EQuilibrium Global Institutional Investor Survey

Higher conviction meets calculated risk:
How investors are navigating opportunity and uncertainty in 2025

nuveen
A TIAA Company

Welcome to EQuilibrium 2025

Over the past five years, the EQuilibrium survey has chronicled a period of significant change, marked by economic shifts, geopolitical uncertainty and the evolution of private markets.

In 2025, investors are taking cash off the sidelines and seeking new opportunities as macro conditions change and the rate environment shows signs of shifting.

Institutions are adapting with greater agility, giving them more flexibility to pursue growth opportunities and continue to advance climate-related goals amid the evolving energy transition.

Dive into this year's themes and uncover insights that are shaping the future of institutional investing.

View full data in Adobe Acrobat

This report contains interactive elements that allow you to view the full data results. Please download the document and open it in Adobe Acrobat for the optimal reading experience. If you don't have Adobe Acrobat, you can download it here for free:

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Key themes for 2025

Balancing boldness with caution

Institutions are embracing a more confident, risk-on approach, driven by changing macro conditions and shifting rate expectations.

See how investors are making tactical adjustments, taking cash off the sidelines and pursuing new avenues for growth.

39%
are planning to decrease their cash exposure in 2025

54%
are increasing equity exposure

Jump to Section 1 >>

Private markets power the new era of portfolio construction

Private markets continue to shape the evolution of institutional portfolios, with significant planned increases across private equity, credit, infrastructure and real estate.

Discover how institutions are shifting their allocations across traditional and emerging opportunities in private markets.

92%
of investors now hold both private equity and private credit, compared to 45% in 2021

Jump to Section 2 >>

Environmental priorities in focus

Different motivations are driving climate actions, with some investors focused on net zero targets and others drawn by compelling risk-return opportunities.

Explore the ways in which institutions are advancing environmental initiatives.

64%
of institutions without net zero commitments still invest in clean energy or carbon reduction strategies

Jump to Section 3 >>

About EQuilibrium 2025

Nuveen's fifth annual global institutional investor survey examines how evolving perspectives on markets, geopolitics and the environment are influencing asset allocation decisions, particularly in private markets.

We surveyed:

800 global institutional investors

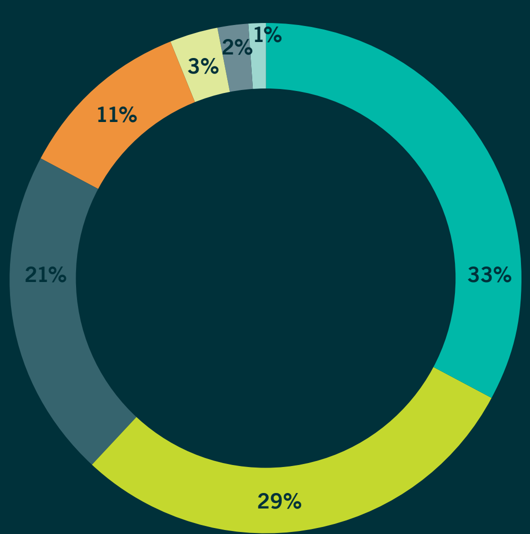
Representing $19T in assets

Investment decision-makers only

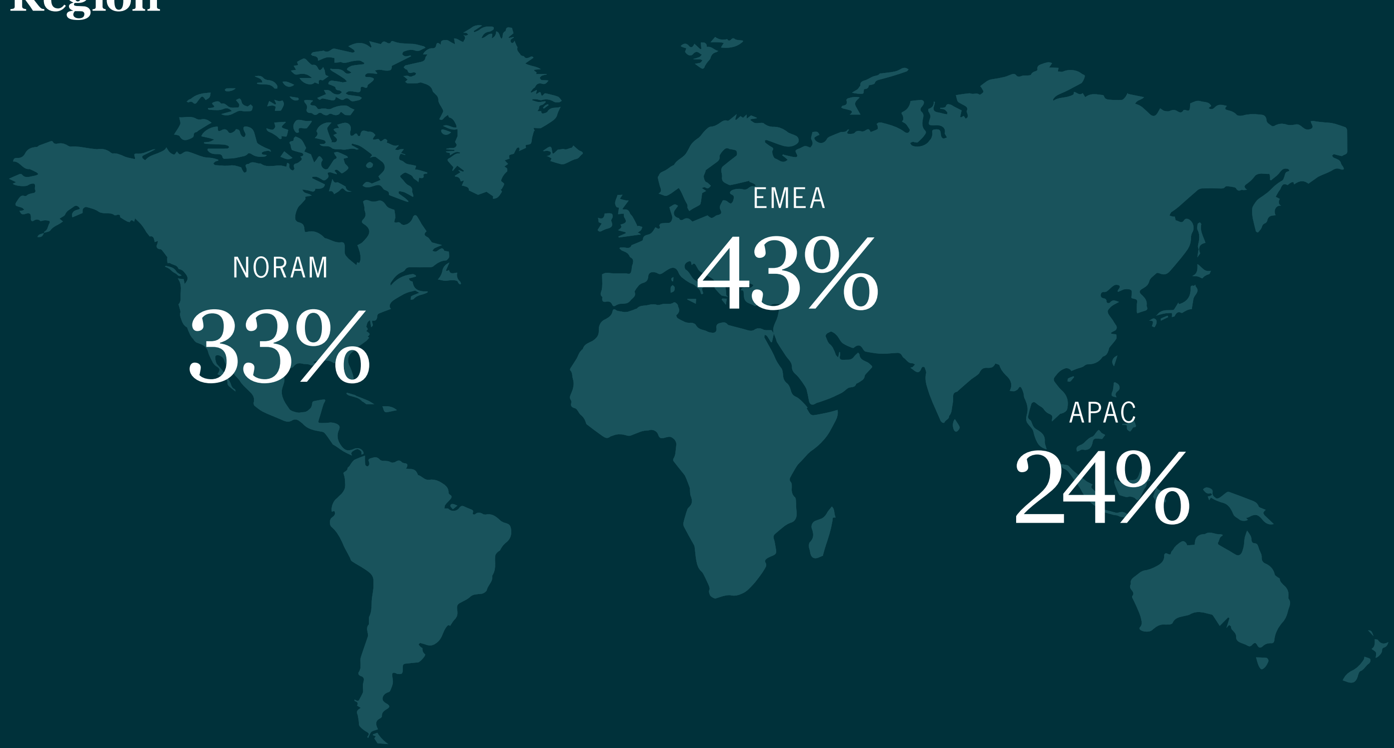
Fielded by CoreData Oct–Nov 2024

Respondents

- Corporate/private pension plan
- Insurance company
- Public/government pension plan
- Endowment/foundation
- Superannuation fund
- Sovereign wealth fund/future fund
- Central bank



Region



AUM — $500 million to $10 billion

45%

AUM — $10 billion and above

55%

What's changed since EQuilibrium 2024?

Institutions are reassessing their strategies and embracing more risk in 2025.

Uncertainty declines:
The Nuveen Uncertainty Barometer dropped to 63 from 69 last year. This improvement reflects growing investor confidence in economic growth and capital markets.

Risk-on prevails:
This renewed confidence is evident in equity markets, where 54% of institutions plan to increase exposure — a sharp reversal from last year's more cautious sentiment, when only 28% planned increases.

Sustained push into private markets:
The appetite for private assets remains strong, with 66% of respondents planning to increase allocations over the next five years, up from 55% last year.

Energy transition evolves:
Institutions are recalibrating their approach to the energy transition, adopting a more pragmatic balance between brown and green energy assets.

> "Growth hasn't been as bad as we were expecting 12 months back, when every month we were expecting the recession that never came."

U.K. PUBLIC PENSION, CHIEF INVESTMENT OFFICER

1

Market outlook — Balancing boldness with caution

Confidence tempered by volatility

Despite expectations for elevated market and geopolitical volatility, institutions are displaying greater confidence. They are increasingly focused on deploying capital into higher-return opportunities.

This year's sentiment reflects a more decisive approach, with institutions making targeted tactical adjustments, taking cash off the sidelines and reengaging with risk. Over the past few years, institutions have increasingly prioritized internal agility, with many refining their operations and decision-making processes. This internal focus has strengthened their ability to pursue growth opportunities with conviction in the face of uncertainty.

This section explores the strategies underpinning this renewed appetite for growth in 2025.

Uncertainty eases but risks linger

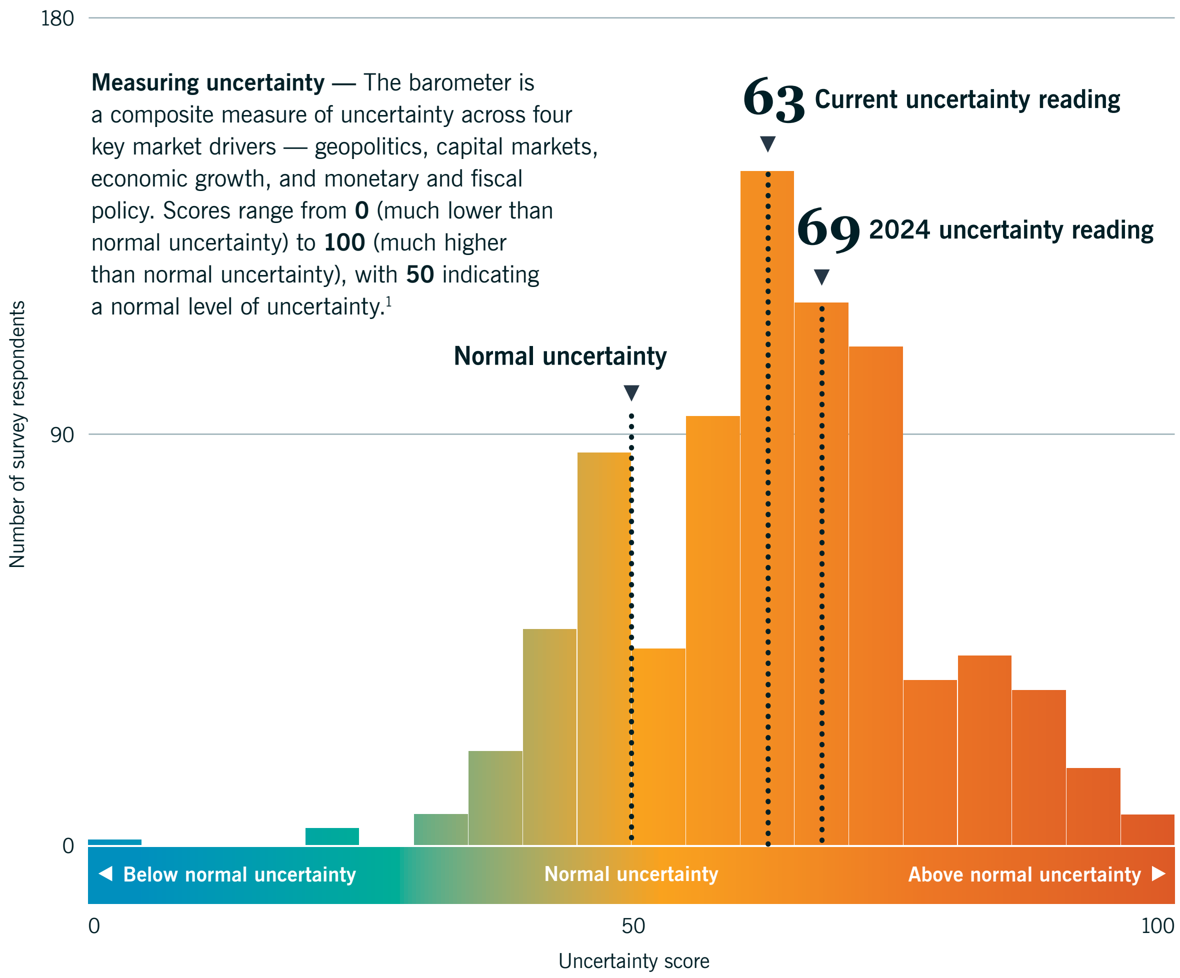
While confidence is improving, geopolitical tensions, monetary policy shifts and volatile capital markets remain central to investors' decision making.

Nuveen Institutional Investor Uncertainty Barometer: This year's reading of 63 reflects greater-than-normal uncertainty, but it has declined from last year's reading of 69. Notably, uncertainty readings are consistent across regions and investor types.

"The geopolitical outlook remains uncertain, but with each passing event you start to get a picture of how things may play out. I'm sure there will be short-term volatility, but there is more of a long-term consensus around particular asset classes."

U.K. INSURER, HEAD OF INVESTMENTS AND CHIEF RISK OFFICER

Nuveen Institutional Investor Uncertainty Barometer



[1]Overall Uncertainty Barometer reading calculated by taking the average of all 800 survey participants' Uncertainty Scores. Uncertainty Scores are a combination of the answers to four survey questions weighted according to a Principal Components Factor.

ENVIRONMENT
PORTFOLIOS
MARKETS

Investors embrace risk as confidence rises

After years of heightened caution, institutions are gradually shifting back toward growth-oriented strategies and becoming more comfortable adding exposure to risk markets.

Institutions are taking decisive steps to reallocate capital:

- Reducing cash allocations: 39% plan decreases
- Increasing exposure to equities: 54% plan increases, up from 28% last year
- Extending fixed income duration with investments such as private credit and infrastructure debt

"Many institutions are recognizing that staying defensive left them behind during the market's steady climb. Now they're shifting back into risk assets to catch up."

U.S. PUBLIC PENSION, INVESTMENT OFFICER

Directional portfolio changes over next 12 months

In the next 12 months, indicate the directional changes you will be making in your portfolio(s) in the following areas.

(800 survey respondents in 2024 and 2025)

ENVIRONMENT
PORTFOLIOS
MARKETS

Shifting priorities as inflation fears subside

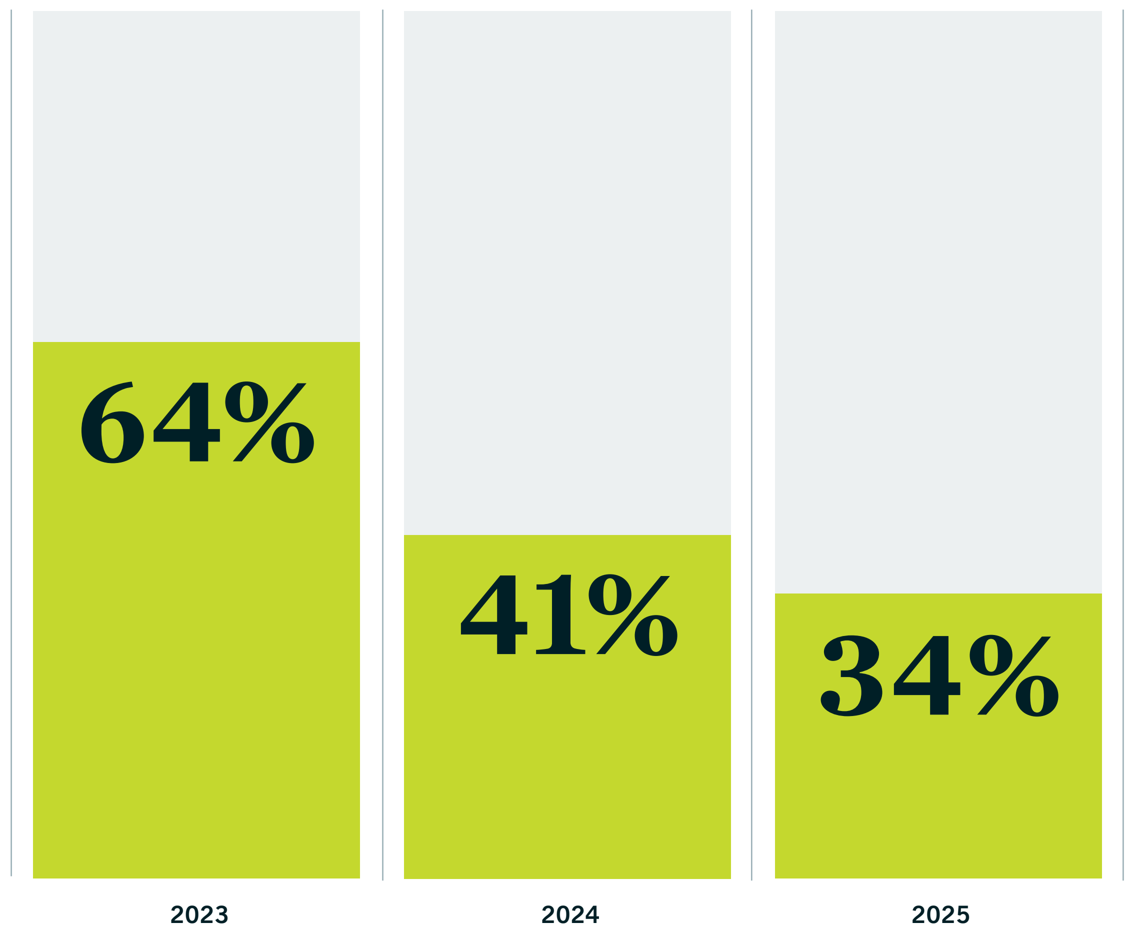
As inflationary pressures ease, institutions are recalibrating their focus toward longer-term growth opportunities. However, investors remain cautious amid concerns about deficits, trade policy and the potential for structurally higher inflation. Many are turning to sectors like infrastructure and real estate, which offer long-term growth potential and can also serve as a hedge against inflation.

- 34% of investors are increasing inflation mitigation efforts this year, compared to 41% last year and 64% two years ago
- Most institutions now expect inflation to trend downward, with the final stages of disinflation presenting a slower, more measured process

> "The last bit of disinflation will be the hardest, but inflation overall is no longer the primary concern it was just a year ago."

U.K. PUBLIC PENSION, CHIEF INVESTMENT OFFICER

Respondents planning on enhancing inflation mitigation in the next 12 months



(800 survey respondents)

Addressing geopolitical uncertainty

Geopolitical risks remain a top concern for institutions, significantly influencing market dynamics and investment decisions. Almost 80% of investors see increased geopolitical risk as likely or highly likely in 2025.

While uncertainty surrounding capital markets and economic growth has declined over the past year, perceptions of uncertainty related to geopolitical tensions and monetary and fiscal policy have eased only slightly. Reflecting this, institutions are:

- Assessing the adaptability of companies and sectors to changing regulations
- Evaluating direct and indirect country exposures, including supply chains
- Adjusting sector exposures with both defensive and opportunistic strategies
- Reevaluating overall portfolio diversification to mitigate risk

> "There's no way to work around geopolitics when the two largest economies — China and the U.S. — are up against each other."

U.K. PUBLIC PENSION, CHIEF INVESTMENT OFFICER

Geopolitical uncertainty remains high while macroeconomic uncertainty declines

(800 survey respondents in 2024 and 2025)

2

Asset allocation — Private markets power the new era of portfolio construction

Private markets reshape portfolios

Private markets continue to dominate the institutional agenda, with significant planned increases in private equity, credit, infrastructure and real estate. Over 90% of investors now hold both private equity and private credit, compared with 45% in our first survey in 2021, highlighting the meaningful rise in private markets usage over the past five years.

This section delves into allocation trends and the transformative impact of alternatives on portfolio construction.

Private markets move further into focus

The percent of institutions holding both private credit and private equity has more than doubled over the last five years, and investment shows no sign of slowing. Investors are amplifying their commitment to private investments, with 66% planning to expand their allocations over the next five years.

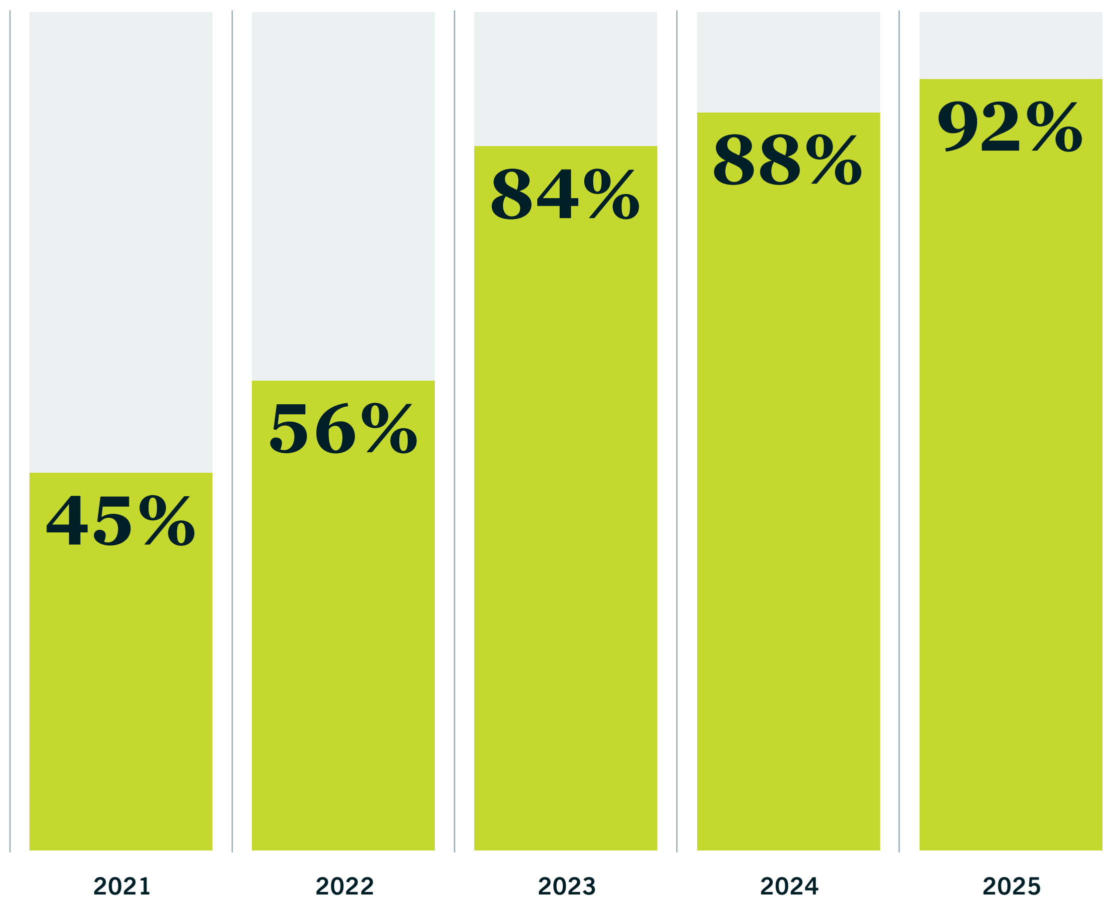
Institutions are increasingly pursuing a dual approach to private investments, balancing broad asset classes such as private equity, private credit, infrastructure and real estate with more niche opportunities in areas including agriculture, hospitality real estate and asset-backed lending.

Private market asset flows are sticky, with funding sourced from outflows in public assets, cash reserves and new capital. For investors planning cuts to certain private market allocations, the majority are reallocating to other private assets.

> "The trillions of capital raised by private equity and private credit institutions is mostly undeployed given macro uncertainty or lack of M&A. A lot of that will be unleashed from 2025 through 2027 in opportunities that will drive additional sources of origination and AUM growth across private markets."

U.S. INSURER, PORTFOLIO MANAGER

Institutions investing in both private credit and private equity



(Survey respondents: 537 in 2021, 583 in 2022, 579 in 2023, 778 in 2024, 651 in 2025)

A balanced push into private markets

Private infrastructure, credit and equity continue to attract significant attention, with nearly half of investors planning to expand allocations to these areas.

Within these categories, investors indicated that private equity is where they plan the largest investment increases. Optimism around economic growth is likely a major contributor to private equity's momentum.

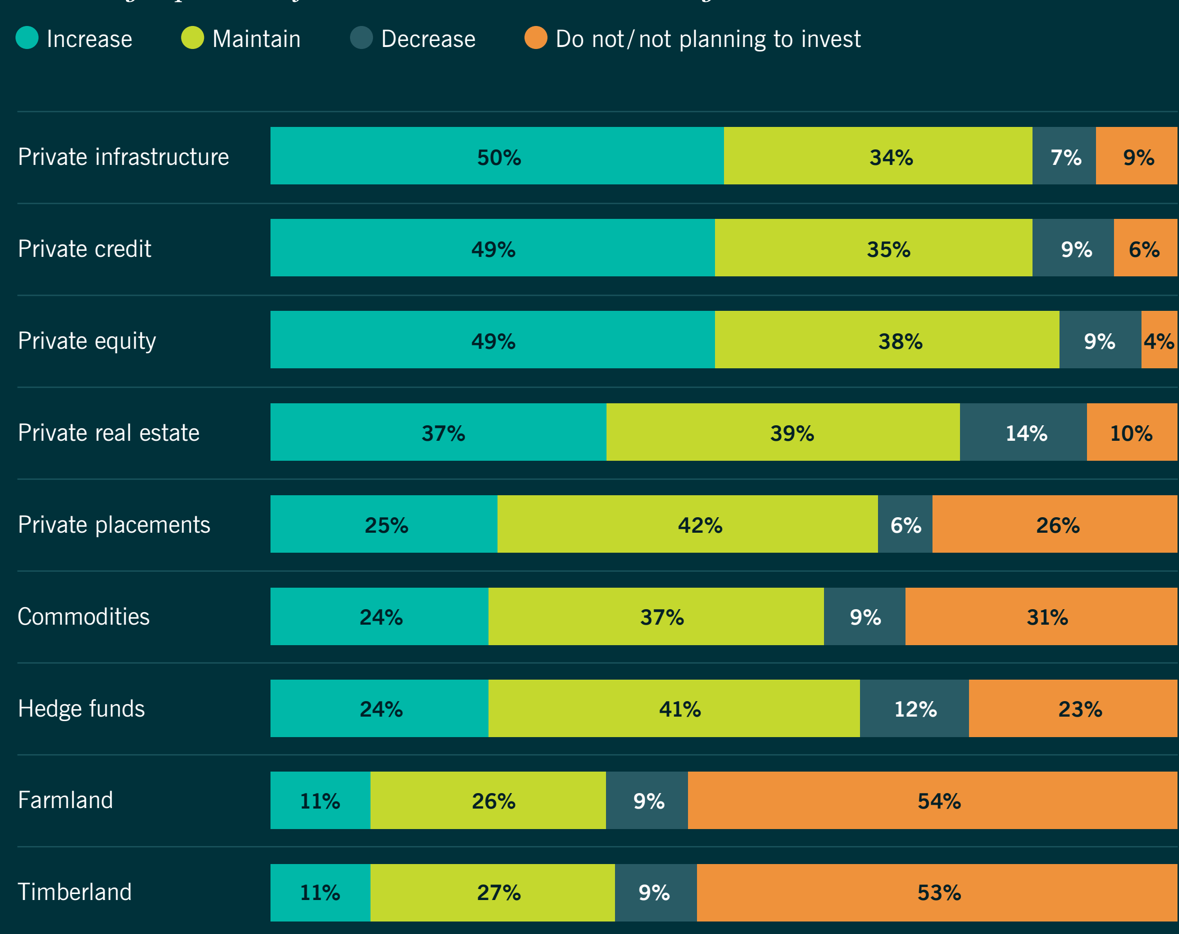
Private infrastructure and private real estate saw the largest year-over-year increases in the percent of investors planning to grow allocations (15 and 13 percentage points, respectively). Within real estate, data centers have emerged as a top priority, with 65% of investors planning to increase allocations to real estate focusing on this sector, driven by the surge in demand for digital infrastructure.

> "We invest in forestry and agriculture because they are truly uncorrelated to public markets. Private infrastructure debt is also a good fit for our portfolio because we have long-dated liabilities to match."

GERMAN INSURER, HEAD OF STRATEGY

Allocation plans across alternative asset classes

Based on the list below, please select the alternative investments you currently allocate to and how you plan to adjust allocations over the next two years.



(651 current alternatives investors, data may not sum to 100% due to rounding.)

Fixed income changes align with risk-on sentiment

Investors are gravitating toward higher-yield, higher-risk fixed income opportunities in 2025, with private fixed income leading the way — particularly in infrastructure and real estate debt. This marks a shift from last year when investment-grade fixed income was the top priority across both public and private markets.

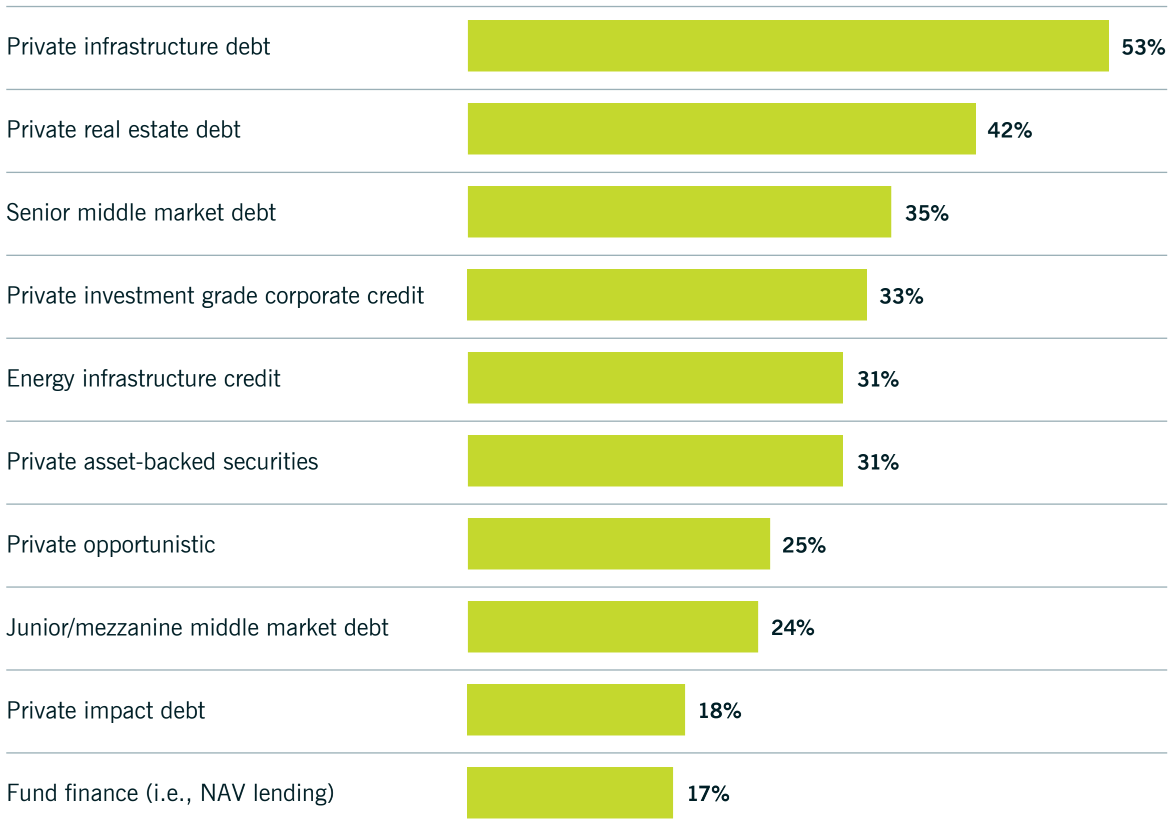
Nearly half of respondents report expanding into new niche areas within private credit allocations, such as energy infrastructure credit and fund finance (e.g., NAV lending).

Institutions remain focused on diversifying their fixed income strategies to capture higher yields and optimize risk-adjusted returns.

> "Private credit remains a standout for us, particularly more unique approaches. We're focusing on strategies that offer value-add beyond traditional cash pay — such as equity kickers and warrants — while maintaining conservative financing structures. The risk-reward trade-off has been compelling."

U.S. PUBLIC PENSION, INVESTMENT OFFICER

Percent of investors who plan to increase allocations to the following private fixed income investments over the next two years



(355 survey respondents who are increasing private fixed income investments; multiple answers allowed)

Building private market expertise as allocations grow

As institutional allocations to alternatives and private markets expand, nearly 40% of investors report broadening their selection of asset managers to better align with growing complexity and specialization within private markets.

Institutions believe their expansion into private markets is enhancing their investment knowledge and decision-making capabilities.

Not surprisingly, investors who have larger portions of their portfolios dedicated to alternatives are more likely to have specialized investment decision-making groups. Investors who have alternative allocations below 20%, for example, are almost twice as likely to manage private infrastructure debt in their general fixed income team compared with investors with higher alternatives allocations.

> "We've become more sophisticated because we are growing our investment team and specializing within each asset class. This is also reducing our reliance on consultants."

AUSTRALIA SUPERANNUATION FUND, SENIOR INVESTMENT TEAM MEMBER

3

Environmental priorities in focus

Balancing pragmatism and progress

From energy transition to nature-positive investing, institutions — particularly insurers — are grappling with the dual imperatives of addressing climate risk and capturing attractive return opportunities.

This section explores climate-related priorities, from more measured approaches to the energy transition to the growing focus on nature-positive investments.

See how institutions are aligning portfolios with long-term sustainability goals while navigating near-term challenges.

Pragmatic approaches to energy transition

Investors are adopting a more balanced view of the energy transition, recognizing the need for both brown and green energy assets to meet global energy demands. This pragmatic approach is underscored by the fact that 73% of respondents agree that near-term energy needs cannot be met without incorporating both traditional and renewable energy sources.

While fewer investors now view the low-carbon transition as inevitable — 61% compared to 79% in our 2022 survey — the commitment to clean energy remains strong. A significant majority are actively pursuing investments in clean energy and carbon reduction strategies, even among those without formal net zero goals.

This evolving perspective highlights a shift toward strategies that combine the practicalities of current energy needs with the ambitions of a sustainable future.

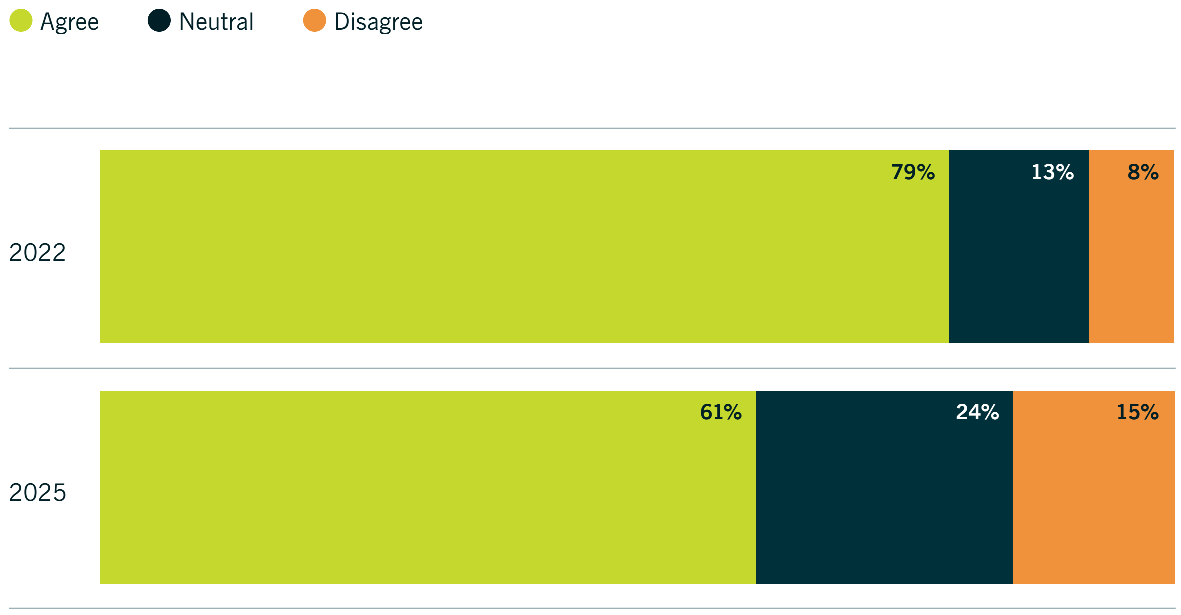
"The energy transition is a multi-year if not a multi-decade project. Any new capacity should be mostly renewable, but it doesn't mean you eliminate all traditional sources. We should eliminate coal-fired power plants, but oil and gas-fired turbines need to be phased out in a systematic way."

U.S. INSURER, PORTFOLIO MANAGER

Investors see a slower pace to energy transition than three years ago

To what extent do you agree or disagree with the following statement?

The transition to a low-carbon economy is inevitable.



(800 respondents; data may not sum to 100% due to rounding)

73%

agree that rising energy demands will require both brown and green energy sources for the foreseeable future

Clean energy goals meet opportunities

Most institutions are prioritizing clean energy and carbon reduction, either as part of net zero goals or to capture compelling risk-return opportunities.

Overall, 44% of institutions have net zero commitments while another 25% plan to in the coming 12 months.

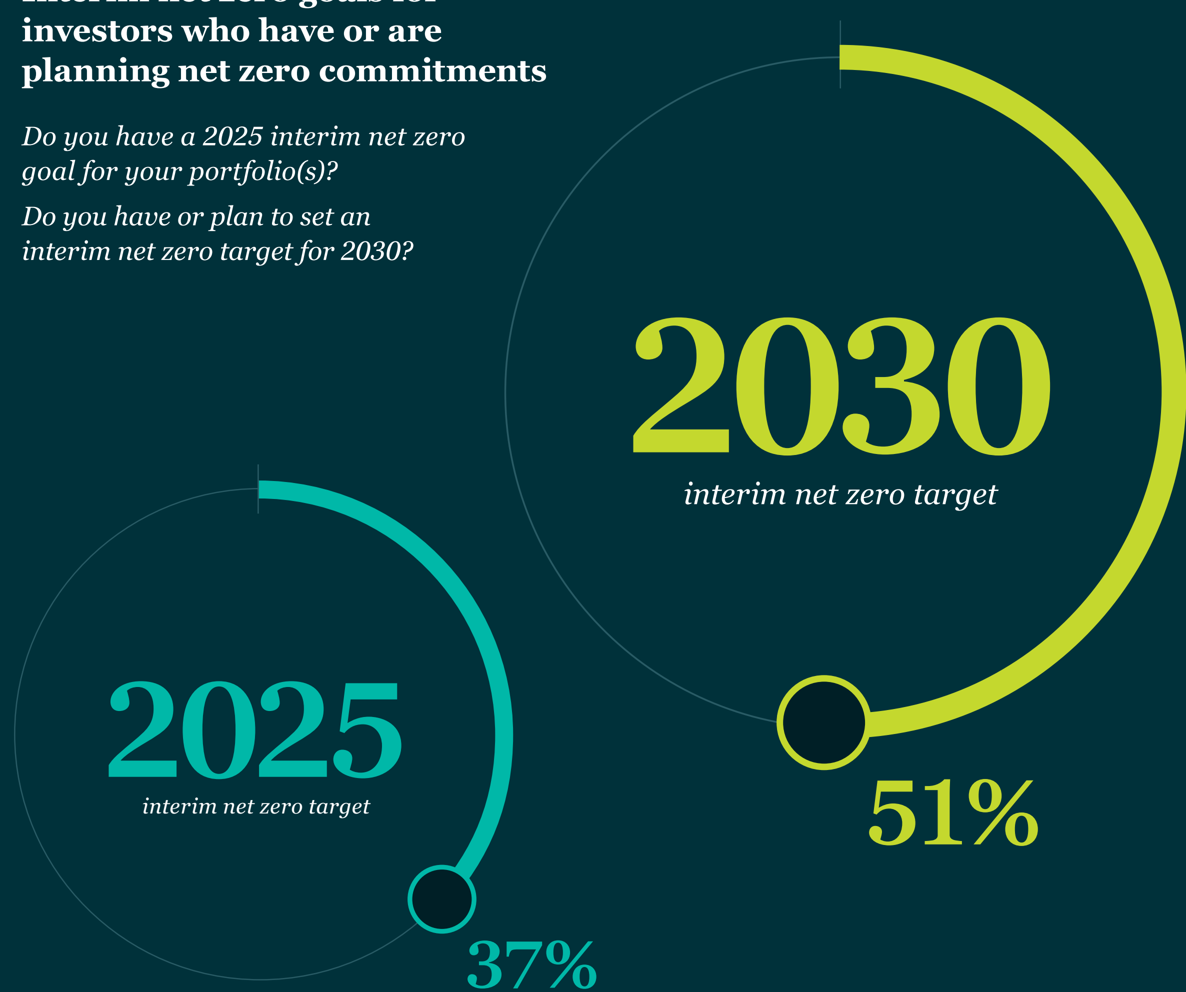
Even among the roughly 30% who do not intend to set net zero commitments, the majority (64%) say they are still investing in clean energy strategies or reducing carbon in their portfolios.

Interim milestones are gaining traction: Nearly half of institutions with net zero goals have set interim 2030 targets, while 37% have established 2025 benchmarks to guide short-term progress. The vast majority of investors with 2025 goals (95%) say they are on track or partially on track to meet those targets.

Interim net zero goals for investors who have or are planning net zero commitments

Do you have a 2025 interim net zero goal for your portfolio(s)?

Do you have or plan to set an interim net zero target for 2030?



(352 respondents for 2025 interim goals; 548 respondents for 2030 interim goals)

Investing in nature's future

While 45% of institutions identify nature loss as a top-five economic risk, only three in 10 are increasing their focus on nature-related themes within their portfolios. This likely reflects the fact that nature-related investing is still a developing area, with many allocators in the process of educating themselves and building their understanding.

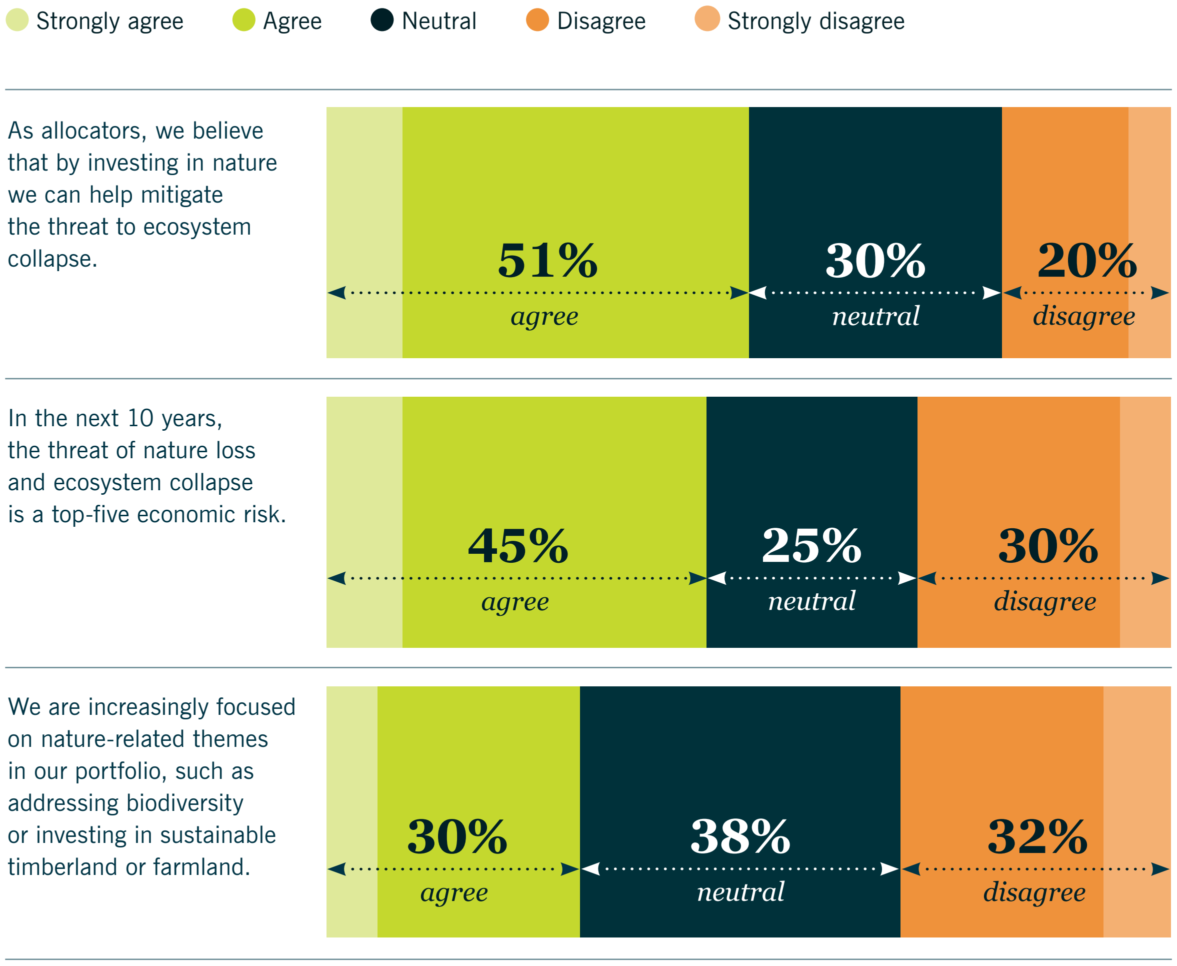
Among those prioritizing nature investments, 79% are seeking strategies that go beyond sustainability to proactively mitigate environmental degradation.

"Our intention around nature-based investing is positive, but our reality is that we haven't taken the steps yet to create a solid framework. Over time that will occur."

AUSTRALIA SUPERANNUATION FUND, SENIOR INVESTMENT TEAM MEMBER

Attitudes towards nature-related investing

To what extent do you agree or disagree with the following statements?



(800 respondents; data may not sum to 100% due to rounding)

Insurers lead the way on impact and other sustainability goals

Insurers have emerged as leaders in responsible investing, leveraging their scale and influence to drive impact objectives.

Their commitment to sustainability reflects a proactive approach to aligning portfolios with long-term environmental and societal goals, setting the stage for broader adoption of sustainability practices across the institutional investment landscape.

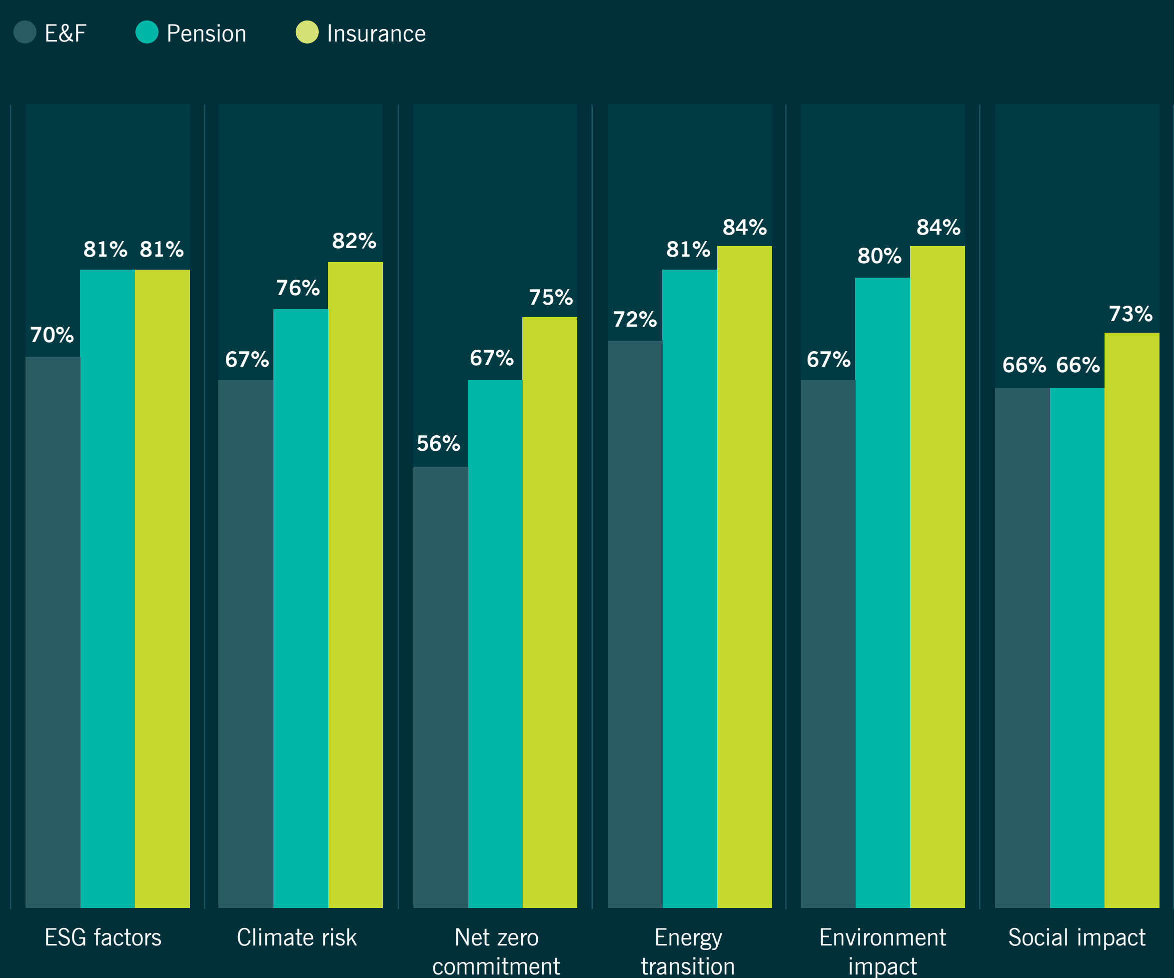
For the 93% of insurers incorporating either environmental or social impact considerations into their investment strategies:

- 55% manage separate impact sleeves in their portfolios
- 53% use sustainable development goals to benchmark progress
- 58% indicated that impact investments will be an increasingly important allocation in the coming years
- 57% of insurers would significantly increase impact allocations if there are scalable and high-quality opportunities

"We are finding that the impact that we can make through social dynamics, particularly urban regeneration, is mission critical to both our purpose as well as where we can originate assets of appropriate value."

U.K. INSURER, HEAD OF INVESTMENTS AND CHIEF RISK OFFICER

Investors who consider/plan to consider the following in their investment decisions



(90 endowments & foundations, 452 pensions, 235 insurance respondents)

Building resilience with Nuveen

As a global investment leader managing $1.3T in public and private assets, Nuveen partners with institutions worldwide to navigate today's uncertainties and seize tomorrow's opportunities. Owned by TIAA, one of the world's largest institutional investors, we deliver insights and investments grounded in over 125 years of experience.

Explore select data to see how the survey results vary by region and investor type at *nuveen.com/equilibriumsurvey*

About the survey

Nuveen and CoreData surveyed 800 institutions globally spanning North America (NORAM); Europe, Middle East and Africa (EMEA); and Asia Pacific (APAC) in October and November 2024. Respondents were decision-makers at corporate pensions, public/governmental pensions, insurance companies, endowments and foundations, superannuation funds, sovereign wealth funds and central banks. Survey respondents represented organizations with assets of more than $10B (55%) and less than $10B (45%), with a minimum asset level of $500 million. The survey has a margin of error of ± 3.5% at a 95% confidence level.

About Nuveen

Nuveen, the investment manager of TIAA, offers a comprehensive range of outcome-focused investment solutions designed to secure the long-term financial goals of institutional and individual investors. Nuveen has $1.3 trillion in assets under management as of 31 December 2024 and operations in 32 countries. Its investment specialists offer deep expertise across a comprehensive range of traditional and alternative investments through a wide array of vehicles and customized strategies. For more information, please visit Nuveen.com.

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