National Bank of Serbia

INSURANCE SUPERVISION DEPARTMENT
PENSION FUNDS SUPERVISION DIVISION

VOLUNTARY PENSION FUNDS SECTOR IN SERBIA

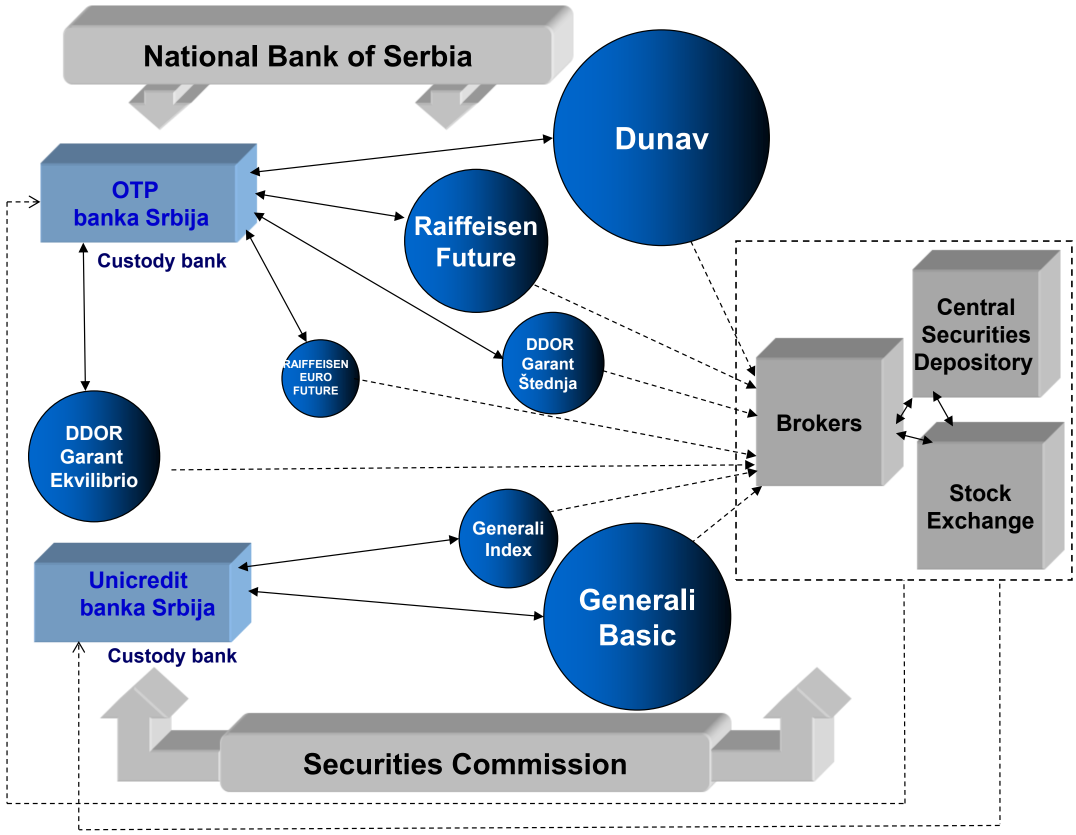
First Quarter Report 2026

Contents:

1 VPF market participants

At end-Q1 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-Q1 2026, VPF management companies employed 139 persons, the same as at end-Q4 2025.

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-Q1 2026, the total number of sales agent licences was 1302.[2]

As brokers – management companies, banks and insurance undertakings may hire sales agents. At end-Q1 2026, management companies hired 102 persons, intermediary banks 597, and the insurance brokerage undertaking 81 persons as sales agents.

[1] Raiffeisen Bank a.d. Beograd, OTP banka Srbija a.d. Novi Sad, NLB Komercijalna 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.

2 Net VPF assets

Net VPF assets at end-Q1 2026 came at RSD 66.4 bn, down by 0.4% relative to a quarter before. The change in the value of net assets reflects net contributions[3], withdrawals and investment returns. In Q1 2026, total net contributions amounted to RSD 1.3 bn, and withdrawals by members who met legal requirements to RSD 940.7 mn.

At end-Q1 2026, net VPF assets equalled RSD 66.4 bn.

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

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

Source: National Bank of Serbia.

Measured by HHI, market concentration in the sector[4] at end-Q1 2026 amounted to 2,722 points, indicating the persisting high concentration in the VPF market.

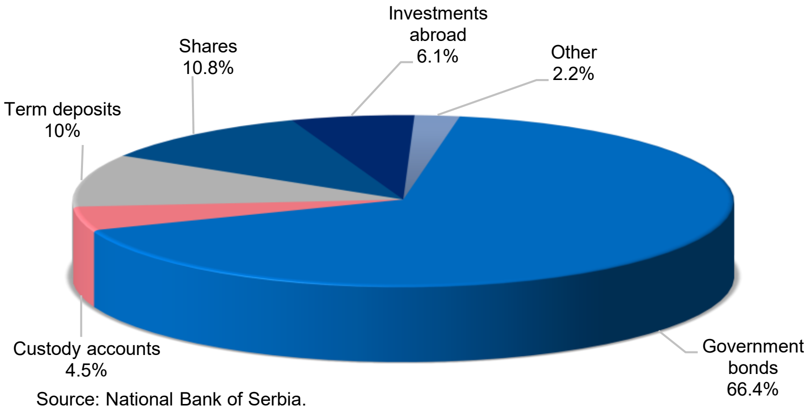
According to the size of net VPF assets relative to total net assets of the sector, three largest funds together accounted for 80.5%, and the largest fund for 41.6% of the market share.

3 Structure of VPF assets

At end-Q1 2026, the structure of investment of VPF assets changed negligibly from the previous period. Government bonds accounted for the bulk of VPF assets: 66.4%, shares of domestic legal persons 10.8%, time deposits with banks 10%, investments abroad 6.1%, and balances in custody accounts 4.5%.[5]

The majority of assets were invested in bonds of the Republic of Serbia: 66.4%.

Structure of VPF assets

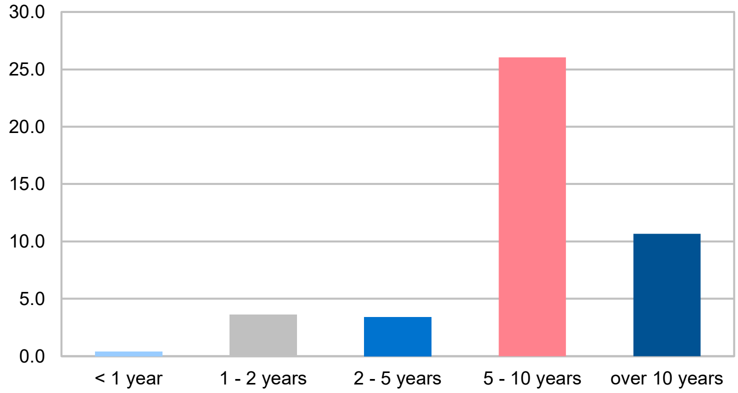


Source: National Bank of Serbia.

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

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, declining from 68.5% at end of the previous quarter to 66.4%. In the composition of government securities, bonds in the domestic currency accounted for 62.0%, those in euros for 37.5% and those in US dollars for 0.5%.

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 end-Q4 2025, reflecting an increase in the share of long-term bonds and a decline in the share of short-term bonds. At end-Q1 2026, 0.9% of government debt securities had a maturity of up to one year, 8.2% between one and two years, 7.7% between two and five years, 59.0% between five and ten years, and 24.2% over ten years.

The average maturity of assets[6] invested in government bonds was 7.8 years at end-Q1 2026 (6.9 at end-Q4 2025).

Aggregate exposure to shares of domestic legal persons measured 10.8% of total VPF assets and declined from the previous period, when it stood at 11.2%.

In Q1 2026, investments abroad accounted for 6.1% of total VPF assets (5.3% at end-Q4 2025).

The currency composition of total VPF assets changed only marginally from end-Q4 2025 and is presented below.

Currency structure of VPFs
(in %)

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

Source: National Bank of Serbia.

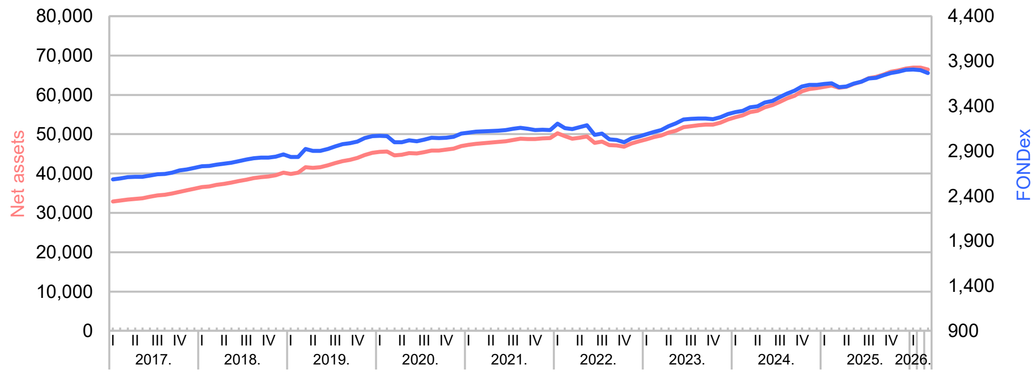
[6] The maturity of instruments weighted by their share in total investment in government debt instruments.

4 Return on investment

At end-Q1 2026, the FONDex[7] reached 3,766.41 points[8] (3,801.82 at end-Q4 2025). FONDex return, as the weighted average return on all funds, equalled 4.3% over the past year and 3.8% over the past five years. Since the start of VPF operation, FONDex return has equalled 7.1%.

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 Q1 2026, this fee averaged 2.5% (2.2% in the quarter before). The total amount of contribution fees paid in Q1 2026 came at RSD 32.8 mn, or 14% 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 Q1 2026, the total value of management fees equalled RSD 203.9 mn, which is 86% of the total fees charged.

[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.

[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.

Fees charged by management companies
(in RSD mn)

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

Source: National Bank of Serbia.

6 Volume of securities trading and transaction costs

In Q1 2026, the volume of VPF trading in securities came at around RSD 17 bn and the average share of VPFs in the Belgrade Stock Exchange trading in the same period was 14.9%.

VPF securities trading
(in RSD bn)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Q1
Securities trading	24.2	16.1	48.7	26.3	33.5	11.9	27.9	58.9	69.0	17.0
Purchases	14.7	9.3	27.1	13.8	18.6	6.0	14.0	30.3	39.0	8.6
Belgrade Stock Exchange	3.7	2.7	3.2	2.7	1.9	1.6	0.6	1.9	1.8	0.5
Unregulated market	5.8	3.2	16.7	7.6	13.7	2.3	7.5	15.0	12.7	1.3
Foreign markets	-	-	-	-	-	-	-	5.8	8.8	2.5
Auctions of government secu	5.1	3.4	7.1	3.6	3.0	2.1	5.9	7.6	15.6	4.3
Sales	7.4	5.5	19.6	11.2	12.0	3.8	11.5	25.6	27.6	4.3
Belgrade Stock Exchange	2.7	3.2	1.4	3.1	3.7	0.8	1.1	7.7	3.6	0.3
Unregulated market	4.7	2.3	18.1	8.1	8.3	3.0	10.3	14.5	17.5	2.2
Foreign markets	-	-	-	-	-	-	-	3.4	6.5	1.8
Maturity	2.2	1.3	2.1	1.4	3.0	2.1	2.4	3.1	2.4	4.1
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
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%

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 Q1 2026 amounted to RSD 4.2 mn, with stock exchange fees for the largest shares.

Amount of transaction costs
(in RSD mn)

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

Source: National Bank of Serbia.

7 Number and structure of VPF users

At end-Q1 2026, 229,780 users[10] were in the accumulation phase[11] (an increase by 456 from end-Q4 2025), with 318,928 membership contracts[12] (16 contracts less than at end-Q4 2025).

VPF users make up 10% of the total number of employees in the Republic of Serbia[13].

Number of contracts and users
(in thousand)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Q4
No of contracts	253.9	261.7	275.8	279.5	288.7	294.5	304.8	312.2	318.9	318.9
No of users	185.4	192.3	201.6	205.0	210.7	215.5	220.7	225.7	229.3	229.8
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%

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 319.6 thousand at end-Q1 2026.

Average accumulated funds at end-period

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

Source: National Bank of Serbia.

At end-Q1 2026, the number of users who are members of two or more VPFs was 47,759 or 20.8% 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 55%.

[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	182,021
2	41,660
3	5,672
4	396
5	23
6	6
7	2
Total	229,780

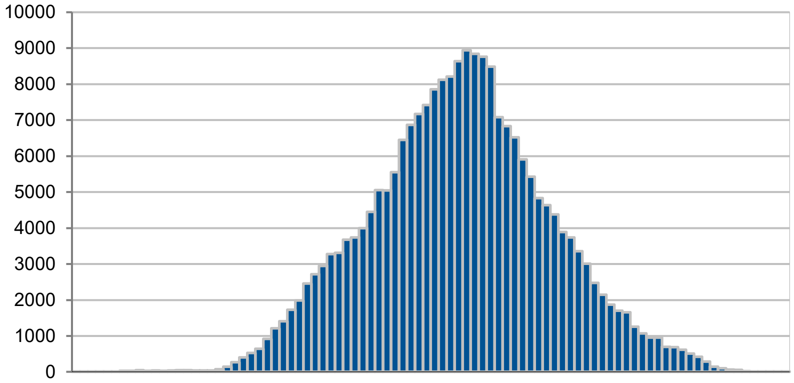
Source: National Bank of Serbia.

Number of users by membership contract
(in units)

No of contracts	No of users
1	164.576
2	49.854
3	10.090
4	3.264
5	1.189
6	457
7	259
8	49
9	16
10	12
11	6
12	8
Total	229.780

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	206	544	11,558	38,208	75,243	67,333	36,132
Amount of funds (mln)	11.25	31.20	1,004.47	6,414.54	23,720.80	26,209.52	7,969.30
Average holdings	54,612	57,353	86,907	167,885	315,256	389,252	220,561

Source: National Bank of Serbia.

At end-Q1 2026, the average age of VPF users was around 48 years (the same as at end-Q4 2025), with users aged 40–60 making up the dominant share (62.2%). Also, the percentage of users above the age of 53 was similar as in prior years (33.8%), while the percentage of users above 58 was 19.9%.

8 Contributions, withdrawals and transfers

Net contributions to VPFs (total contributions minus the front-load fee) came at RSD 1.3 bn in Q1 2026.

In Q1 2026, total net contributions amounted to 1.3 bn.

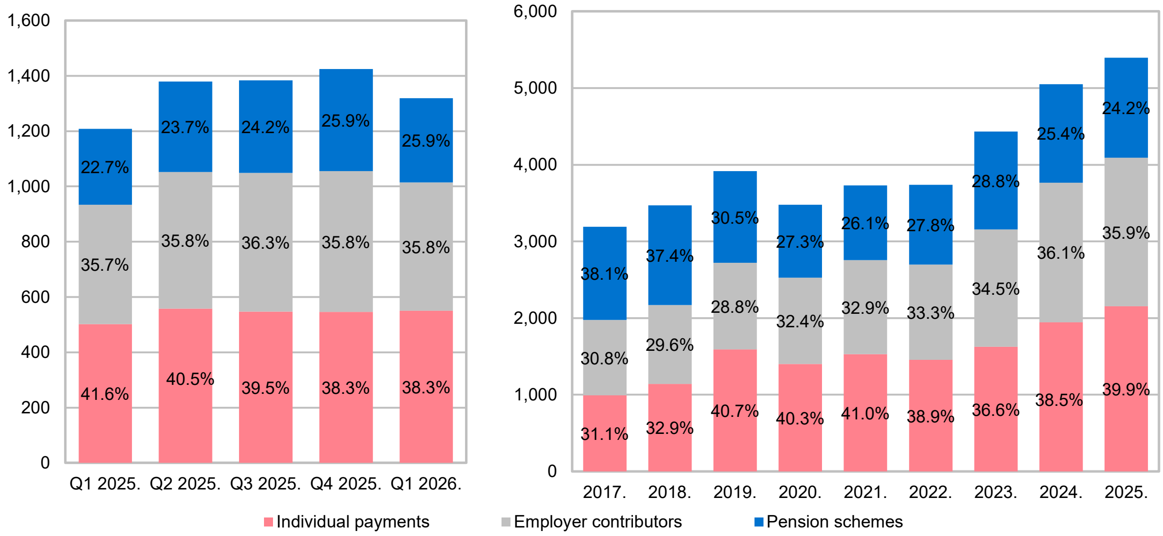
Total contributions
(in RSD bn)

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

Source: National Bank of Serbia.

Of total contributions in Q1 2026, individual payments accounted for 41.7%, employer contributions for 35.2% and pension schemes for 23.1%.

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



Source: National Bank of Serbia.

In Q1 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 Q1 2026, total withdrawals by members amounted to RSD 940.7 mn.

In Q1 2026, total withdrawals by members who met legal requirements amounted to RSD 940.7 mn.

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

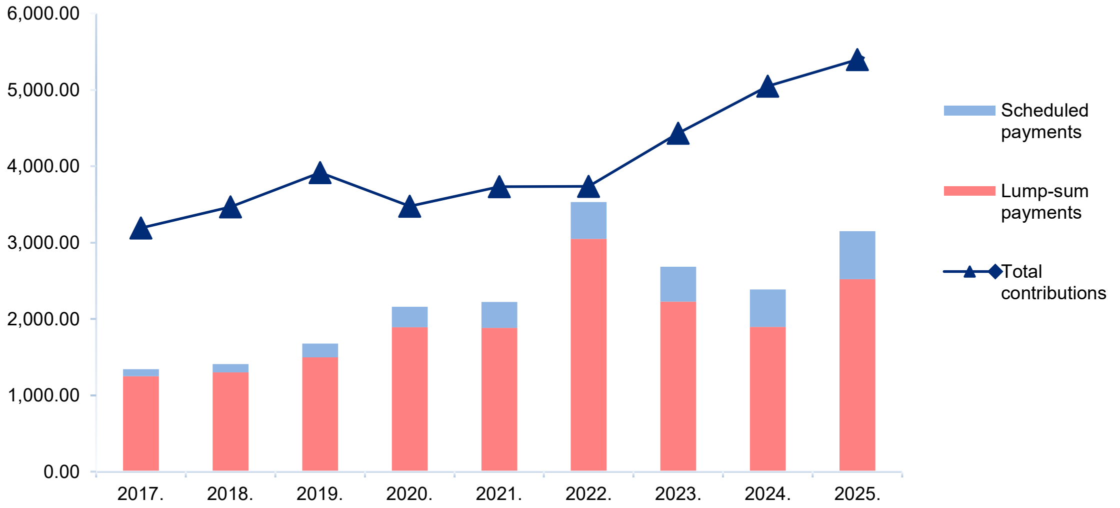
Total withdrawals
(in RSD mn)

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Q1
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

Source: National Bank of Serbia.

Lump sum withdrawals accounted for 78.3% of withdrawals and scheduled withdrawals for 21.7%. 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 Q1 2026, the total amount of assets transferred to another fund equalled RSD 249.3 mn.

In Q1 2026, total transfers came at RSD 249.3 mn.

Total inter-fund transfers
(in RSD mn)

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

Source: National Bank of Serbia.