



EQuilibrium Global Institutional Investor Survey

UK EDITION

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

nuveen
A TIAA Company

Key highlights



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.

71% are planning to increase allocations to private markets. **52%** are increasing to private credit.



Private fixed income favored for 2025 and beyond

Within private fixed income, investors see attractive opportunities in infrastructure and real estate debt as part of a wider push into more niche opportunities to access greater return potential.

45% of UK institutional investors (and 60% of insurers) plan to increase private fixed income allocations over the next two years.



Environmental priorities in focus

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

69% of institutions invest or plan to invest in clean energy or carbon reduction strategies.

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

EQuilibrium 2025—UK edition

Nuveen’s fifth annual global survey of 800 institutional investors examines how evolving perspectives on markets, geopolitics and the environment are influencing asset allocation decisions, particularly in private markets.

We surveyed

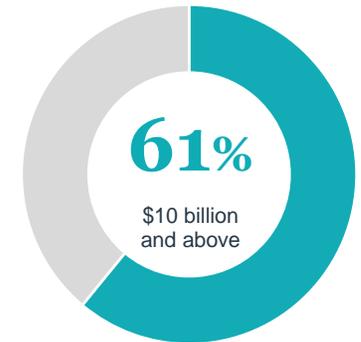
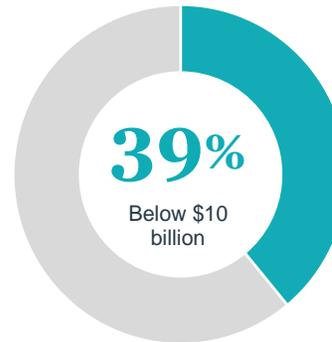
- 800 institutional investors globally, including 110 from the UK. What follows are the UK survey results.
- Representing UK firms with AUM of USD \$2.9T.
- Investment decision-makers only with more than USD \$500M in assets.
- Fielded by CoreData Oct.-Nov. 2024.

Respondents



● Corporate/private pension plan	36%
● Insurance company	27%
● Public/government pension plan	21%
● Endowment/foundation	14%
● Sovereign wealth fund/future fund	1%
● Central bank	1%

AUM



OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Market outlook



Renewed optimism, tempered by volatility

“Growth hasn’t been as bad as we were expecting 12 months back, where every month we were expecting the recession that never came.”

– *UK Public Pension, CIO*

“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.”

– *UK Insurer, Head of Investments and CRO*

46%

Of U.K. institutional investors overall (and 57% of U.K. pension funds) think a global recession is unlikely in 2025

35%

Reducing cash as confidence rises

50%+

Increasing allocations to private infrastructure, private credit and private equity

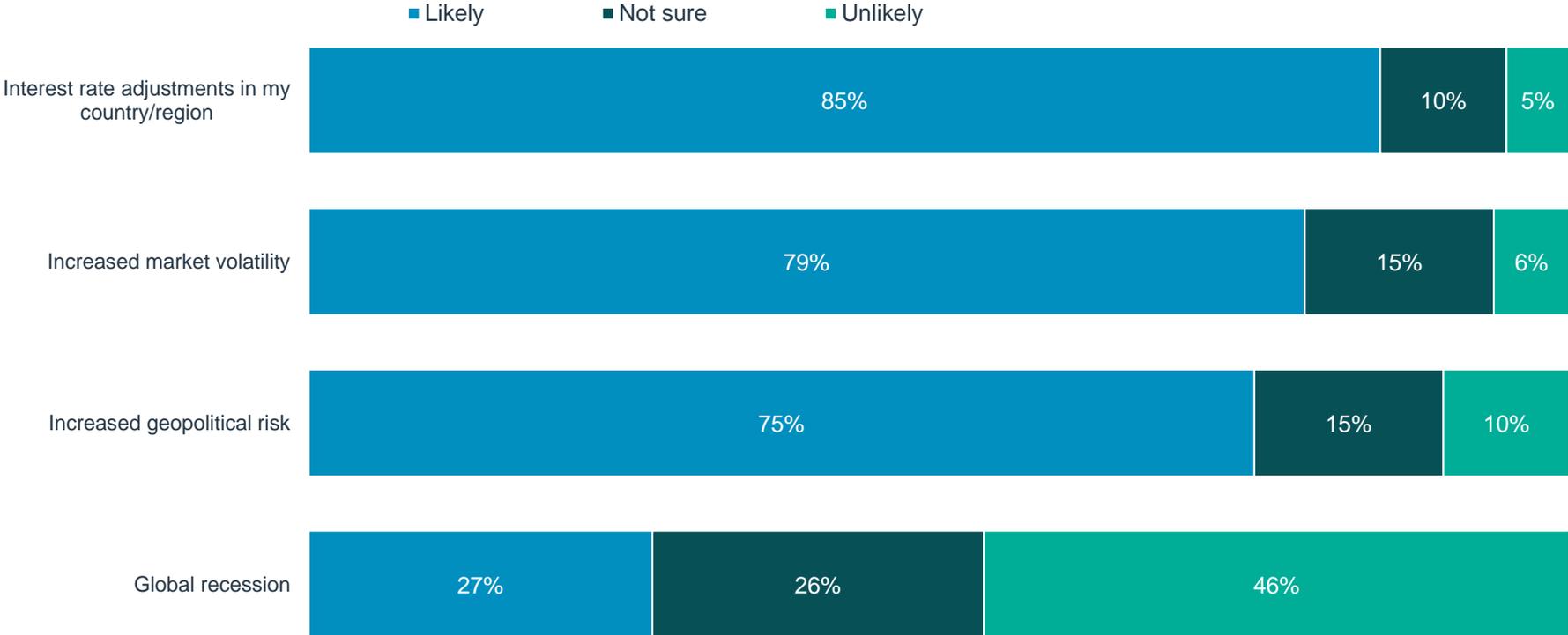
OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Investors expect heightened volatility

Increased volatility is viewed as a likely factor in 2025, based on current market highs and heightened geopolitical risk.

How likely are the following macro events in 2025?

Please indicate the likelihood of the following events in 2025:



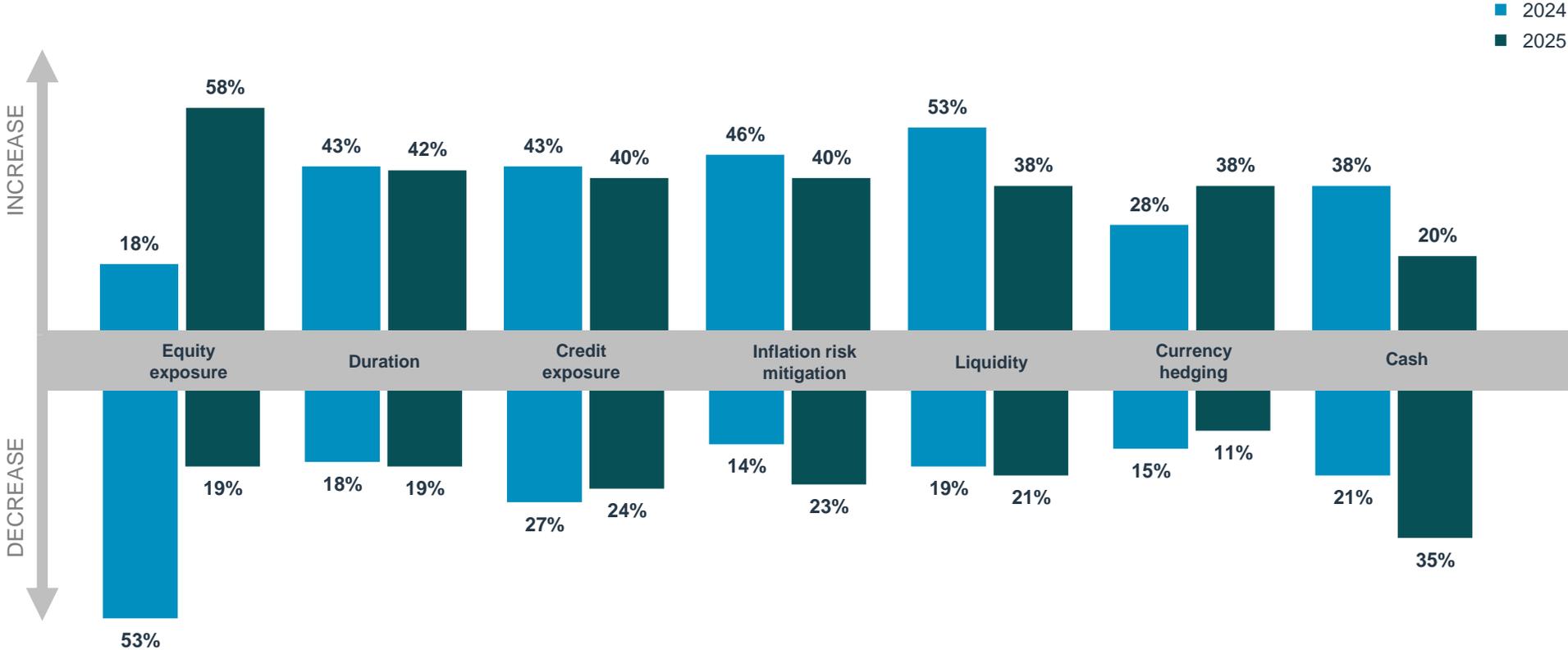
(110 UK survey respondents), data may not sum to 100% due to rounding.

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Cash is coming off the sidelines and flowing back to risky assets

Directional portfolio changes over next 12 months

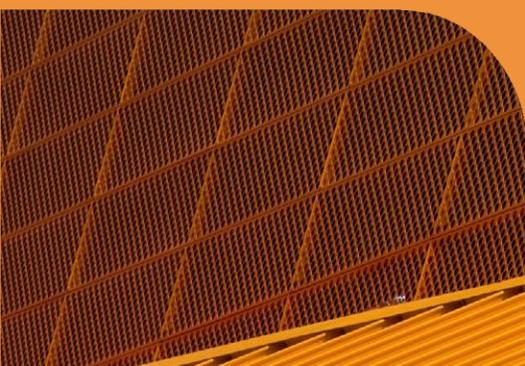
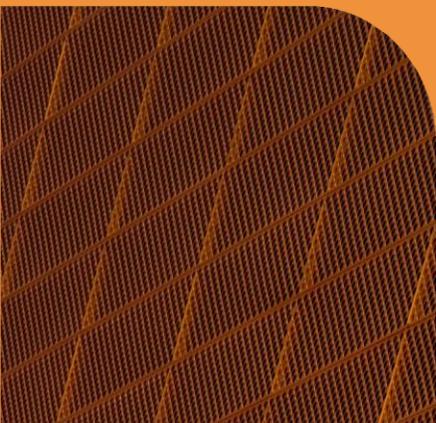
In the next 12 months, indicate the directional changes you will be making in your portfolio(s) in the following areas.



(2025 - 110 UK survey respondents, 2024 - 120 UK respondents)

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Asset Allocation



Private markets powering a new era of portfolio construction

“Infrastructure is probably the most attractive play not only because of the secular, but even on a cyclical basis. Almost every government, including the UK, talks about poor infrastructure and investment in the local economy. So there is a very strong tailwind going into the sector.”

– *UK Public Pension, CIO*

“We've been increasing our exposure to private markets for the last seven years or so. Privates gives us an opportunity to be more sculpted in terms of the type of assets that we take on and how we do it. It gives us a bigger say in the conversation as well as an opportunity to look at things that have characteristics that we like that are not necessarily present in some public assets.”

– *UK Insurer, Head of Investments and CRO*

71%

plan to increase private investments over next five years

51%

increasing allocations to private infrastructure

50%

expanding into new niche private credit opportunities

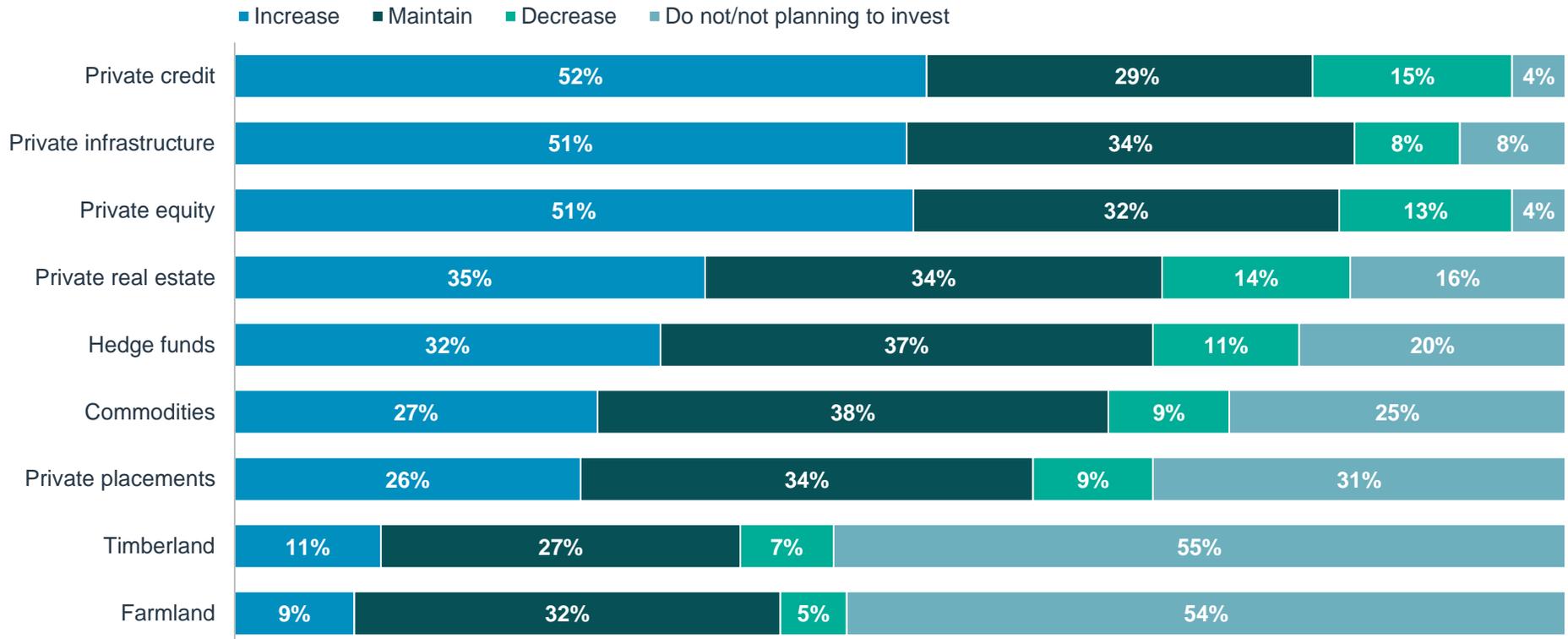
OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Private markets take center stage

71% of UK investors plan to increase allocations to private markets over the next five years with infrastructure, credit and equity the top picks.

Allocation plans across alternative asset classes – all UK investors

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



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

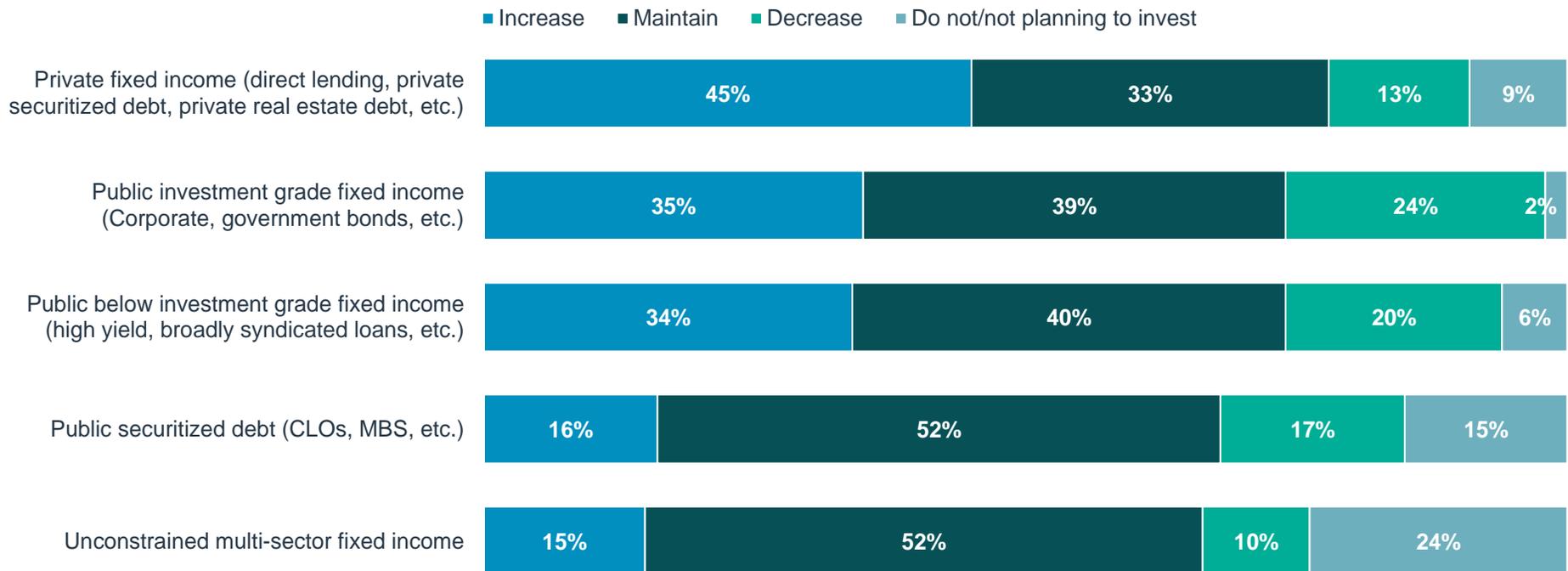
OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Privates prioritized for increased fixed income allocations

After favoring public investment grade last year, UK institutions seek out more exposure to private fixed income.

How are you shifting fixed income allocations over the next two years?

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.



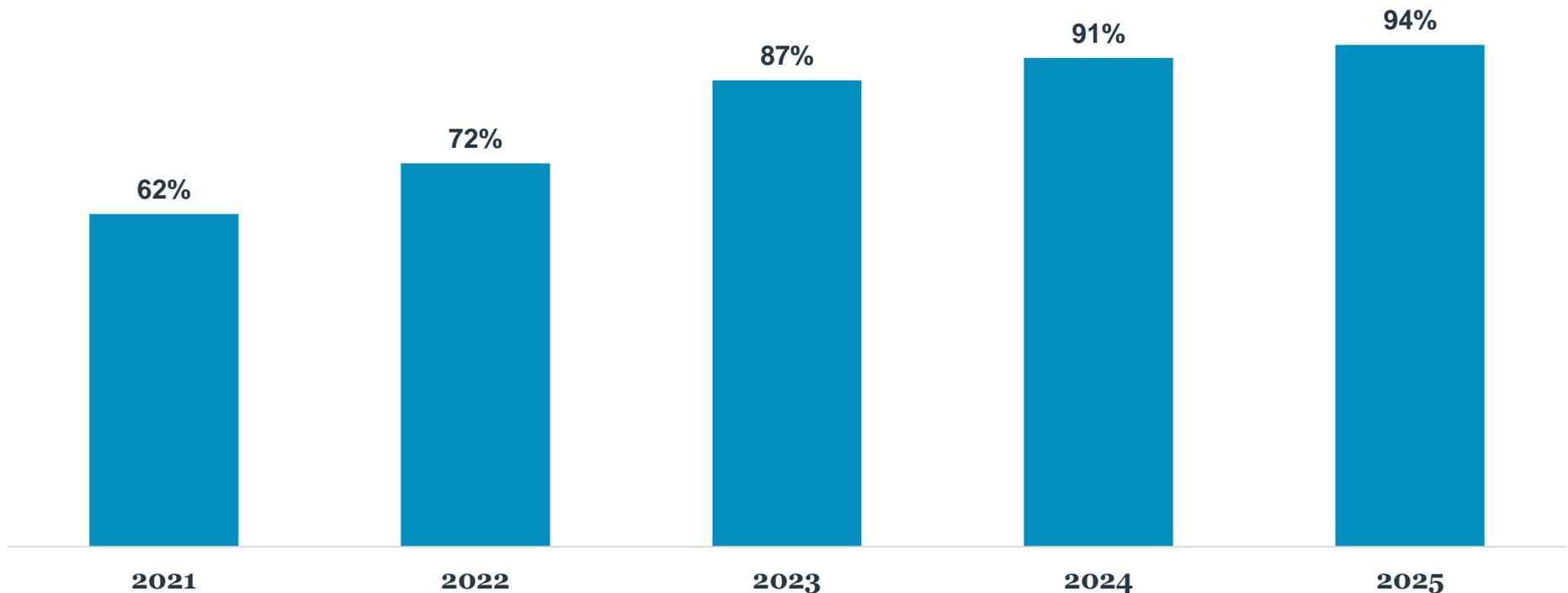
(110 UK survey respondents), data may not sum to 100% due to rounding.

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Private credit usage rises globally over last five years

As private credit becomes more mainstream, approximately half of investors say they are increasingly expanding into new niche areas of this market

Percent of global institutions investing in private credit¹



¹ Of investors who currently hold alternatives: 537 global respondents in 2021, 583 in 2022, 579 in 2023, 778 in 2024, 651 in 2025

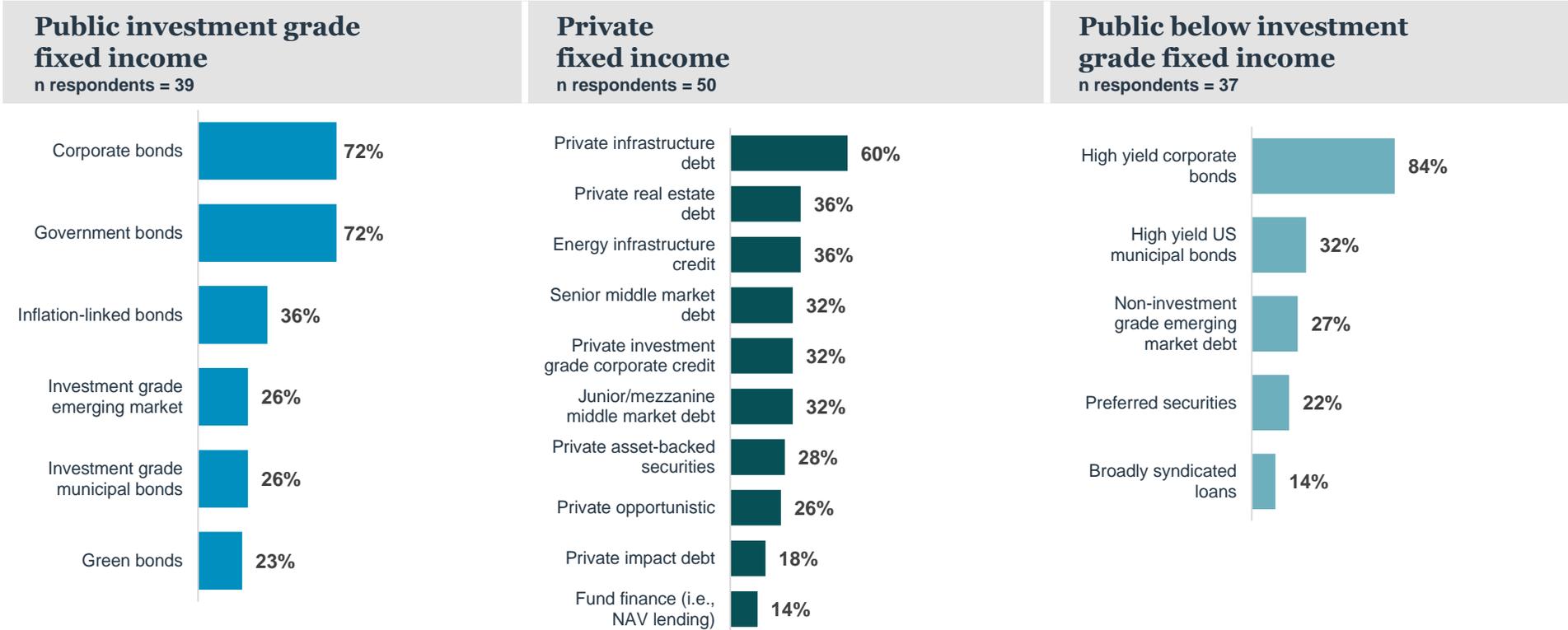
OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Private infrastructure debt remains the top choice for private allocations

Investors see attractive opportunities in infrastructure and real estate debt as part of a wider push into more niche opportunities to access greater return potential

How are you shifting fixed income allocations over the next two years?

For investors increasing allocations to fixed income, please indicate which of the following assets you plan to increase. Select all that apply.



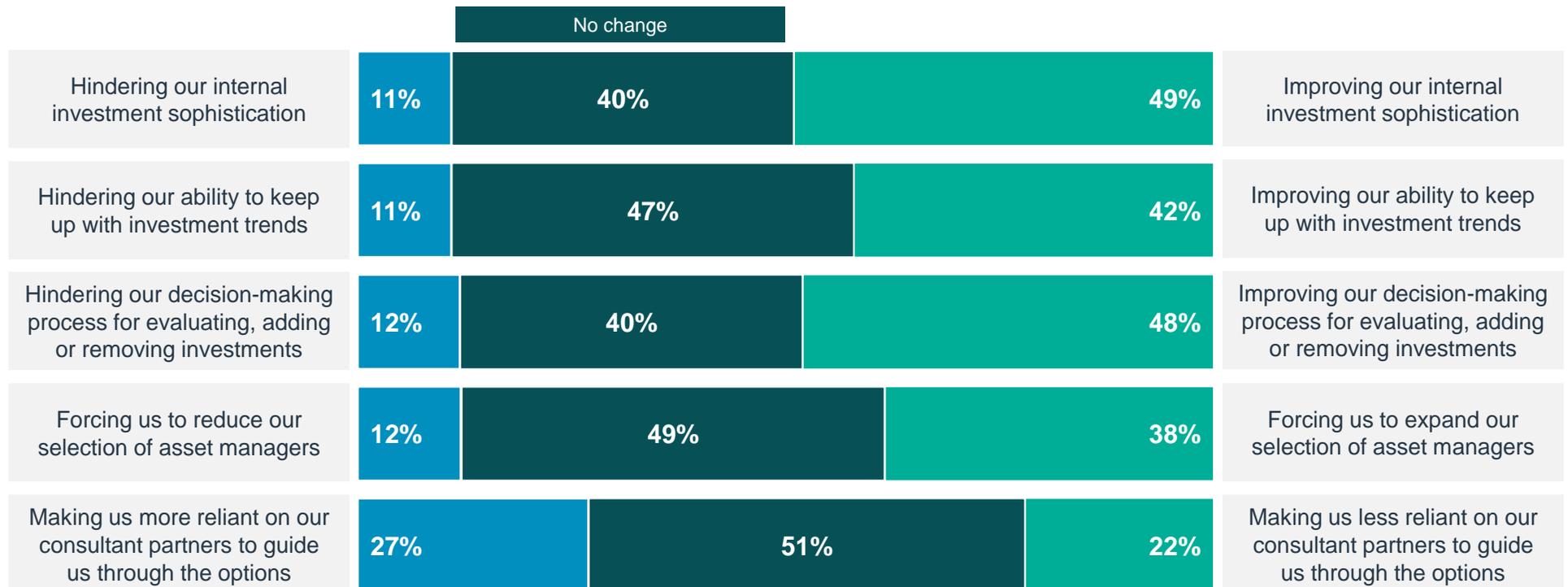
Multiple answers allowed.
OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Organizational benefits of private markets/alts investing

Overall, UK investors believe their expansion into private markets and alternatives is enhancing their investment knowledge and decision-making; expanding selection of investment managers

Organizational impact from growth of alternatives and private markets

As the growth of alternatives and private market investments in your portfolios increases, we want to know how that is impacting your organization. Please select the answer that best aligns with your organization's experience as this category grows.



(91 UK alternatives investors), data may not sum to 100% due to rounding.

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Environment



Environmental priorities in focus

“Nature is probably the most talked-about allocation today because of biodiversity challenges and climate change. But everyone is sort of in that educational phase. It reminds me of maybe 10 years back when everyone was educating themselves about renewables.”

– *UK Public Pension, CIO*

“We have a role to play in underpinning the social position of the UK economy. These are things that are aligned to government objectives. 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.”

UK Insurer, Chief Risk Officer

69%

say energy demands will require both brown and green energy sources for the near future

86%

are already making investment decisions (or plan to in the next 12 months) based on their net zero commitment

55%

view nature loss and ecosystem collapse are a top-five economic risk

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

UK investors taking a more pragmatic view toward energy transition

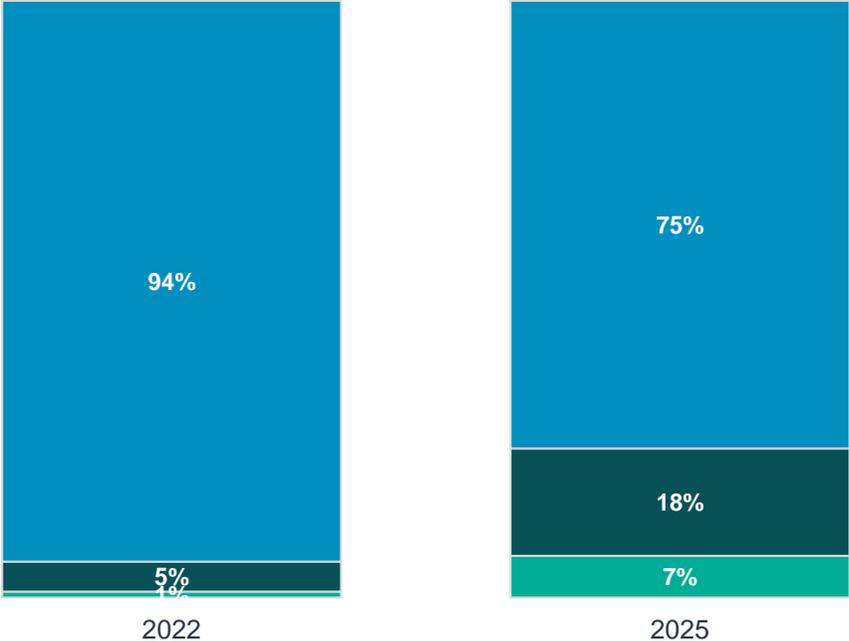
Rapidly rising energy demand and policy uncertainty has investors looking at brown and green energy sources.

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.

- Agree
- Neutral
- Disagree



69%

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

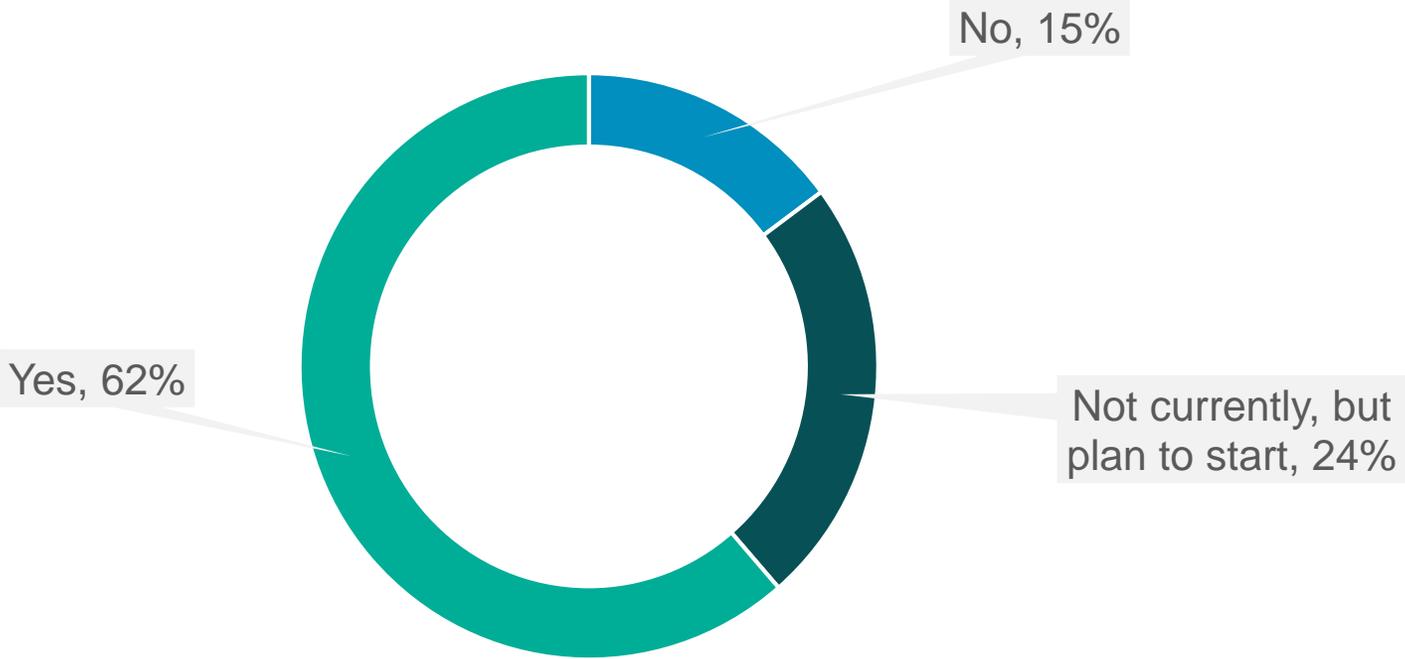
(125 UK survey respondents in 2022, 110 in 2025), data may not sum to 100% due to rounding.

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Majority of UK investors employ clean energy or carbon reduction strategies

62% already have net zero commitments and 24% are considering net zero

Do you consider a net zero commitment in your investment decisions?



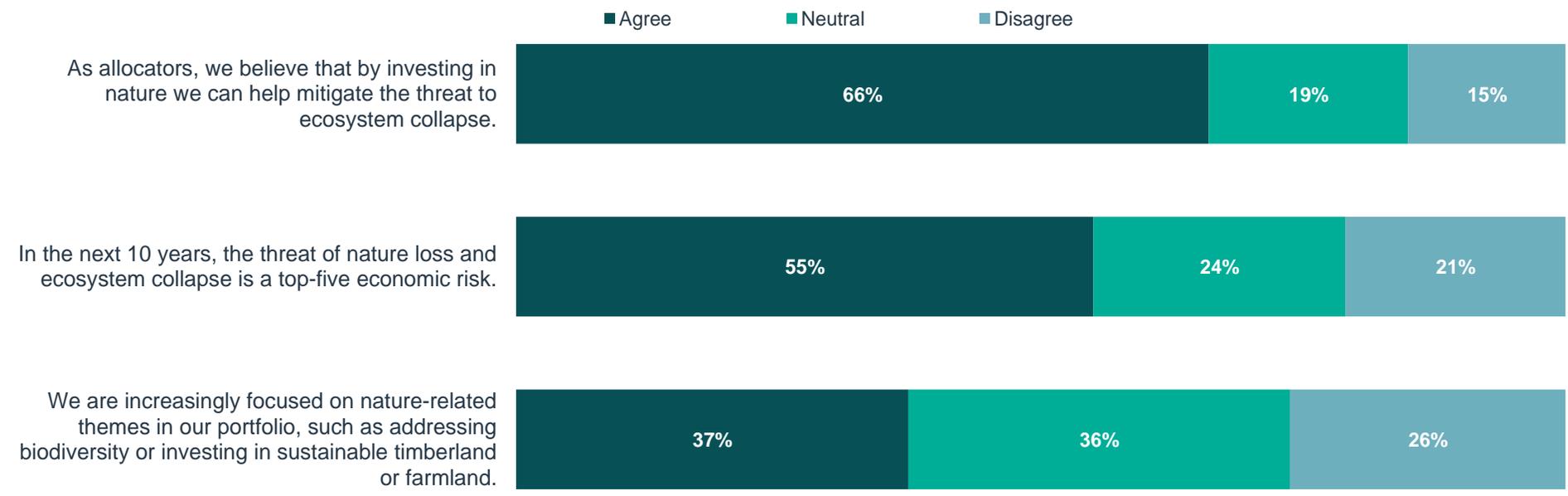
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More than half of UK institutions point to nature loss as a top economic risk

Two thirds of UK investors acknowledge that they can help mitigate nature loss, but for many it is still a developing area with only 37% placing a greater focus on these themes within portfolios.

Attitudes towards nature-related investing

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



(110 UK survey respondents), data may not sum to 100% due to rounding.

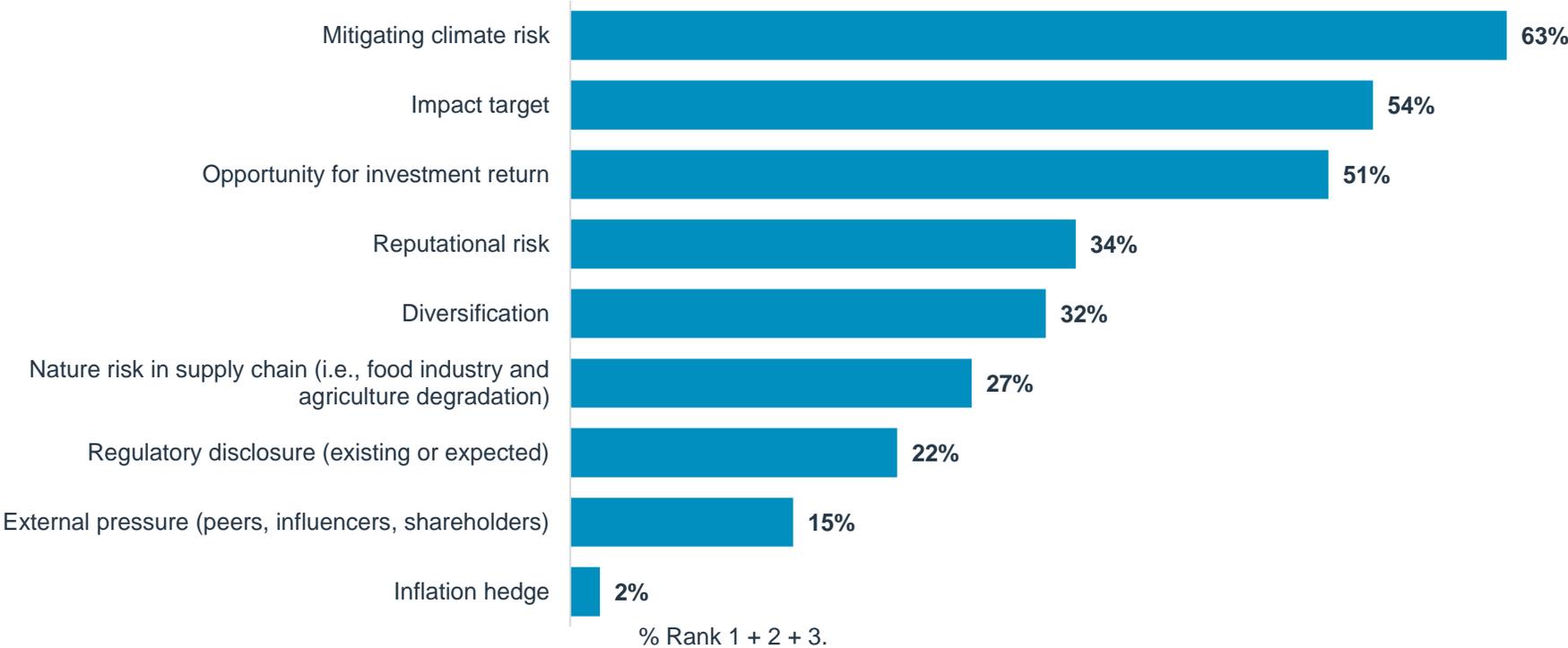
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Desire for both risk mitigation and return potential in seeking nature-related investment

A majority of UK investors cite climate risk, impact targets, and return opportunities as the main drivers of increased investment in nature.

Drivers of nature-related investing

You indicated you are increasingly focused on nature-related themes in your portfolio. Please indicate the top 3 drivers.



(41 increasingly focused on nature-related themes)

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Majority consider responsible investing factors in investment decision making

ESG, energy transition, and environmental impact top the list for UK investors.

Which factors influence investment decisions?

Please indicate which of the following factors your organization considers when making investment decisions.



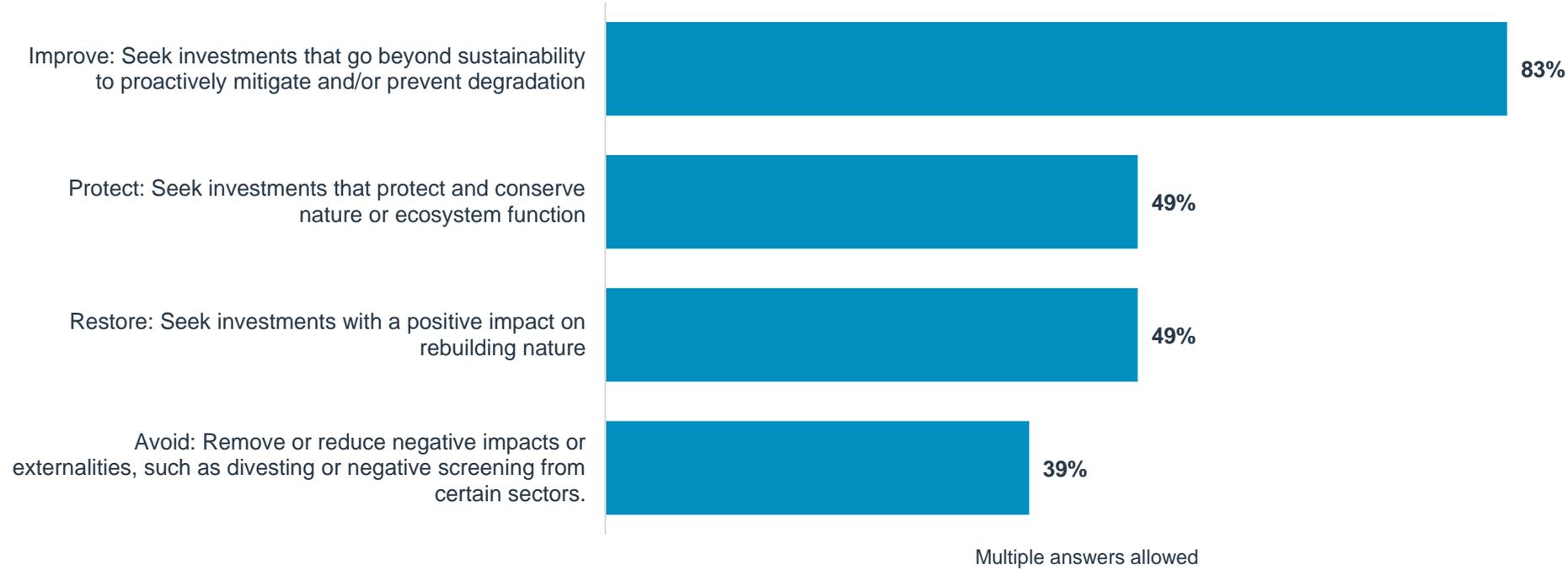
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Those increasingly focused on nature are going beyond sustainability

More than eight out of 10 want investments that proactively mitigate environmental degradation, focusing on areas such as water/waste management, pollution and recycling.

How are you approaching nature-related investing?

What best describes your focus with regard to nature-based investing? Select all that apply.



(e41 increasingly focused on nature-related themes)

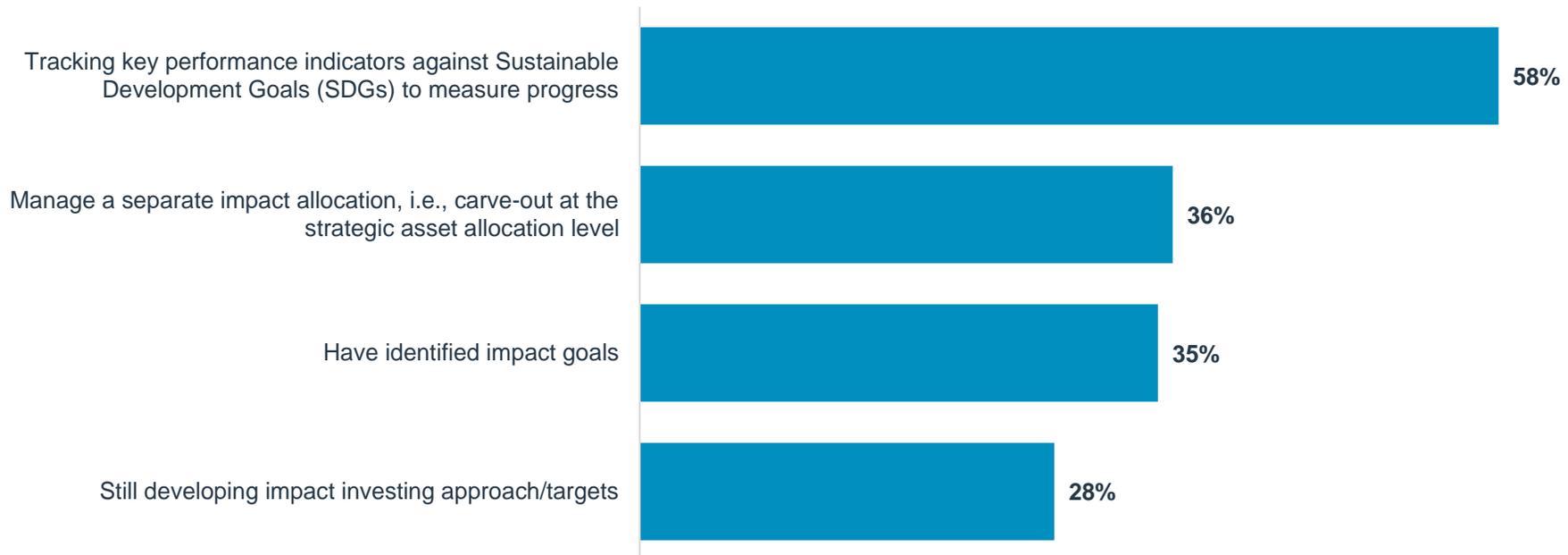
OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

58% investors who consider impact in investment decisions benchmark to the SDGs

Over one-third of UK investors who consider impact manage a separate impact sleeve and have impact goals.

How are you implementing an impact investing strategy?

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.



(101 UK respondents considering or planning to consider impact; multiple answers allowed)

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

Who we are

Nuveen is a global investment leader, managing an array of public and private assets for clients around the world and on behalf of our parent company TIAA, one of the world's largest institutional investors¹ and a highly-rated² insurance and retirement provider.

With diverse expertise across income and alternatives, we invest in the growth of businesses, real estate, infrastructure, farmland and forests to help make an enduring impact on our world.

¹ Pensions & Investments, 10 Jun 2024. Rankings based on total worldwide institutional assets as of 31 Dec 2023 reported by each responding asset manager, with 411 firms responding; updated annually. TIAA is the parent company of Nuveen. ² TIAA is one of only three insurance groups in the United States to currently hold the highest possible rating from three of the four leading insurance company rating agencies for its stability, claims-paying ability and overall financial strength. Ratings include A.M. Best (A++ as of 7/24), Fitch (AAA as of 8/24) and Standard & Poor's (AA+ as of 5/24), and the second highest possible rating from Moody's Investors Service (Aa1 as of 10/24). There is no guarantee that current ratings will be maintained.

OPINION PIECE. PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.



\$1.3T

invested across many asset classes and geographies³

1.3K

institutional clients in 32 countries⁴

7

of the world's 10 largest pension funds as clients⁵

³ As of 31 Dec 2024. Nuveen assets under management (AUM) is inclusive of underlying investment specialists. ⁴ As of 31 Dec 2023; updated annually. ⁵ Nuveen as of 30 Sep 2024; world's largest pension funds 2024 based on research study from Willis Towers Watson, Thinking Ahead Institute | Pensions & Investments, September 2024, rankings based on U.S. funds' data as of 30 Sep 2023 and non-U.S. funds' data as of 31 Dec 2023, with certain exceptions; updated annually.

Disclosure

For more information, please visit nuveen.com.

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Economic and market forecasts are subject to uncertainty and may change based on varying market conditions, political and economic developments. As an asset class, real assets are less developed, more illiquid, and less transparent compared to traditional asset classes. Investments will be subject to risks generally associated with the ownership of real estate-related assets and foreign investing, including changes in economic conditions, currency values, environmental risks, the cost of and ability to obtain insurance, and risks related to leasing of properties.

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.

The survey has a margin of error of +/-3.5% globally and +/-6.8% for UK at a 95% confidence level.

Nuveen, LLC provides investment services through its investment specialists.

This information does not constitute investment research, as defined under MiFID.

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