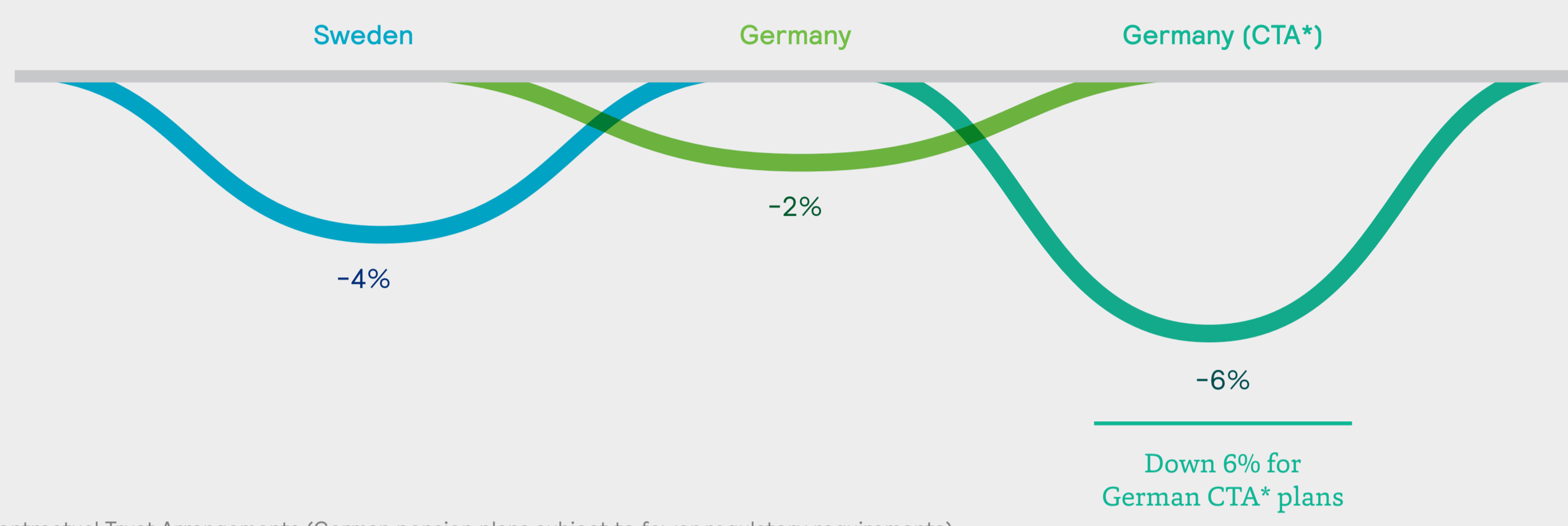


EUROPEAN ASSET ALLOCATION SURVEY 2016 INFOGRAPHIC

KEY FINDINGS

NEGATIVE YIELDS BEGIN TO BITE

Although bond allocations across Europe in aggregate remained broadly flat over the year, schemes in regions experiencing some of the lowest yields, such as Sweden and Germany, saw bond exposures fall.

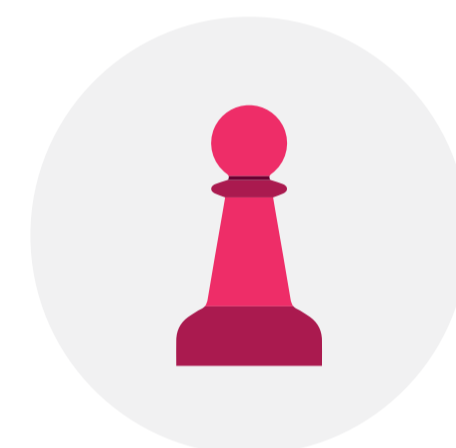
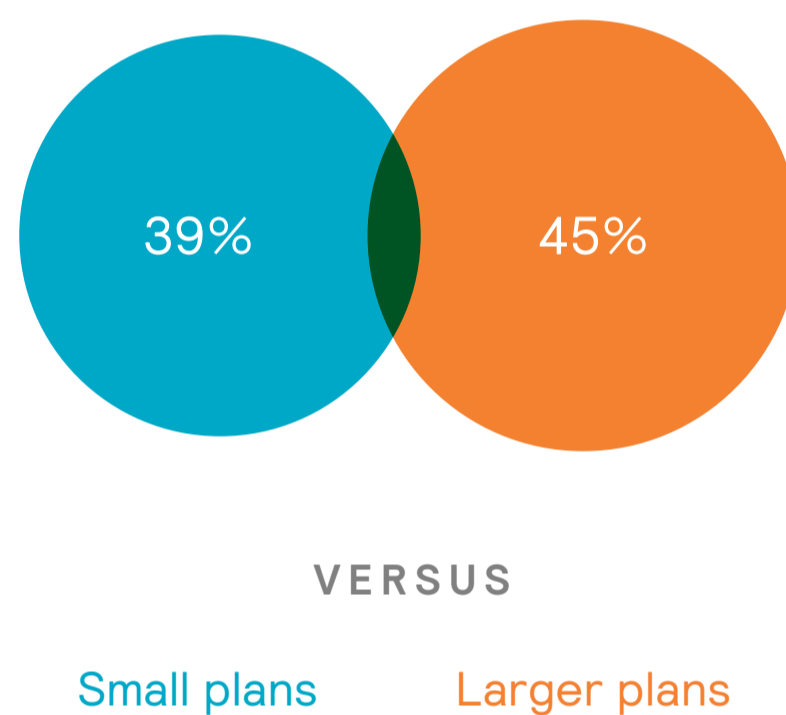
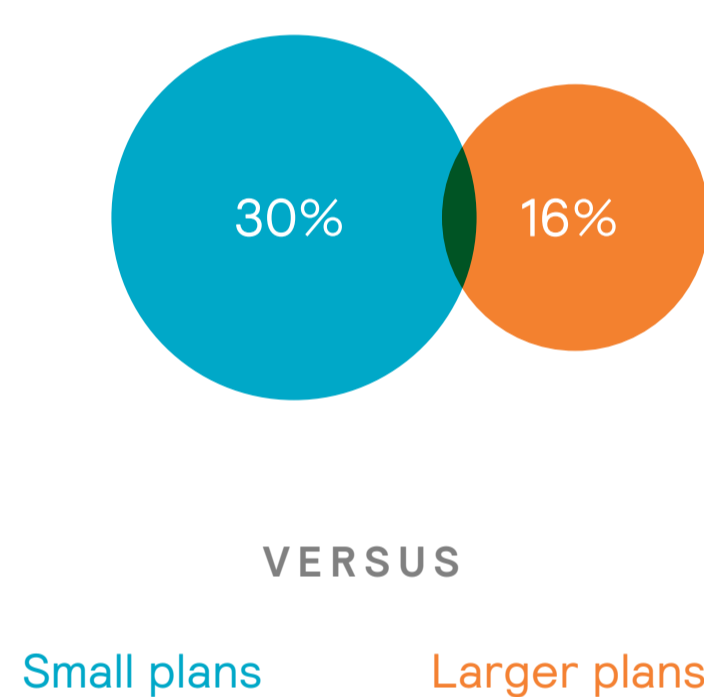


*Contractual Trust Arrangements (German pension plans subject to fewer regulatory requirements)

SMALLER UK PLANS MOST EXPOSED TO BREXIT-RELATED VOLATILITY

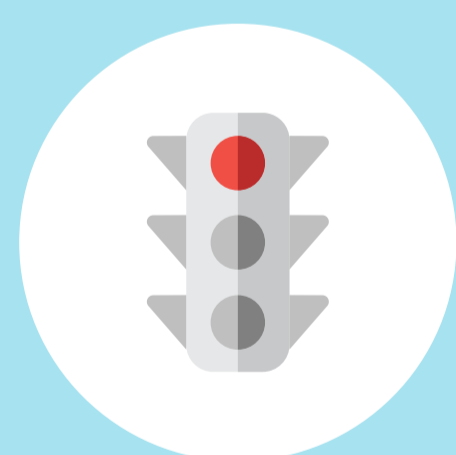
Typical small plans have relatively high UK exposure:

Relatively low currency hedging:

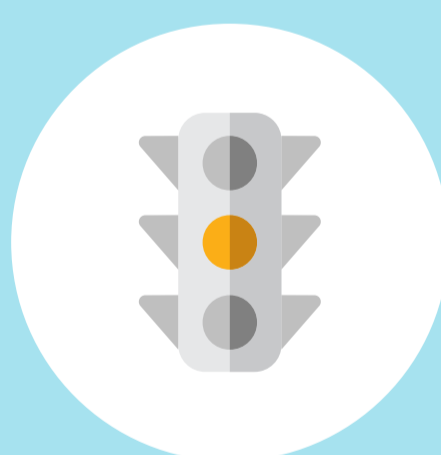


Small UK plans have less dynamic strategy

INSTITUTIONAL INVESTORS KEEP THE FAITH WITH EMERGING MARKETS



Retail investor flows into/out of emerging markets remain volatile.



In contrast, institutional allocations have on the whole held steady at 6% of total assets.



Unchanged from last year.

CASHFLOW-DRIVEN FINANCING TO THE FORE

Cashflow-driven approaches are increasingly popular.

