APG to launch AI tool by end of 2025

Dutch pension asset manager APG has announced it will launch ChatAPG, a generative AI tool designed to boost member engagement, by the end of 2025. The service will provide participants with personalised answers about their pensions and financial situation. APG said the chatbot will support members in navigating often complex information, offering quicker and more accessible engagement than traditional channels. The fund hopes the tool will empower savers to make more informed decisions and improve their overall pension experience. APG handled nearly 493,000 participant interactions in 2024 and aims to make support faster and more accurate but stressed that the tool would not be replacing real humans.

Ilmarinen and MYRY join forces to support micro-enterprises

Ilmarinen, the Finnish earnings-related pension provider, has formalised a partnership with the Finnish Association of Micro and Sole Entrepreneurs (MYRY) to deliver targeted pension advice and support services tailored to the micro business sector. The collaboration includes educational webinars, in-platform pension guidance, and coordinated research, focusing on topics like YEL pension reform and long-term financial resilience. This initiative is part of a broader European trend of adapting pension models for non traditional workers. The partnership will provide clearer information, tailored resources and better outreach, which Ilmarinen hopes will address long-standing gaps in coverage and awareness.

Czech savers showing growing enthusiasm for pensions

A survey by the Czech Association of Pension Companies (APS) found that the number of pension savers aged 18-26 doubled between 2019 and 2024 – from around 81,000 to 162,500 – while those aged 27-35 increased their participation from 146,000 to 338,500. This surge in take-up signals greater awareness of the need to prepare for retirement among younger workers. However, knowledge gaps remain, as the survey revealed only 70 per cent understand how pension products work, just half are aware these can be invested in stocks, and more than 60 per cent are unfamiliar with compound interest. Unless this momentum translates into informed savings decisions, experts warn that many workers may still face financial insecurity in retirement, highlighting the need for stronger engagement and education strategies.

COMMUNICATION

Hot or not?

Callum Conway **takes the temperature of Europe's pensions industry, exploring which approaches to member engagement are catching fire – and which risk leaving savers cold**

SPA survey reveals low awareness of occupational pensions in Sweden

A Swedish Pensions Agency (SPA) survey found only 17 per cent of respondents mentioned occupational pensions as important for shaping overall retirement income. Meanwhile, 57 per cent highlighted 'lifetime income' and 21 per cent cited the 'age of pension commencement'. On a more positive note, 53 per cent of those aged 20–65 knew how to find pension information in 2024 (up four per cent from 2023), and 70 per cent had a "certain or good" idea of how large their future pension would be – an uptick of per cent. However, experts warn that without better education and communication, Sweden risks seeing strong structural systems weakened by low engagement and poor financial literacy.

Alarming gap in UK workplace pension communication fuels lost pots crisis

In the UK, new research from Penny has revealed that inadequate workplace pension communication is a major driver behind the country's 2.8 million lost pension pots. The survey showed that 88 per cent of those changing jobs couldn't remember being informed about their pension during exit interviews. Half of respondents said their employers did nothing at all, and 33 per cent felt more could have been done, with only 17 per cent believing 'basic information' had been covered. This lack of communication contributes directly to the UK's 3.3 million lost pension pots, worth an estimated £31 billion. Average lost pots are valued at £9,470, rising to £13,620 for those aged 55-75.

FIN-FSA flags shortcomings in self-employed pension marketing

The Finnish Financial Supervisory Authority (FIN-FSA) has raised red flags over how self-employed pensions (YEL) are marketed online. While general information was deemed accessible, the regulator identified "shortcomings" in communication, including misleading wording around statutory benefits. In particular, some websites implied that the 22 per cent start-up discount for new entrepreneurs was a company-specific offer, despite it being enshrined in law and available to all. The review also found inconsistencies in YEL calculators, with identical inputs producing different outcomes due to undisclosed assumptions. The FIN-FSA warned that such practices undermine transparency and risk damaging customer trust, calling on providers to improve clarity and align with good insurance practice.

> "EXPERTS WARN THAT WITHOUT BETTER EDUCATION AND COMMUNICATION, SWEDEN RISKS SEEING STRONG STRUCTURAL SYSTEMS WEAKENED BY LOW ENGAGEMENT"

COMMUNICATION

Behaviour meets AI: Rethinking engagement

WRITTEN BY **CALLUM CONWAY**

Our engagement thermometer (pg. 92-93) outlines some of the key developments we've seen across Europe in recent months.

If there's one word that keeps coming up in pensions conversations and debates, it's engagement. For all the progress the industry has made in auto-enrolment, dashboards, and digital tools, the reality is that many savers still remain disconnected from their pensions.

The research continues to highlight this: In the UK alone, there are around 3.3 million lost pension pots worth £31 billion, much of it linked to weak communication when workers switch jobs.

Across Europe, too, surveys reveal low levels of awareness of occupational pensions - as highlighted by the Swedish Pensions Agency's finding that only 17 per cent of respondents recognise their occupational scheme as the most important component of retirement income.

Many also remain unsure of key pension details. In the Czech Republic, for example, fewer than 70 per cent of younger savers fully understand how their pension product works, and only 50 per cent know they can invest in stocks.

And yet, the thermometer's 'hot' side shows there is momentum towards reversing this pattern. Dutch pension giant APG, like an increasing number of European firms, is betting on generative AI by developing its personalised ChatAPG tool. With APG handling nearly half a million participant interactions last year, the potential to utilise AI to expedite support and make guidance available around the clock is enormous.

If designed responsibly, AI tools can not only answer questions but also anticipate member needs and nudge them towards better financial decisions, significantly boosting engagement.

Similarly, Ilmarinen's partnership with the MYRY signals fresh thinking about how to reach groups that too often fall through the cracks.

"PEOPLE DO NOT ENGAGE WITH PENSIONS THE SAME WAY THEY DO WITH A BANK ACCOUNT OR MORTGAGE"

The rapid growth of the 'gig economy' requires a pensions response, ensuring these workers have the guidance and support needed to build an adequate retirement income.

For me, a missing link in the engagement debate is behavioural finance. People do not engage with pensions the same way they do with a bank account or mortgage. Savers are influenced by inertia, short-term biases and decision paralysis, causing them to often act irrationally. By embedding insights from behavioural science into policy and product design – whether through better defaults, smart nudges or simplified messaging – schemes can help members make decisions that are in their long-term interests, without overwhelming them. Engagement isn't just about grabbing attention once; it's about building systems that align with real human behaviour.

The potential of AI could accelerate this shift by combining behavioural prompts with personalised digital guidance at key life moments, turning pensions from a yearly statement into an ongoing financial companion. Of course, safeguards and cybersecurity measures are essential, but the opportunity to innovate in this area should not be underestimated.

Ultimately, engagement cannot be an afterthought. Without it, even the best-designed systems risk underperforming because members fail to participate fully. Encouragingly, the *European Pensions* thermometer shows sparks of innovation – and when combined with behavioural insights and AI-driven personalisation, these sparks could ignite a fundamental transformation in how people interact with their pensions.

The future lies not just in telling savers what their pension is worth, but in showing why it matters and how to act with confidence.