



## Frequently Asked Questions



### What are Employee Capital Plans?

The Employee Capital Plans (PPK) are a **general, voluntary scheme of long-term saving**, which aim is to increase the financial security of Poles during retirement period by providing higher pension benefits to their participants.

The system is co-financed by employees, employing entities, and partly by the State. Savings accumulated in the Employee's PPK account are private, can be withdrawn at any time, and are inherited. After reaching the age of 60, a PPK participant may individually decide how he or she intends to use the accumulated money.

### How does PPK scheme work?

The employer, in consultation with a trade union or employee representatives, chooses a financial institution, in which it will open private PPK accounts for employees. The accounts will be credited every month with contributions from the employee and the employer, as well as a welcome contribution and annual bonuses from the State. The money accumulated in the accounts will be invested in investment funds with various risk levels taking into account the age of a PPK participant – the so-called target-date subfunds.

### Who can operate PPK scheme?

PPK scheme can be operated by the following financial institutions that meet stringent criteria: Investment Funds, Pension Funds, Employee Pension Societies or Insurance Companies

### Does PPK apply to all employees?

All persons hired by a given employer who pay obligatory pension and disability pension contributions may become participants of the PPK scheme. Employees who have reached the age of 18 but have not reached the age of 55 are enrolled in the scheme automatically. Employees who have reached the age of 55 but have not reached the age of 70 may join PPK upon their request submitted to their employer. Employees above the age of 70 cannot join PPK.

## Does PPK also apply to employees currently being on or planning a maternity, parental, child care, or paternity leave?

Yes, the scheme covers all employees who are subject to compulsory pension and disability pension insurance. During maternity, parental, child care, or paternity leave no payments are made to PPK, because the remuneration based on which PPK payments are calculated does not include the basis for assessment of the pension and disability pension insurance contributions of persons staying on the abovementioned leave. These persons are still participants of PPK, however, no payments are credited to their PPK account.

**Payments made by the State** (welcome contribution, annual bonuses) will be credited to the participant's PPK account according to the same principles that apply to all PPK participants.

## What conditions must a PPK participant meet to receive a welcome contribution financed by the State?

The bonus you can receive from the State is a welcome contribution. It amounts to PLN 250 for each employee. The condition for receiving it is your participation in Employee Capital Plan (PPK) for 3 full months. This welcome bonus will be transferred directly to the participant's PPK account (without the employer's involvement) 30 days after the end of the quarter in which the PPK participant has reached the 3-month period of participation in PPK.



## What conditions must a PPK participant meet to receive an annual bonus financed by the State?

An annual bonus of PLN 240 will be paid once a year to every employee, provided that the amount of basic and additional contributions financed by the employer and the employee in a given calendar year is equal to or higher than the amount of basic contributions due on the amount that is a multiple of 6 of the minimum remuneration applicable in that year. As a reminder, basic contributions are 3.5% of your gross salary (1.5% employer contribution and 2% employee contribution). The calculation is as follows:

2021: 2800 zł (the minimum remuneration) x 6 x 3,5% = 588 zł

2022: 3010 zł (the minimum remuneration) x 6 x 3,5% = 632,1 zł

In practice, this means that if there was at least PLN 588 in your Employee Capital Plan (PPK) account at the end of 2021, you received PLN 240 of annual bonus from the State. In 2022, you will need to have PLN 632,1 in your PPK account in order to receive the annual bonus.

For those who will be allowed to have their basic contribution reduced from 2% to 0.5%, the limit of basic contributions that entitles them to receive the annual bonus has been reduced to one fourth of the above amounts. It is PLN 147 in 2021 and PLN 158 in 2022, respectively.

## Are the contributions transferred to PPK subject to personal income tax?

Payments contributed to PPK by the employer constitute the employee's income being subject to personal income tax. Payments contributed to PPK by the State Treasury are exempt from personal income tax.

## What is not included in the basis of remuneration used to calculate the PPK contributions?

PPK contributions will not be calculated with respect to remuneration that does not constitute the basis for assessment of contributions under the Ordinance of the Minister of Labor and Social Policy of December 18, 1998 on detailed rules for determining the basis for calculating pension and disability pension insurance contributions (Contribution Ordinance), i.e., for example, with respect to:

- a) service anniversary awards, which according to the principles specifying the terms and conditions of awarding them, may be received by the employee no more frequently than every 5 years,
- b) severance payments due in connection with pension or disability pension,
- c) severance payments, damages and compensation paid to employees for the expiration or termination of employment,
- d) compensation paid to former employees after termination of employment pursuant to a non-competition agreement,
- e) the amount received by the employee as the reimbursement of the costs of his or her relocation for business purposes, as well as relocation and settlement allowances - up to 200% of the remuneration due for the month in which the relocation took place,
- f) allowances and other payments owed to employee in connection with his or her business trip - up to the amount specified in the provisions of the Ordinance,
- g) benefits financed from funds intended for funding employees' needs under the employee benefit fund,
- h) special purpose aid in the event of natural disasters, individual events of fate, or long-term illness.

## What is included in the basis of remuneration used to calculate PPK contributions?

The basis for calculating PPK contributions is the total remuneration based on which pension and disability pension contributions are calculated (with a proviso that the limit of the multiple of 30 does not apply).

Therefore, it is not only the basic remuneration, but the total of all components of the remuneration based on which the employer calculates social security contributions.

The components of the remuneration that will constitute the basis for calculating PPK contributions will include, among other things: basic remuneration, overtime remuneration and supplements, holiday allowance, bonuses, commissions, extra payments, medical care financed by the employer, group insurance contribution financed by the employer, income from use company car for private purposes, supplement for performance of the specified function, long-term service allowance, etc.



## Does the „limit of multiple of 30 of the average remuneration” apply in the case of PPK contributions?

No, the „limit of multiple of 30 of the average remuneration” does not apply in the case of PPK contributions. The due PPK contributions are calculated on the basis of the entire amount of the remuneration.

## When can an employee withdraw savings accumulated in the PPK?

### After reaching the age of 60:

- a lump sum withdrawal being 25% of the accumulated savings; the remaining 75% of savings paid out in a minimum of 120 monthly instalments. Fewer instalments in which the remaining savings will be withdrawn – including withdrawal of all the money on a one-off basis (i.e., 100% of the savings) will result in the necessity to pay the flat-rate income tax,
- withdrawal in the form of spousal benefit if the employee's spouse is a PPK participant in the same financial institution and has also reached the age of 60; the married couple may jointly receive payments for the period of at least 10 years (until withdrawal of all savings).

### Before reaching the age of 60::

- in the case of special life situations, e.g. serious illness of yours or your relatives (your spouse's or child's), you may withdraw up to 25% of savings accumulated in the account,
- for covering your own contribution when taking out a loan for a flat or house construction, you have the option of withdrawing up to 100% of the savings accumulated in the account (if you are under 45 years old). In this case, you are required to their reimbursement within 15 years of the date of withdrawal.



## Is it possible for the employee to withdraw savings before retirement?

Yes, it is possible to withdraw them in the following situations:

- **withdrawal of up to 25%** of the accumulated money in the event of a serious illness of an employee, his spouse or child
- **withdrawal of up to 100%** of money to cover own contribution for the purchase of residential property with an obligation to repay that amount within 15 years, (up to 45 years of age)
- **transfer withdrawal** consisting of the transfer of money to another financial product:
  - another PPK account,
  - Individual retirement account (IKE) or employee pension plan (PPE) of the spouse or an eligible person – following the death of the PPK participant,
  - savings term deposit or term deposit account (after the employee reaches the age of 60),
  - savings term deposit account or term deposit account of the spouse or former spouse of a PPK participant.

## What happens with the PPK in the event of a change of job?

In the event of changing his or her job, an employee may:

- leave savings in the PPK with a former employer, or
- transfer the savings to the PPK account with the new employer (transfer withdrawal),
- or
- withdraw of money (refund). The employee should remember then that the amount of the savings will be appropriately reduced by deducting the portion of the employer's contributions, state contributions, and tax.

## Can an employee hold more than one PPK account?

Yes, an employee may have more than one PPK account, for example, if he or she is employed by various companies that have concluded agreements with various financial institutions.



## How is the money invested?

The money accumulated as part of the PPK scheme will be invested in target-date subfunds which apply different investment policies and varied risk levels depending on the age of the PPK participant.

In view of the foregoing requirements, TFI Allianz Polska S.A. set up Allianz SFIO PPK fund, being a specialized open-end investment fund with 9 separate target-date sub-funds:

- **Allianz PPK 2025** - for persons born in years 1963-1967, (or older, at the person's request),
- **Allianz PPK 2030** - for persons born in years 1968-1972,
- **Allianz PPK 2035** - for persons born in years 1973-1977,
- **Allianz PPK 2040** - for persons born in years 1978-1982,
- **Allianz PPK 2045** - for persons born in years 1983-1987,
- **Allianz PPK 2050** - for persons born in years 1988-1992,
- **Allianz PPK 2055** - for persons born in years 1993-1997,
- **Allianz PPK 2060** - for persons born in years 1998-2002,
- **Allianz PPK 2065** - for persons born in years 2003-2007.

Allianz SFIO PPK fund is actively managed and it is not managed in reference to any benchmark index.

## Can employees opt out of participation in the PPK scheme?

Yes, employees may at any time opt out of participation in the PPK scheme and withdraw money from the scheme. When making a request for withdrawal, employees will receive the accumulated savings less:

- generally applicable capital gains tax;
- 30% of the value of the employer's contributions, as they were exempt from social security contributions - the collected 30% will be recorded for the employee as a pension insurance contribution at the Social Insurance Institution
- funds contributed by the State.

However, every four years, starting from 1<sup>st</sup> April 2023, the employee automatically re-joins the scheme.

## Where can I check the status of my savings in PPK?

The employees who are PPK participants in TFI Allianz Polska S.A. can check the status of their money online 24h/7 and can submit instructions of changes via Mój Allianz online service.

## How will employee find out that his or her PPK account on Mój Allianz online service has already been created?

TFI Allianz Polska S.A. will inform participants about creating a PPK account by contacting them in several ways, depending on the data it received from the employer:

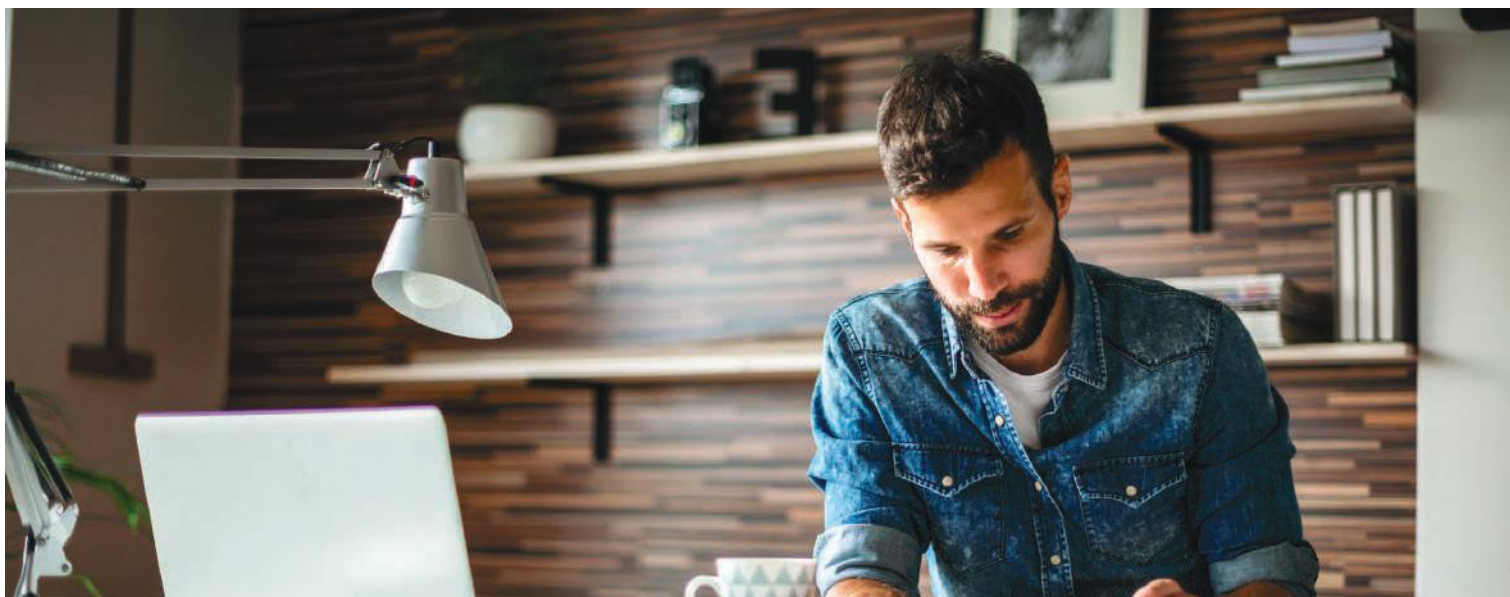
- **by text message and email** – a text message and an email confirming the establishment of a PPK account will be sent to the telephone number and email address of the employee provided by the employer.

If you received the text message and email and want to log in to the Mój Allianz online service, follow the steps indicated below:

- **Option 1** (if you don't have an account on the Mój Allianz online service yet), or
- **Option 2** (if you already have an account on the Mój Allianz online service).

- **in a traditional letter**, in which you will find information on the PPK account number and instructions for logging in to the Mój Allianz online service.

If you received a traditional letter, follow the steps indicated below as **Option 3**.



**Remember!** Make sure the employer's contact details are up-to-date.

Should you have any questions, please contact us - **helpline: +48 22 541 75 75,**

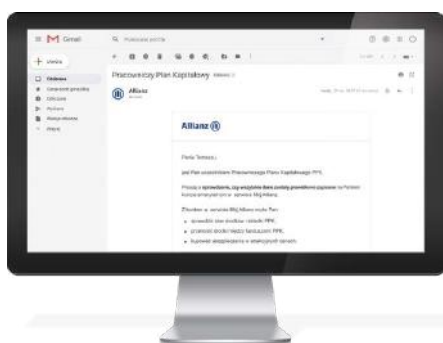
**email: fundusze.ppk@allianz.pl**

# Access to your PPK account on the Mój Allianz online service.

## Option 1

You have just joined the PPK scheme operated at TFI Allianz Polska S.A. and become an Allianz customer. You received an email confirming the creation of an individual account on the Mój Allianz online service. Please activate your account and check the correctness of the data:

1



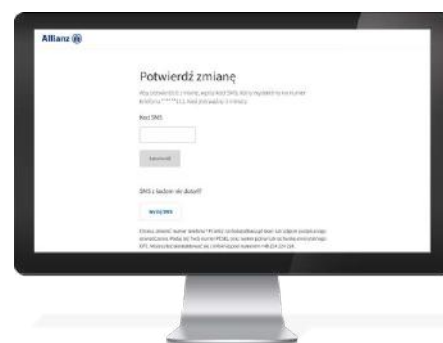
You have received an **email that confirms creation of a PPK account** on the Mój Allianz online service. Click the link in the email „Check the data in your Allianz account”.

2



You will be redirected to the **form on the Mój Allianz online service**, where you can set your individual password. You are requested to accept the rules and regulations of the Mój Allianz online service.

3

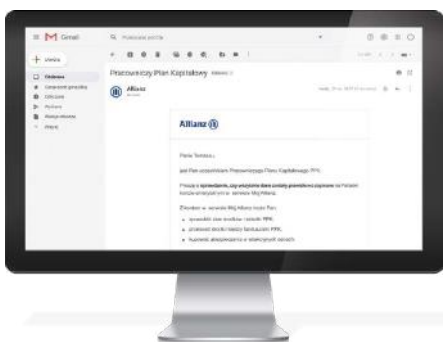


For the safety of the process, a **text message with a one-time code** will be sent to your phone number. Enter the code in the „Text message code” field.

## Option 2

You are already an Allianz customer and you have property and car insurance, you invest, have a pension product, or you have previously logged in to the Mój Allianz online service. You have just joined the PPK operated by TFI Allianz Polska S.A. You have received an email confirming the creation of an individual PPK account. To check your PPK account:

1



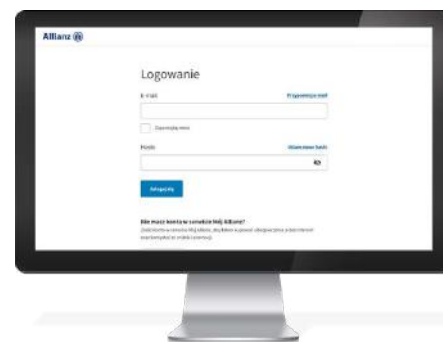
Read the received **e-mail confirming creation of a PPK account on the Mój Allianz online service**.

2



Click on the link in the email „**Check the data on your Allianz account**”.

3



You will be redirected to a standard **login screen** for the Mój Allianz online service users.

## Option 3

You have just joined PPK at TFI Allianz Polska S.A. and become an Allianz customer. You have received a traditional letter confirming the creation of an individual PPK account and would like to check the status of your PPK account.

1



Go to **www.allianz.pl**, select the **„Create account”** button - you will be redirected to the registration form on the Mój Allianz online service.

2



Complete your name, surname and **email** address, which will be **your login** to the site from now on. Set a password for logging in and accept the rules and regulations of the Mój Allianz online services.

3



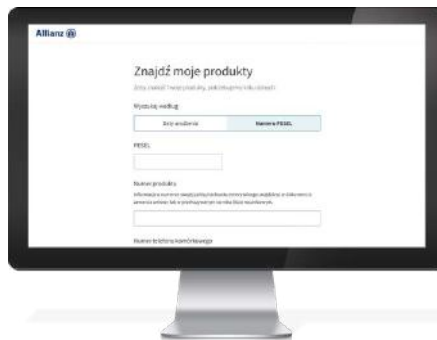
An activation link will be sent **to the email address you provided**. Click the **„Activate account”** button. **Your account is already active**.

4



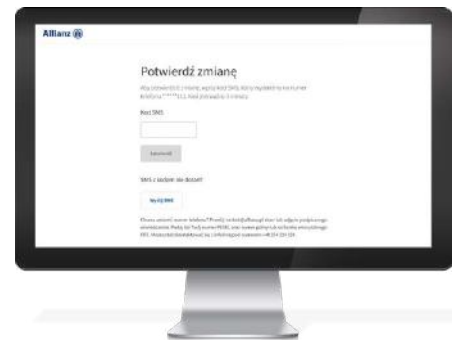
Log in to Mój Allianz online service and select **„My Products”**.

5



Enter your **date of birth**, **PPK account number** which is indicated in the letter you have received, and your mobile phone number.

6



You will receive a **text message with a one-time code**. Enter it in the **„Text message code”** field.

## On the Mój Allianz online service, you may:

### Check

- the status of PPK accounts
- history and amount of contributions to PPK
- the subfund in which your money is invested

### Change

- the sub-fund to another one than the sub-fund applicable to your age

### Download

- annual information about operations in your PPK account
- history of the placed orders
- Regulations of Allianz SFIO PPK and other documents

## Mój Allianz is available at [www.allianz.pl](http://www.allianz.pl) website

Log in today and check the possibilities of the service portal



**24/7** access to your PPK account



all Allianz products in **one place**



**investment** results of your PPK fund

In **Mój Allianz** you have ongoing access to information about your money in PPK.

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The Company shall not guarantee that the investment objectives are achieved or that the specific investment result of Allianz Specjalistyczny Fundusz Inwestycyjny Otwarty PPK with separated Sub-funds ("the Fund") is achieved but it shall expend all reasonable efforts to achieve it. The Fund participants must accept the possibility of the loss of at least some of the contributed funds. The individual ROI rate of the Fund membership units shall depend on the value of the membership unit at the time of its alienation and buy-back by the Fund as well as on the level of the capital gain tax. Management fees and other costs charged to the funds are included in the unit price of the funds and reduce the return on investment. The value of the Sub-Funds net assets (and thus the value of the membership unit) may be characterized by high volatility as a result of the composition of the investment portfolios or the portfolio management techniques used.

The Sub-Funds may invest more than 35% of the asset value in securities and money market instruments that are securities issued or guaranteed by the State Treasury, the National Bank of Poland, a local government entity, governments of OECD member countries i.e. the governments of Australia, Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Greece, Spain, the Netherlands, Ireland, Iceland, Japan, Canada, Luxembourg, Germany, Norway, New Zealand, Portugal, Slovakia, Slovenia, the United States, Switzerland, Sweden, Hungary, United Kingdom and Italy, and the following international financial institutions: International Monetary Fund, European Investment Bank, European Bank for Reconstruction and Development.

The detailed information about the Sub-Fund along with the details of the investment risk, fees and any other charges to the Fund as well as the information on the tax charging ROI can be found in the Informational Prospectus and the Key Information for Investors available at [www.allianz.pl](http://www.allianz.pl) and in the office of the Company. Before making the investment, please read the abovementioned documents.

The Company operates under the permission of KPWiG (today the Polish Financial Supervision Authority). The Company and the Fund are supervised by the Polish Financial Supervision Authority.

The Company with its registered office in Warsaw, address: ul. Rodziny Hiszpańskich 1, 02-685 Warszawa, entered in the Register of Entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register (KRS) under the KRS number: 0000176359, with share capital paid up in full of PLN 69,888,000.

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