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INVESTMENTS

Pensions Policy Institute

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WELCOME

**The DC Future Book: in association with
Columbia Threadneedle Investments**

Thursday 19th September 2019

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A Pensions Policy Institute report

PENSIONS POLICY INSTITUTE

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in association with...



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Welcome from sponsor

Chris Wagstaff
Head of Pensions & Investment
Education,
Columbia Threadneedle Investments



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Welcome from Chair

Jonathan Stapleton
Editor-in-Chief,
Professional Pensions and
Workplace Savings & Benefits



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Key Findings

Daniela Silcock
Head of Policy Research,
Pensions Policy Institute



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This is a time of great change



The past.....

- High private sector DB savings
- Low DC savings (5.5m active members in 2012)
- Higher charges
- Less regulation
- Equity/bond investment strategies



Today...

- Low active private sector DB savings
- High DC savings (13m active savers in 2019)
- Charge cap + further downward pressure
- High scrutiny + regulation
- Exploration of alternative asset investment
- Growing appreciation of the financial implications of environmental, social and governance factors

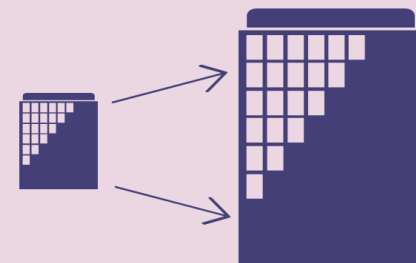
The pensions landscape changes very quickly



Automatic
enrolment
2012-2019



Illiquids
work
2019

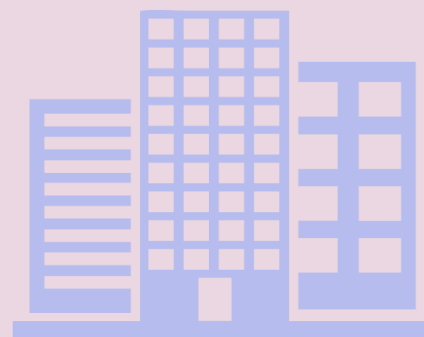


Consolidation
2018, 2019...

ESG
regulations
2018

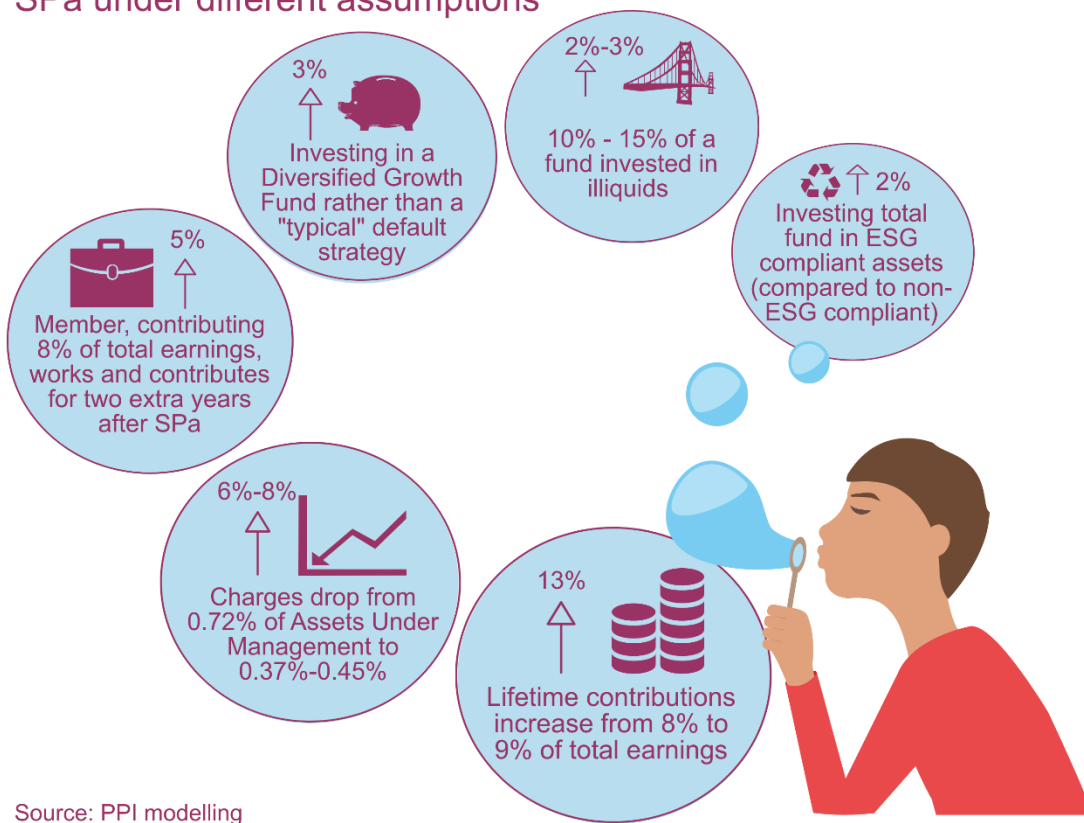


Master Trust
authorisation
2019

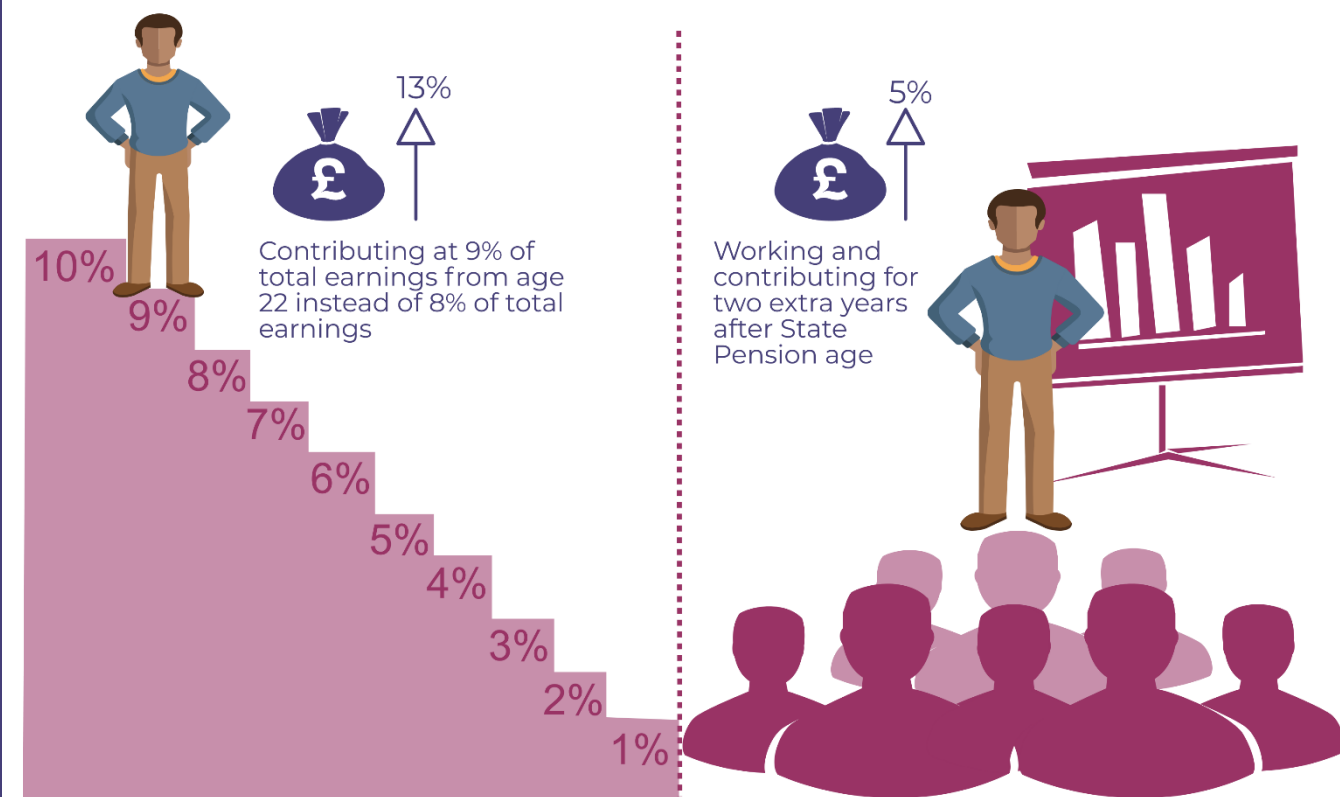


Where are we heading to?

Potential increase in pension pot by State Pension age (SPa) for Sam, a median earner saving 8% of total earnings from age 22 to SPa under different assumptions



Increasing contributions from 8% to 9% could increase Sam's pot size by 13%, and working for two extra years could increase his pot size by 5%



How do we get there?

- Keep discussing charges vs. returns
- Evolve DC platform infrastructure for increased availability of assets
- Keep moving towards a holistic view of value for money
- Learn from other countries

Conclusions:

- The system is adapting to landscape changes
- We've come a long way
- There is still a long way to go...
- There is scope to increase DC pension pot sizes which means...
- ... *Increasing the standard of living of future pensioners*

Panellists opening remarks



Nico Aspinall
The People's Pension



Trish Curry
AustralianSuper



David Fairs
The Pensions Regulator

The Chatham House Rule

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*The remainder of the event is held under
The Chatham House Rule*

Q&A Session with the panel



Nico Aspinall
The People's Pension



Trish Curry
AustralianSuper



David Fairs
The Pensions Regulator



Andrew Brown
Columbia Threadneedle
Investments



Daniela Silcock
PPI

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Panel and Chair closing remarks



Please observe the Chatham House Rule

Thank you for attending today...

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Please stay and join us for a drink

Thank you to our event & research sponsors

