National Bank of Serbia

INSURANCE SUPERVISION DEPARTMENT
PENSION FUNDS SUPERVISION DIVISION

VOLUNTARY PENSION FUNDS SECTOR IN SERBIA

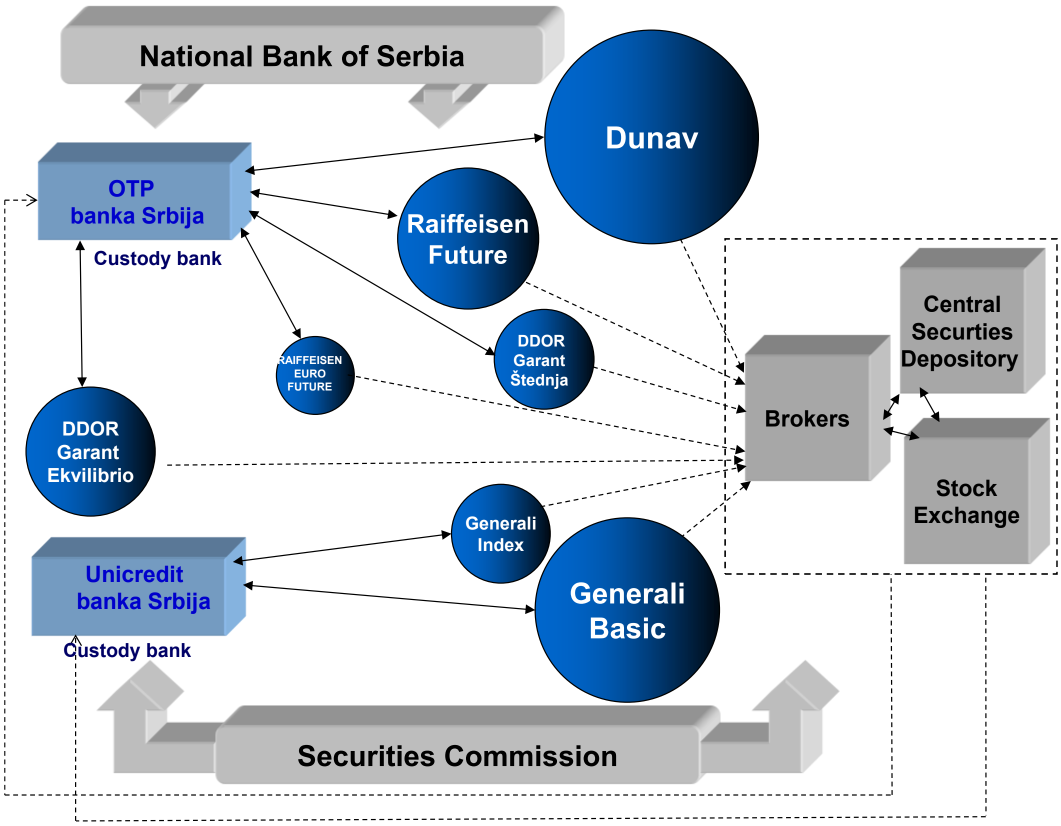
Second Quarter Report 2026

Contents:

1 VPF market participants

At end-Q2 2026, the market of voluntary pension funds (VPFs) included four companies managing seven VPFs, two custody banks, five intermediary banks and one insurance brokerage undertaking.[1]

Diagram: **VPF market participants**



At end-Q2 2026, VPF management companies employed 139 persons, the same as at end-Q1 2026.

The NBS licenses sales agents, who passed professional examinations and fulfilled other requirements, to disseminate information about VPF operation, as well as to distribute prospectuses (sales agents). At end-Q2 2026, the total number of sales agent licences was 1353.[2]

As brokers – management companies, banks and insurance undertakings may hire sales agents. At end-Q2 2026, management companies hired 101 persons, intermediary banks 586, and the insurance brokerage undertaking 78 persons as sales agents

2 Net VPF assets

At end-Q2, net VPF assets equalled RSD 69.1 bn.

Net VPF assets at end-Q2 2026 came at RSD 69.1 bn, up by 4.1% relative to a quarter before. The change in the value of net assets reflects net contributions[3], withdrawals and investment returns. In Q2 2026, total net

[1] Raiffeisen Bank a.d. Beograd, OTP banka Srbija a.d. Novi Sad, NLB banka a.d. Beograd, Addiko Banka a.d. Beograd and AIK Bank a.d. Beograd, as well as the joint-stock insurance undertaking DDOR Novi Sad, Novi Sad.

[2] The licensing exam for disseminating information about VPF operation and the distribution of prospectuses is organised twice a year, usually in May and December.

[3] Net contributions are total contributions minus the front-load fee.

contributions amounted to RSD 1.4 bn, and withdrawals by members who met legal requirements to around RSD 1 bn.

End-of-period net assets of the VPF sector
(in RSD bn)

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
									Q1	Q2
36.2	40.2	45.2	47.0	49.1	48.2	53.8	61.7	66.7	66.4	69.1

Source: National Bank of Serbia.

Measured by HHI, market concentration[4] in the sector at end-Q2 2026 amounted to 2,726 points indicating the persisting high concentration in the VPF market.

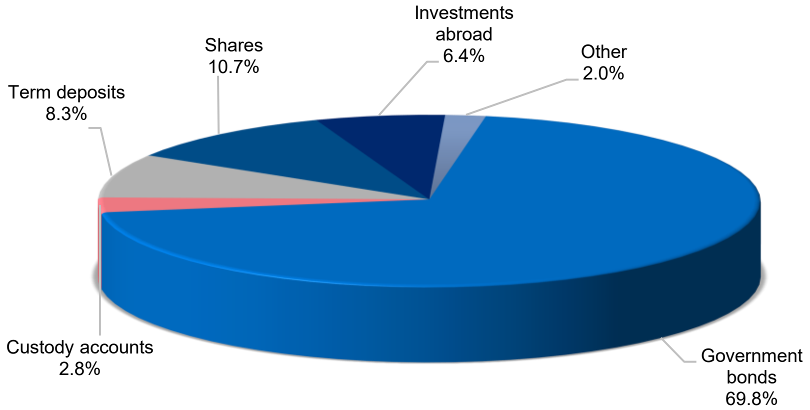
According to the size of net VPF assets relative to total net assets of the sector, three largest funds together accounted for 80.5%, and the largest fund for 41.7% of the market share.

3 Structure of VPF assets

At end-Q2 2026, the structure of investment of VPF assets changed negligibly from the previous period. Government bonds accounted for the bulk of VPF assets: 69.8%, shares of domestic legal persons 10.7%, time deposits with banks 8.3%, balances in custody accounts 2.8% and investments abroad 6.4%.[5]

The majority of assets were invested in bonds of the Republic of Serbia: 69.8%.

Structure of VPF assets

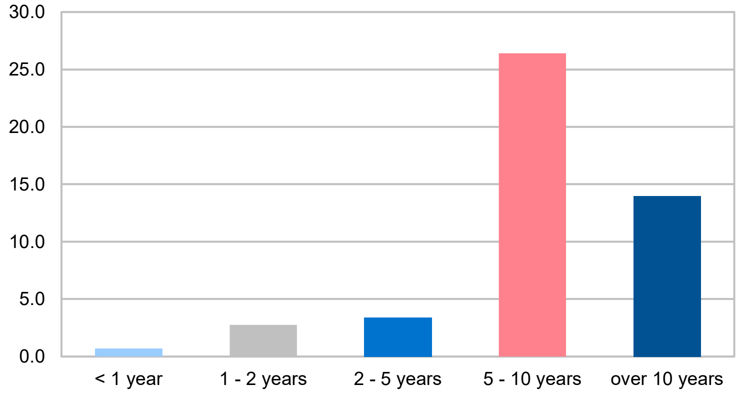


Source: National Bank of Serbia.

The portfolio of government debt instruments (Republic of Serbia's bonds) kept the dominant position in total VPF assets at the end of this period as well, increasing from 66.4% at the end of the previous quarter to 69.8%. In the composition of government securities, bonds in the domestic currency accounted for 57.4%, those in euros for 42.2% and those in US dollars for 0.4%.

[4] In terms of the share of net VPF assets in total net assets.
[5] The remaining assets are invested in open-ended investment fund units, receivables and corporate bonds

Maturity structure (government fixed income securities)
(in RSD bn)



Source: National Bank of Serbia.

The maturity composition of the portfolio of government debt securities changed from the end of the previous quarter, reflecting an increase in the share of bonds with over 10Y maturity and a decline in the share of bonds with 5–10Y maturity. At end-Q2 2026, 1.5% of government debt securities had a maturity of up to one year, 5.8% between one and two years, 7.3% between two and five years, 55.8% between five and ten years, and 29.6% over ten years.

The average maturity of assets[6] invested in government bonds was 8 years (7.8 years at end-Q1 2026).

Aggregate exposure to shares of domestic legal persons measured 10.7% of total VPF assets and declined slightly from the previous period, when it stood at 10.8%.

In Q2 2026, investments abroad accounted for 6.4% of total VPF assets rising mildly from 6.1% in the previous period.

The currency composition of total VPF assets changed only marginally reflecting a mild increase in the share of euro-denominated assets from end-Q1 2026 and is presented below.

Currency structure of VPFs
(in %)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
										Q1	Q2
RSD	86%	87%	87%	86%	86%	85%	78%	71%	67%	66%	63%
EUR	13%	12%	13%	14%	14%	15%	22%	15%	27%	28%	31%
USD	1%	1%	-	-	-	-	-	14%	6%	6%	6%

Source: National Bank of Serbia.

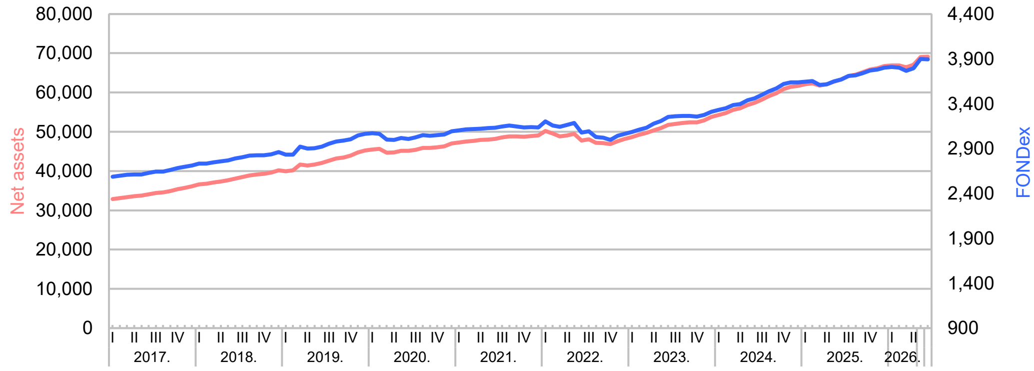
4 Return on investment

At end-Q2 2026, the FONDex[7] reached 3,894.18 points[8] (3,766.41 at end-Q1 2026). FONDex return, as the weighted average return on all funds, equalled 6.1% over the past year and 4.5% over the past five years. Since the start of VPF operation, FONDex return has equalled 7.2%.

[6] The maturity of instruments weighted by their share in total investment in government debt instruments.
[7] FONDex is the index which indicates movements in investment units of all VPFs in the market.
[8] The initial FONDex value on the first business day of the first VPF, 15 November 2006, was 1,000.

Given the structure of VPF investment, the return is influenced by: the change in the value of government debt instruments[9], change in the prices of shares, change in the value of investment units of open investment funds, level of the key policy rate, banks' interest rates, and changes in the dinar exchange rate against the euro.

Movements in net assets and FONDex
(in RSD mn and units)



Source: National Bank of Serbia.

5 Fees charged by management companies

The Law on Voluntary Pension Funds and Pension Schemes sets out that management companies charge two types of fees: fee for services rendered by the management companies and fee for the transfer of a fund member's account, subject to their tariff code. Management company fees entail contribution and management fees.

The contribution fee is paid as a percentage of each executed payment as a front-load fee. In Q2 2026, this fee averaged 2.1% (2.5% in the quarter before). The total amount of contribution fees paid in Q2 2026 came at RSD 31.1 mn, or 13% of total fees charged.

The management fee is calculated daily against the value of net VPF assets, not exceeding 1.25% p.a. and is included directly in the investment unit value, meaning that the calculated and published investment unit value is exclusive of the management fee. In Q2 2026, the total value of management fees equalled RSD 209.2 mn, which is 87% of the total fees charged.

Fees charged by management companies
(in RSD mn)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
										Q1	Q2
Contribution fee	61.0	66.3	71.8	76.2	80.9	85.1	94.5	111.4	120.1	32.8	31.1
Management fee	678.7	474.0	526.7	567.9	599.4	599.0	633.4	715.7	788.3	203.9	209.2

Source: National Bank of Serbia.

[9] A decline in interest rate leads to an increase in the prices of debt instruments and vice versa. The prices of longer-maturity instruments are more sensitive to interest rate changes.

6 Volume of securities trading and transaction costs

In Q2 2026, the volume of VPF trading in securities came at around RSD 7.2 bn and the average share of VPFs in the Belgrade Stock Exchange trading in the same period was 61.6%.

VPF securities trading
(in RSD bn)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Q1	2026 Q2
Securities trading	24.2	16.1	48.7	26.3	33.5	11.9	27.9	58.9	69.0	17.0	7.3
Purchases	14.7	9.3	27.1	13.8	18.6	6.0	14.0	30.3	39.0	8.6	4.9
Belgrade Stock Exchange	3.7	2.7	3.2	2.7	1.9	1.6	0.6	1.9	1.8	0.5	2.5
Unregulated market	5.8	3.2	16.7	7.6	13.7	2.3	7.5	15.0	12.7	1.3	1.1
Foreign markets	-	-	-	-	-	-	-	5.8	8.8	2.5	1.2
Auctions of government secu	5.1	3.4	7.1	3.6	3.0	2.1	5.9	7.6	15.6	4.3	0.1
Sales	7.4	5.5	19.6	11.2	12.0	3.8	11.5	25.6	27.6	4.3	2.4
Belgrade Stock Exchange	2.7	3.2	1.4	3.1	3.7	0.8	1.1	7.7	3.6	0.3	0.2
Unregulated market	4.7	2.3	18.1	8.1	8.3	3.0	10.3	14.5	17.5	2.2	0.9
Foreign markets	-	-	-	-	-	-	-	3.4	6.5	1.8	1.3
Maturity	2.2	1.3	2.1	1.4	3.0	2.1	2.4	3.1	2.4	4.1	0.1
Purchase to sale and maturity ratio	1.5	1.4	1.3	1.1	1.2	1.0	1.0	1.1	1.3	1.0	2.0
Share in total BSE trading (in%)	33.0%	9.4%	5.1%	11.9%	13.5%	6.1%	8.5%	26.3%	21.9%	14.9%	61.6%

Source: National Bank of Serbia, Belgrade Stock Exchange.

Transaction costs incurred in the purchase, sale and transfer of securities (Central Securities Depository fees, stock exchange fees, tax charges) and the costs of current maintenance of real estate property that fund assets are invested in are charged against fund assets. Other costs are charged against the assets of management companies.

The total transaction costs in Q2 2026 amounted to RSD 2.8 mn, with stock exchange fees accounting for the largest shares.

Amount of transaction costs
(in RSD mn)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Q1	2026 Q2
Total	10.5	8.3	17.2	10.3	4.8	5.9	6.2	19.2	13.4	4.2	2.8
Brokerage fees	4.4	3.0	8.0	3.7	0.7	1.0	1.5	11.0	7.5	2.3	1.3
Custody bank fees	1.9	1.8	3.1	2.3	1.6	1.4	2.4	3.3	2.4	0.7	0.9
Stock exchange fees	1.8	1.3	1.9	1.3	0.5	0.6	0.7	2.9	2.3	0.5	0.4
Central Securities Depository fees	1.8	1.6	3.4	2.2	1.7	2.8	1.7	2.0	1.4	0.7	0.2
Other fees	0.6	0.6	0.7	0.9	-	-	-	-	-	-	-

Source: National Bank of Serbia.

7 Number and structure of VPF users

At end-Q2 2026, 232,004 users[10] were in the accumulation phase[11] (an increase by 2,224 from end-Q1 2026), with 321,316 membership contracts[12] (2,388 contracts more than at end-Q1 2026).

VPF users make up 10.1% of the total number of employees in the Republic of Serbia[13].

Number of contracts and users
(in RSD thousand)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
										Q1	Q2
No of contracts	253.9	261.7	275.8	279.5	288.7	294.5	304.8	312.2	318.9	318.9	321.3
No of users	185.4	192.3	201.6	205.0	210.7	215.5	220.7	225.7	229.3	229.8	232.0
Percentage of active users (in %)	33.6%	33.4%	34.4%	35.3%	35.9%	36.5%	36.1%	36.8%	36.0%	35.6%	36.1%

Source: National Bank of Serbia.

The amount of accumulated funds depends on the amount of contributions, return earned by funds, level of fees and costs, and the length of the accumulation phase. As the level of contributions and the period of accumulation increase, and funds earn returns, average balances in members' individual accounts go up. The average amount of funds accumulated in the accounts of members who have made at least one contribution payment was RSD 328.7 thousand at end-Q2 2026.

Average accumulated funds at end-period
(in thousand)

2017	2018.0	2019	2020	2021	2022	2023	2024	2025	2026	
									Q1	Q2
219.3	235.8	239.9	257.4	260.0	249.6	271.7	304.5	322.2	319.6	328.7

Source: National Bank of Serbia.

At end-Q2 2026, the number of users who are members of two or more VPFs was 47,618 or 20.5% of the total number of users. The structure of users by sex and the amount of their funds did not change significantly compared to prior periods. Men made up the majority of 54.8%.

[10] The number of users is the number of people who are members of VPF(s). This number is lower than the number of membership contracts, as there is a significant number of users with more than one membership contract in one or several VPFs.

[11] VPF membership has two phases – the accumulation phase (when contributions are made) and the withdrawal phase (when the accumulated funds are withdrawn).

[12] The number of membership contracts is the sum total of individual membership contracts and the number of members of all pension schemes.

[13] Source for the number of employees: NBS.

Number of users by number of funds in which they are members
(in units)

No of funds	No of users
1	184.386
2	41,608
3	5,580
4	399
5	23
6	6
7	2
Total	232,004

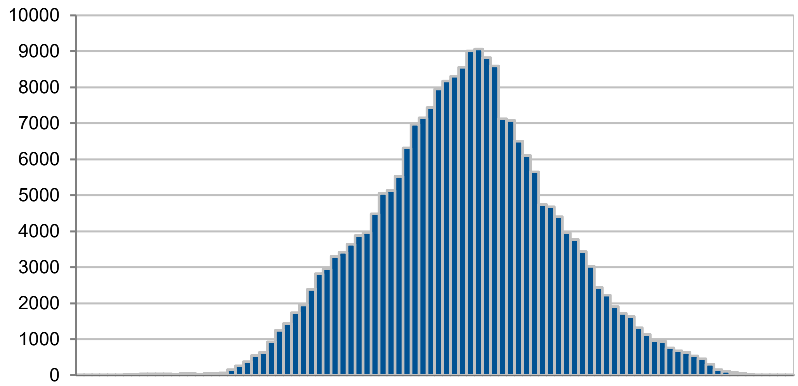
Source: National Bank of Serbia.

Number of users by membership contract
(in units)

No of contracts	No of users
1	166,805
2	49,949
3	10,028
4	3,142
5	1,113
6	602
7	268
8	36
9	23
10	18
11	8
12	11
13	1
Total	232,004

Source: National Bank of Serbia.

Distribution of users and accumulated funds by age
(in units, RSD)



	0–9	10–19	20–29	30–39	40–49	50–59	60+
No. of users	202	550	11,520	38,653	75,418	68,382	36,718
Amount of funds (mln)	11.81	33.31	1,055.88	6,708.78	24,320.21	27,488.91	8,385.11
Average holdings	58,465	60,564	91,656	173,564	322,472	401,990	228,365

Source: National Bank of Serbia.

At end-Q2 2026, the average age of VPF users was around 48 years (the same as at end-Q1 2026), with users aged 40–60 making up the dominant share (62.1%). Also, the percentage of users above the age of 53 was similar as in prior years (34.0%), while the percentage of users above 58 was 19.9%.

8 Contributions, withdrawals and transfers

Net contributions to VPFs came at RSD 1.4 bn in Q2 2026.

In Q2 2026, total net contributions amounted to 1.4 bn.

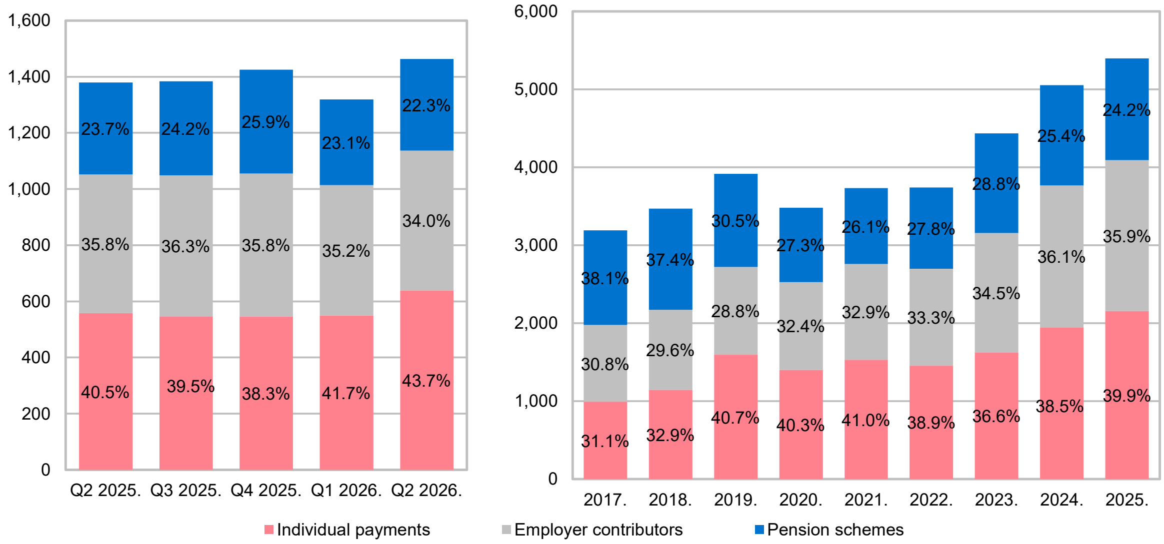
Total contributions
(in RSD bn)

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Q1	2026 Q2
3.19	3.47	3.92	3.48	3.73	3.74	4.43	5.05	5.40	1.32	1.46

Source: National Bank of Serbia.

Of total contributions in Q2 2026, individual payments accounted for 43.7%, employer contributions for 34.0% and pension schemes for 22.3%.

Volume and structure of total contributions
(in RSD mn, %)



Source: National Bank of Serbia.

In Q2 2026, there was a slight decrease in the share of employer contributions to VPFs, both as contributors and as organisers of pension schemes, while the share of individual contributions increased in total contributions. Employees and employers can achieve additional savings, as employer contributions to voluntary pension funds are exempt from personal income tax and mandatory social insurance contributions up to RSD 8,677 per employee per month[14]. In addition, contributions in the same amount made by the employer through wage garnishment, by deducting and remitting the amount from the employee's salary, are exempt from personal income tax. These government-prescribed tax incentives provide an additional stimulus for employees and employers to direct a portion of wages towards savings in voluntary pension funds.

In Q2 2026, total withdrawals by members who met legal requirements amounted to RSD 1 bn.

In Q2 2026, total withdrawals by members amounted to RSD 1 bn.

[14] Under the Government decree, this amount is adjusted for previous-year inflation once a year. Since February 2026 it equals RSD 8,677.

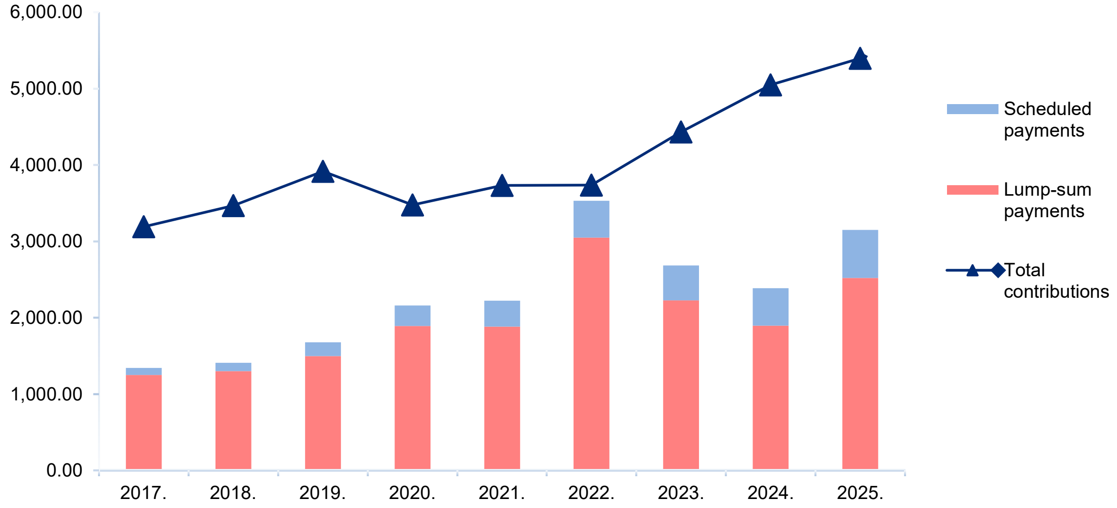
Total withdrawals
(in RSD mn)

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
									Q1	Q2
1,342.4	1,412.0	1,679.8	2,159.6	2,223.5	3,530.1	2,685.6	2,386.5	3,149.3	940.7	1,003.8

Source: National Bank of Serbia.

Lump sum withdrawals accounted for 79.3% of withdrawals and scheduled withdrawals for 20.7%. As the accumulation period extends and account balances grow, we may expect a rising share of scheduled withdrawals and other types of withdrawals envisaged by the law (e.g. purchase of annuities).

Comparative Annual Review of Withdrawals and Contributions
(in RSD mn)



Source: National Bank of Serbia.

Transfers represent inter-fund transfers. A member may transfer a part or all of his assets from one fund to another, paying only the actual transfer costs to the custody bank. In Q2 2026, the total amount of assets transferred to another fund equalled RSD 83.7 mn.

In Q2 2026, total transfers came at RSD 83.7 mn.

Total inter-fund transfers
(in RSD mn)

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
									Q1	Q2
263.0	229.7	210.3	252.6	199.0	748.4	260.0	328.5	405.7	249.3	83.7

Source: National Bank of Serbia.

9 Financial statements

9.1 Regulatory framework

Voluntary pension fund management companies keep business books and compile financial statements in accordance with the accounting and auditing laws and NBS regulations.

Separately from their own, management companies also keep business books and compile financial statements for the VPFs they manage.

NBS decisions regulate the form and content of financial statements of VPF management companies and VPFs, requiring management companies to prepare: balance sheet, income statement, cash flow statement, statement of changes in equity, statement of other comprehensive income, statistical report of a management company and notes to the financial statements. For each fund, management companies prepare: balance sheet – statement of net assets, income statement, cash flow statement, statement of changes in net assets of the voluntary pension fund and notes to the financial statements.

9.2 Financial statements of management companies

The total balance sheet assets of management companies as at 31 December 2025 amounted to around RSD 1,403 million, which was 5.2% higher than in 2024, when they amounted to RSD 1,334 mn.

The largest share of management companies' assets in 2025 consisted of securities (36.9%), followed by deposits and other financial assets (32.3%), as well as cash and cash equivalents (15.7%).

The share of equity in total liabilities did not change significantly – at end-2025, total equity accounted for around 84.6% of total liabilities (87.5% in 2024). The liquidity of management companies remained high.

Equity indicators

Indicator / Year	2021	2022	2023	2024	2025
Total capital ratio	2.40	2.31	2.39	2.49	2.53
Capital per member	4,822	4,481	4,490	4,545	4,483
Capital-to-total-net-assets ratio	0.03	0.03	0.03	0.02	0.02

Management companies are required to maintain their capital above the statutory minimum, which amounts to EUR 1 mn in dinar equivalent. At the industry level, the ratio of total capital to the statutory minimum stood at 2.53 in 2025 (2.49 in 2024).

In 2025, the capital per member decreased from RSD 4,545, as recorded at end-2024, to RSD 4,483.2 per member, due to the number of members increasing at a faster rate than capital. At end-2025, each dinar of the fund's net assets was covered by RSD 0.02 of management company capital (the same as in the previous year).

In 2025, management companies achieved a total return on equity (ROE) of 22.6% (22.1% in 2024), while return on assets (ROA) stood at 19.4% (19.5% in 2024).

Profitability indicators

Indicator / Year	2021	2022	2023	2024	2025
ROE	20.67%	18,32%	20,70%	22,10%	22.60%
ROA	18,42%	15,94%	18,27%	19,46%	19.44%
Profit per member	898.13	769.15	847.67	918.87	947.24
Profit per contribution	0,06	0,04	0,05	0,05	0.05
Fee income-to-number of members ratio	2,631.61	2,585.46	2,694.89	2,998.74	3,233.26
Fee income-to-total income ratio	93.06%	94.18%	92.31%	93.23%	91.66%

Income from the management companies' core activity (fee income) amounted to RSD 908.4 mn in 2025 (RSD 825.2 mn in 2024) and accounted for around 91.7% of total income (RSD 991.1 mn) generated by management companies in 2025 (93.2% in 2024).

Of total fee income, 13.2% was contribution fees (RSD 120.1 mn), while 86.8% was management fees (RSD 788.3 mn).

Total expenses of management companies related to fund management (expenses related to investing the funds' assets, marketing expenses, custody bank fees, brokerage costs and other fund management expenses) were 22.7% higher in 2025 than in 2024, amounting to around RSD 128.8 mn (RSD 105 mn in 2024).

At end-2025, management companies generated profit from fund management amounting to RSD 779.6 mn (RSD 720.1 mn in 2024).

Within total expenses (RSD 677.3 mn), staff costs accounted for the largest share, amounting to around RSD 350.6 mn (RSD 310.6 mn in 2024) or 51.8% of total expenses.

In 2025, management companies continued to record positive results. The total profit of all management companies amounted to RSD 266.1 mn, which was around 5.2% higher than in 2024, when the total profit of all management companies amounted to around RSD 252.9 mn. **The results achieved by a management company do not affect the assets of fund members, as the assets of the management company are separate from the assets of the fund.**

9.3 VPF financial statements

The total VPF assets as at 31 December 2025 amounted to RSD 66.8 bn (RSD 62.1 bn at end-2024), which was around 7.5% higher than in 2024. Government securities accounted for the largest share of total assets, at around 68.5% of total fund assets, which was higher than at end-2024 (62.0%).

VPF liabilities, comprising liabilities to management companies, membership-related liabilities and other operating liabilities, amounted to around RSD 90.2 mn at end-2025 (compared with RSD 422.8 mn in 2024).

VPF net assets (total assets less liabilities) amounted to RSD 66.7 bn as at 31 December 2025, which was around RSD 5 bn, or 8.10%, higher than at end-2024.

Total income of the funds in 2025 amounted to around RSD 18.1 bn (RSD 16.8 bn in 2024), while total fund expenses stood at around RSD 15.2 bn (RSD 11.4 bn in 2024).

At end-2025, all funds recorded profit, which amounted to RSD 2.9 bn at the sector level.