Punjab Contributory Pension Fund Scheme

Govt. of Punjab had amended the Punjab Civil Servants Act, 1974 (VIII of 1974) (through Punjab Civil Servants Ordinance, 2023 (1 of 2024) and introduced Punjab Defined Contributory Pension Scheme Rules, 2025 and the Pension structure has been changed for all new Punjab Govt. employees after the notification.

- New employees who joined service on or after 8th January, 2024 will be part of the new Pension system introduced by Punjab Government.
- The investment management has been entrusted to registered Pension Fund Management Companies (with Securities & Exchange Commission of Pakistan), including UBL Fund Managers Limited.
- Fund will be governed under Voluntary Pension System Rules, 2005 (enacted by SECP), Non-Banking Finance Companies Regulations & Notify Entity Regulations, 2008 and Punjab Defined Contributory Pension Scheme Rules, 2025.
- Every employee has the right to select Pension / Asset Funds Management Company of his choice and investment mode (Conventional or Shariah complaint) from https://pension.punjab.gov.pk/ after completing profile.
- Employee needs to complete his/her profile on https://pension.punjab.gov.pk/ portal, his profile will be verified and information passed on to Pension/Asset Fund Management Company for account opening.

Contribution rate:

Govt. of Punjab as well as employees will both contribute as per below percentages. Deduction from employee's pensionable pay (running basic pay) will be deducted and passed on to Pension/Asset Fund Management Company.

Monthly Contribution Rate (% of pensionable pay)

Head	Compulsory
Employers Contribution	12%
Employee's Contribution	10%
Overall Contribution	22%

Life Insurance/Takaful Cover:

All Pension account holders will have a built-in Group Life & Permanent Disability Insurance/Takaful cover before attaining retirement from the Scheme for an amount equal to the Rs. 1,000,000/- and Accidental Death Insurance/Takaful cover of Rs. 2,000,000/- plus an annual indexation of 10% for all employees, both those previously insured and those joining within the year and rounded up to the nearest PKR one thousand.

Note: It is clarified that no financial, administrative, or legal implications shall arise on the PFM and Pension Fund in relation to the takaful benefit until the Finance Department, in coordination with the Punjab Pension Fund and MUFAP, finalizes the insurance arrangement and it becomes fully operational.

Asset Allocation:

During first three years from the date of opening of employee's pension account (regardless of age), 100% allocation will be made in Money Market Sub-Funds only. After 3 years' completion, employees may choose customized allocation subject to below limits:

Maximum aggregate Exposure Limit

Age of Employee	Maximum aggregate exposure limit for High risk Sub Fund (as % of employee's pension account balance)		
	Equity Index Sub-Fund	Equity Active Sub-Fund	Total
For 3 years from date of pension account opening	0%	0%	0%
< 30 years	50%	25%	50%
< 40 years	40%	20%	40%
< 50 years	30%	15%	30%
< 60 years	20%	10%	20%

In case employee does not select/indicate his/her allocation policy, then age-based default asset allocation will Apply after first three years (regardless of age).

Default Asset Allocation

Age of Employee	Sub-Funds (as % of employee's pension account balance)			
	Equity Index (High Risk)	Equity Active (High Risk)	Debt (Medium Risk)	Money Market (Low Risk)
For 3 years from date of pension account opening	0%	0%	0%	100%
< 30 years	30%	10%	30%	30%
< 40 years	20%	10%	30%	40%
< 50 years	15%	5%	20%	60%
< 60 years	10%	0%	10%	80%

Retirement Age:

Retirement age of an Employee shall be such date as given below.

1. The date after Participant / Employee has completed twenty years of service qualifying for pension or other retirement benefits as the competent authority may, in public interest, direct; or
2. where no direction is given under clause (i) on the completion of the sixtieth year of his age.
3. or any date as defined in Punjab Civil Servant Act 1974

Transfer to another Fund/Pension Fund Manager:

Employee can transfer from Conventional to Shariah complaint Pension scheme or from Shariah complaint to Conventional with the same Pension/Asset Management Company or transfer to any other Pension/Asset Management Company free of cost, any time under the SECP VPS Rules, 2005.

Withdrawal Conditions:

Participants cannot withdraw any amount from his pension account before attaining the retirement age. Participants upon leaving service before attaining the retirement age may, by informing the Punjab Pension Fund in writing, to opt to no longer be subject to Punjab Defined Contribution Pension Scheme Rules, 2025 and transfer his pension account from the employer pension fund to another employer pension fund or withdraw accumulated balance in his pension account subject to VPS Rules, 2005 and other applicable laws.

Options available to participants upon retirement

a. to withdraw up to 25% percent of amount from his Individual Pension account; and
b. to use the remaining amount to purchase an annuity from Takaful Company or Pension Fund Manager, of his choice; or
c. to enter into an agreement with the Pension Fund Manager to withdraw from the remaining amount in monthly installments following the date of retirement according to an income payment plan approved by the Commission with a minimum tenure of at least 20 years or till his death, whichever is earlier

- Withholding tax will be deducted from early withdrawals before eligible retirement age of 25 years from the date of joining such scheme or 60 years whichever is earlier as per Income Tax ordinance, 2001.

UBL Funds & Al-Ameen Funds:

UBL Funds & Al-Ameen Funds offers both Conventional and Shariah compliant modes of Pension accounts, please complete your profile on https://pension.punjab.gov.pk/ and select UBL Funds as your preferred Asset/Pension Funds Management Company.
We also offer completely digital account opening, statements through UBL Smart Savings App & Al-Ameen Funds App & Online Portal as well as self-service **WhatsApp service (say 'Hi' to 021-111-825-262)**. Our best in class customer care team is also available 7 days a week at **0800-26336 (Al-Ameen Funds)** and **0800-00026 (UBL Funds)** to serve you.

AMC Rated ‘AM1’ by VIS

Disclaimer:

All investment in Pension funds are subject to market risks. Past performance is not indicative of future results. Please read the consolidated Offering Document to understand the investment policies and the risks involved. Use of name and logo of UBL Ameen / UBL Bank as given above does not mean that they are responsible for the liabilities/obligations of Al-Ameen Funds / UBL Fund Managers or any investment scheme managed by them. Approved by: Mufti Hassaan Kaleem (Registration No.:SECP/IFD/SA/002) & Mufti Najeeb Khan (Registration No.: SECP/IFD/SA/003)