



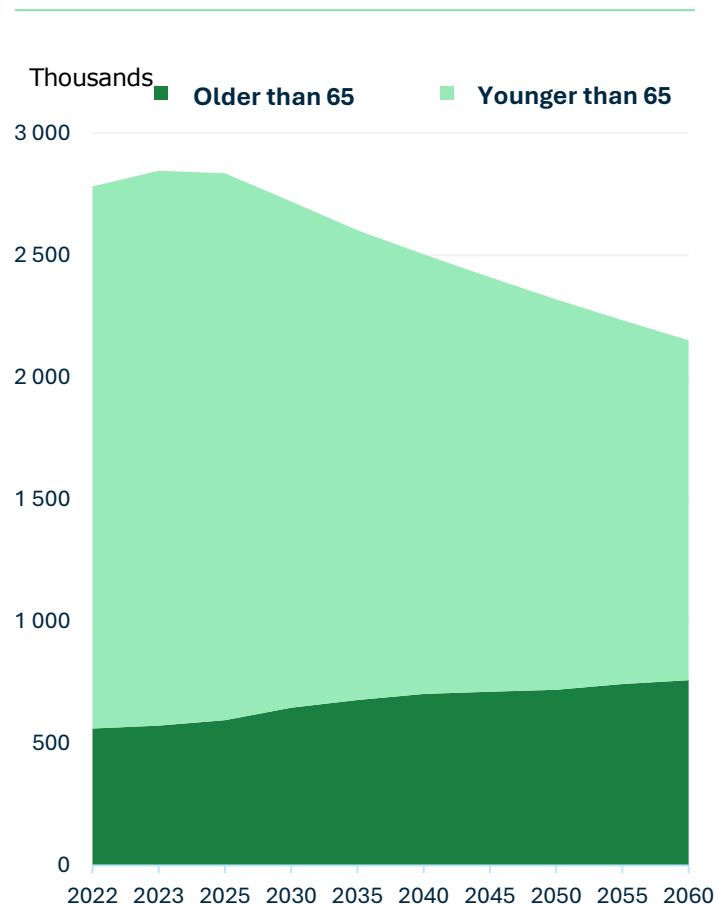
LIETUVOS BANKAS
EURO SISTEMA

Prerequisites for a strong pension system

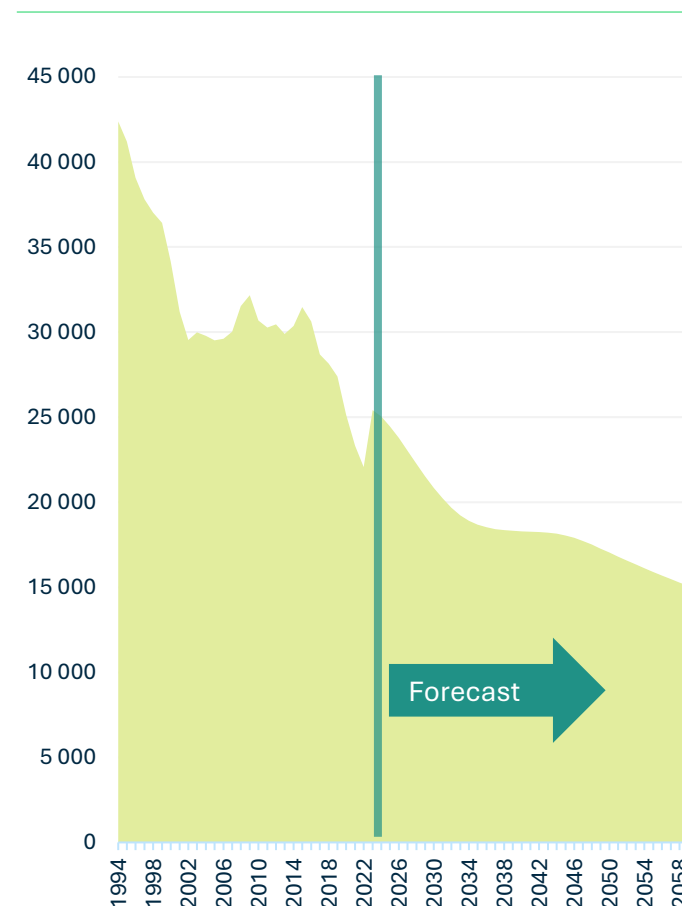
Board member, Lietuvos bankas
Simonas Krėpšta

Demography: from bad to worse

Population is rapidly ageing

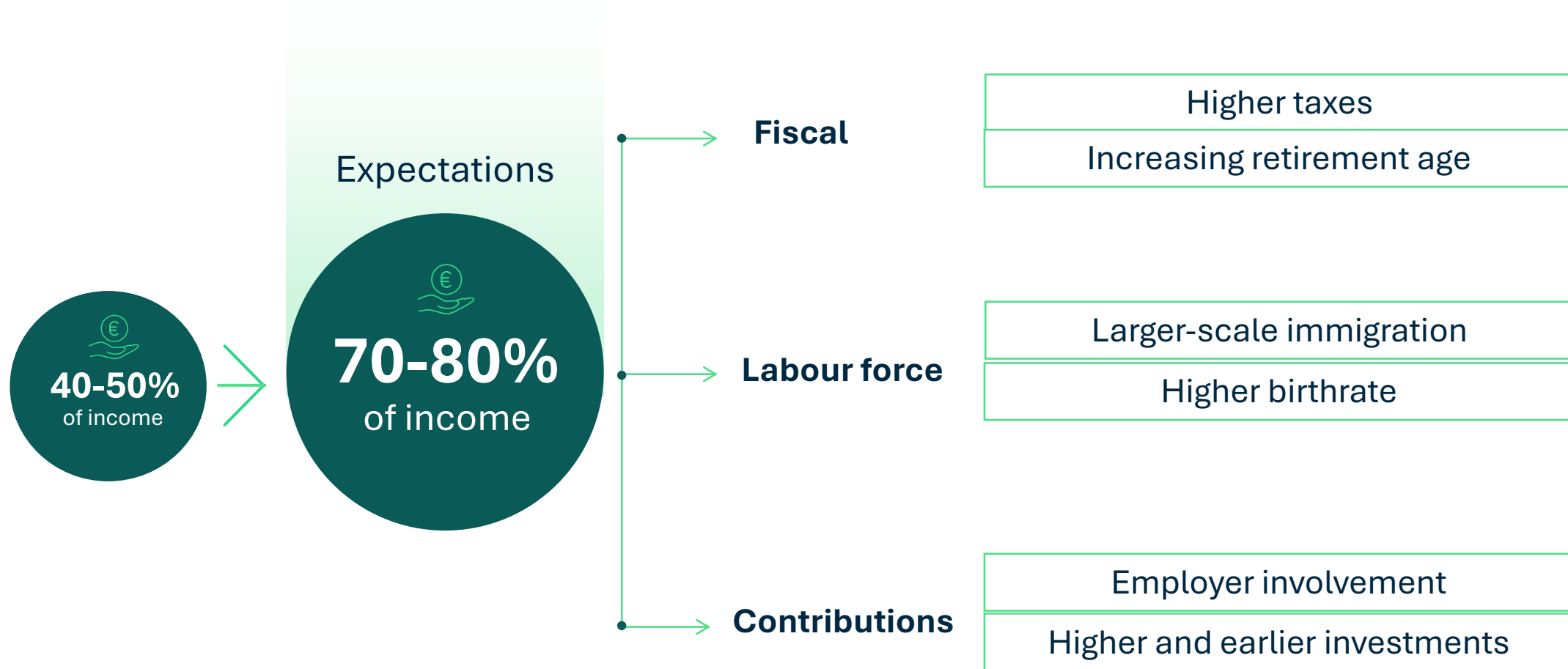


Birthrate is decreasing

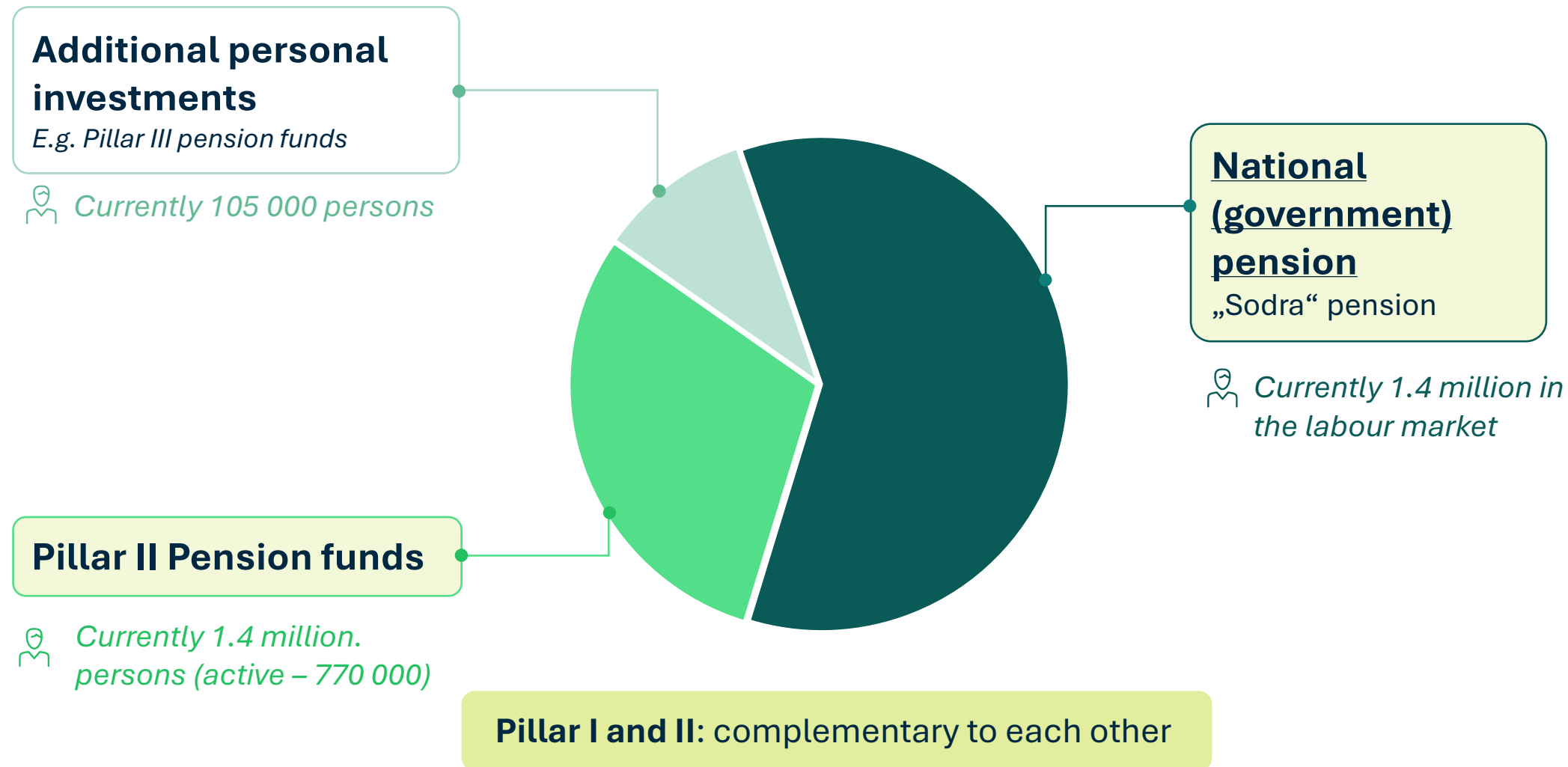


Sources: State Data Agency and Eurostat.





Structural challenges requires structural solutions



Is the Lithuanian pension system resilient in the long run?



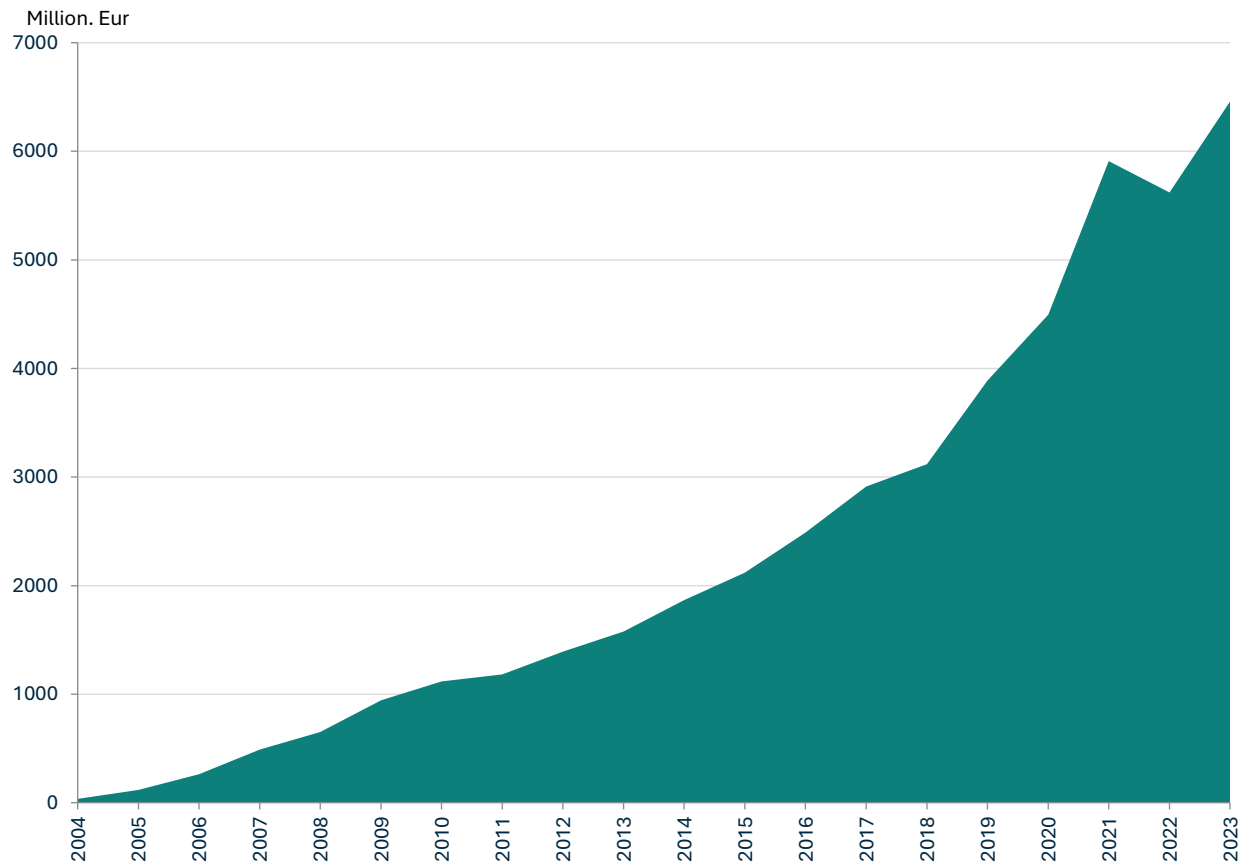
Pillar II is growing exponentially yet annuities remain small

 1.4 Million participants / 0.8 million active	
 48 funds	 6 Pension managers
 8.2 billion Eur assets	Annuities 601 (II Q, vs 875 in 2023) 65 Eur

Returns*:

YTD – 9.85 % 3Y – 5.42 % 4Y – 10.06 %

II pillar assets under management

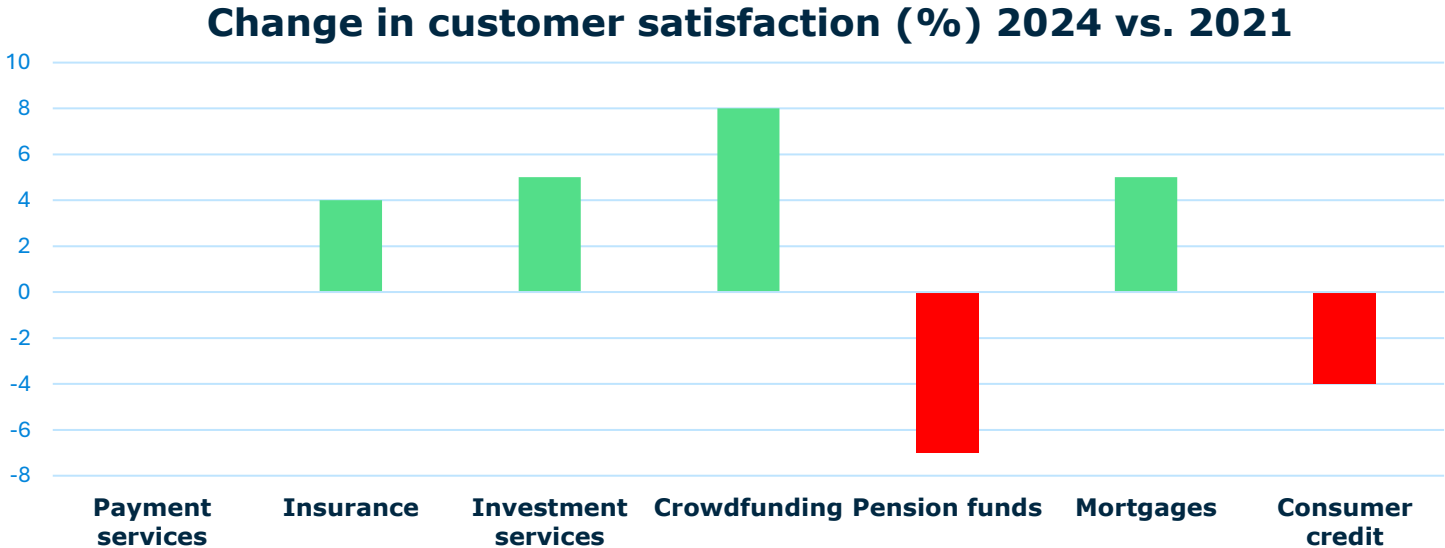


*2024 m. II Q. data
Source: Bank of Lithuania

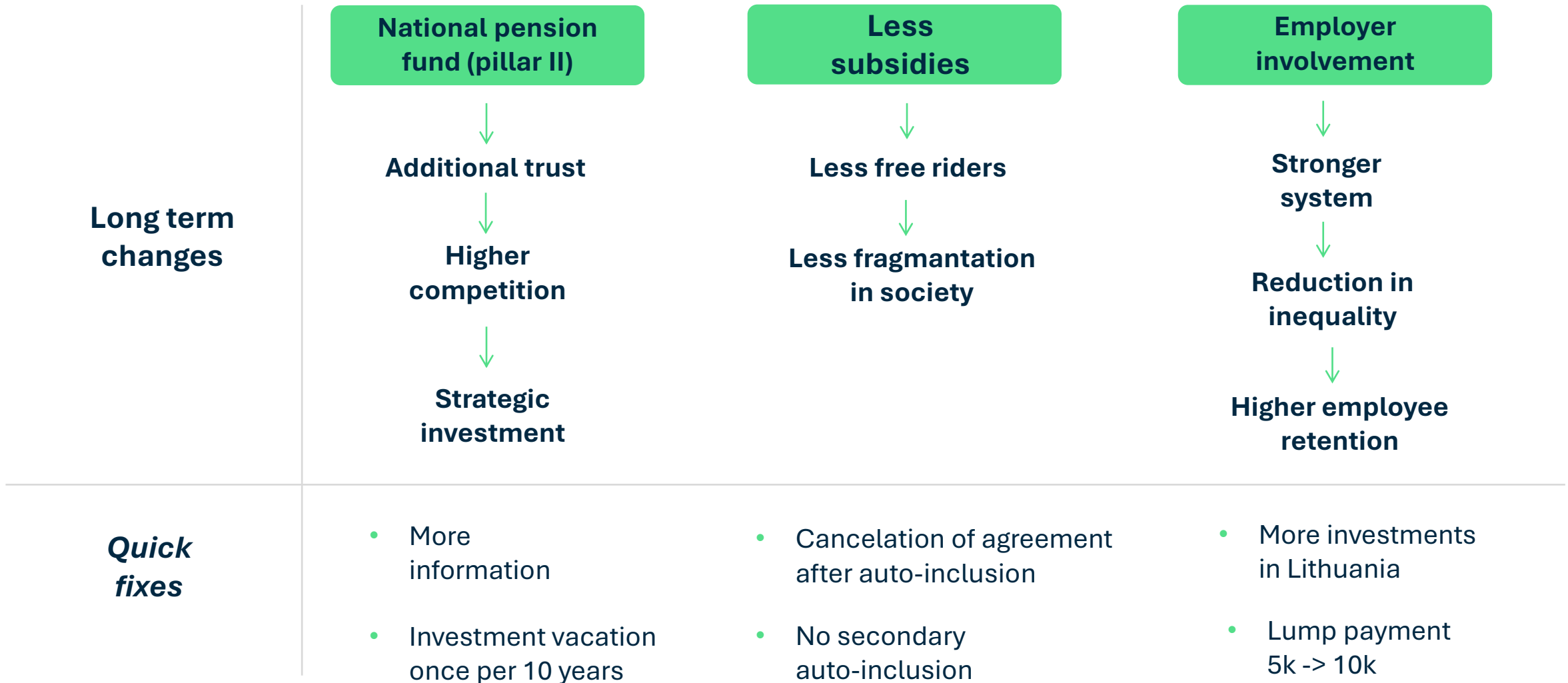
Pillar II requires structural upgrade

- Investments are too small
- Lack of employer involvement
- Lack of trust

- Fragmentation
- Legal uncertainty (constitutional court decision)



Towards sustainable, effective and trusted pension system





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Thank you.
