

Employee Capital Plans in 2021

06.05.2022.


1.1 million

Increase in the number of PPK participants during 2021

The net assets of the target date Employee Capital Plans (ECP) funds at the end of 2021 amounted to PLN 7.7 billion, which means their increase by PLN 4.8 billion during the year.

Employee Capital Plans (ECP)

Employee Capital Plans (ECP) is a voluntary, long-term saving program in which contributions are collected jointly by employees, employers and the state¹.

Total contributions accumulated in the ECP are invested in investment funds, so-called target date funds. Each fund has its own investment policy and is characterized by a separate risk profile, adjusted to the age of the participant.

Employee Capital Plans managing institutions

The number of financial institutions managing ECP was 19 at the end of 2021 (20 in 2020), with most (16) run by investment fund companies, the other by general pension societies and insurance companies.

The number of financial institutions managing ECP was 19 in 2021

Target date funds

There were 172 of target date funds managed by financial institutions at the end of 2021. Investment fund companies ran 84.3% of all target date funds.

There were 172 target date funds managed by financial institutions in 2021

Table 1. Employee Capital Plans target date funds

As of December 31

Specification	2020	2021	
		number of funds	in percent
Total	175	172	100.0
of which investment fund companies	142	145	84.3

¹ www.mojepk.pl

Employee Capital Plans participants

At the end of 2021, the number of ECP participants was 2 547.9 thous. persons, i.e. 1 064.1 thous. more than in 2020, which means a 71.7% increase compared to 2020. Similarly, the increase in the number of participants was 78.3% in ECP managed by investment fund companies.

In 2021, the number of ECP participants increased by over a million people

Table 2. Employee Capital Plans participants

As of December 31

Specification	2020	2021	
		in persons	in percent
Total	1 483 841	2 547 941	100.0
of which investment fund companies	1 202 982	2 144 754	84.2

Employee Capital Plans net assets

The value of net assets of employee capital plans amounted to PLN 7.7 billion at the end of 2021. Compared to the end of 2020, the assets accumulated in the ECP increased by 172.0% as at December 31, 2021, i.e. by over PLN 4.8 billion.

ECP net assets increased by 172.0% in 2021

Table 3. Employee Capital Plans net assets

As of December 31

Specification	2020	2021	
		in PLN million	2020=100
Total	2 818.1	7 665.9	272.0
of which investment fund companies	2 338.4	6 526.4	279.1

Contributions and withdrawals

In 2021, ECP recorded contributions of PLN 4 275.3 million, of which basic premiums paid by the employing entity and participants were 98.3% of all contributions. Compared to the previous year, the amount of contributions to ECP was higher by PLN 2,070.1 million in 2021, which is a 93.9% increase per year. Contributions financed by participants were higher than contributions financed by the employing entity and amounted to 57.1% of basic contributions. A different situation occurred in the structure of additional contributions, in which 56.4% of the contributions were financed by the employing entity. The basic payments increased by 93.2% and additional payments by 141.8% in 2021.

ECP recorded contributions of PLN 4 275.3 million in 2021

ECP operated by investment fund companies recorded contributions of PLN 3 694.4 million against PLN 1 832.7 million in 2020. Basic payments in these funds amounted to PLN 3 632.7 million, while additional payments amounted PLN 61.7 million.

Table 4. Employee Capital Plans contributions and withdrawals

Specification	2020	2021	
		in PLN million	in percent
Total contributions	2 205.2	4 275.3	100.0
of which investment fund companies	1 832.7	3 694.4	86.4
Basic contribution, of which:	2 175.4	4 203.2	98.3
made by employer	932.6	1 802.6	42.2
made by the employee	1 242.8	2 400.6	56.1
Additional contribution, of which:	29.8	72.1	1.7
made by employer	17.1	40.7	1.0
made by the employee	12.7	31.4	0.7
Withdrawals	0.8	8.1	x
of which investment fund companies	0.7	6.8	x
Transfer withdrawals	2.6	21.3	x
of which investment fund companies	1.6	17.7	x

Rate of return

The target date rate of return of funds for the two-year period varied at the end of 2021. It achieved the highest values in the funds of the target date 2060² (it was not calculated for 2065 funds) and of these, the maximum value was 49.71%, while the lowest values in the funds of the target date 2025 (minimum value 0.58%).

Similar relationships were observed in the rate of return of funds for an annual period. The highest values of the rate of return were achieved in the target date funds 2060 (it was not calculated for 2065 funds). The maximum value in the target date funds 2060 was 20.30%, while the minimum value in the target date funds 2025 was minus 4.72%.

The highest rate of return in ECP funds for the two-year period was almost 50% at the end of 2021

² The year assigned to the name of a given fund determines the indicative date of retirement of the fund participant.

Table 5. Employee Capital Plans rate of return^a
As of December 31, 2021

Specification	Min.	Median	Max.	Min.	Median	Max.	Participants
	12-month rate of return			24-month rate of return			
	%						
Fund 2025	-4,72	-0,29	2,90	0,58	7,89	12,91	195 193
Fund 2030	1,59	4,65	8,50	6,38	14,11	24,72	295 946
Fund 2035	6,16	9,84	13,06	11,45	20,02	36,43	379 762
Fund 2040	7,55	10,80	14,70	11,07	21,65	37,87	418 053
Fund 2045	4,64	14,57	17,27	15,06	25,04	45,01	422 643
Fund 2050	4,96	15,32	17,67	15,50	24,90	45,90	370 421
Fund 2055	4,30	15,26	17,90	13,47	24,89	46,48	308 609
Fund 2060	5,63	14,34	20,30	15,90	25,37	49,71	155 038

a 12-month and 24-month rates of return apply only to funds in which assets were shown at the beginning of the period for which the retention of return is calculated.

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Terms used in official statistics

[Net assets](#)

[Investment fund](#)

[Investment fund company](#)