	60,082

Contributions made by the participating organizations are based on a percentage of actual staff costs. WIPO's contributions are based on a percentage of actual staff costs, which during 2025 was fixed at ten per cent, less the premium share paid by WIPO for ASHI. In addition, in July 2025 the Assemblies of the Member States of WIPO approved additional funding for long-term employee benefit liabilities totaling 50.0 million Swiss francs, of which 47.1 million Swiss francs was the share attributable to ASHIP.

For UPOV the amount is fixed at six per cent of staff costs. The contribution from UPOV is also offset by payments for ASHI premiums and the receipts from the six per cent of staff cost contributions exceeded costs by 53 thousand Swiss francs.

Investment revenue

	2025
	<i>(in thousands of Swiss francs)</i>
WIPO investment gains	
Unrealized fair value increase	15,110
Dividends and interest	2,641
Exchange loss on investments and custodian accounts	(6,851)
Exchange gain on derivative financial instruments	3,402
Management fees	(96)
Net WIPO investment gains	14,206
Total net investment gains	14,206

The net gains and losses from changes in the value of investments held on behalf of the participating entities are reported as unrealized revenue. Realized Investment revenue results from interest and dividends paid and the net realized gains and losses from the purchase and sale of investments and hedging instruments.

During 2025, the WIPO share of ASHIP investments was partially invested in bonds valued in currencies other than Swiss francs. Realized gains and losses were incurred primarily from the sale and purchase of such securities. The non-Swiss franc investments were partially hedged using derivatives. The net gain from the exercise of such derivatives is recognized as revenue.

The yield on the ASHIP investments held on behalf of WIPO was 5.5 per cent in 2025. The funds held by ASHIP on behalf of UPOV were not invested in 2025.

Expense

The expenses of the ASHIP include:

- Personnel Costs – costs of staff time of the WIPO Finance Division related to the preparation of the ASHIP Budget, annual preparation of the ASHIP Financial Statements and annual report, calculation of the funds held for each organization, preparation of quarterly financial reports for submission to management of the participating organizations and Advisory Committee and staffing of the Advisory Committee.
- External Consultant fees – costs of the annual audit by the external auditor, calculations related to plan assets and other IPSAS required disclosures performed by the independent actuary and assistance in the preparation of the financial statements, ASHIP Rules, terms of reference for the Advisory Committee and annual report.
- Travel – reimbursement of travel expenses for Advisory Committee participants and external experts.
- Finance expenses- include the management fees paid to the fund custodian and a share of the fees paid to WIPO's external investment advisors.

The operating costs of ASHIP (personnel costs, external consultant fees, travel) are allocated between WIPO and UPOV based on the relative weighting of plan assets at the beginning of the year.

Amount booked to participating entities

The funding situation is monitored closely on a yearly basis by the ASHIP Advisory Committee, and the general contribution rates are reviewed and may be revised as and when necessary.

The share of any surplus or deficit is recognized as an expense in the ASHIP financial statements and recorded as part of the liability to the participating entities. A positive net operating surplus result of 74.2 million Swiss francs was reported to participating entities for 2025. This was reflected in the plan asset information submitted to the WIPO/UPOV actuary for use in the actuarial valuation determining the liability of each participating entity's ASHI benefits.

6. Reconciliation of Statement V and Statement II

The ASHIP Budget is established on a modified accrual basis in accordance with the WIPO Financial Regulations and Rules and is approved by the ASHIP Advisory Committee. The Budget for the 2025 established a budget for the year of expenditure of 66 thousand Swiss francs. There were no changes between the original and final budget after transfers.

ASHIP's budget and financial accounts are prepared using two different bases. The Statement of Financial Position, Statement of Financial Performance, and Statement of Cash Flow are prepared on a full accrual basis, whereas the Statement of Comparison of Budget and Actual Amounts (Statement V) is prepared on a modified accrual basis. As required by IPSAS 24, reconciliation is provided between the actual amounts on a comparable basis as presented in Statement V and the actual amounts in the financial accounts identifying separately any basis, timing and entity differences. The original 2025 budget was approved by the ASHIP Advisory Committee at its meeting held in December 2025.

As required by IPSAS 24 (Presentation of Budget Information in Financial Statements), reconciliation is provided on a comparable basis between the actual amounts as presented in Statement V and the actual amounts in the financial accounts identifying separately any basis, timing, entity and presentation differences.

Reconciliation for the year 2025	Operating	Investing	Financing	Total
	<i>(in thousands of Swiss francs)</i>			
Actual amount on a comparable basis (Statement V)	(65)	-	-	(65)
Contributions from participating entities:				
WIPO	60,029	-	-	60,029
UPOV	53	-	-	53
Investment gains	-	14,206	-	14,206
Advisory fees	(56)	-	-	(56)
Total Basis Differences	60,026	14,206	-	74,232
Operating surplus in Statement of Financial Performance (Statement II)	59,961	14,206	-	74,167

7. Segment Note

'December 31, 2025			
	WIPO	UPOV	ASHIP TOTAL
	<i>(in thousands of Swiss francs)</i>		
ASSETS			
Current assets			
Cash and cash equivalents	15,485	1,159	16,644
Non-current assets			
Investments	326,055	-	326,055
TOTAL ASSETS	341,540	1,159	342,699
LIABILITIES			
Non-current liability			
Plan asset liability	341,540	1,159	342,699
TOTAL LIABILITIES	341,540	1,159	342,699
Surplus/(deficit) 2025	-	-	-
NET ASSETS	-	-	-

'December 31, 2025			
	WIPO	UPOV	ASHIP TOTAL
	<i>(in thousands of Swiss francs)</i>		
REVENUE			
Organization net contributions	60,029	53	60,082
Investment gains/(losses)	14,206	-	14,206
TOTAL REVENUE	74,235	53	74,288
EXPENSES			
Operating costs	65	-	65
Advisory fees	56	-	56
TOTAL EXPENSES	121	-	121
OPERATING SURPLUS	74,114	53	74,167
Amounts booked to plan asset liability	74,114	53	74,167
SURPLUS/(DEFICIT)	-	-	-

8. Related Party and Other Senior Management Disclosures

The only staff members considered to be key management personnel are the Chair and alternate Chair of the ASHIP Advisory Committee. The Chair and alternate Chair receive entitlements and benefits funded by WIPO and not by ASHIP. Aggregate WIPO key management personnel compensation is disclosed in WIPO's financial statements and not in the ASHIP's financial statements.

9. Events after the Reporting Date

ASHIP's reporting date is December 31, 2025. The financial statements were authorized for issue on March 31, 2026, the date at which they were submitted to the External Auditor by the Assistant Director-General/Chair of the ASHIP Advisory Committee.

On the date of the signing of these accounts, no material events, favourable or unfavourable, had arisen between the balance sheet date and the date when the financial statements were authorized for issue that would have had an impact on the financial statements.

[End of Annex and of document]