



COVIP

COMMISSIONE DI VIGILANZA SUI FONDI PENSIONE

MAIN DATA ON

SUPPLEMENTARY PENSION FUNDS IN ITALY

(UPDATE: END OF 2015)

Symbols and conventions

In the following tables:

- the phenomenon does not occur
 - ... the phenomenon occurs but the value is not known
 - .. the value is known but is nil or less than half the final digit shown
-

Further data and information could be found in the 2015 COVIP Annual Report ("*Relazione Annuale 2015*"), available on COVIP website (http://www.covip.it/wp-content/files_mf/1465467659RelazioneAnnuale2015.pdf).

At the end of 2015, Italian pension funds counted 7.2 millions of members, increasing at 12.1 per cent with respect to the previous year; total assets under management reached €140 billion, 7.1 per cent higher than 2014.

Assets held by pension funds amount to 8.6 per cent of GDP and 3 per cent of household financial assets; participation was 28 per cent of the labour force (25.5 million).

Number of pension funds

At the end of 2015, pension funds were 469 in total: 36 contractual pension funds, 50 open pension funds, 78 “new” PIPs, 304 pre-existing pension funds; the total includes Fondinps (see the *Glossary*).

The number of pension funds decreased continuously in recent years. Despite this process, at end of 2015 the number of small-sized funds is still high: 12 pension funds account for more than 100,000 members, while more than half has less than 1,000 members (most of them are pre-existing pension funds).

Membership

At the end of 2015, Italian pension funds counted 7.2 millions of members: 2.4 million were members of contractual pension funds, 1.1 million of open pension funds, 2.6 million of “new” PIPs, 640,000 of pre-existing pension funds and approximately 430,000 of “old” PIPs. However, some double-counting may occur due to multiple membership.

Of the overall members, 5.2 million were private-sector employees, 1.9 million self-employed workers and 174,000 public-sector employees.

In 2015, the growth rate of members (12.1 per cent) was mainly driven by contractual pension funds (24.4 per cent) that benefited from the introduction of the mandatory enrolment of workers in the construction sector as part of the collective agreement between employers’ and employees’ associations.

Total assets and contributions

In 2015, total pension fund assets increased by 7.1 per cent to €140 billion, as a result of €6.5 billion of net contributions and €2.7 billion of net returns.

Total assets rose by 7.3 per cent to €42.5 billion for contractual pension funds, 10.4 per cent (to €15.4 billion) for open pension funds, 22.5 per cent (to €20 billion) for “new” PIPs, and 2.3 per cent (to €55 billion) for pre-existing pension funds; assets held by “old” PIPs’ decreased by 1.1 per cent to €6.8 billion.

Gross contributions amounted to €13.5 billion, of which 60 per cent referred to contractual pension funds.

The flow of the TFR paid into pension funds amounted to €5.5 billion (equal to 40 per cent of total contributions); it remained stable compared to the previous year, despite a new law provision allowing private-sector employees to opt for the payment of the TFR directly in their payslips.

Gross outflows increased by €1.4 billion (to €7 billion), mainly due to early withdrawals. Benefits amounted to €2.5 billion, out of which lump-sums were €1.6 billion and annuities €900 million.

Returns and costs

Despite unstable financial markets, pension funds showed positive returns in 2015. Returns, net of costs and taxes, were on average 2.7 per cent for contractual pension funds and 3 per cent for open pension funds. Among the “new” PIPs, unit-linked products returned 3.2 per cent, with-profit products 2.5 per cent. The TFR revaluation, net of tax, was 1.2 per cent.

Equity sub-funds delivered higher returns compared to other investment options: 5 per cent for contractual pension funds, 4.3 per cent for open pension funds and 4.4 per cent for unit-linked “new” PIPs.

Costs differ widely across pension plans. For a representative member, with a holding period of 10 years, the average Synthetic Cost Indicator (SCI - calculated according to a common methodology set by COVIP- see *Glossary*) is 0.4 per cent for contractual pension funds, 1.3 per cent for open pension funds and 2.2 per cent for “new” PIPs. It is worth noting that PIPs, despite their higher costs, continue to account for a large share of new adhesions, thanks to their extensive sales network and their remuneration mechanisms.

Asset allocation

At the end of 2015, pension fund assets were mainly invested in debt securities (62.6 per cent), mostly government bonds; about 16.7 per cent of assets were invested in equities and 12.8 per cent in mutual funds. Domestic investments accounted for 36 per cent of total assets (€38.6 billion), most of which were government bonds. Investments in securities issued by Italian companies were limited: €3.2 billion (less than 3 per cent of total assets) of which €2.2 billion were bonds and the remaining equities.

Tables

Table 1

Private Pension System. Main statistics.

(end-2015 data; assets in millions of euros)

	Number of Pension Funds	Members⁽¹⁾	Percentage Changes	Assets	Percentage Changes
Contractual Pension Funds	36	2,419,103	24.4	42,546	7.3
Open Pension Funds	50	1,150,096	8.8	15,430	10.4
Pre-existing Pension Funds	304	644,797	-0.1	55,299	2.3
<i>autonomous</i>	196	630,686		52,267	
<i>non autonomous</i>	108	14,111		3,032	
“New” PIPs	78	2,595,804	10.1	20,056	22.5
Total⁽²⁾	469	6,846,509	13.4	133,401	7.5
“Old” PIPs		431,811		6,779	-1.0
Total⁽²⁾		7,226,907	12.1	140,180	7.1

(1) Data may include double counting referred to members joining more than one pension fund.

(2) FONDINPS is included.

Table 2

Private Pension System. Distribution of pension funds by assets.*(end-2015 data; assets in millions of euros)*

Size classes (assets)	Contractual Pension Funds		Open Pension Funds		“New” PIPs		Pre-existing Pension Funds		Total ⁽¹⁾	
	Number	Assets	Number	Assets	Number	Assets	Number	Assets	Number	Assets
> 5,000	2	14,781	-	-	-	-	1	9,235	3	24,016
2,501 to 5,000	1	3,028	1	2,938	2	6,327	1	2,945	5	15,237
1,001 to 2,500	8	12,649	1	1,537	4	7,828	11	19,246	24	41,259
501 to 1,000	13	9,854	9	6,357	1	822	9	6,452	32	23,485
101 to 500	9	2,047	17	3,775	19	3,641	57	12,889	102	22,352
25 to 100	3	187	13	722	18	1,084	65	3,424	100	5,487
1 to 24	-	-	9	102	32	353	116	1,098	157	1,553
< 1	-	-	-	-	2	1	44	10	46	12
Total	36	42,546	50	15,430	78	20,056	304	52,299	469	133,401

(1) FONDINPS is included.

Table 3

Private Pension System. Distribution of pension funds by members.*(end-2015 data)*

Size classes (members)	Contractual Pension Funds		Open Pension Funds		“New” PIPs”		Pre-existing Pension Funds		Total ⁽¹⁾	
	Number	Members	Number	Members	Number	Members	Number	Members	Number	Members
> 100,000	5	1,369,910	2	393,830	5	1,739,923	-	-	12	3,503,663
50,001 to 100,000	6	444,092	4	235,101	5	369,588	1	78,685	16	1,127,466
200,001 to 50,000	13	504,662	9	308,557	8	209,060	9	249,062	40	1,308,050
10,001 to 20,000	3	37,257	10	142,124	9	137,894	3	43,210	25	360,485
1,001 to 10,000	9	63,182	19	66,614	33	132,717	67	240,106	128	502,619
100 to 1,000	-	-	6	3,870	16	6,494	74	31,793	96	42,157
< 100	-	-	-	-	2	128	150	1,941	152	2,069
Total	36	2,419,103	50	1,150,096	78	2,595,804	304	644,797	469	6,846,509

(1) FONDINPS is included.

Table 4

Private Pension System. Participation rate.
(end-2015 data)

Eligible members	Members	Actively contributing members	Employment	Participation rate (%)	
				Gross	Net ⁽¹⁾
Private sector employees	5,173,830	4,225,582	13,663,000	37.9	30.9
Public sector employees	174,457	171,462	3,325,000	5.2	5.2
Self-employed workers	1,878,620	1,044,824	5,477,000	34.3	19.1
Total	7,226,907	5,441,868	22,465,000	32.2	24.2
<i>Memory item:</i>					
Labour force			25,498,000		
Participation rate as a percentage of the labour force				28.3	21.3

(1) Members who did not actively contributed to a pension plan in 2015 are not included.

Table 5

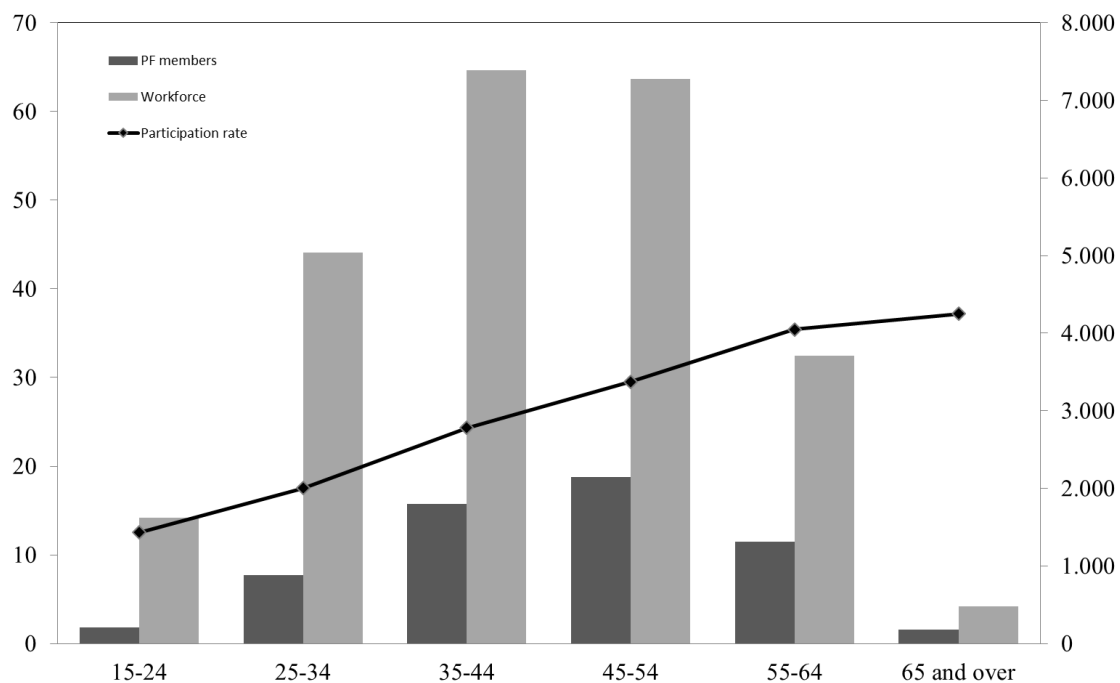
Private Pension System. Members by professional category.
(end-2015 data)

Type of pension funds	Employees		Self-employed workers	Total
	Private sector	Public sector		
Contractual Pension Funds	2,242,483	171,230	5,390	2,419,103
Open Pension Funds	589,150		560,946	1,150,096
Pre-existing Pension Funds	619,643	3,227	21,927	644,797
“New” PIPs	1,567,609		1,028,195	2,595,804
“Old” PIPs	145,514		286,297	431,811
Total⁽¹⁾	5,173,830	174,457	1,878,620	7,226,907

(1) FONDINPS is included.

Tav. 6

Private Pension System. Members, workforce and participation rate by age groups⁽¹⁾.
(end-2014 data)



(1) Members as percentage of the labour force on the left-hand scale of the y-axis; members and labour force in thousands of units on the right-hand scale of the y-axis.

Table 7

Private Pension System. Participation rate by regions⁽¹⁾.
(end-2014 data; members as a percentage of the labour force)

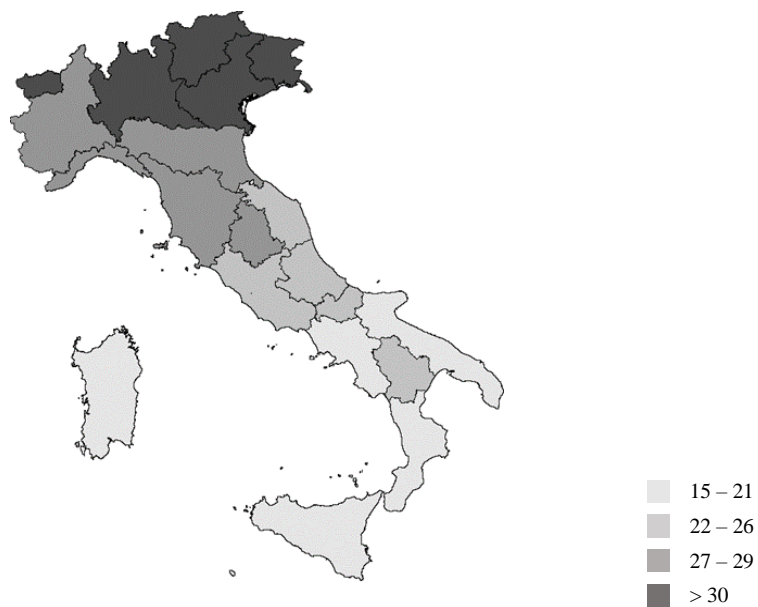


Table 8**Private Pension System. Members by age groups.***(end-2014 data; percentage composition)*

Age groups	Contractual Pension Funds	Open Pension Funds	Pre-existing Pension Funds	“New” PIPs	Total⁽¹⁾
< 25	0.9	6.0	0.8	4.8	3.1
25 - 34	11.2	13.4	8.5	17.7	13.5
35 - 44	29.9	28.1	25.0	27.0	27.6
45 - 54	37.9	32.1	37.6	28.4	32.9
55 - 64	19.6	17.9	24.5	19.2	20.2
> 65	0.5	2.5	3.6	3.0	2.7
Total	100.0	100.0	100.0	100.0	100.0
<i>Memory item:</i>					
Average age	46.0	44.5	48.2	44.3	45.6

(1) Members of “Old” PIPs are included.

Table 9

Private Pension System. Members by regions.
(end-2014 data; percentage composition)

	Contractual Pension Funds	Open Pension Funds	Pre-existing Pension Funds	“New” PIPs	Total⁽¹⁾
Piemonte	8.9	8.9	8.6	8.7	8.9
Valle d’Aosta	0.5	0.3	0.5	0.2	0.4
Lombardia	24.1	20.3	31.4	18.2	21.8
Liguria	2.3	3.6	2.2	2.9	2.7
North-West Italy	35.8	33.0	42.7	30.0	33.8
Veneto	10.4	9.7	7.5	11.2	10.1
Trentino-Alto Adige	6.2	5.0	1.8	1.6	3.5
Friuli-Venezia Giulia	2.2	3.1	2.2	2.8	2.5
Emilia-Romagna	9.2	9.5	9.0	8.3	8.7
North-East Italy	28.0	27.4	20.5	23.8	24.8
Toscana	6.7	9.9	8.7	7.5	7.6
Umbria	1.3	1.6	0.9	2.0	1.6
Marche	2.0	3.0	1.7	3.6	2.8
Lazio	9.0	6.7	12.4	8.2	8.9
Central Italy	19.1	21.1	23.7	21.4	20.9
Abruzzo	1.9	1.3	1.2	2.1	1.9
Molise	0.3	0.3	0.2	0.6	0.4
Campania	4.6	4.5	3.4	5.9	5.2
Puglia	3.1	3.7	2.7	5.5	4.2
Basilicata	0.6	0.7	0.2	0.9	0.7
Calabria	1.1	2.1	0.8	2.1	1.7
Sicilia	3.6	4.5	3.4	5.7	4.7
Sardegna	1.8	1.4	1.2	2.0	1.7
Southern Italy and Islands	17.1	18.5	13.1	24.8	20.5
Total	100.0	100.0	100.0	100.0	100.0

(1) Members of “Old” PIPs are included.

Table 10

Private Pension System. Members by professional category, age and gender.
(end-2014 data; percentage composition)

Age groups	Self-employed workers			Employees			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
< 25	1.3	2.1	1.5	1.7	1.5	1.6	2.9	3.5	3.1
25 to 34	7.9	10.0	8.5	14.2	15.1	14.5	13.0	14.4	13.5
35 to 44	24.1	26.8	25.0	28.1	31.5	29.4	26.4	29.3	27.6
45 to 54	34.2	34.3	34.3	33.9	33.9	33.9	32.9	32.9	32.9
55 to 64	25.3	22.9	24.6	20.3	17.2	19.1	21.3	18.3	20.2
> 65	7.1	3.9	6.1	1.8	0.8	1.4	3.5	1.5	2.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>Memory item:</i>									
Gender composition	69.3	30.7	100.0	60.6	39.4	100.0	61.1	38.9	100.0
Average age	49.0	47.2	48.4	45.7	44.7	45.3	46.2	44.7	45.6

Table 11

Private Pension System. Members by professional category, region and gender.
(end-2014 data; percentage composition)

Regions	Self-employed workers			Employees			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Piemonte	7.9	8.9	8.2	8.7	9.4	9.0	8.6	9.3	8.9
Valle d'Aosta	0.3	0.3	0.3	0.3	0.5	0.4	0.3	0.5	0.4
Lombardia	17.7	17.8	17.8	23.2	23.0	23.1	21.9	21.7	21.8
Liguria	3.2	4.0	3.5	2.5	2.5	2.5	2.7	2.8	2.7
North-West Italy	29.2	31.0	29.7	34.7	35.5	35.0	33.5	34.2	33.8
Veneto	9.4	8.9	9.3	10.6	10.6	10.6	10.1	10.0	10.1
Trentino-Alto Adige	2.1	1.9	2.0	3.4	4.5	3.9	3.1	4.0	3.5
Friuli-Venezia Giulia	2.3	2.6	2.4	2.5	2.7	2.6	2.5	2.6	2.5
Emilia-Romagna	9.3	9.7	9.4	8.5	9.7	8.9	8.4	9.1	8.7
North-East Italy	23.2	23.1	23.1	25.0	27.5	26.0	24.1	25.7	24.8
Toscana	9.8	10.5	10.0	6.8	7.6	7.1	7.4	8.0	7.6
Umbria	2.0	2.1	2.1	1.5	1.4	1.4	1.7	1.6	1.6
Marche	3.5	3.4	3.5	2.5	2.7	2.6	2.7	2.8	2.8
Lazio	7.2	8.1	7.5	9.1	9.0	9.1	8.8	9.0	8.9
Central Italy	22.5	24.0	23.0	19.9	20.7	20.2	20.7	21.3	20.9
Abruzzo	1.8	1.9	1.8	1.8	1.7	1.8	1.9	1.9	1.9
Molise	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4
Campania	6.9	5.3	6.4	5.2	3.7	4.6	5.7	4.4	5.2
Puglia	5.7	4.7	5.4	4.1	3.0	3.7	4.5	3.8	4.2
Basilicata	0.9	0.9	0.9	0.7	0.6	0.6	0.7	0.7	0.7
Calabria	2.7	2.3	2.6	1.4	1.3	1.4	1.7	1.7	1.7
Sicilia	5.0	4.2	4.8	5.0	4.0	4.6	5.1	4.2	4.7
Sardegna	1.7	2.0	1.8	1.8	1.6	1.7	1.7	1.7	1.7
Southern Italy and Islands	25.2	21.9	24.1	20.3	16.3	18.7	21.7	18.7	20.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 12**Private Pension System. Contributions.***(end-2015 data; millions of euros; average contribution per member in euros)*

Contributions	Contractual Pension Funds	Open Pension Funds	Pre-existing Pension Funds	“New” PIPs	Total⁽¹⁾
From Private sector employees	4,460	1,060	3,658	2,048	11,234
<i>of which: TFR</i>	2,824	512	1,616	521	5,481
From Self-employed workers	9	539	44	1,285	1,877
Total	4,469	1,599	3,702	3,333	13,111
<i>Memory item:</i>					
Average contribution per member ⁽²⁾					
<i>Private sector employees</i>	2,600	2,540	6,880	1,740	2,860
<i>Self-employed workers</i>		1,960		2,110	2,070

(1) FONDINPS is included.

(2) Members who did not actively contributed in 2015 are not considered.

Table 13**Private Pension System. Members by type of investment sub-funds.***(end-2015 data; percentage composition)*

Investment sub-funds	Contractual Pension Funds	Open Pension Funds	“New” PIPs	Total
Guaranteed sub-funds	23.7	28.7	73.4	41.9
Bond sub-funds	27.7	13.9	6.6	16.1
Balanced sub-funds	47.5	35.6	8.1	30.4
Equity sub-funds	1.2	21.7	12.0	11.6
Total	100.0	100.0	100.0	100.0

Table 14

Private Pension System. Portfolio allocation and domestic assets.
(end-2015 data, millions of euros; per cent)

	Contractual Pension Funds		Open Pension Funds		Pre-existing Pension Funds ⁽¹⁾		"New" PIPs		Total ⁽²⁾	
		%		%		%		%		%
Cash and deposit	1,734	4.1	1,030	6.7	1,797	6.2	665	3.3	5,227	4.9
Sovereign bonds	24,924	58.6	6,835	44.3	10,279	35.4	10,480	52.3	52,576	49.1
<i>of which: domestic</i>	11,560	27.2	4,077	26.4	5,836	20.1	8,726	43.5	30,243	28.2
Other debt securities	5,068	11.9	505	3.3	3,942	13.6	4,917	24.5	14,440	13.5
<i>of which: domestic</i>	430	1.0	119	0.8	540	1.9	1,099	5.5	2,189	2.0
Equities	7,978	18.8	3,128	20.3	4,615	15.9	2,157	10.8	17,878	16.7
<i>of which: domestic</i>	379	0.9	203	1.3	264	0.9	158	0.8	1,004	0.9
UCITS	2,869	6.7	3,853	25.0	5,193	17.9	1,773	8.8	13,692	12.8
<i>of which: real estate</i>	24	..	3	..	1,371	4.7	153	0.8	1,551	1.4
Real estate	-	-	-	-	2,458	8.5	-	-	2,458	2.3
Other assets and liabilities	-27	-0.1	79	0.5	741	2.6	64	0.3	857	0.8
Total	42,546	100.0	15,430	100.0	29,025	100.0	20,056	100.0	107,128	100.0
<i>of which: domestic</i>	12,369	29.1	4,399	28.5	6,640	22.9	9,983	49.8	33,436	31.2
<i>Memory item:</i>										
Equity exposure ⁽³⁾		22.9		41.3		21.0		19.1		24.3

(1) Data are referred to autonomous pension funds.

(2) FONDINPS is included.

(3) The "Look-through principle" has been applied to the mutual fund investments.

Table 15

Pension Funds and “New” PIPs. Net rates of return⁽¹⁾.
(per cent)

	2008	2009	2010	2011	2012	2013	2014	2015
Contractual Pension Funds	-6.3	8.5	3.0	0.1	8.2	5.4	7.3	2.7
<i>Guaranteed Sub-funds</i>	3.1	4.6	0.2	-0.5	7.7	3.1	4.6	1.9
<i>Bond Sub-funds</i>	1.6	2.9	0.4	1.7	3.0	1.2	1.2	0.5
<i>Mixed Bond sub-funds</i>	-3.9	8.1	3.6	1.1	8.1	5.0	8.1	2.4
<i>Balanced Sub-funds</i>	-9.4	10.4	3.6	-0.6	9.2	6.6	8.5	3.3
<i>Equity Sub-funds</i>	-24.5	16.1	6.2	-3.0	11.4	12.8	9.8	5.0
Open Pension Funds	-14.0	11.3	4.2	-2.4	9.1	8.1	7.5	3.0
<i>Guaranteed Sub-funds</i>	1.9	4.8	0.7	-0.3	6.6	2.0	4.3	0.9
<i>Bond Sub-funds</i>	4.9	4.0	1.0	1.0	6.4	0.8	6.9	1.0
<i>Mixed Bond sub-funds</i>	-2.2	6.7	2.6	0.4	8.0	3.6	8.0	2.2
<i>Balanced Sub-funds</i>	-14.1	12.5	4.7	-2.3	10.0	8.3	8.7	3.8
<i>Equity Sub-funds</i>	-27.6	17.7	7.2	-5.3	10.8	16.0	8.7	4.3
“New” PIPs								
Traditional life policies	3.1	3.1	3.2	3.2	3.3	3.2	2.9	2.5
Unit linked	-21.9	14.5	4.7	-5.2	7.9	10.9	6.8	3.2
<i>Bond Sub-funds</i>	2.4	3.7	0.6	0.8	4.9	-0.3	3.3	0.6
<i>Balanced Sub-funds</i>	-8.3	7.8	2.5	-3.5	6.4	5.8	8.2	1.8
<i>Equity Sub-funds</i>	-32.4	20.6	6.7	-7.9	9.6	17.2	7.2	4.4
<i>Memory Item:</i>								
TFR Revaluation Rate	2.7	2.0	2.6	3.5	2.9	1.7	1.3	1.2

(1) Rates of return are net of costs and taxes. Net rates of return of PIP are calculated according to the standardized methodology defined by COVIP.

Table 16

Pension Funds and “New” PIPs. Compounded average net annual rates of return⁽¹⁾.
(per cent)

	31.12.2014- 31.12.2015	31.12.2013- 31.12.2015	31.12.2012- 31.12.2015	31.12.2010- 31.12.2015	31.12.2005- 31.12.2015	31.12.1999- 31.12.2015
	1 year	2 years	3 years	5 years	10 years	16 years
Contractual Pension Funds	2.7	4.9	5.1	4.7	3.4	3.1
<i>Guaranteed sub-funds</i>	1.9	3.2	3.2	3.3	-	-
<i>Bond sub-funds</i>	0.5	0.8	1.0	1.5	1.7	-
<i>Mixed Bond sub-funds</i>	2.4	5.2	5.1	4.9	3.7	-
<i>Balanced sub-funds</i>	3.3	5.9	6.1	5.3	3.8	-
<i>Equity sub-funds</i>	5.0	7.4	9.2	7.0	3.7	-
Contractual Pension Funds	3.0	5.2	6.2	5.0	2.6	1.9
<i>Guaranteed sub-funds</i>	0.9	2.6	2.4	2.7	2.4	2.7
<i>Bond sub-funds</i>	1.0	3.9	2.9	3.2	2.7	3.2
<i>Mixed bond sub-funds</i>	2.2	5.1	4.6	4.4	3.0	3.2
<i>Balanced sub-funds</i>	3.8	6.2	6.9	5.6	3.1	2.4
<i>Equity sub-funds</i>	4.3	6.4	9.5	6.6	2.5	1.2
“New” PIPs						
Traditional Life Policies	2.5	2.7	2.9	3.0	-	-
Unit linked	3.2	5.0	6.9	4.6	-	-
<i>Bond sub-funds</i>	0.6	1.9	1.2	1.8	-	-
<i>Balanced sub-funds</i>	1.8	5.0	5.3	3.6	-	-
<i>Equity sub-funds</i>	4.4	5.8	9.5	5.8	-	-
<i>Memory Item:</i>						
TFR Revaluation Rate	1.2	1.3	1.4	2.1	2.4	2.6

(1) Rates of return are net of costs and taxes. Net PIPs' rates of return are calculated according to the standardised methodology defined by COVIP.

Table 17

Pension Funds and “New” PIPs. Synthetic Cost Indicator⁽¹⁾.
(end-2015 data; per cent)

	Syntetic Cost Indicator (SCI)			
	2 years	5 year	10 years	35 years
Contractual Pension Funds (average)	1.1	0.6	0.4	0.3
<i>Minimum</i>	0.5	0.2	0.1	0.1
<i>Maximum</i>	3.0	1.5	0.9	0.6
Open Pension Funds (average)	2.3	1.5	1.3	1.2
<i>Minimum</i>	0.6	0.3	0.2	0.1
<i>Maximum</i>	5.1	3.4	2.8	2.4
“New” PIPs (average)	3.8	2.6	2.2	1.8
<i>Minimum</i>	1.0	0.9	0.6	0.4
<i>Maximum</i>	6.5	4.9	4.1	3.5

(1) Simple average.

Table 18

Pension Funds and “New” PIPs. Synthetic Cost Indicator by investment sub-funds⁽¹⁾.
(end-2015 data; per cent)

Investment sub-funds		Syntetic Cost Indicator (SCI)			
		2 years	5 years	10 years	35 years
	Contractual Pension Funds	1.1	0.7	0.5	0.3
Guaranteed sub-funds	Open Pension Funds	2.2	1.4	1.2	1.1
	“New” PIPs ⁽²⁾	3.7	2.4	1.9	1.4
	Contractual Pension Funds	1.1	0.5	0.3	0.2
Bond sub-funds	Open Pension Funds	1.9	1.2	1.0	0.9
	“New” PIPs	3.3	2.2	1.8	1.4
	Contractual Pension Funds	1.0	0.5	0.4	0.2
Balanced sub-funds	Open Pension Funds	2.3	1.6	1.4	1.2
	“New” PIPs	3.6	2.6	2.3	1.9
	Contractual Pension Funds	1.4	0.7	0.5	0.2
Equity sub-funds	Open Pension Funds	2.6	1.9	1.7	1.5
	“New” PIPs	4.2	3.0	2.5	2.2

(1) Synthetic Cost Indicators are calculated as a simple average of the indicators referred to each investment sub-fund.

(2) Traditional Life Insurance Policies.

Table 19

Pension Funds and “New” PIPs. Synthetic Cost Indicator (10 years).
(end-2015 data; per cent; assets in millions of euros)

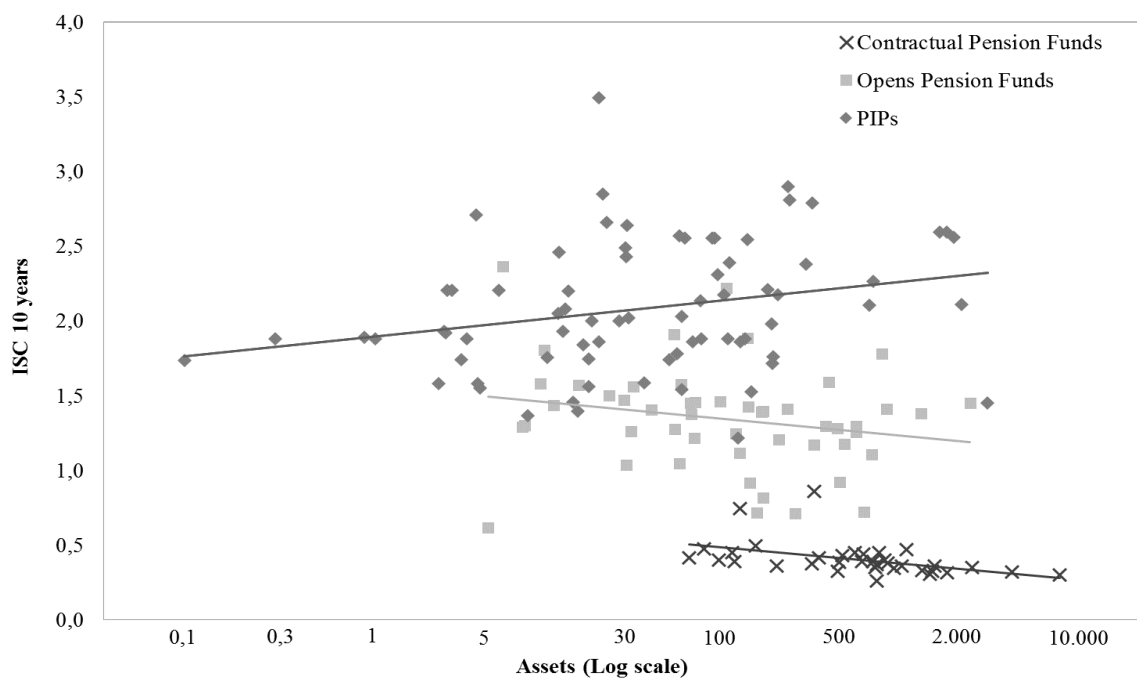


Table 20**Contractual Pension Funds. Members by professional category.**
(end-2015 data)

Type of pension funds	Number of pension funds	Employees		Self-employed workers	Total
		Private sector	Public sector		
Company and group of companies pension funds	8	298,441	-	-	298,441
Industry-wide pension funds	25	1,824,106	120,791	5,137	1,950,034
Regional pension funds	3	119,936	50,439	253	170,628
Total	36	2,242,483	171,230	5,390	2,419,103

Table 21**Contractual Pension Funds. Members and assets by type of investment sub-funds.**
(end-2015 data)

Investment sub-funds	Number of sub-funds		Members - percentage composition		Assets - percentage composition	
	2014	2015	2014	2015	2014	2015
Guaranteed sub-funds	36	38	24.3	23.7	14.4	14.6
Bond sub-funds	3	3	9.0	7.1	7.0	6.9
Mixed bond sub-funds	20	20	26.2	20.6	31.8	31.3
Balanced sub-funds	41	40	39.1	47.5	44.3	44.6
Equity sub-funds	8	8	1.4	1.2	2.5	2.6
Total	113	109	100.0	100.0	100.0	100.0

Table 22

Contractual Pension Funds. Members by investment sub-funds and age groups.
(end-2014 data; per cent)

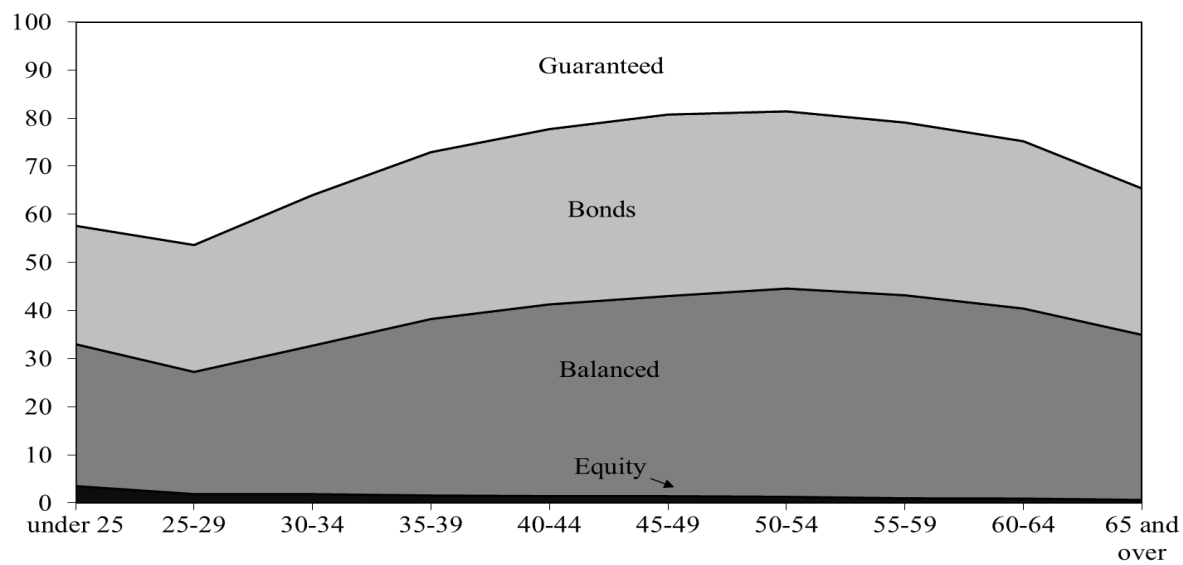


Table 23

Contractual Pension Funds. Assets by type of financial intermediaries.
(end period data; millions of euros, per cent)

Financial intermediaries	Number of financial intermediaries		Number of mandates				Assets under management	
	2014	2015	2014	2015	2014		2015	
					%		%	
Domestic financial intermediaries								
Insurances	4	5	32	32	6,394	16.0	6,707	15.6
Asset management companies	13	14	116	113	15,019	37.6	15,922	37.1
Investment companies	-	-	-	-	-	-	-	-
Banks	2	2	12	12	2,041	5.1	2,249	5.2
Total	19	21	160	157	23,454	58.6	24,878	57.9
Other EU financial intermediaries								
	21	22	96	102	16,537	41.4	18,086	42.1
Total	40	43	256	259	39,991	100.0	42,964	100.0
<i>Memory Item:</i>								
Assets directly managed by pension funds						22		43
Total assets							43,007	

Table 24

Private Pension System. Contractual Pension Funds.

(end-2015 data)

Name of the pension fund	Members	Percentage change	Potential Members ⁽¹⁾	Participation rate (%)	Assets (millions of euros)
FONCHIM	146,091	0.4	191,500	76.3	5,129
FONDENERGIA	40,093	0.3	49,800	80.5	1,846
QUADRI E CAPI FIAT	11,636	1.0	17,800	65.5	525
COMETA	402,199	-1.6	1,000,000	40.2	9,652
FONDOSANITA'	5,137	7.9	804,000	0.64	141
SOLIDARIETA' VENETO ⁽²⁾	49,430	3.0	891,000	5.55	954
PREVIAMBIENTE	49,278	0.5	250,000	19.7	855
ALIFOND	47,289	-1.4	248,000	19.1	1,200
LABORFONDS	114,288	-0.1	245,000	46.6	2,180
COOPERLAVORO	71,983	5.4	349,300	20.6	885
FOPEN	44,533	-0.8	45,000	99.0	1,789
PEGASO	30,683	1.0	50,000	61.4	840
PREVICOOPER	31,110	-1.7	74,600	41.7	703
TELEMACO	59,322	-1.1	150,000	39.5	1,571
ARCO	31,335	-4.4	246,400	12.7	544
FONCER	14,174	-3.8	29,600	47.9	400
FONDAPI	43,178	19.2	500,000	8.6	642
PREVIMODA	58,328	0.8	400,000	14.6	993
CONCRETO	6,342	-5.8	9,500	66.8	173
FONTE	199,517	2.1	2,500,000	8.0	3,028
BYBLOS	31,396	-4.2	200,000	15.7	721
GOMMAPLASTICA	48,680	-1.6	100,000	48.7	1,072
MEDIAFOND	2,686	0.3	8,500	31.6	88
PREVAER	11,447	2.3	31,000	36.9	363
FILCOOP	9,574	-1.5	160,000	6.0	107
EUROFER	36,246	-2.4	90,000	40.3	862
PREVEDI	507,815	1190.4	570,000	89.1	515
PRIAMO	57,608	-0.4	130,000	44.3	1,266
FOPADIVA	6,910	0.9	28,000	24.7	127
FONDOPOSTE	97,032	1.1	138,400	70.1	1,725
ESPERO	99,819	0.2	1,200,000	8.3	816
ASTRI	8,600	0.7	15,000	57.3	228
AGRIFONDO	8,569	0.6	330,000	2.6	72
PREV.I.LOG.	8,471	-0.7	100,000	8.5	131
PERSEO SIRIO	21,411	24.2	1,571,400	1.4	27
FONDAEREO	6,893	-4.5	8,700	79.3	378
TOTAL: 36	2,419,103	24.4			42,546

(1) Estimated data provided by pension funds.

Table 25

Open Pension Funds. Market Structure.
(end period data, percentage composition)

	2014				2015			
	Number of financial intermediaries	Number of Funds/ Sub-funds	Members (%)	Assets (%)	Number of financial intermediaries	Number of Funds/ Sub-funds	Members (%)	Assets (%)
Type of financial intermediaries:								
Insurances	31	46	63.3	59.1	28	40	62.9	58.4
Banks	1	1	1.9	2.7	1	1	2.1	2.8
Asset management companies	9	9	34.9	38.2	9	9	35.0	38.8
Investment companies	-	-	-	-	-	-	-	-
Total	41	56	100.0	100.0	38	50	100.0	100.0
<i>Memory Item:</i>								
Open Pension Funds managed by the 5 larger financial conglomerates (in terms of members)		20	62.1	61.9		14	61.2	60.7
Investment sub-funds								
Guaranteed sub funds		75	27.0	22.8		66	28.7	25.1
Bond sub-funds		30	5.4	4.5		27	4.6	3.8
Mixed Bond sub-funds		22	9.9	10.7		18	9.3	10.3
Balanced sub-funds		71	33.6	33.3		63	35.6	34.2
Equity sub-funds		55	24.1	28.8		50	21.7	26.6
Total		253	100.0	100.0		224	100.0	100.0
Investment sub-funds by asset size								
> 100 millions of euros		40	56.6	60.2		42	68.8	69.9
10 to 100 millions of euros		136	41.0	37.5		116	29.6	28.4
< 10 million of euros		77	2.4	2.3		66	1.6	1.7

Table 26

Open Pension Funds. Members by investment sub-funds and age groups.
(end-2014 data; per cent)

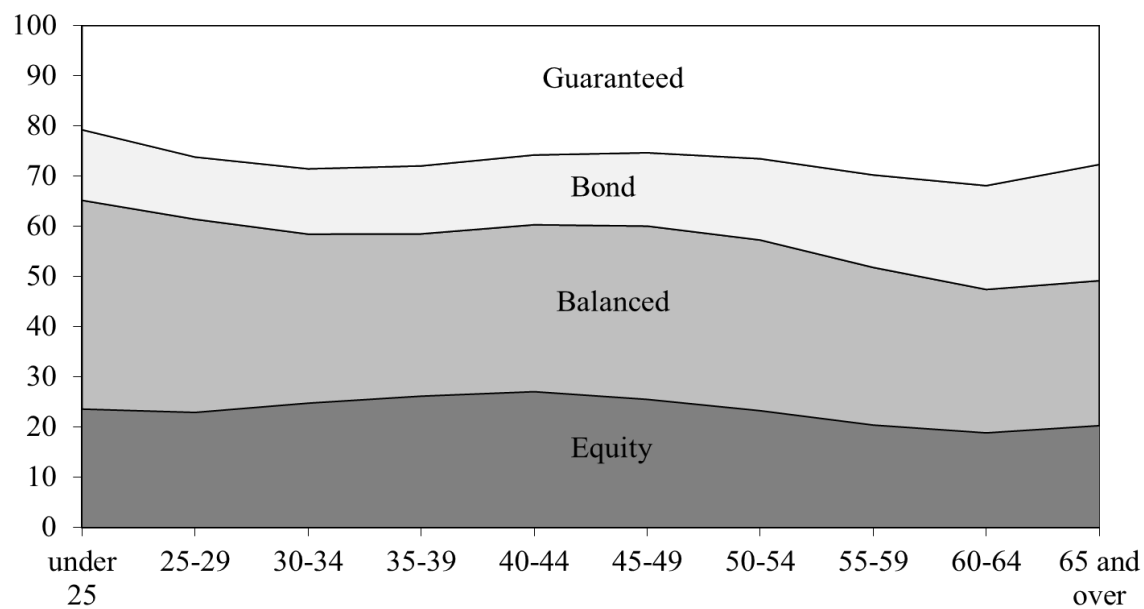


Table 27

“New” PIPs. Market structure.
(end period data; percentage composition)

	2014		2015	
Number of “New” PIPs	78		78	
Number of Insurance companies	40		37	
	Members	Assets	Members	Assets
Investment lines				
Traditional Life Policies	73.6	72.2	73.4	73.8
Unit-linked	26.4	27.8	26.6	26.2
<i>Bond investment lines</i>	6.7	4.3	6.6	4.3
<i>Balanced investment lines</i>	7.3	7.8	8.1	7.7
<i>Equity investment lines</i>	12.4	15.7	12.0	14.2
Total	100.0	100.0	100.0	100.0
Investment lines by assets size				
> 100 millions of euros	89.6	88.3	85.9	87.1
10 to 100 millions of euro	8.9	10.6	11.1	11.6
< 10 millions of euros	1.5	1.1	3.0	1.3
<i>Memory Item:</i>				
PIPs of the 5 larger insurance undertakings (in terms of members)	83.1	80.5	81.3	80.6

Table 28

Pre-existing Pension Funds. Number of pension funds.
(end-2015 data)

Pension fund regime	Type of pension funds		Total
	Autonomous	Non-autonomous	
Defined contribution pension funds	158	3	161
<i>of which: pension funds which pay annuities directly</i>	7	-	7
Defined benefit pension funds	15	92	107
Hybrid pension funds	23	13	36
Total	196	108	304

Table 29

Pre-existing Pension Funds. Assets.
(end period data; millions of euros)

	2014	2015
Autonomous pension funds	50,705	52,267
Non-autonomous pension funds	3,328	3,032
<i>internal to banks</i>	2,902	2,598
<i>internal to insurance undertakings</i>	27	28
<i>internal to non-financial institutions</i>	399	407
Total	54,033	55,299
<i>Of which:</i>		
Technical provisions within insurance companies	21,662	23,273

Table 30

Autonomous Pre-existing Pension Funds. Type of asset management.
(end period data; percentage composition)

	2014	2015
Assets directly managed by pension funds	12.5	11.6
Assets managed by financial intermediaries	42.4	42.5
Technical provision within insurance companies	45.1	45.9
Total	100.0	100.0

Table 31

Private Pension System. Time series.

(end period data)

Years	Contractual Pension Funds	Open Pension Funds	Pre-existing Pension Funds	“New” PIPs	“Old” PIPs	Total ⁽¹⁾
Number of pension funds						
1999	33	88	618	-	-	739
2000	42	99	578	-	-	719
2001	41	102	575	-	-	718
2002	44	95	554	-	-	693
2003	42	96	510	-	-	648
2004	41	92	494	-	-	627
2005	43	89	455	-	-	587
2006	42	84	448	-	-	574
2007	42	81	433	72	-	629
2008	41	81	411	75	-	609
2009	39	76	391	75	-	582
2010	38	69	375	76	-	559
2011	38	67	363	76	-	545
2012	39	59	361	76	-	536
2013	39	58	330	81	-	509
2014	38	56	323	78	-	496
2015	36	50	304	78	-	469
Members of pension funds						
1999	701,127	136,305	573,256	-	-	1,410,688
2000	877,523	223,032	591,555	-	-	1,692,110
2001	984,567	287,251	687,482	-	201,108	2,160,408
2002	1,021,186	337,600	679,603	-	357,313	2,395,702
2003	1,042,381	364,604	671,474	-	508,757	2,587,216
2004	1,062,907	382,149	666,841	-	628,176	2,740,073
2005	1,155,168	407,022	657,117	-	744,023	2,963,330
2006	1,219,372	440,486	643,986	-	880,380	3,184,224
2007	1,988,639	747,264	680,746	486,017	703,400	4,560,164
2008	2,043,509	795,605	676,994	701,819	674,332	4,850,782
2009	2,040,150	820,385	673,039	893,547	654,376	5,055,284
2010	2,010,904	848,415	668,625	1,160,187	610,098	5,272,579
2011	1,994,280	881,311	664,731	1,451,995	573,336	5,536,554
2012	1,969,771	913,913	662,162	1,794,835	534,816	5,848,727
2013	1,950,552	984,584	654,537	2,134,038	505,110	6,203,673
2014	1,944,276	1,057,038	645,371	2,356,674	467,255	6,447,186
2015	2,419,103	1,150,096	644,797	2,595,804	431,811	7,226,907

- to be continued -

- continues- Table 31

Years	Contractual Pension Funds	Open Pre-existing Pension Funds	"New" PIPs	"Old" PIPs	Total(1)
Assets (millions of euros)					
1999	544	234	19,859	-	20,637
2000	1,190	552	21,269	-	23,011
2001	2,256	943	29,578	-	32,970
2002	3,264	1,230	29,531	-	34,642
2003	4,543	1,731	30,057	-	37,609
2004	5,881	2,230	30,617	-	40,878
2005	7,615	2,954	33,400	-	47,307
2006	9,257	3,527	34,246	-	51,576
2007	11,599	4,298	36,054	1,020	57,747
2008	14,092	4,663	35,906	1,958	61,302
2009	18,757	6,269	39,813	3,397	73,827
2010	22,384	7,533	42,007	5,229	83,167
2011	25,272	8,364	43,818	7,196	90,687
2012	30,174	10,078	47,972	9,813	104,363
2013	34,504	11,990	50,398	13,014	116,465
2014	39,644	13,980	54,033	16,369	130,941
2015	42,546	15,430	55,299	20,056	140,180

(1) FONDINPS is included.

Table 32

Private Pension System. Rates of returns. Time series⁽¹⁾.
(per cent)

Years	Contractual Pension Funds	Open Pension Funds	"New" PIPs Traditional Life Policies	"New" PIPs United-linked	TFR revaluation rate
1999	-	24.0	-	-	3.1
2000	3.5	2.9	-	-	3.5
2001	-0.5	-5.6	-	-	2.9
2002	-3.4	-13.1	-	-	3.1
2003	5.0	5.7	-	-	2.8
2004	4.6	4.3	-	-	2.5
2005	7.5	11.5	-	-	2.6
2006	3.8	2.4	-	-	2.4
2007	2.1	-0.4	-	-	3.1
2008	-6.3	-14.0	3.1	-21.9	2.7
2009	8.5	11.3	3.1	14.5	2.0
2010	3.0	4.2	3.2	4.7	2.6
2011	0.1	-2.4	3.2	-5.2	3.5
2012	8.2	9.1	3.3	7.9	2.9
2013	5.4	8.1	3.2	10.9	1.7
2014	7.3	7.5	2.9	6.8	1.3
2015	2.7	3.0	2.5	3.2	1.2

(1) Rates of return are net of costs and taxes (under the legislation in force). Net rates of return of PIPs are calculated according to the standardised methodology defined by COVIP.

GLOSSARY

Contractual Pension Funds (CPFs): they are established through collective bargaining between employers' associations and trade unions that may be negotiated at the levels of company or group of companies, of industrial or economic sector, as well as with reference to specific geographical areas. CPFs only support occupational pension plans and have legal personality (i.e. there is a legal separation between the pension fund and the sponsor).

Fondinps: the pension fund foreseen by Law no. 243 of 2004 (*see below*) and laid down by Legislative Decree no. 252 of 2005 (*see below*). Fondinps receives contributions from tacit adhesions in case the collective bargaining did not indicate any contractual pension fund where to invest silent members' contributions.

Open Pension Funds (OPFs): they are promoted by banks, insurance companies, asset management companies. They support both occupational and personal plans. They do not have legal personality; nonetheless, their assets are required to be separated with respect to those of the financial company managing them.

“New” PIPs: individual pension plans realised through life insurance contracts, instituted after the entry into force of Legislative Decree no. 252 of 2005. They are subject to the same rules applied to new pension funds with respect to members' rights, portability and transparency. Offered by insurance companies, they only support personal plans. They do not have legal personality; nonetheless, their assets are required to be separated with respect to those of the insurance company sponsoring them. They could be with-profit (traditional policies) or unit-linked policies.

“Old” PIPs: individual pension plans realized through life insurance contracts, instituted before the entry into force of Legislative Decree no. 252 of 2005. They are not allowed to collect new members.

Pre-existing Pension Funds (Old Pension Funds): they were already operating before the entry into force of Legislative Decree no. 124 of 1993. They are both autonomous and non-autonomous (book reserves); they are structured as defined contribution and defined benefit schemes (they are not open to new members).

Pre-existing pension funds continue operating without substantial changes, as they do not have to apply all the rules provided for pension funds instituted after 1993; in particular, they can directly manage their assets and invest in real estate.

Synthetic Cost Indicator (SCI): an indicator aimed at easily communicating all the costs charged on a member (over the accumulation phase) in percentage of the assets of his individual account. The SCI has to be computed according to a methodology defined by COVIP, which is common for all the different kinds of pension funds. SCI of each investment option has to be displayed on the information document to be made available to members (*Nota Informativa*) and on COVIP website.

TFR (*Trattamento di fine rapporto*) – the TFR is a sort of severance pay scheme that the employer has to pay to the employee in the case of dismissal or retirement. With this aim, the employer sets aside 6.91 per cent of the gross salary of the employee on a monthly basis. The accrued stock of TFR, which is accounted as a book reserve in the balance sheet of the employer, appreciates on an annual basis according to a CPI-linked formula.

* * *

Legislative Decree no. 124 of 1993: first piece of legislation that defined tasks and powers of the Pension Funds Supervisory Authority (*Commissione di Vigilanza sui Fondi Pensione – COVIP*) and regulated the establishment and operation of new pension funds (contractual pension funds and open pension funds – *see above*). These pension funds are set up on a voluntary basis, they have to be funded and based on the defined contribution method. Before the entry into force of Legislative Decree, pre-existing pension funds (*see above*) were already operating.

Legislative Decree no. 252 of 2005: this is the masterpiece of the pension funds sector's legislation. It provided that private employees enrolled for the first time in their working life have to choose where to transfer their TFR in a pension plan or to keep it in their company. In case of no active choice by the employee after a six-month period, the TFR is automatically paid into an occupational pension fund (typically, the industry-wide occupational fund or to *Fondinps* – *see above*). A less risky portfolio is set as the default option for tacit adhesion. On the basis of the provisions of the collective agreements, the employees can decide to add further contributions in order to get matching contributions from the employers. Additional voluntary contributions are allowed as well particular emphasis is given to transparency and comparability between all kinds of pension plans.