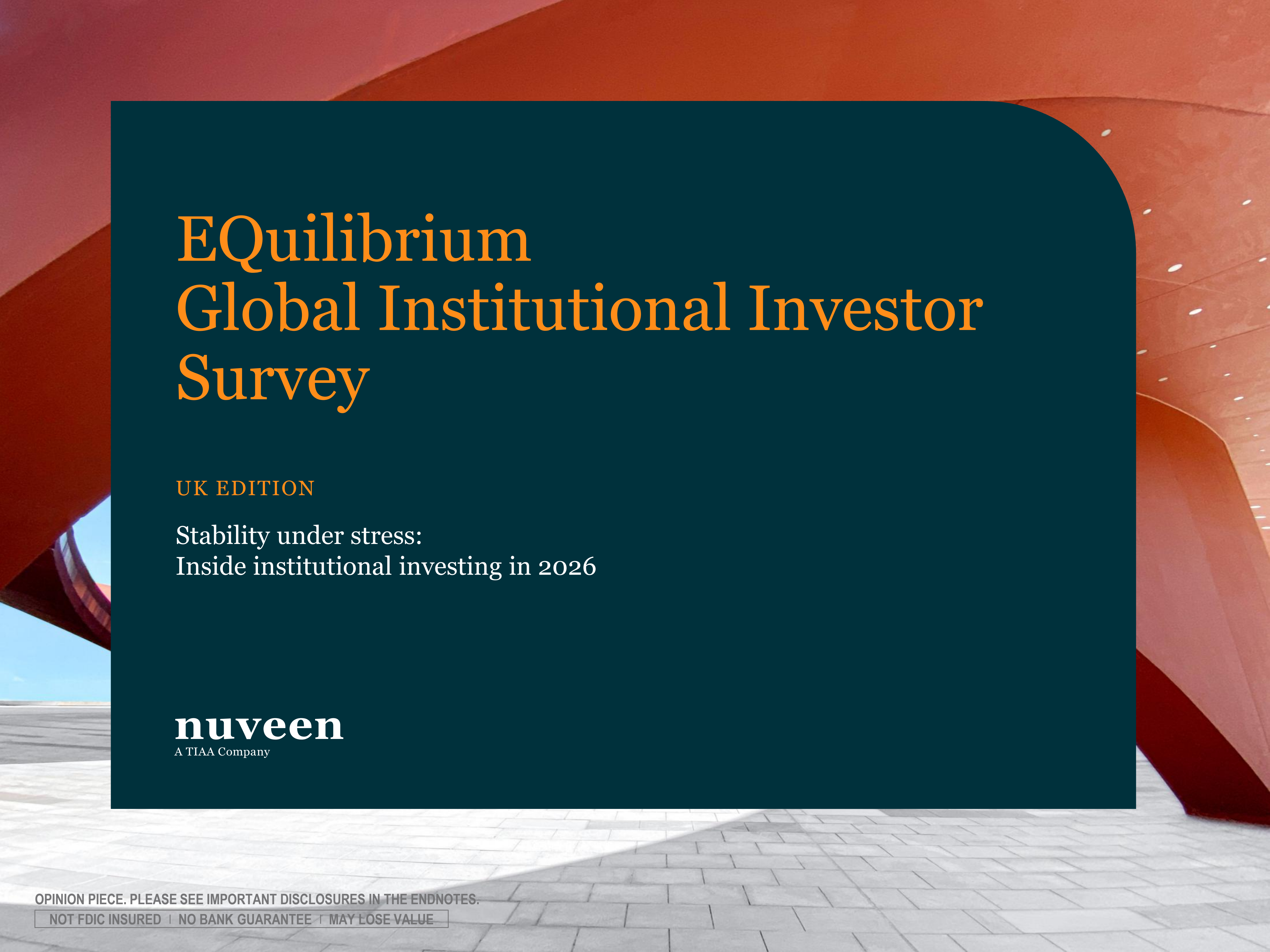


# EQuilibrium Global Institutional Investor Survey

UK EDITION

Stability under stress:
Inside institutional investing in 2026

nuveen
A TIAA Company

# Welcome to EQuilibrium 2026

*Measured moves in an unsteady world*

After several years of compounding disruption, institutional investors are adjusting portfolios without abandoning long-term frameworks. The 2026 Nuveen EQuilibrium survey shows a global investor base responding to uncertainty while remaining anchored to strategic objectives.

Rather than wholesale repositioning, investors are recalibrating. They are refining regional exposure, expanding opportunity sets and increasing flexibility in decision-making. The result is a pragmatic portfolio construction approach in a world that is becoming less uniform and more complex.

# Key themes

## Regional diversification has re-emerged as a priority

Reductions in U.S. exposure and increases elsewhere suggest growing attention to concentration risk.

**Among UK institutions adjusting regional allocations, 49% are reducing U.S. exposure, while 37% are increasing exposure to Europe (ex-UK).**

## Private markets continue to expand in role and complexity

Allocations to private markets are rising alongside greater emphasis on diversification and structure.

**81% of UK institutions plan to increase private market allocations over the next five years.**

## AI shapes long-term thinking, though paths differ

Conviction around AI is high, but implementation varies.

**70% of UK institutions identify artificial intelligence as the most influential megatrend shaping their investment strategy over the next five years.**

## Impact investing goes mainstream

Impact investing is aligning financial returns with measurable social and environmental benefits

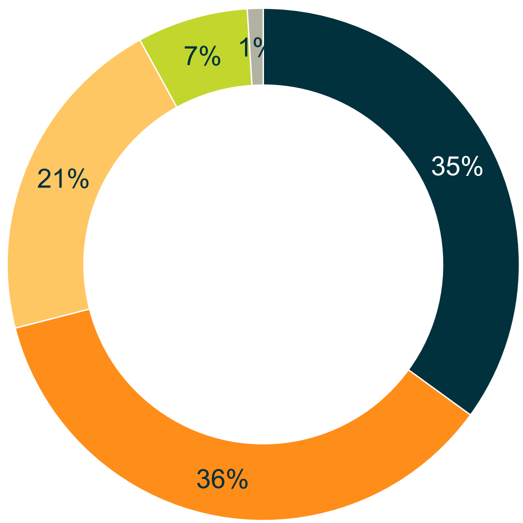
**59% of UK institutions identify infrastructure as the leading asset class for social and environmental impact investing.**

# Survey participants

## We surveyed

- 800 institutional investors, including 110 from the United Kingdom. What follows are the UK survey results.
- Representing UK AUM of USD 2.6T.
- Investment decision-makers only.
- Fielded by CoreData Oct.-Nov. 2025.

## UK respondents




| | |
|---|---|
| Corporate/private pension plan | 35% |
| Insurance company | 36% |
| Public/government pension plan | 21% |
| Endowment or foundation | 7% |
| Other | 1% |

## AUM

**47%**

Below $10 billion

**53%**

$10 billion and above

(211 survey respondents, data may not sum to 100% due to rounding)





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# Deglobalisation

*From disruption to diversification*

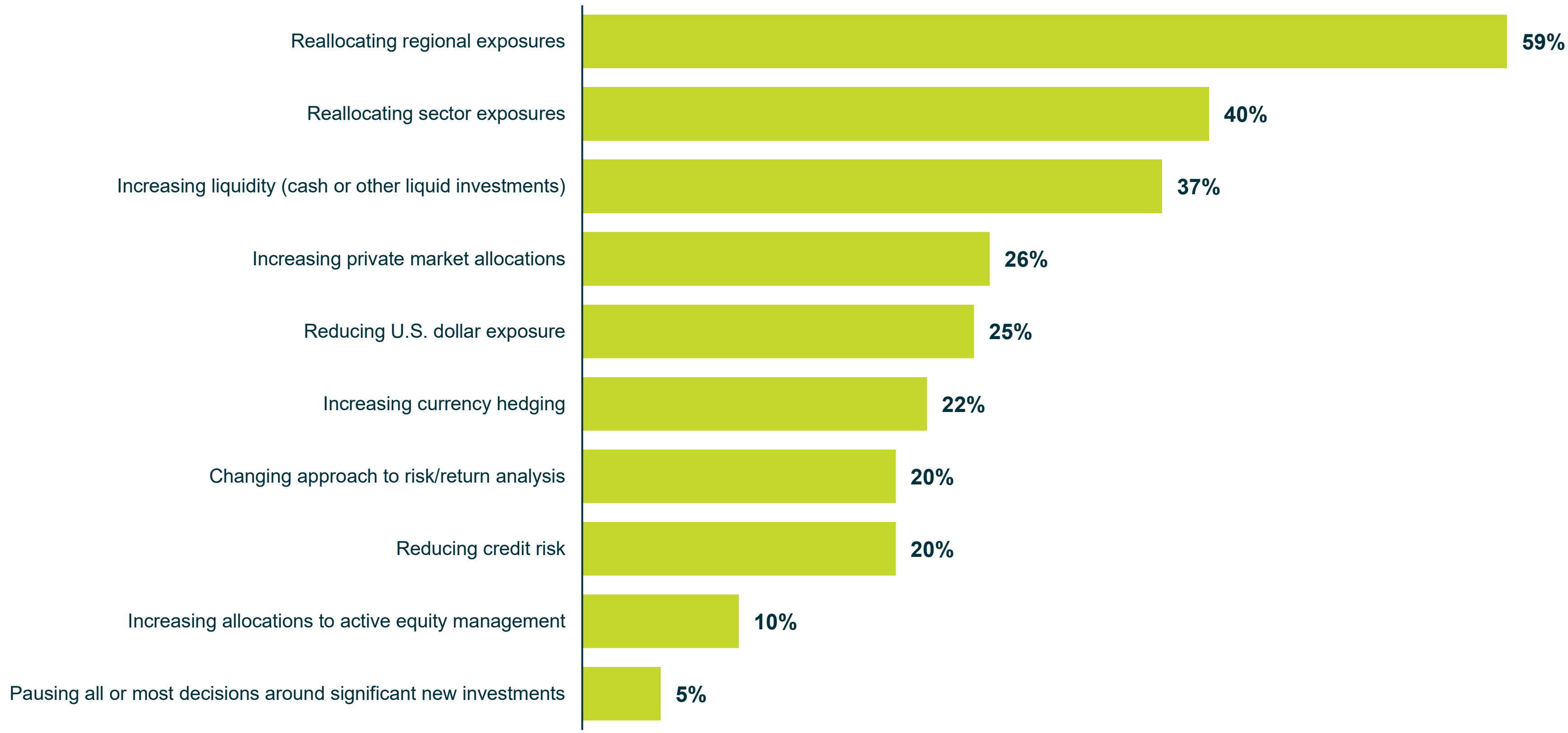
The survey data suggests not all investors are treating the recent trade tensions and geopolitical uncertainty as purely transitory. Instead, many are reassessing regional exposure and long-term assumptions about market leadership.

At the same time, investors are showing restraint. Most reported changes are incremental, reflecting a measured approach to disruption and a focus on risk assessment and diversification.

# Disruption prompted a variety of portfolio changes

## 88% of UK institutions made adjustments in response to trade, geopolitical and market volatility

### Most significant portfolio changes made due to disruptions

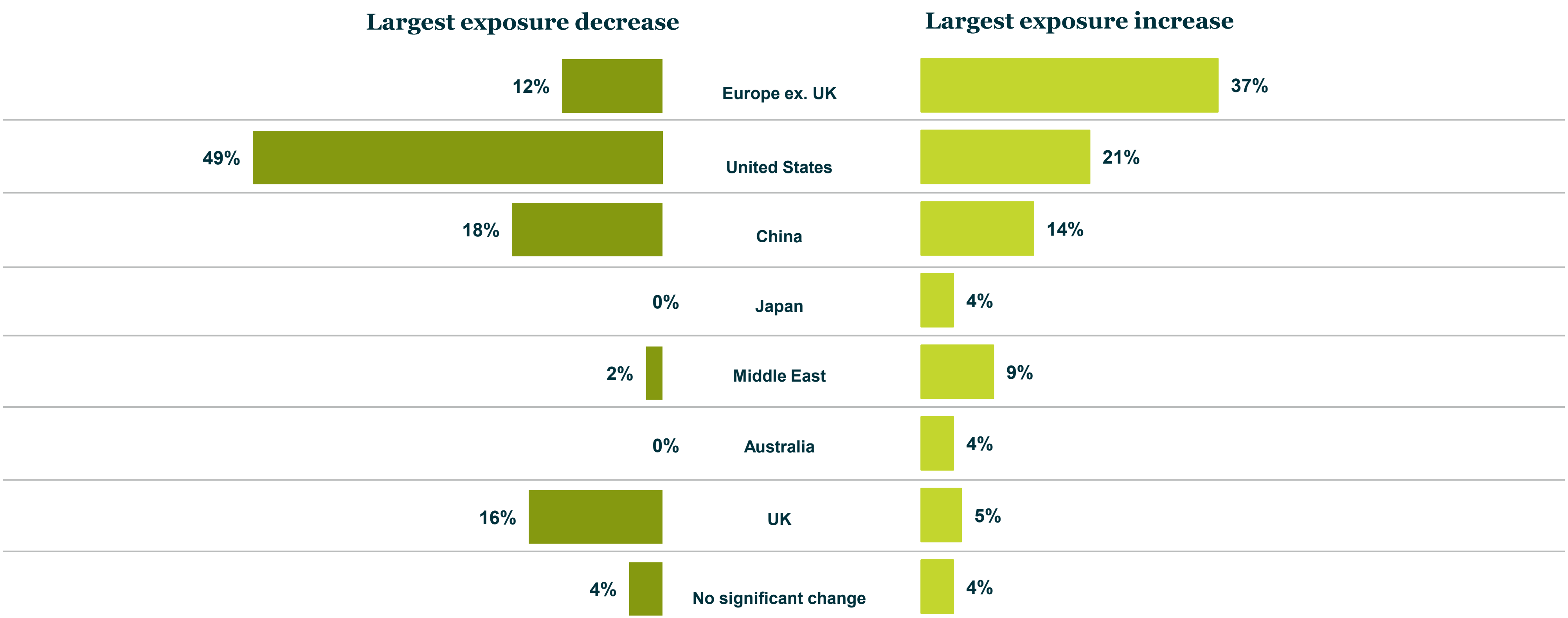



Q. You indicated you are making changes to your portfolio given recent disruptions. Please indicate the most significant actions you are taking with your portfolio(s). Select up to three. (97 UK respondents, multiple answers allowed)

# Regional reallocations reflect rising diversification concerns

## Reductions to U.S. exposure coincide with increased allocations elsewhere among UK investors

### Regional changes due to disruption




Q. You indicated that you are reallocating regional exposures. Where are you making the largest increase and/or decrease? (57 UK respondents)

# UK investors are split on whether recent shifts mark a lasting change

### Views on the long-term implications of trade actions and U.S. market leadership remain unsettled

**UK investor views on the long-term repercussions of U.S. market disruption**


Q. Based on the global disruptions of 2025 (trade/tariffs, geopolitics, capital market volatility), please indicate to what extent you agree or disagree with the following statements. (110 UK respondents)

# Portfolio adjustments favour incremental change vs. large-scale overhaul

**UK investor responses point to measured adaptation in the face of ongoing uncertainty**

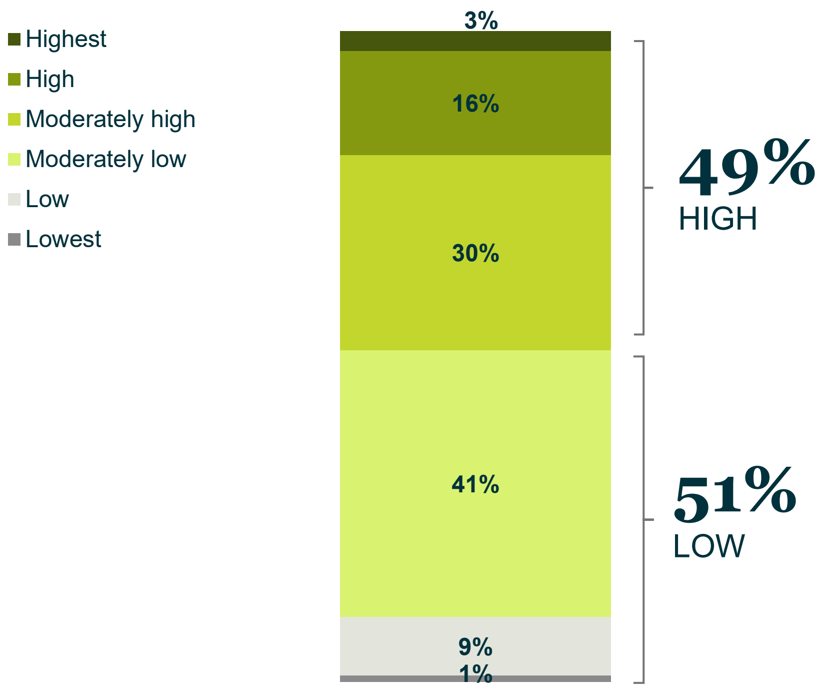
**Current approaches to portfolio changes**


Q. Which statement best aligns with your organisation's current portfolio approach? (110 UK respondents)

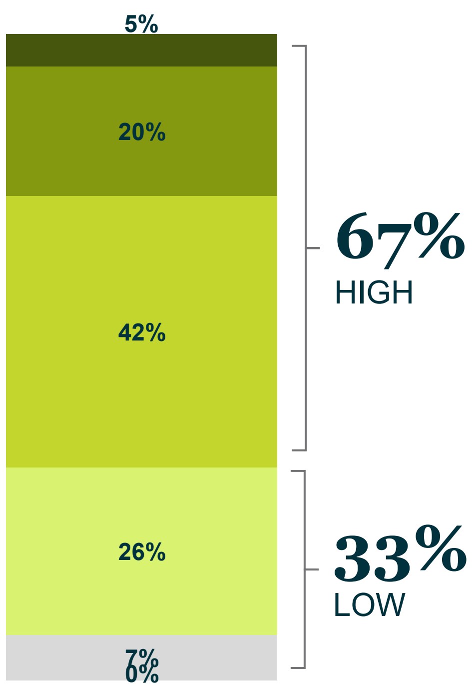
# Greater discretion supports flexibility in uncertain conditions

**Governance is evolving as oversight committees and other decision-makers are granting UK investment teams more latitude today and over the next five years**

## Current degree of investment team discretion




## Expected approach to investment team discretion in five years




Q. Where is your firm is aligned on the spectrum of investment team discretion? (110 UK respondents, data may not sum to 100% due to rounding)
Q. In the next five years, what do you anticipate your firm's asset allocation approach will be? (110 UK respondents, data may not sum to 100% due to rounding)

# Private markets

*Diversification shapes expanding allocations*

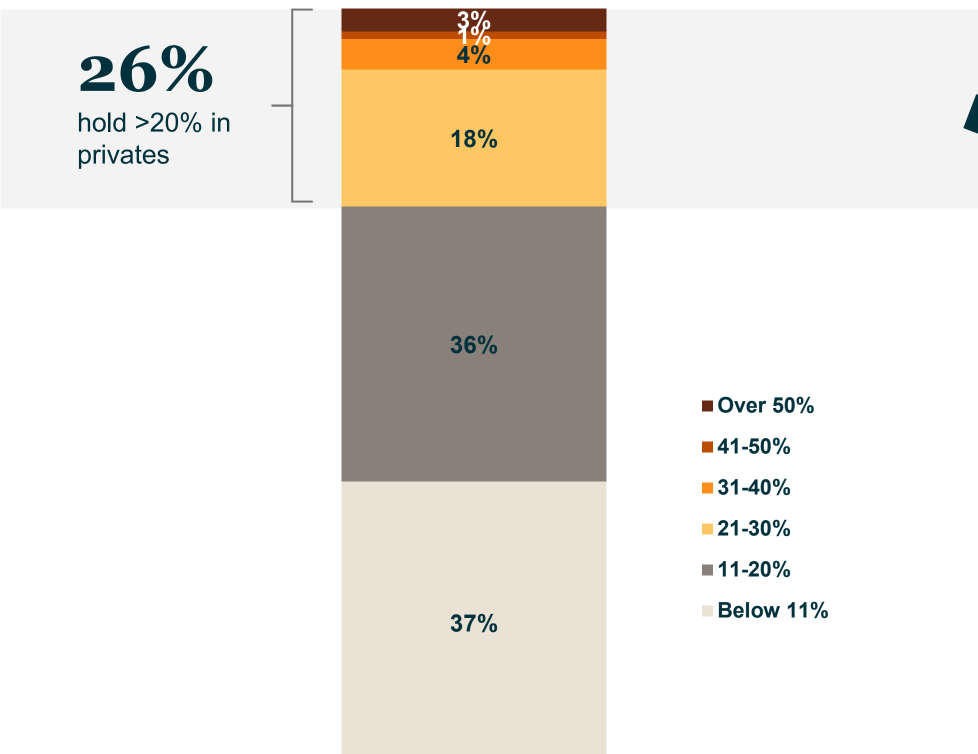
Private markets continue to play an expanding role in institutional portfolios, but the nature of that expansion is evolving. As exposure grows, investors are placing greater emphasis on diversification within private markets and the structures and access points used to deploy capital.

This shift is most evident in private credit. Customization, governance and alignment are becoming more central to implementation decisions, reflecting a maturing approach to building private market portfolios.

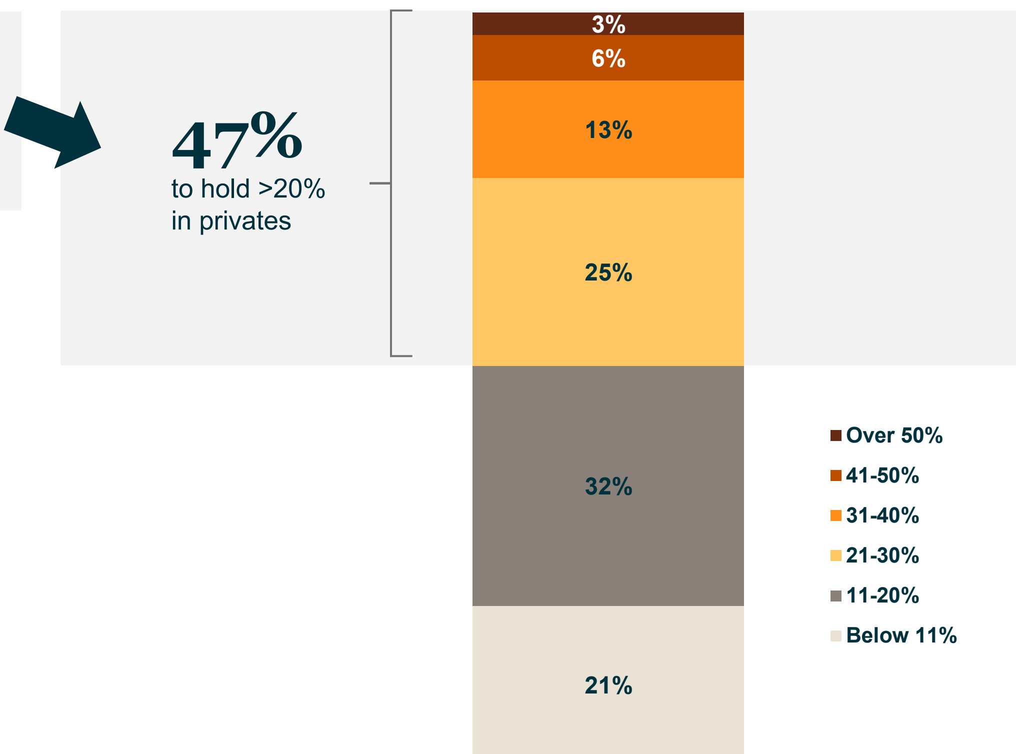
# Private market allocations are set to rise over the next five years

**Most UK institutions plan to increase exposure meaningfully, with larger allocations becoming more common across investor types**

## Current private markets allocation as a percent of the portfolio




## Private markets allocation as a percent of the portfolio in five years

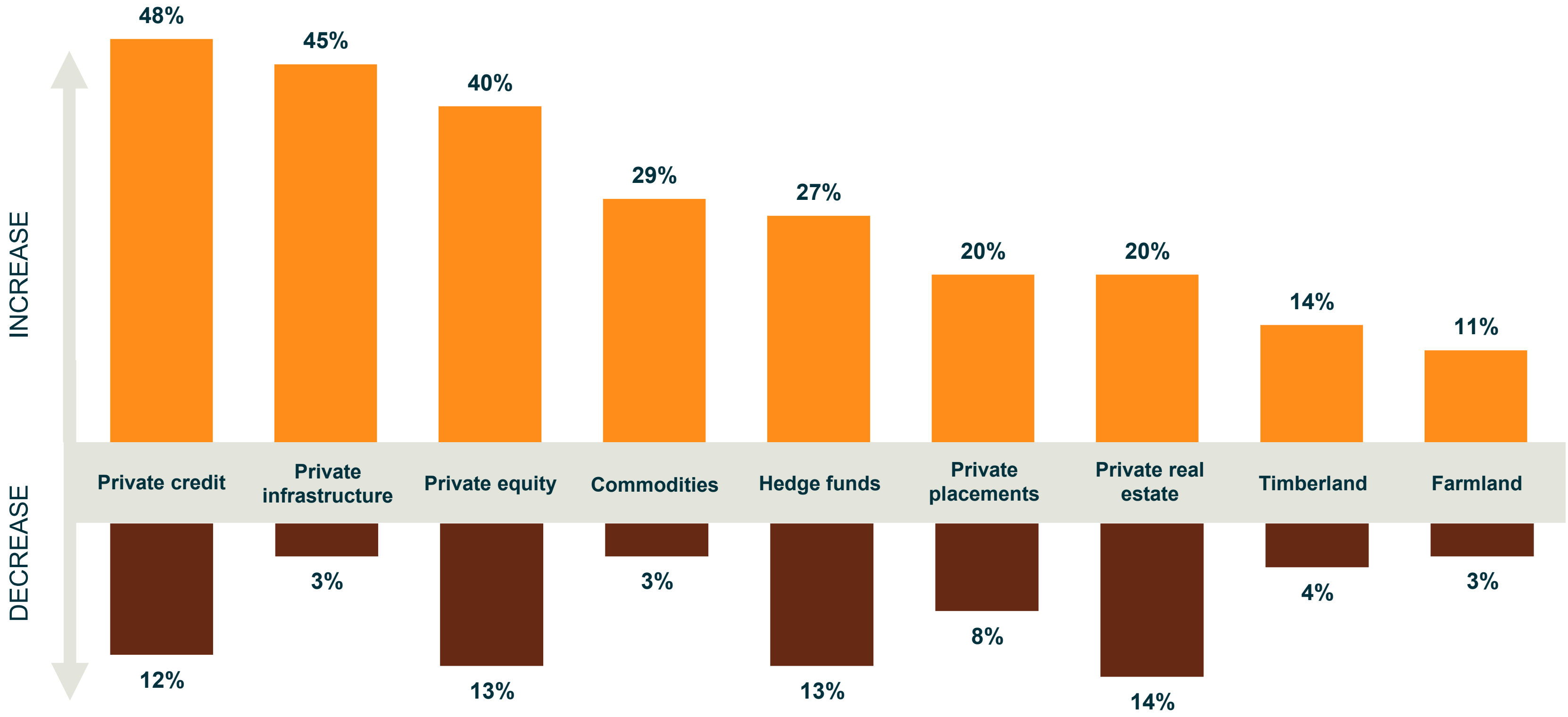



Q. What is your organisation's total allocation to private investments as a % of the portfolio? (78 UK respondents, data may not sum to 100% due to rounding)
Q. How much do you expect to increase your allocation to private investments as a percentage of the portfolio over the next five years? (77 UK respondents, data may not sum to 100% due to rounding)

# Private credit, infrastructure and equity lead demand

**Now in their third consecutive year of leadership, these asset classes continue to attract broad-based demand**

**Percent of investors planning allocation changes across private/alternative asset classes**




Q. How do you plan to adjust allocations to the following alternative or private investments over the next two years. (93 UK respondents)





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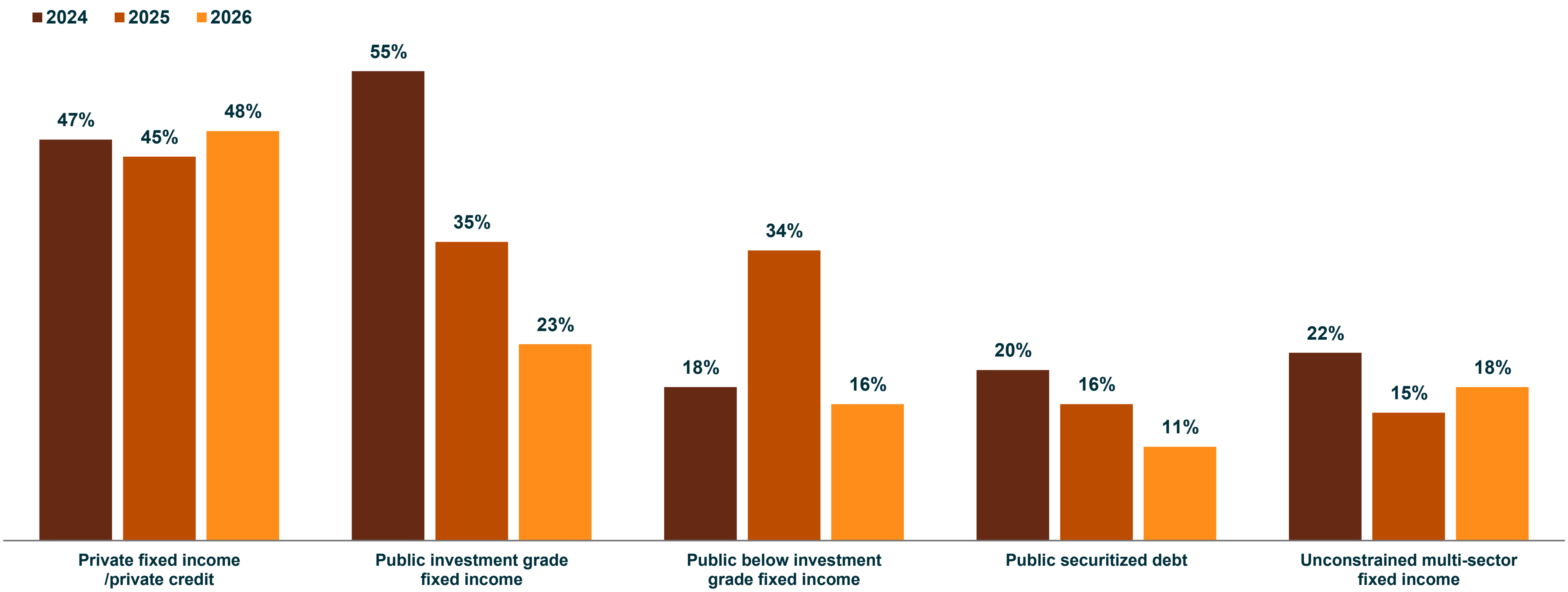
# Private credit maintains position as fixed income priority

**Interest in increasing public investment grade fixed income continues to fade as expectations about interest rates and the business cycle have shifted**

## Percent of investors planning to increase fixed income allocations




Q. The current environment has many investors adjusting their fixed income allocations. Please indicate the directional changes you plan to make in the next two years. (110 UK respondents in 2026 and 2025, 120 respondents in 2024)

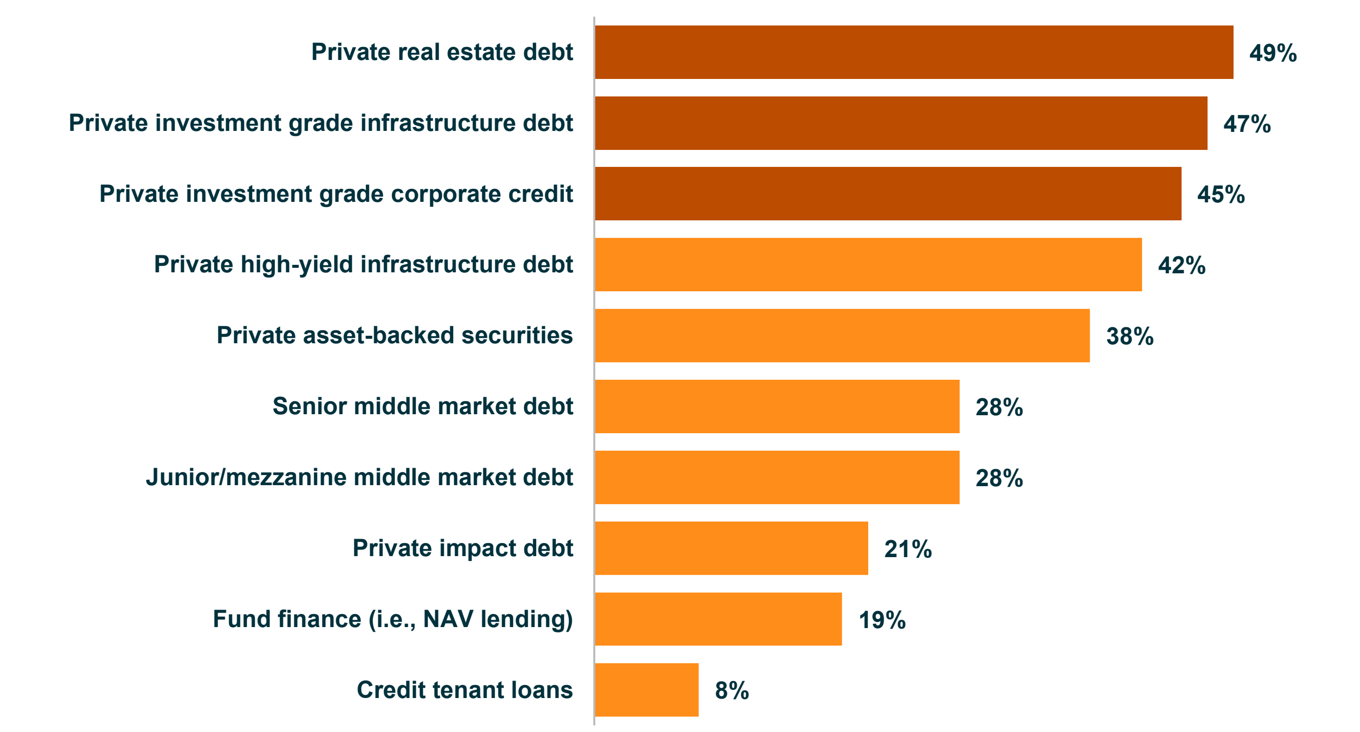
# Diversification within private credit becomes a priority

## UK investors are expanding beyond core direct lending, reflecting both risk management and opportunity seeking

**43%** AGREE

Diversifying their alternative credit portfolio is a top priority over the next five years

**Where the 48% of investors increasing private fixed income are allocating**



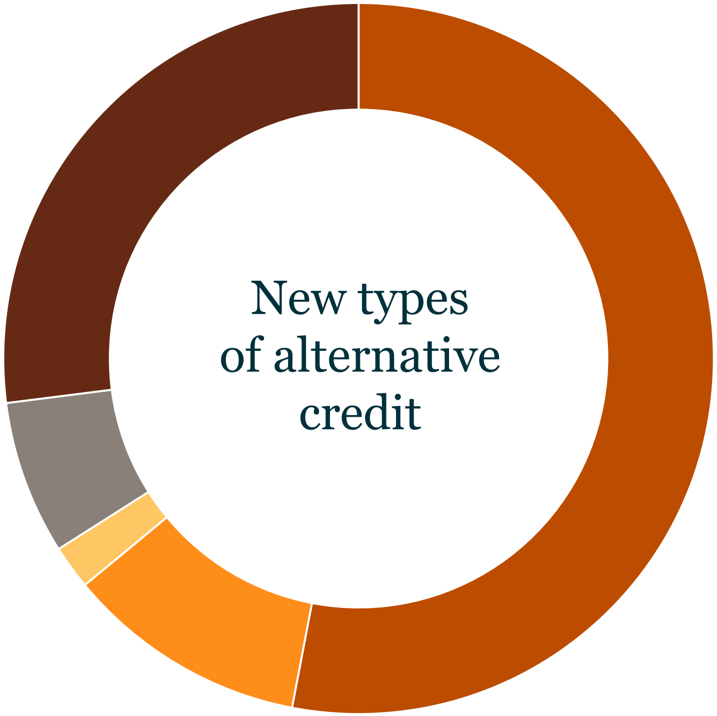

Q. To what extent do you agree or disagree with the following statement: Diversifying our alternative credit portfolio is a top priority over the next five years. (110 UK respondents)
Q. You indicated you are increasing your allocation to private fixed income in the next two years. Please indicate which of the following asset classes you plan to increase. Select all that apply. (53 UK respondents)

# Institutions plan to add new alternative credit strategies

## More complex portfolios are becoming the norm for UK investors

**Number of new types of alternative credit investments investors are planning to add over the next two years**

| | |
|---|---|
| 1-2 | 53% |
| 3-4 | 11% |
| 5+ | 2% |
| Do not know | 7% |
| None | 27% |




Q. Beyond core senior and junior direct lending, how many new types of private/alt credit investments do you plan to add to your portfolio over the next two years? (110 UK respondents, data may not sum to 100% due to rounding)

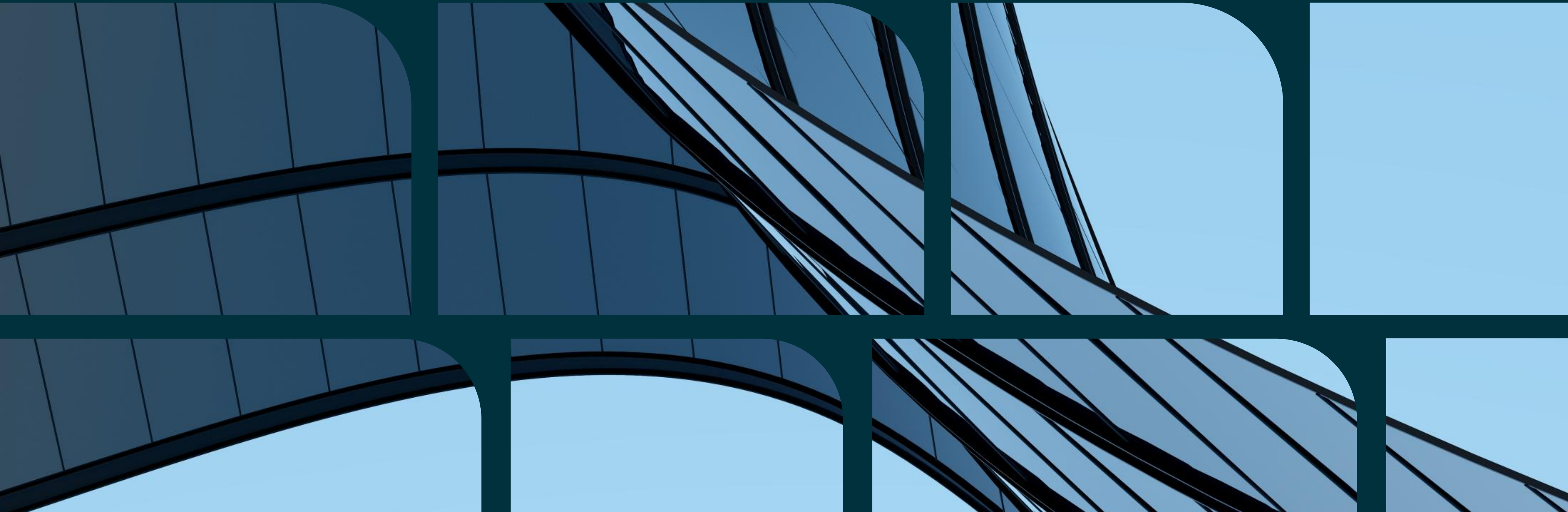
# Artificial Intelligence

## *Conviction is high, but pathways vary*

Artificial intelligence continues to shape long-term investment thinking across institutional portfolios, with broad consensus around its transformative potential. The 2026 EQuilibrium survey validates the perception that AI will be the most influential structural force over the coming years.

At the same time, approaches to investing in AI remain selective and uneven. Rather than broad-based repositioning, capital is being directed toward specific enablers, including infrastructure, computing capacity and the energy systems required to support rising demand.

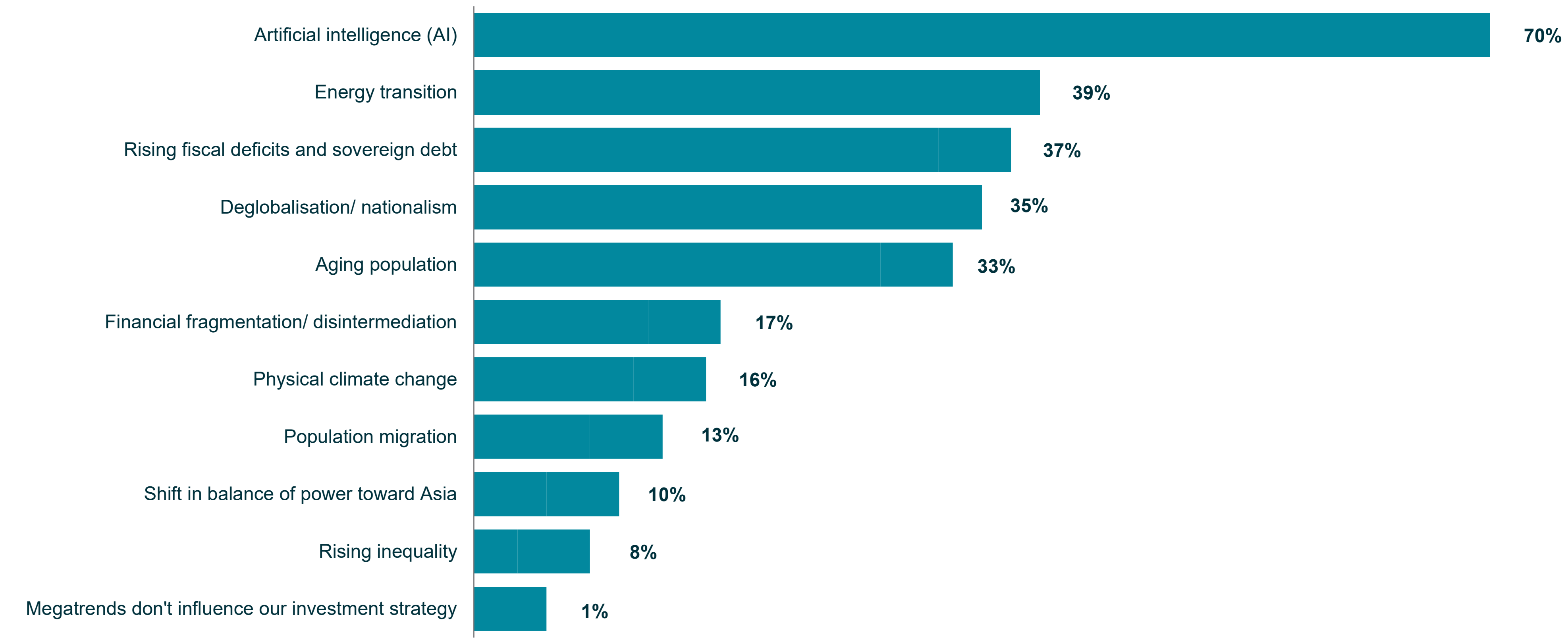
Together, these dynamics point to a measured approach: strong long-term conviction paired with disciplined, pragmatic allocation in the near term.



# AI ranks as the top long-term influence on strategy

## Most UK institutions point to AI as a primary driver of their investment strategy over the next five years

### Top megatrends influencing investment strategy

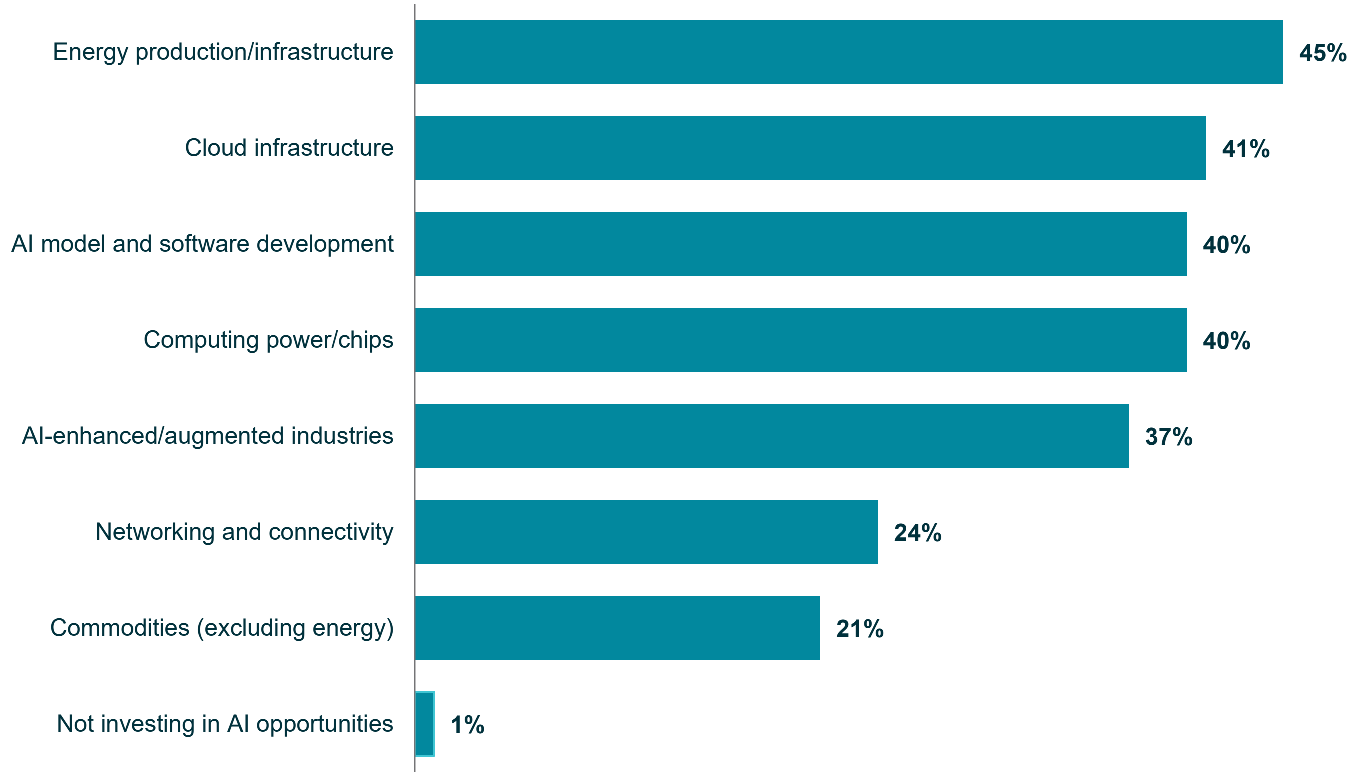



Q. Which of the following will have the biggest influence on your investment strategy over the next five years. Select up to three. (110 UK respondents, multiple answers allowed)

# AI enablers attract investor intention

## Investors are focusing on segments where adoption, revenue and demand are most immediately observable

### Biggest AI investing opportunities



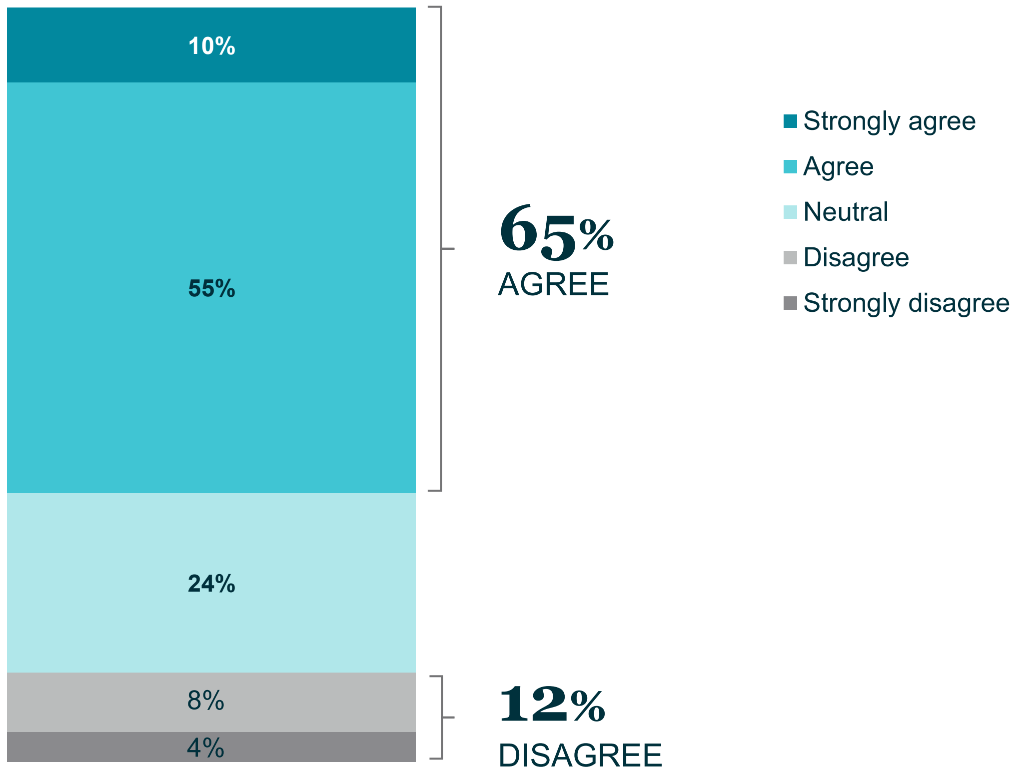

Q. Many investors are investing in or considering opportunities in AI. Which part of the value chain do you think offers the biggest investment opportunity in the next five years? Select up to three. (110 UK respondents, multiple answers allowed)

# Energy demand emerges as a key consideration in AI adoption

## Expectations for increased power consumption are reinforcing interest in clean energy over the long term

### Investor sentiment around clean energy investment outlook

*Projections of rapid growth in energy demand over the next decade are strengthening the opportunity set for clean energy investments*




Q. To what extent do you agree or disagree with the following statements: Projections of rapid growth in energy demand over the next decade are strengthening the opportunity set for clean energy investments. (110 UK respondents, data may not sum to 100% due to rounding.)





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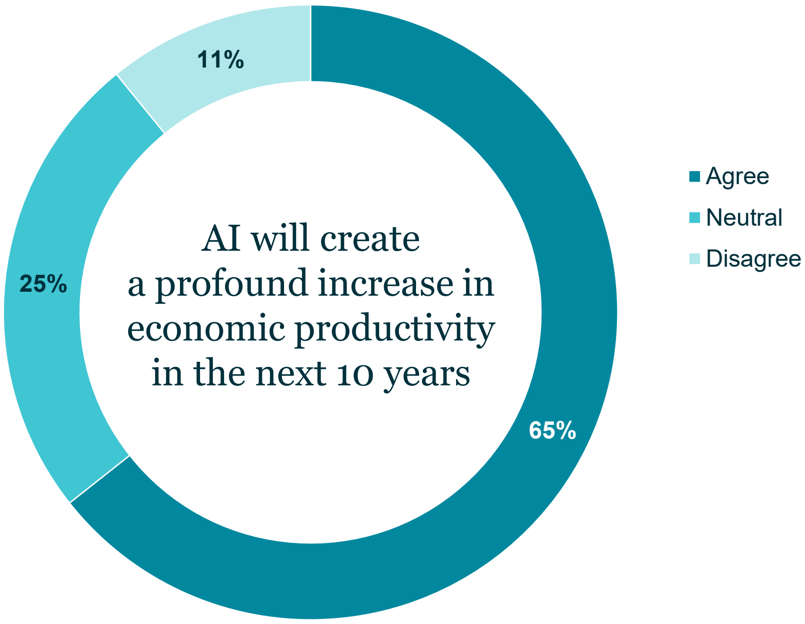
# Strong conviction in AI has not yet driven broad portfolio change

**While UK investors express confidence in AI's long-term productivity impact, few report actively reducing exposure to sectors expected to be disrupted**

**Investor sentiment around the impact of AI on economic productivity**



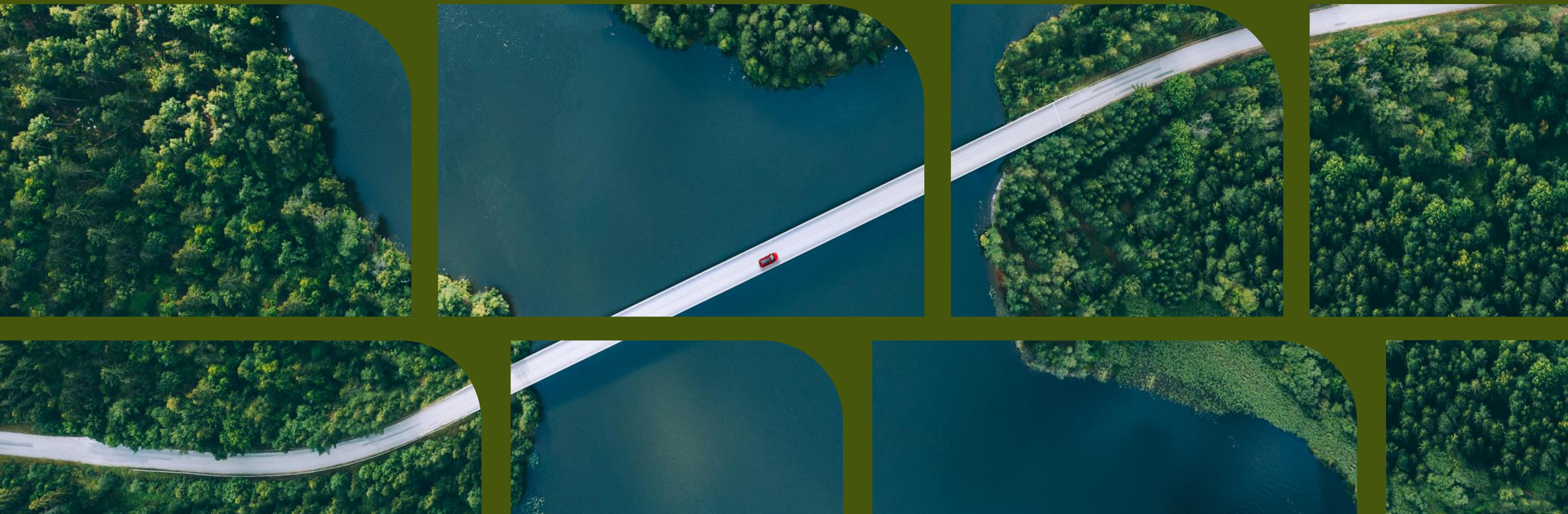

**8%** Proportion of investors who are allocating away from sectors or businesses they believe will be hurt by AI.

Q. To what extent do you agree or disagree with the following statement: AI will create a profound increase in economic productivity in the next 10 years. (110 UK respondents, data may not sum to 100% due to rounding)
Q. Are you reducing or eliminating investments in any sectors or business types that you believe will not be able to deliver returns due to the growth of AI, such as labor-intensive industries or traditional media? (77 UK respondents)

# Impact & Sustainable Investing

*Sustainable & impact investing are central to UK investment decision making*

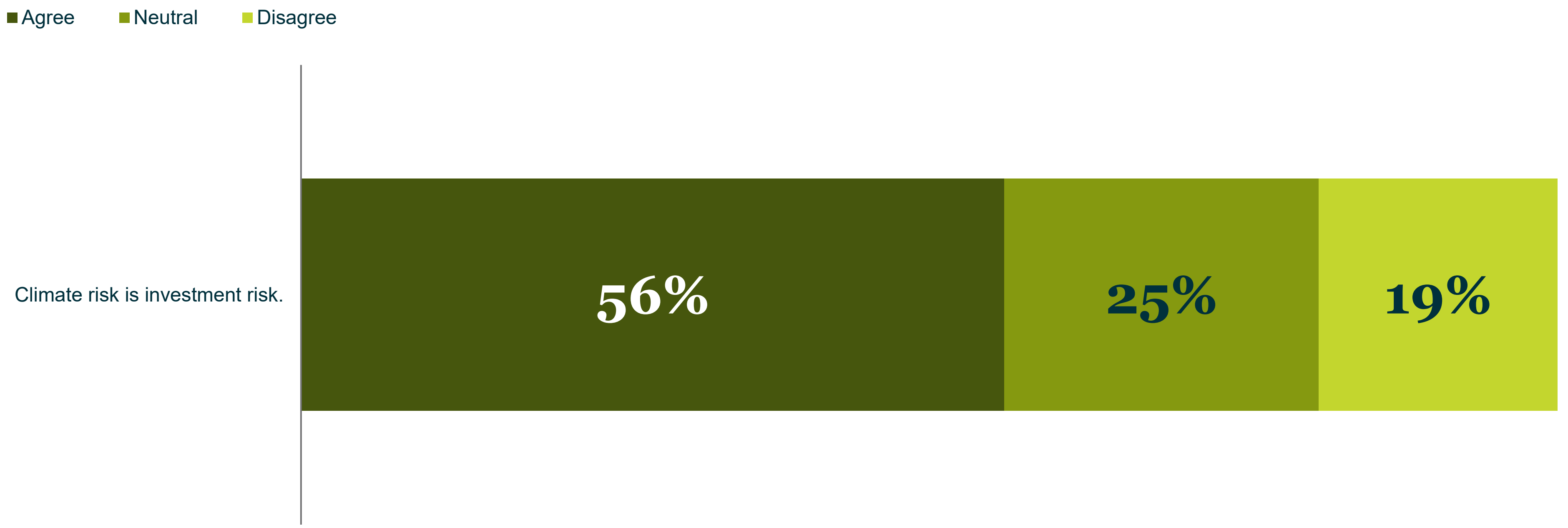
Impact and sustainable considerations are central to investment decision making. This reflects regulatory frameworks, stakeholder expectations and conviction that these factors relate can drive long-term value creation and growth while offering measurable social and environmental benefits.



# Majority recognition of climate materiality

## Climate risk is no longer a niche concern – it's a core investment issue

**Over 50% of UK institutional investors believe climate risk is investment risk**

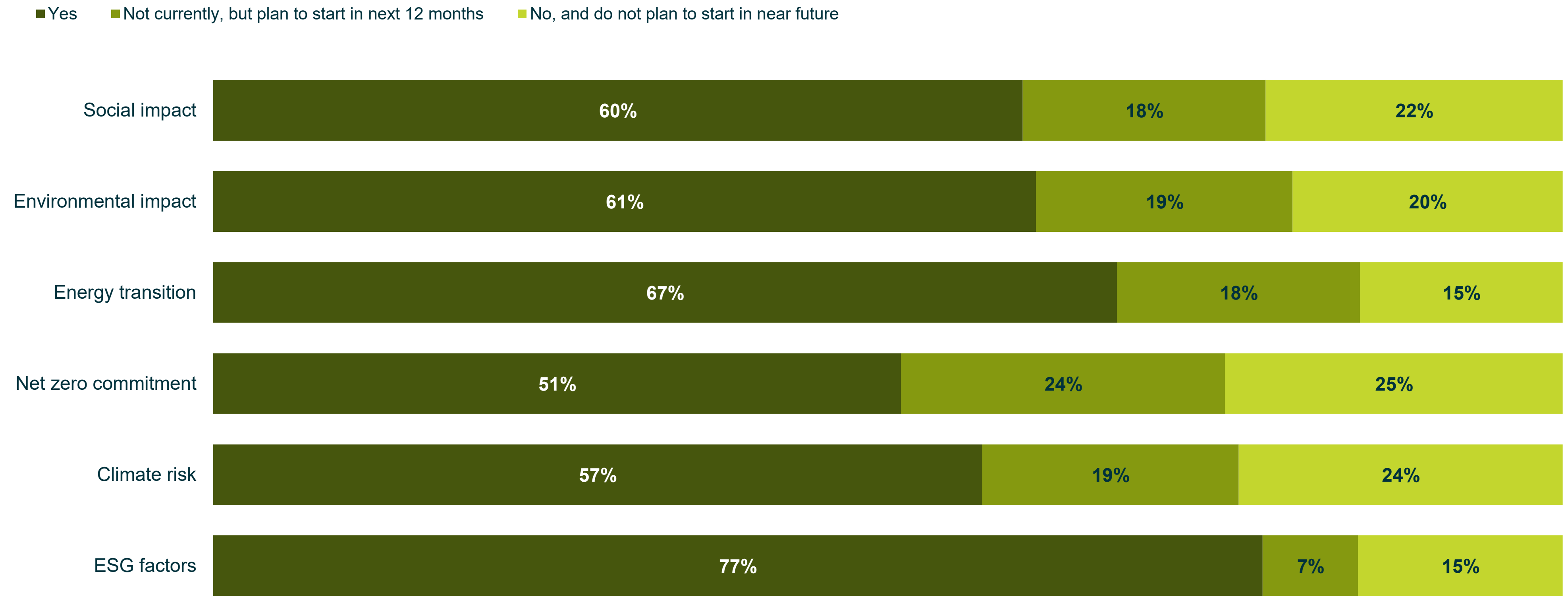



Q. To what extent do you agree or disagree with the following statements: [Climate risk is investment risk.]. (110 UK respondents)

# Sustainable and impact investing are important factors for UK investors

## Sustainable and impact investing are recognised as enhancing—not constraining—the opportunity set

### Sustainable and impact factors considered when making investment decisions

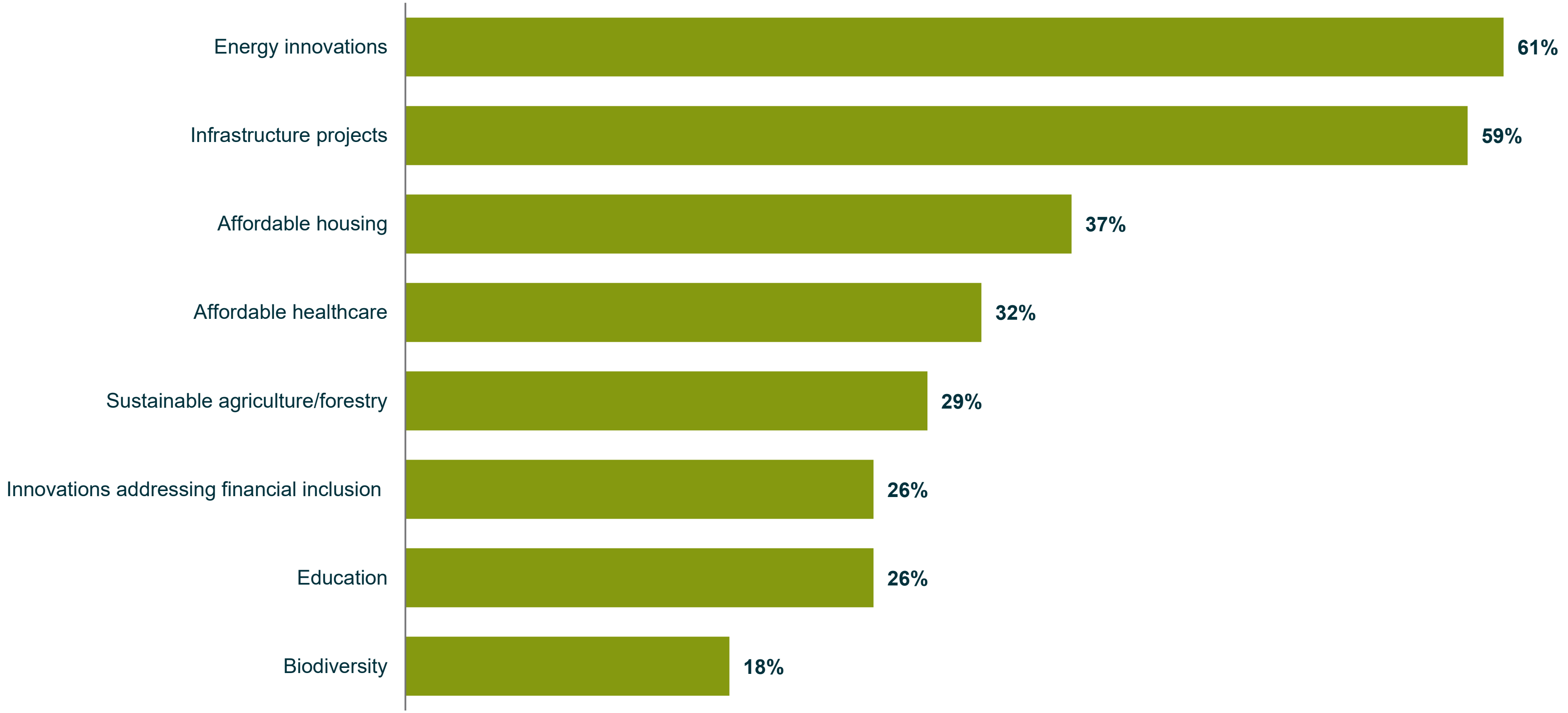



Q. Please indicate which of the following factors your organisation considers when making investment decisions. (110 UK respondents)

# The trends shaping impact investing

### Impact investing is aligning financial returns with measurable social and environmental benefits

**Energy innovations and infrastructure lead the way for UK institutional investors**

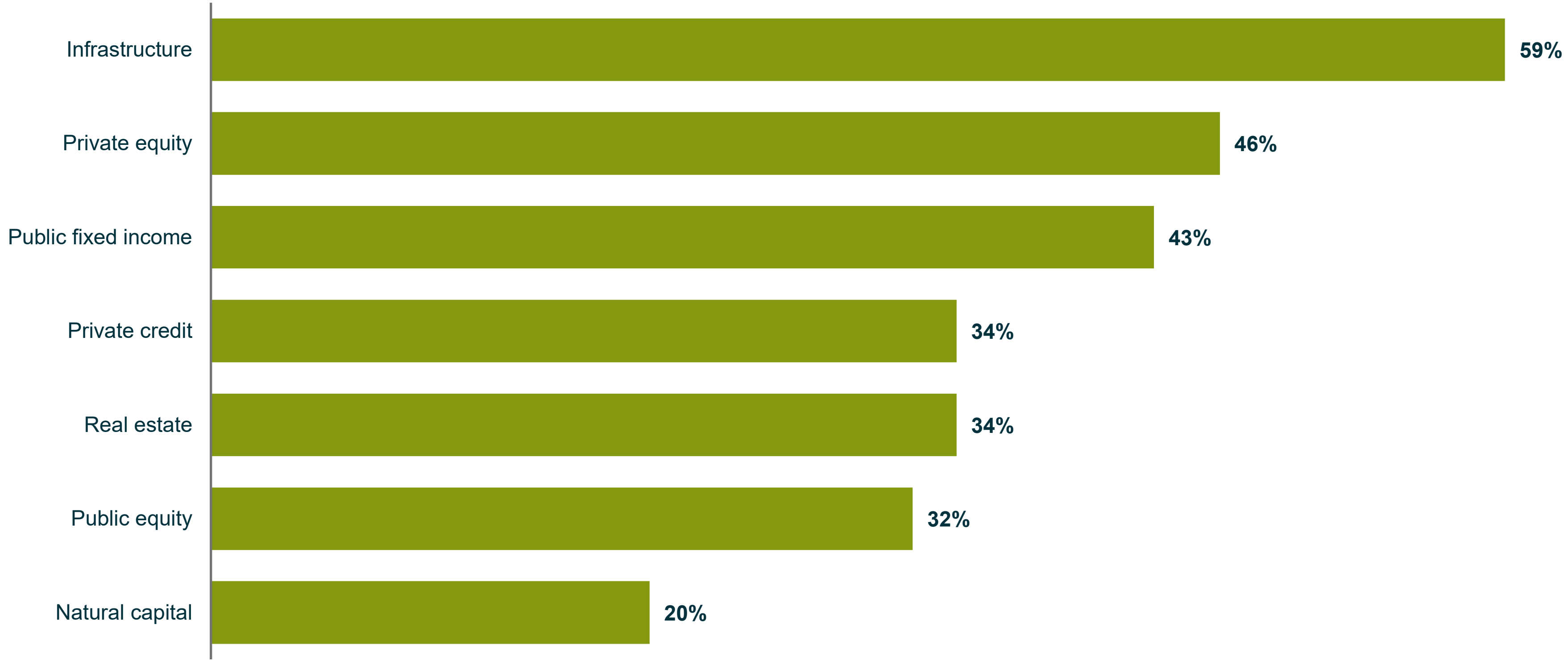



Q. You indicated you consider or plan to consider impact in your investment decisions. Please indicate which themes you are investing in, or plan to invest in, in the next two years. (92 UK respondents, multiple answers allowed)

# Infrastructure leads impact asset class allocation

**Infrastructure emerges as the leading asset class for social and environmental impact investing among UK institutional investors**

**From renewable energy to social housing to transportation, infrastructure connects capital directly to societal outcomes**




Q. Which of the following asset classes are you investing in or do you plan to invest in for social or environmental impact? Select all that apply. (92 UK respondents)

# Diverse implementation approaches among impact focused investors

**While impact investing is being embraced by UK institutional investors, different approaches are being employed**

**UK institutional investors are pursuing impact through multiple channels**


Q. You indicated you consider or plan to consider impact in your investment decisions. Please indicate which of the following approaches you take when implementing your impact strategy. Select all that apply. (92 UK respondents)

# Active stewardship importance

**80% of UK institutional investors believe active stewardship is of moderate to very high importance in manager selection**

## Active stewardship is viewed as a mainstream expectation

| | |
|---|---|
| Very high importance | 12% |
| High importance | 29% |
| Moderate importance | 39% |
| Low importance | 14% |
| Not important | 6% |

Q. When selecting managers, how important is it for the manager to have an active stewardship approach, i.e., actively engaging with organisations to encourage climate or impact related goals. (110 UK respondents)

# Who we are

Nuveen is a global investment leader, managing $1.4T in public and private assets for clients around the world and on behalf of TIAA, our parent company and one of the world's largest institutional investors.

With broad expertise across income and alternatives, we invest in the growth of businesses, real estate, infrastructure and natural capital, providing clients with the reliability, access and foresight unique to our 125-year heritage.

Our prevailing perspective on the future drives our ambition to innovate and adapt our business to the changing needs of investors — all to pursue lasting performance for our clients, our communities and our global economy.

**Nuveen. Invest like the future is watching.**

**$1.4T** invested across many asset classes and geographies[1]

**1.8K+** institutional clients in 42 countries[2]

**7** of the world's 10 largest pension funds as clients[3]

**1** As of 31 Dec 2025. Nuveen assets under management (AUM) is inclusive of underlying investment specialists. **2** As of 30 Sep 2025; includes beneficial owners and discretionary parties; updated annually. **3** Nuveen as of 30 Sep 2025; world's largest pension funds 2025 based on research study from Willis Towers Watson, Thinking Ahead Institute | Pensions & Investments, September 2025, rankings based on U.S. funds' data as of 30 Sep 2024 and non U.S. funds' data as of 31 Dec 2024, with certain exceptions; updated annually.

# Disclosure

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The Nuveen 2026 EQuilibrium Survey has a margin of error of +/-3.5% globally and +/- 9.3% for the UK at a 95% confidence level.

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Responsible investing incorporates Environmental Social Governance (ESG) factors that may affect exposure to issuers, sectors, industries, limiting the type and number of investment opportunities available, which could result in excluding investments that perform well.

Concentration in infrastructure-related securities involves sector risk and concentration risk, particularly greater exposure to adverse economic, regulatory, political, legal, liquidity, and tax risks associated with MLPs and REITs.

Private equity and private debt investments, like alternative investments are not suitable for all investors given they are speculative, subject to substantial risks including the risks associated with limited liquidity, the potential use of leverage, potential short sales, concentrated investments and may involve complex tax structures and investment strategies. Investing in open-end and closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value.

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