



FOCUS

PEPP Product (Pan-European Personal Pension) Product

Updated in October 2025

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REGULATORY EVOLUTION

Proposal launched on June 29th, 2017, by the European Commission.

Only 67 million (27%) individuals aged **25-59 years** in the EU have a voluntary pension plan. (Source EIOPA).

Solution to the pension problem for EU Member States.

PEPP in short:

- ✓ Dedicated to retail investors
 - ✓ Highly standardized
 - ✓ Simple
 - ✓ Transparent
 - ✓ Safe
- ✓ Strong consumer protection
 - ✓ Efficient governance
 - ✓ Maximum cost 1%

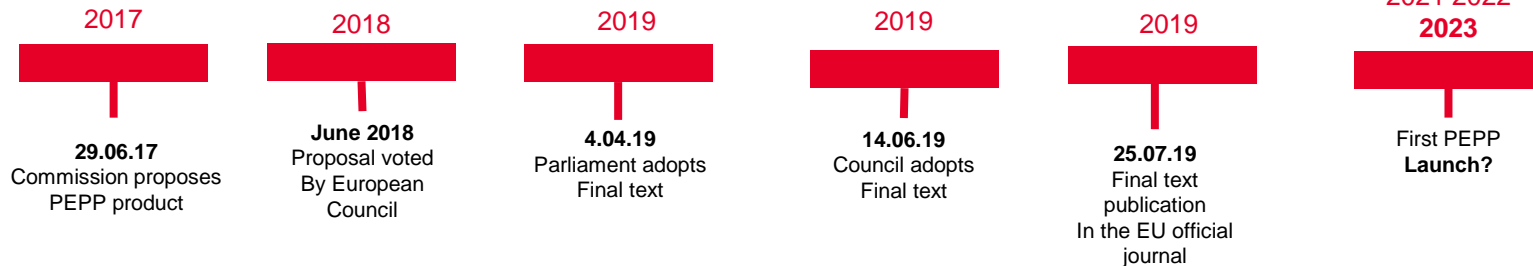
FOCAL POINTS

Portable between member States: savers will be able to continue contributing to their PEPP when moving to another Member State. Easy use of private pension option as an additional employee benefit for employers.

Additional flexible form of retirement savings for **ordinary citizens.**

For investors:

- ✓ Empower people to save for retirement and could keep it invested.
- ✓ To purchase an annuity.
- ✓ To start taking distributions from the accumulated balance.
- ✓ Ability to invest in the PEPP through a variety of distribution channels.



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STATEMENT

- ❑ Commission recommends equal tax treatment with local personal pension products.
- ❑ 4th April 2019 the European Parliament adopted the text as agreed between Council, Parliament and Commission (trilogue agreement) on PEPP Regulation.
- ❑ 14th June 2019 the Council adopted the final PEPP regulation published on **25 July 2019** in the OJ of the EU in order to come into force 20 days after its publication. A period of 2 years has been estimated between entry into force and when providers will start proposing PEPP. 25th February 2020 EIOPA organized a Public Hearing on implementing PEPP regulation and let the industry express their concerns. The deadline for submission of feedback was **17 June 2020**.
- ❑ PEPP delegated Regulation was published in the EU Official Journal on 22 March 2021. PEPP Regulation 2019/1238 as of 20 June 2019 is applicable on **22 March 2022**. The remaining Level II texts were published on 4 June 2021.
- ❑ PEPP must comply with EU 2019/2088 regulation (SFDR – Sustainable Finance Disclosures Regulation).
- ❑ PEPP was introduced into Luxembourg Law of 25 February 2022.
- ❑ **11 September 2024** : EIOPA proposed a broad reform of the PEPP to tackle Europe's pension gap and support the digital and green transitions. EIOPA does not consider that a 1% cost gap is too low *per se*. A Staff Paper was published on the future of the PEPP. The scheduled evaluation of the PEPP Regulation is 2027. European Commission to complete review of IORPs and PEPP by end of Q4 2025
- ❑ 13 June 2025 EC launched a consultation on supplementary pensions and a call for evidence on the same with both including the review of the IORP II directive. Deadline 29 Aug 2025. 5 areas : Pension Tracking System - Pension Dashboard - Auto-Enrolment - **REVIEW of the PEPP Regulation** - REVIEW of the IORP Directive.
- ❑ 22 July 2025 The European Insurance and Occupational Pensions Authority (EIOPA) launched two consultations related to the implementation of the European Union's Insurance Recovery and Resolution Directive (IRRD) - online survey no later than 31 October 2025.

FOR YOUR CONSIDERATION

- ❑ **PEPP objective** : to close pension gap faced by most European citizens and to improve retirement income of those citizens. PEPP needs to cross borders and fit with each member state's pension system and mindset of retirement savings.
- ❑ Investment Fund industry can help making PEPP a success creating PEPP brand like UCITS brand.
- ❑ **First official launch was March 2022**. But as of today, there was no PEPP registered in the EU even though 21 Undertakings (mainly asset managers and insurance companies) said they would propose a PEPP. Why has PEPP failed to take off? And when will we see the first PEPP? Difficult to answer and/or guess. PEPP is a step in the right direction albeit a slow one so far as unfortunately, the future for pensions in the EU are not rosy.
- ❑ **Currently, the only company offering a PEPP product on the EIOPA central register is FINAX, an investment company based in Slovakia.**
- ❑ A PEPP is a personal pension product which can be funded by you and your employer. A PEPP is a portable pension meaning that it may be used to accumulate retirement benefits in any European Union (EU) Member State. **From 1 January 2025**, there is an employer limit for contributions to an employee's PEPP. This limit is 100% of the employee's salary. Any contributions above this limit will result in a benefit-in-kind charge to the employee.

Jean-pierre.gomez@sgss.socgen.com

If you want to know more, refer to
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