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Funded Pensions:

A Game Changer for Society

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25 November 2026



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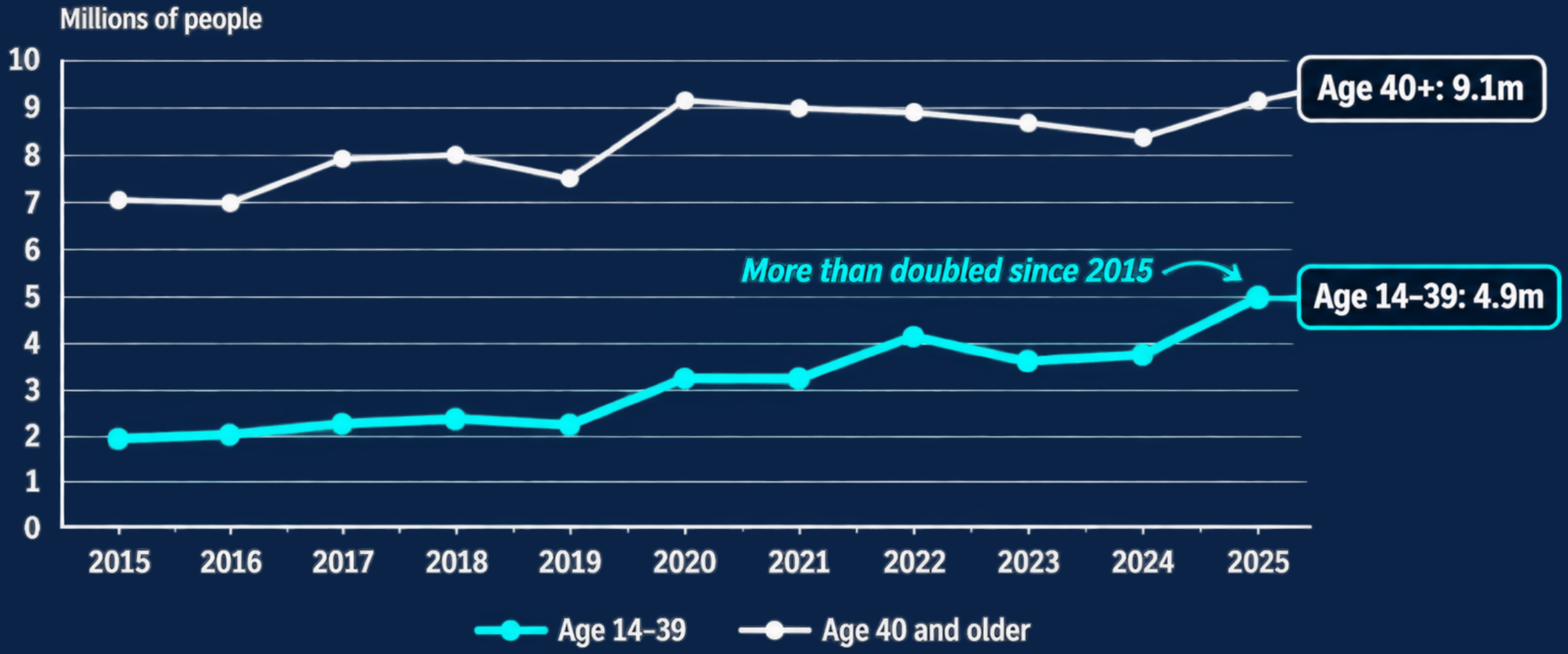
Equity investment is gaining ground among younger Germans



Source: German Equity Institute DAI

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Demographic change calls for resilient retirement provision

Combining pay-as-you-go
and funded pensions
can diversify retirement income



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Germany is taking important steps

- Frühstartrente
- Altersvorsorgedepot
- Kapitalrente



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Europe needs deeper capital markets

- Less venture capital financing than in the US
- Later IPOs and lower stock market valuations



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Making Europe a more attractive place to invest

- Savings and Investments Union
- 28th regime / EU Inc.
- Simplification



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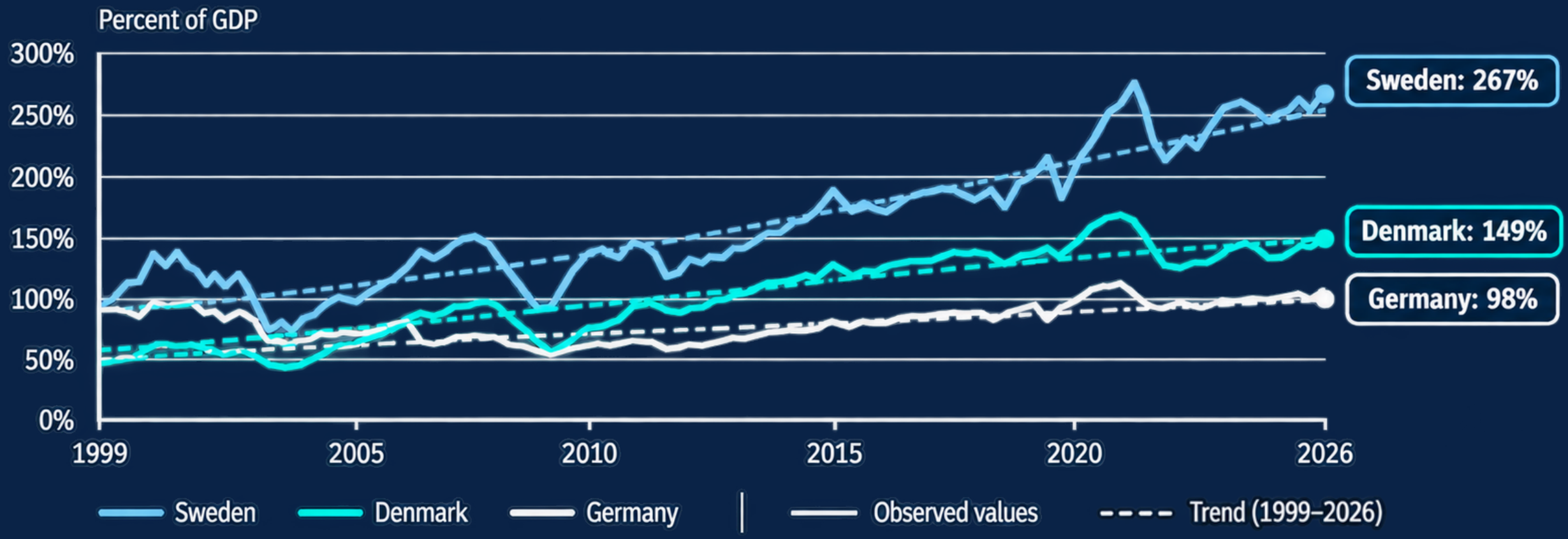
Sweden: Equity and fund holdings have grown strongly



Source: ECB data and Bundesbank calculations. All sectors of the economy, except some types of financial institutions; serves only as an illustration and is not an exact quantification of the levels.

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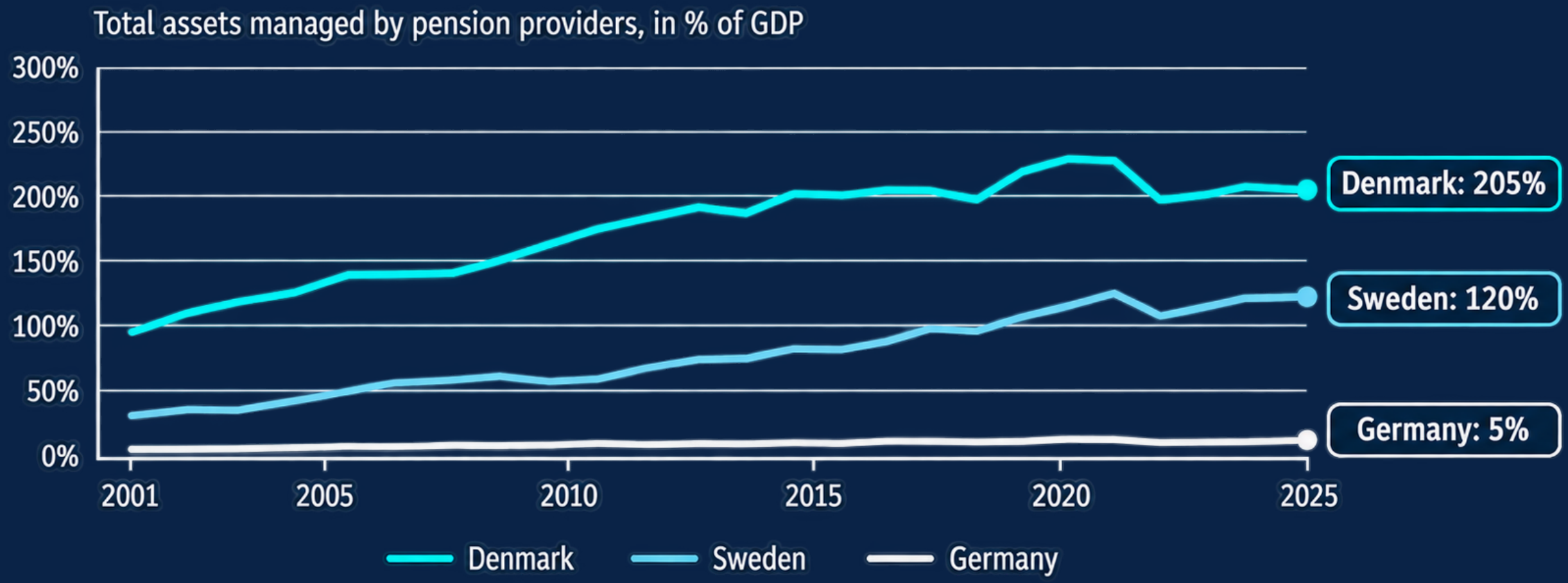
Denmark has accumulated particularly large pension assets



Source: OECD Global Pension Statistics

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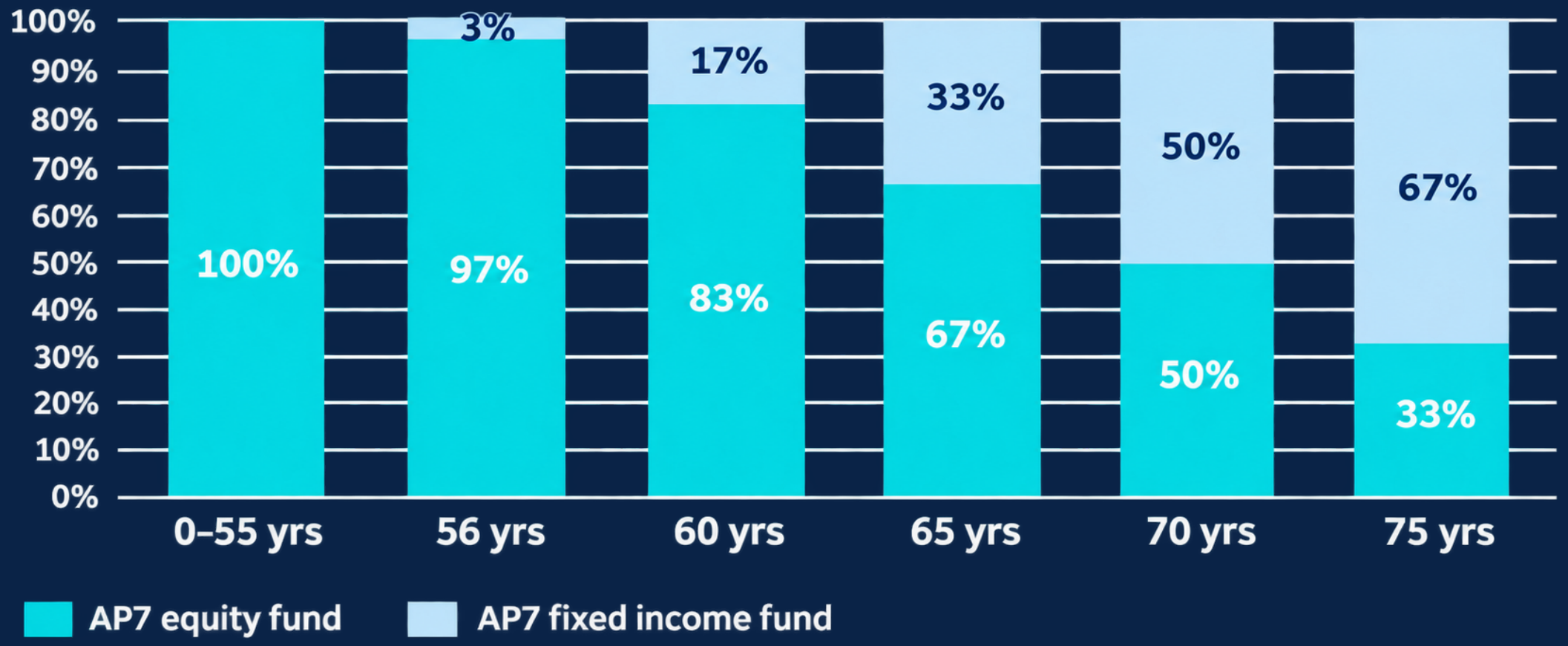
Sweden's AP7 gradually reduces equity exposure as savers age



Source: Swedish Pensions Agency

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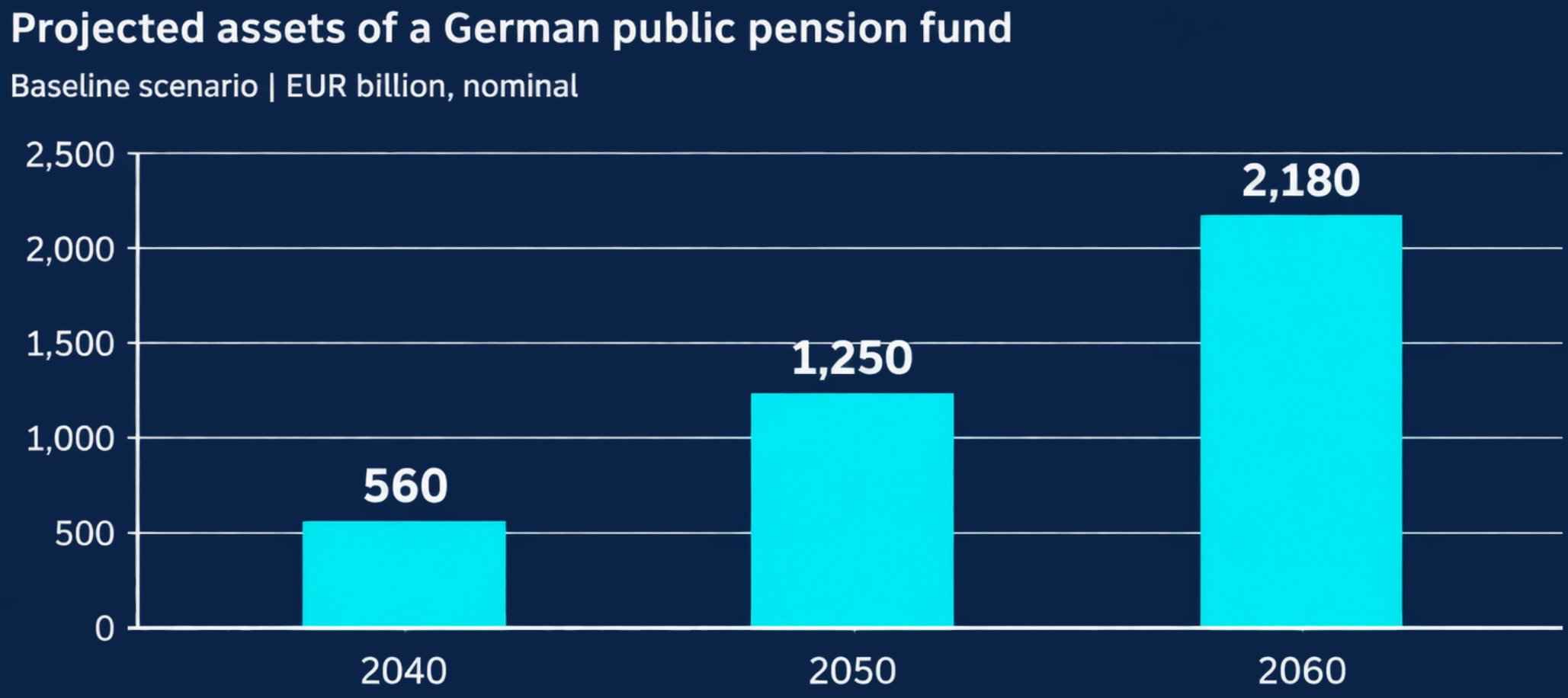
Public pension fund could become a major institutional investor



Source: SAFE Policy Letter No. 120, Schaffranka/Schwarz, October 2026

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Pension fund ≠ Sovereign wealth fund

Governance and robust institutional safeguards are key to ensure that pension assets are managed in the interests of pension savers



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