Information about the possibility of participating in the second pension pillar

The Republic of Lithuania Law on the Accumulation of Pensions, that is effective from 1 January 2026, allows each person to decide independently on additional pension accumulation in the second pension pillar.

What is the second pension pillar?
It is a state-supported supplementary pension accumulation scheme operated by selected pension accumulation companies. Their activities are supervised by the Bank of Lithuania. All persons who meet the following conditions are eligible to accumulate a pension:

- Have not yet reached retirement age, and
- Receive income on which Sodra contributions are paid.

Amounts of contributions[1]

- A personal contribution of 3 percent of the participant's salary[2] (with the possibility to contribute more or suspend contributions);
- 1,5 % state incentive contribution based on the previous year's average wage in the country (hereinafter - the AW). The AW applicable in 2026 is 2,232.80 EUR/month.

Example
If you earn 2,232.80 EUR per month (before tax), your contribution to the pensions scheme would be 66.98 EUR (2,232.80 EUR x 3% = 66.98 EUR). An additional 1.5% of the previous year's average wage in the country would be transferred for you to the pension fund from the state budget. In 2026, this would amount to 33.49 EUR. Together with the state incentive, the monthly contribution would amount to 100.47 EUR per month (66.98 EUR + 33.49 EUR = 100.47 EUR).

How to start accumulating in the second pension pillar?
If you want to start accumulating, choose one of the pension accumulation companies operating in Lithuania and sign a pension accumulation agreement with it:

Allianz Lietuva gyvybės draudimas, UAB	Luminor investicijų valdymas, UAB
Artea Asset Management, UAB	„SEB investicijų valdymas“, UAB
Goindex, UAB	„Swedbank investicijų valdymas“, UAB

[1]Article 8(1) of the Law on the Accumulation of Pensions
[2]Contributions are calculated on wage before tax.

More flexible pension accumulation conditions from 2026.

On 1 January 2026, changes came into effect that provide more flexibility for those who accumulate for pension:

- You can suspend your personal contributions to the pension accumulation company at any time and extend the suspension an unlimited number of times.
- Once during the accumulation period, you can withdraw a portion (25%) of the accumulated funds).
- You can withdraw your accumulated funds before reaching retirement age if the accumulated assets do not exceed 50% of the pension annuity limit[1] (16 785 x 50% = 8 392,50 EUR) and less than 5 years remain until retirement age.
- If, while participating in the pension accumulation scheme, you encounter difficult life circumstances – you suffer from a disease included in the list of serious diseases, you have been diagnosed with a severe disability, or you have been issued a referral for palliative care personal healthcare services, you can terminate your pension accumulation and withdraw all accumulated funds.
- When you reach retirement age, you can withdraw your money as a lump sum, periodic payments, or obtain a pension annuity if the accumulated assets do not reach the mandatory pension annuity limit.

What could guide you in making his decision?

- Detailed information about the second pension pillar – learn more about the conditions for accumulation and payment of accumulated funds.
- The projected pension calculator[2] – allows making a preliminary estimate of the amount of your projected Sodra pension and the benefits you can receive if you additionally accumulate for the pension.
- Results of the second-pillar pension funds and internal rates of return – familiarise yourself with the pension fund indicators monitored by the Bank of Lithuania.

If you have any questions, please contact:

- the selected pension accumulation company. The list is provided above.
- or by calling the telephone number +370 5 250 0883 of Sodra information centre.

Important! This notification is for informational purposes. If you decide not to participate in pension accumulation scheme, no action is required. From 1 January 2026, there will be no automatic enrolment in pension accumulation scheme. The decision to participate in pension accumulation scheme will be made individually. You can join the second-pillar pension accumulation scheme at any time.

[1] The mandatory annuity limit for 2026 is 16,785 EUR.
[2] The projected amount is preliminary and calculated for a generalised case. However, the calculator description provides detailed assumptions used to calculate future pensions.