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Our Responsible Investment objectives









Better risk adjusted return

Better Functioning markets Support long-term wealth creation

Manage reputational risks



Nest's new Climate Change Policy

Our climate change ambition

We're aligning Nest's whole investment portfolio with limiting the global warming to 1.5C to reach net zero CO2 emissions by 2050





How will we align our portfolio to 1.5 C

Asset allocation

Fund manager selection and monitoring

Stewardship

Public policy

Retirement proposition based on research

Pension Freedoms research (2015)

Exploring responses to pension freedoms: Qualitative research exploring individuals reactions to the pension freedoms, their appetite for different retirement products and the potential value of default retirement pathways

Blueprint research (2016)

Testing reactions to the blueprint: explorative qualitative research testing interest in different retirement products. Then focusing in more detail on the blueprint concept.

Retirement journey development (2018/19)

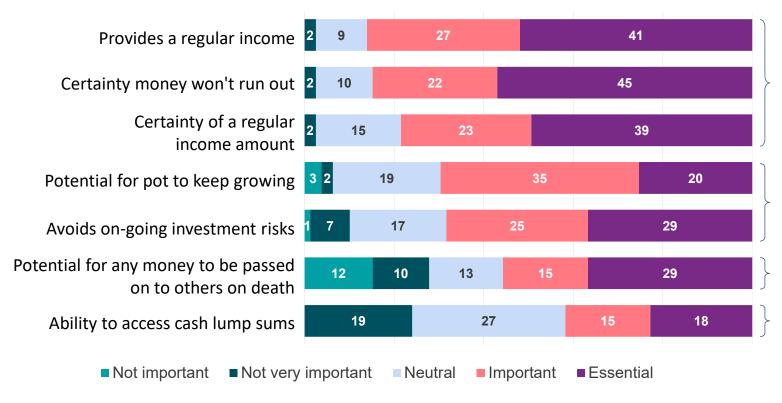
Developing the retirement journey customer experience: Iterative qualitative research used to inform the development of the naming, visual metaphors, and customer retirement journey for NGRF.

Retirement income research (2018/19)

Testing tolerance for income volatility: Quantitative stated preference survey. Testing Nest members preference in terms of starting income for the NGRF.



Importance of different retirement features



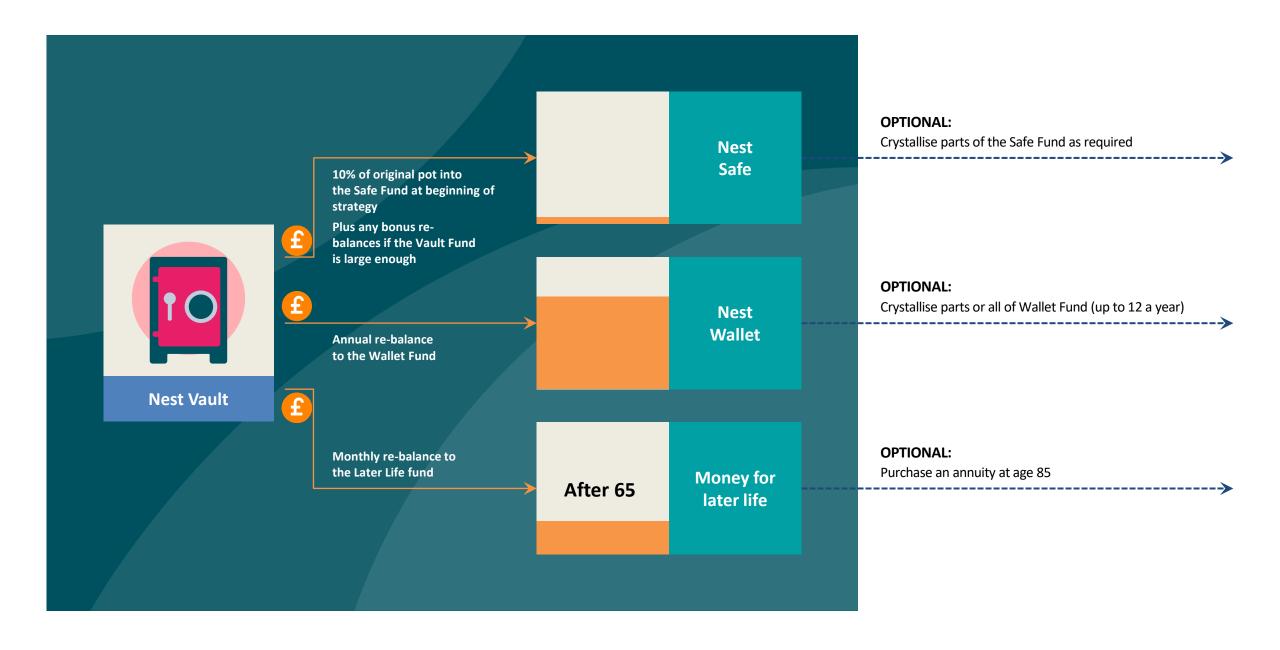
Security of income was important as a safety net and to enable planning. They were looking for a replacement for their monthly salary. (When prompted) most expressed a desire for their income to keep pace with inflation.

Growth seen as a nice to have by most, but few were coming from a position of knowledge. Most also keen to avoid investment risk, either due to a lack of knowledge, or being risk averse or due to their desire to have a guaranteed income.

Views dependent on pot and family situation. That said, people don't want to lose their money to an annuity company or "the government".

Important for some to cover unexpected events or for a treat upon retirement. Less important for those with other savings, or for those with small pots who want to maximise their income.





Questions













