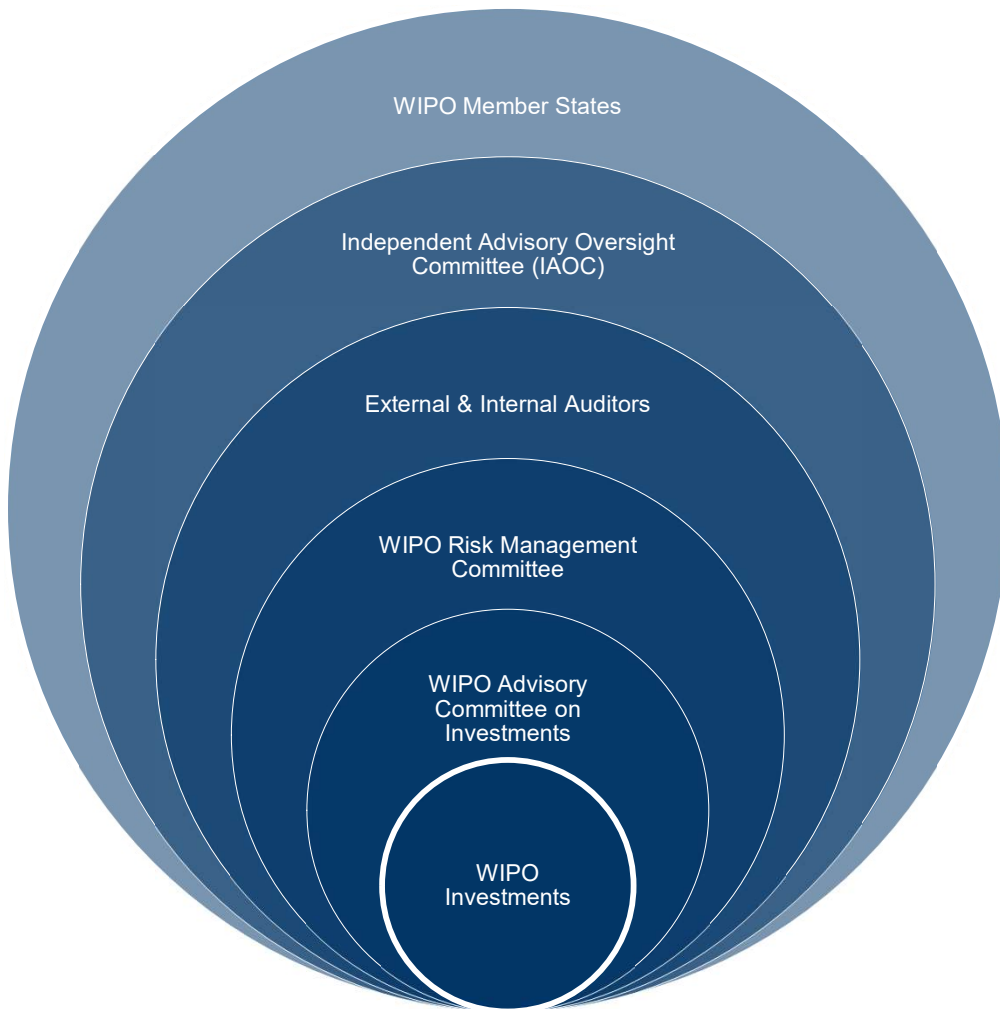




Update on Investments

WO/PBC/39 (June 16 to 20, 2025)

Strong governance framework embedded in the investment process



- **WIPO Advisory Committee on Investments (ACI)** provides advice in respect of the investment of the Organization's funds pursuant to the Financial Regulations and Rules. This advice covers matters such as the contents of the investment policy, strategy, asset allocation, appropriate performance benchmarks and investment guidelines. Two independent external experts on investment matters were appointed to the ACI on a pro-bono basis.
- **WIPO Risk Management Committee** has established a strong risk culture and sets the risk appetite commensurate to achieving WIPO's investment objectives.
- **The External and Internal Auditors** provide an independent audit function and validation of internal controls related to investment processes and reporting.
- **The Independent Advisory Oversight Committee (IAOC)** serves in an independent expert advisory capacity and provides oversight on investment activities.
- **WIPO Member States** provide authority to the Secretariat to make investments in accordance with WIPO's policy on investments.

Focus on the continued strengthening of WIPO's governance framework

- Completion of the World Bank Treasury “Peer Review” study.
- Appointment of new investment advisors – PPCmetrics.
- Appointment of two external investment experts to the ACI.
- Increasing risk management maturity on investment matters
 - Recruitment of new resource focused on investment risk management.
 - Enhanced risk management and reporting on investments
 - Developed investment guidelines for the ACI.
- Establishment of separate entity (Multi-employer plan) to hold ASHI investments.
- WIPO Internal Audit Division will audit the Treasury Section in Q3, 2025.

Global Financial Markets – Uncertainty is certain

HEIGHTENED VOLATILITY AND A BUMPY PATH

- Stretched asset valuations.
- Unusual market movements on traditional safe haven assets and selloff or riskier assets.
- Monetary policy was easing. But surprises in inflation might lead to a slower pace or delayed interest rate cuts.

GEOPOLITICS CONCERNS AND MARKET RISKS

- Market pricing oscillates between future 'interest rate cuts' and 'inflationary expectations' scenarios.

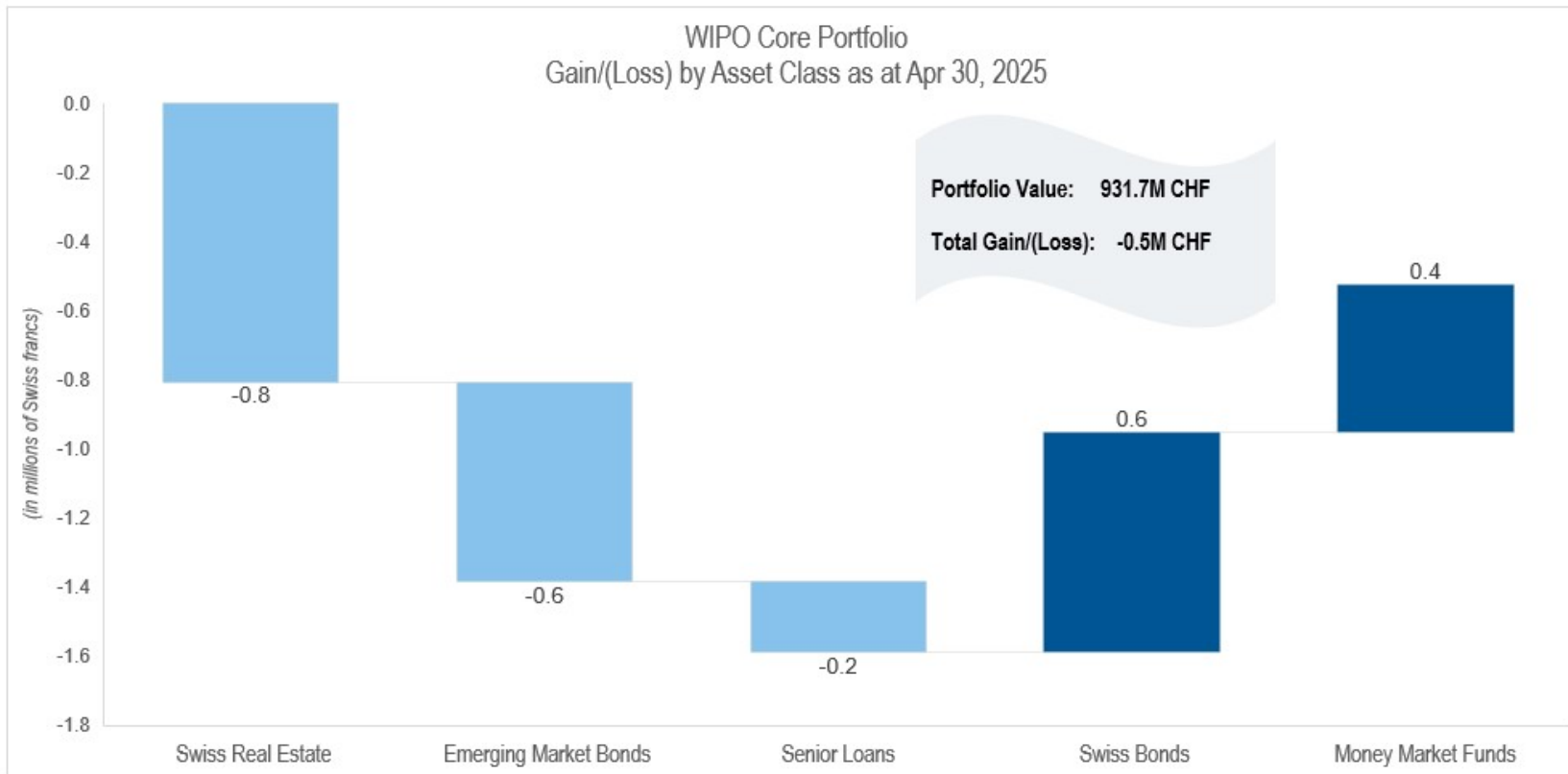
MEASURED MARKET RETURNS IN 2025

- A very volatile year thus far and likely to remain so.

Asset Class Returns (%)*	04.2025	2024
EQUITIES		
Switzerland	6.5	6.1
Europe	4.4	10.7
North America	-13.0	33.3
Japan	-4.2	16.7
Emerging Markets	-5.3	15.7
GOVERNMENT BONDS		
Switzerland	0.6	3.8
CREDIT		
Senior Loans	-0.9	4.5
Emerging Market	1.9	7.6
REAL ESTATE		
Swiss Funds	-0.5	17.5

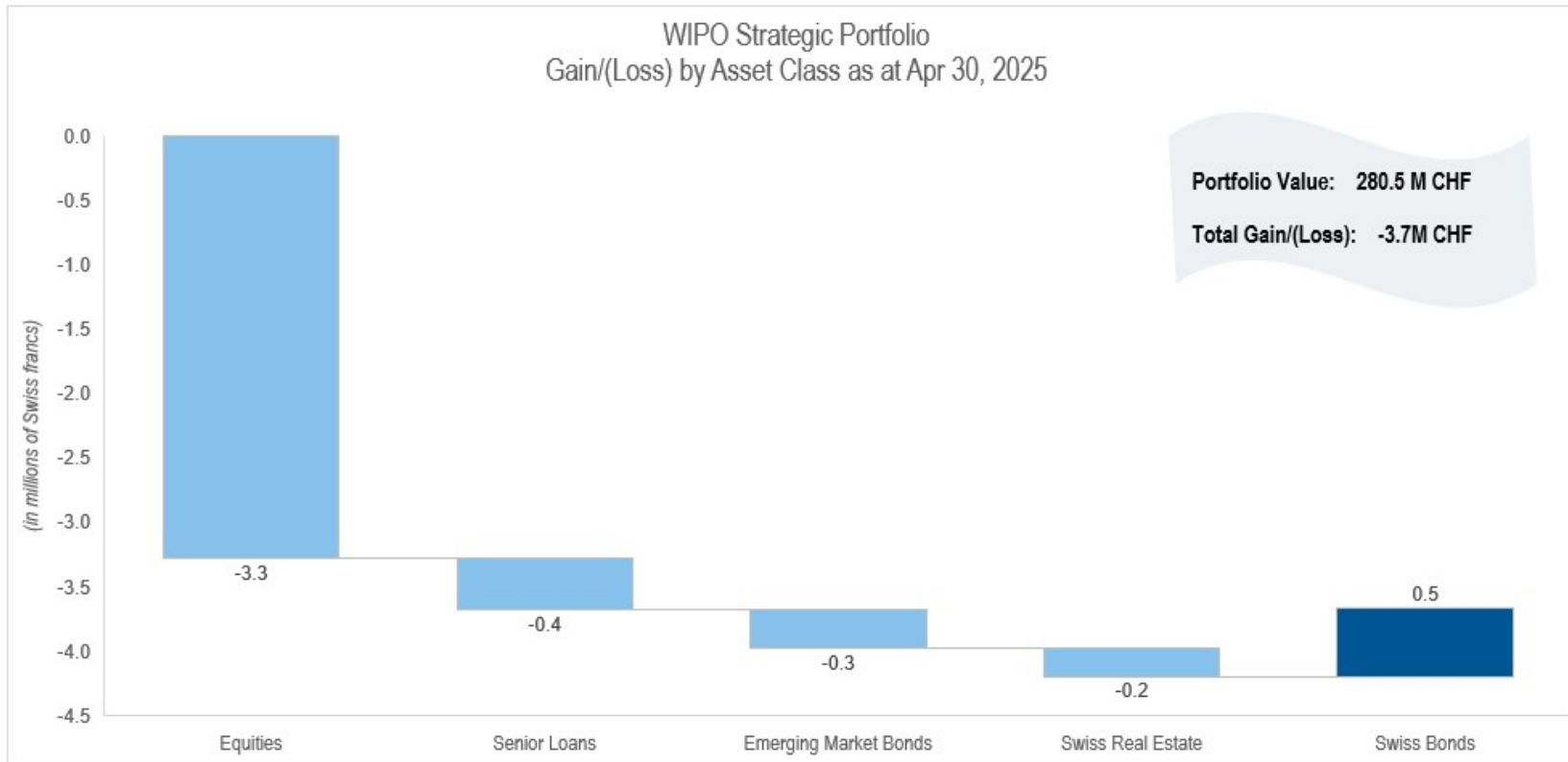
* - returns in Swiss francs

Short-term volatility persists, but WIPO's portfolios are resilient



Investment Performance (%)	Jan-Apr 2025	2024	5-year	Since Inception
WIPO Core	-0.1	6.1	2.0	1.8
Benchmark Return	0.1	6.3	2.1	1.9
Relative Return	-0.2	-0.2	-0.1	-0.1

Short-term volatility persists, but WIPO's portfolios are resilient



Investment Performance (%)	Jan-Apr 2025	2024	5-year	Since Inception
WIPO Strategic	-1.3	9.0	3.3	2.5
Benchmark Return	-1.0	8.6	3.2	2.5
Relative Return	-0.2	0.4	0.1	0.0

Investments are for medium and long-term, and our focus remains on the objective

- Investments in the Core portfolio are diversified into global assets including bonds and Swiss real estate. Positive Swiss interest rates had allowed opportunities to reduce portfolio risks (volatility). The investment strategy has met its objective and has delivered a positive return over a 5-year time horizon.
- Investments in the Strategic portfolio are diversified into global assets including bonds, equities and Swiss real estate. The investment portfolio is on track to achieve their long-term investment target of 2% return and to fully fund WIPO's long-term employee benefit liability over a 20 year period.
- A new Asset and Liability Management (ALM) Study is currently on-going. The ALM is the basis for the allocation to the WIPO After Service Health Insurance Plan (ASHIP).
- The road ahead for global investors remains uncertain. A risk and cost-conscious investment approach that diversifies across markets and asset classes, coupled with a long-term view, is required. And these must continue to be underpinned by a governance and risk framework that remains best in class.