



# INFORMATION ABOUT EARNINGS-RELATED PENSION

**Did you know that you can manage all your pension and benefit matters using Elo's Online Pension Service?**

**In the Online Pension Service, you can do the following:**

- view an estimate of your future pension amount
- review your pension record
- apply for vocational rehabilitation and related travel reimbursements
- apply for old-age pension, partial early old-age pension, vocational rehabilitation or disability pension
- change the bank account number for your pension or benefit payments
- if you are a pension recipient, you can print out a pension certificate, report any changes that affect the payment of your pension and request a new pension card
- complete an online Appendix U and submit other attachments and files to Elo
- send messages to Elo.

Log in to the Online Pension Service using your online banking codes at **[www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu)**.

More information about pensions, different pension options, pension accrual and pension payments is available at **[www.elo.fi/elake](http://www.elo.fi/elake)**.

 **[www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu)**

**QUICK  
AND EASY!**



# EARNINGS-RELATED PENSION PROVIDES FINANCIAL SECURITY WHEN ONE'S EARNINGS DECREASE OR DISCONTINUE DUE TO OLD AGE, DISABILITY OR THE DEATH OF A FAMILY PROVIDER.

Earnings-related pension is guaranteed by law, so every employer is obliged to take employment pension insurance under TyEL to cover their employees. Self-employed persons must also take statutory pension insurance under YEL for themselves.

## PENSION ACCRUES FROM WORK

Employment pension is accrued from the employee's earnings and the self-employed person's YEL income at the following annual rates:

- 1.5% for those under 53 years of age,
- 1.7% for those 53–62 years of age (during 2017–2025), and
- 1.5% for those over the age of 63.

Pension will also accrue for any work carried out while on pension at the annual rate of 1.5% regardless of age. As an exception, age-specific accrual rates are applied to individuals on part-time pension or partial early old-age pension.

An employee's pension accrues from annual earnings, which are adjusted by the wage coefficient to the level of the year of retirement. A self-employed person's pension is based on the average YEL income reported annually. The effect of flexible contributions is taken into account in the YEL income. Any unpaid YEL insurance contributions will reduce the self-employed person's pension.

Check the amount of your earnings-related pension through Elo's Online Pension Service. Go to [www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu) and log in using your online banking codes.

Through the service, you can

- check your own employment pension record,
- estimate the amount of your future old-age, disability and partial early old-age pension,
- apply for vocational rehabilitation, old-age pension, partial early old-age pension or disability pension

## PENSION ACCRUAL DURING UNSALARIED PERIODS

Pension also accrues from any earnings-related social benefits paid to you, such as sickness allowances, earnings-related unemployment allowances, and maternity, paternity and parental allowances. You can also accrue pension during studies or while taking care of a child under 3 at home. A condition for the accrual of pension during studies is that you actually complete a degree.

The pension accrual rate is 1.5% per year for any unsalaried periods. The amount of pension is calculated from the earnings that serve as the basis for the social benefit paid to you, taking 55–117% of the earnings into account.

## LIFE EXPECTANCY COEFFICIENT

The life expectancy coefficient is used to prepare for longer lifetimes. If the average lifetime continues to rise, the life expectancy coefficient will cut the amounts of the future pensions. By working longer, you can gain the same level of pension security as you would without the impact of the life expectancy coefficient. The life expectancy coefficient affects old-age and disability pensions.

## NATIONAL PENSION

In addition to the earnings-related pension scheme, Finland has a national pension system, which is administered by Kela. National pension is intended to safeguard the basic livelihood for those receiving no or only minimal earnings-related pension. An earnings-related pension can also affect other benefits paid to you by Kela. More information about the national pension is available from Kela.

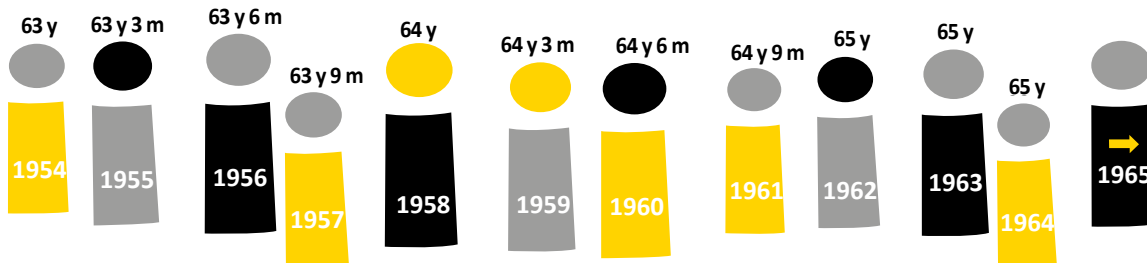


# PENSION BENEFITS

## 1 Old-age pension

Once you have reached the earliest possible pensionable age, you can retire with old-age pension at any time of your choice.

The pensionable age varies by age group:



For those born in 1965 or later, the pensionable age will be defined in the year when they turn 62.

For example, the earliest that individuals born in 1957 can retire on old-age pension is at the age of 63 years and 9 months.

## 2 Partial early old-age pension

Partial early old-age pension allows you to start receiving either 25% or 50% of the accrued pension already at the age of 61. It is not necessary for you to continue working while on partial pension, but if you decide to do so, there are no limits on the earnings.

## 3 Vocational rehabilitation

The aim of vocational rehabilitation is to reduce the risk of disability. Rehabilitation can be implemented in the form of, for example, work trials or vocational training.

## 4 Disability pension

Disability pension can be granted to a person whose work ability is reduced due to an illness, handicap or injury for a period of at least one year. In order to be granted pension, the person must be younger than the lowest pensionable age for old-age pension.

Disability pension is granted either for a fixed period (rehabilitation benefit and partial rehabilitation benefit) or until further notice (disability pension and partial disability pension).

## 5 Career pension

Career pension (or years-of-service pension) enables those doing strenuous work to retire with pension already at the age of 63, provided that they have been working for a minimum of 38 years and have a reduced work ability.

## 6 Survivors' pension

Survivors' pension secures the livelihood of the widow(er) and children under 18 in case of the death of a family provider. Survivors' pension can also be granted to a person in a registered partnership.

## MORE INFORMATION

### Pension services

Tel. +358 20 694 717, Mon–Fri, 8 am–4.30 pm  
[www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu)

Read more about pensions:  
[www.elo.fi/elake](http://www.elo.fi/elake)

[www.elo.fi](http://www.elo.fi)





# HOW TO APPLY FOR PENSION

## 1. Get a pension estimate

When you are approaching retirement, it is a good idea to start planning in advance, familiarising yourself with the different options available and estimating your future pension.

You can get an estimate of your future pension very conveniently in our online service. The service also lets you compare your different pension options and the impact of the timing of your retirement on the amount of your future pension. Log in to the service at [www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu).

## 2. Apply for pension

The application for pension should be submitted approximately two weeks before the intended retirement.

The easiest way to apply is online, whereby your application is forwarded directly to pension processing. Log in to the service at [www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu).

You can apply for a foreign pension alongside your Finnish earnings-related pension using the same application form:

- From an EU or EEA country,
- From Switzerland and
- From countries with which Finland has a social security agreement (Australia, Chile, India, Israel, Canada, Québec, China, Korea and the USA).

You will need to submit an Appendix U form with your application. If you have any documents concerning your time abroad, such as employment certificates, you can submit copies of them along with your application. The easiest way to apply for pension and complete an Appendix U form is through Elo's Online Pension Service at [www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu).

If you want to apply for pension from a country other than those listed above, you will need to apply directly from the pension provider in the country in question.

## 3. Send your tax card to Elo

Calmly wait for the pension decision. Once you receive the pension decision, submit your tax card to Elo for the payment of the pension.



 [www.elo.fi/elakepalvelu](http://www.elo.fi/elakepalvelu)



**Elo Mutual Pension Insurance Company**

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