



UK has a golden opportunity to rethink adequacy through a global lens, says Festina Finance

PRESS RELEASE

31 July 2025

Festina Finance, a leading European provider of pension administration technology, is urging UK policymakers to rethink what 'pension adequacy' really means, and to look to other countries for tried and tested solutions for better retirement outcomes.

With the recently revived Pensions Commission to deal with the second phase of the pension review and focus on adequacy, the firm argues it's time to think bigger and consider deeper structural solutions. Other countries have already shown what's possible when retirement systems are designed with outcomes in mind.

Daniel McLaughlin, UK Country Head at Festina Finance, commented: "If we're serious about adequacy the conversation needs to be bigger than whether 12% contributions are enough, we need to stop tweaking and start transforming. It is really encouraging to see the long-term and structural scope of the Pensions Commission. This broad scope gives the Commission the ability to think about these structural and systemic issues. In countries high on the Mercer Index, contribution rates exceed 20%, coverage typically sits above 90%, and average earners retire with replacement rates of 70–85% and up to 100% for lower earners. These outcomes haven't happened by chance, they're the result of intentional design; strong policy frameworks, a strong digital infrastructure, collective agreements and, crucially, a shared national commitment to adequate retirement income. These systems don't just enrol people; they ensure outcomes are meaningful."

He continued: "One key lesson is to shift focus from building pots to generating income. In some European systems, the mindset is different. People save with income in mind from day one, and not just to accumulate capital. That subtle shift in framing leads to better decision making throughout the retirement journey. As an industry, we have the collective responsibility to encourage this shift toward income. Adequacy also goes beyond pensions alone. For instance, in parts of Europe, vulnerable citizens in receipt



of the equivalent of the State Pension are automatically assessed for housing benefit via a digital system. It's integrated, efficient, and dignified. That's what adequacy should look like for people in practice."

McLaughlin concluded: "The UK has a proud record of pioneering auto-enrolment. Now we need to raise the bar. We must redefine what adequacy really means, design with outcomes in mind, and build a system that delivers a dignified retirement outcome, not just savings, for all. Adequacy in the UK needs a structural reset, and not just another percentage point."



Notes to Editors

Festina Finance

Festina Finance is a leading Danish fintech company, developing advanced financial software systems for pension administrators, pension funds, insurance companies and banks across Europe.

Festina's flagship platform, 'FF Life and Pension', is a modular, fully configurable system built to support the full spectrum of pension and life insurance products—including Defined Benefit (DB), Defined Contribution (DC), Collective Defined Contribution (CDC), and life insurance. The platform enables pension providers to choose only what they need, innovate products, streamline operations, respond swiftly to regulatory changes enabling them to deliver optimal outcomes for their members.

With an established strong track record in Denmark and the Netherlands, Festina Finance already supports Europe's largest pension provider, managing over £500 billion in assets. The company is now scaling rapidly and is on track to support more than £700 billion in assets and 8 million savers, cementing its position as Europe's premier life and pensions software platform.

Festina Finance launched in the UK in 2025.

For more information, please visit www.festinafinance.com

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