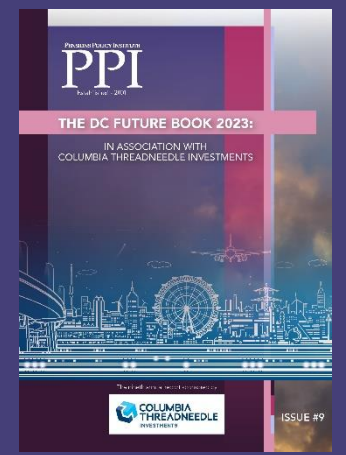


Celebrating 10 years of The DC Future Book

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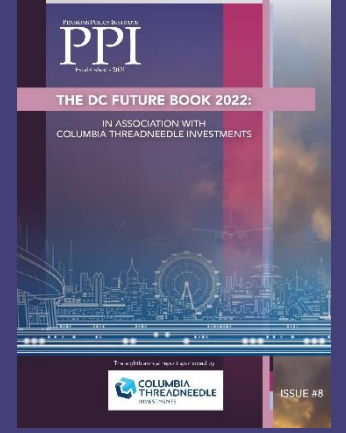
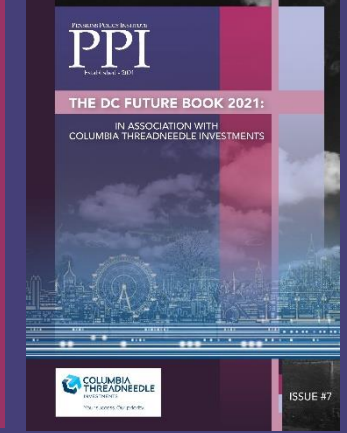
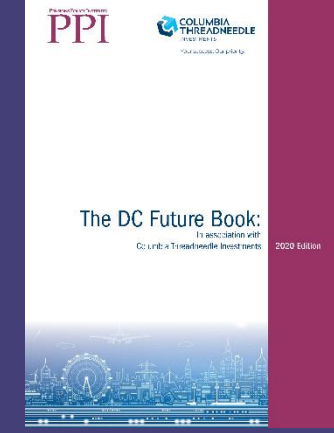
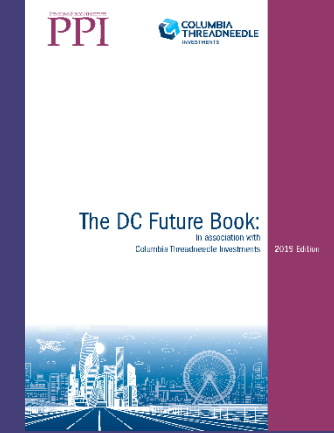
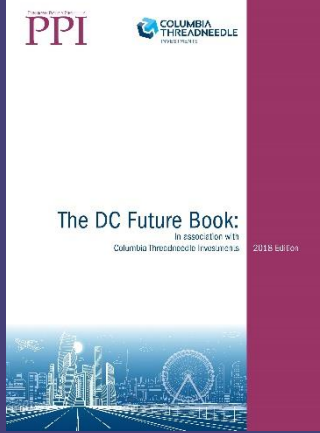
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Mike Housden,
Chief Commercial Officer (EMEA
Distribution



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Chair's Welcome

Jonathan Stapleton,

Editor

Professional Pensions and Workplace
Savings & Benefits

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The DC Future Book 2024

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Event overview

The event today is the official launch of the 2024 edition of **The DC Future Book**, in association with



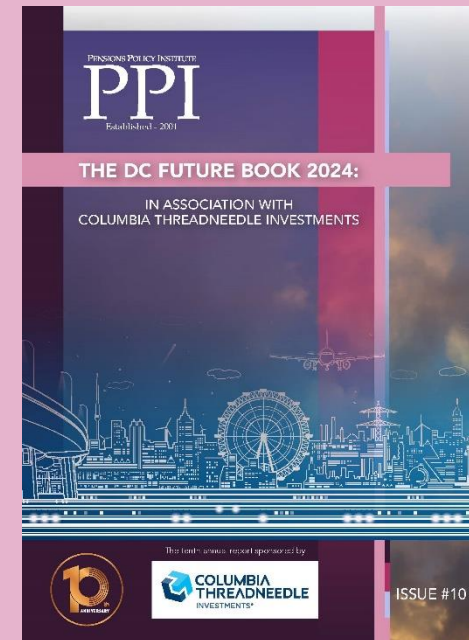
The DC Future Book sets out data available on the DC landscape alongside commentary, analysis and projections of future trends.

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Key Findings

Shantel Okello,

Policy Researcher

Pensions Policy Institute (PPI)

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Overview

The past 10 years of DC pensions:

- Introduction of automatic enrolment
- Shift from DB to DC schemes
- Pension freedoms
- Changes in investment trends

The future 10 years of DC pensions:

- Increased DC participation
- Technological advancements
- Policy changes to mitigate risk
- Further changes in investment trends

Key trends

Automatic enrolment

11.1m

automatically enrolled
by June 2024

+

1m

automatically
re-enrolled

Saving behaviour

8-10%

Stagnant contribution
rates

12.3k



12.7k

average DC pot size

Investment

Small increase in
allocation alternatives



ESG

Environment
prioritised

Access

72k

annuities

110k

drawdown

320k?

Fully withdrawn

The past decade of DC pensions

2014/15 → 2024

The shift from DB to DC

- 12.4m → 8.9m total members of private sector DB
- 1.8m → 700k active members of private sector DB
- 13% → 9% of private sector DB schemes remain fully open
- 5.6m → 14m active members of DC schemes

Freedom and Choice

- 189k → 72k annuities sold
- 40k → 100k drawdown products sold

Automatic enrolment

- 5.2m → 11.1m automatically enrolled
- 3.9 million → 9.2 million members in master trusts

Investment trends

- £364bn → £650bn DC scheme aggregate assets
- Beginnings of shift from bonds and equities to more diversified strategies
- Increased ESG focus

The future decade of DC pensions

Increased DC participation

- 10.6m active members in MT and 14.9m active DC savers overall by 2044
- Median DC pension pots at SPa could grow from £44k today to £70k by 2044

Technological advancements

- Artificial intelligence and advice and guidance
- Viewing pension savings at fingertips, similar to bank balance

Investment trends

- Continued focus on ESG
- Shift from bonds and equities to alternative assets

Policy changes

- VFM Framework, Lifetime provider model, small pots consolidator, pensions dashboards
- New Pension Schemes Bill

Conclusions

- The introduction of automatic enrolment and decline of DB have facilitated a shift to DC, as well as the rise of the master trust
- Greater flexibility in accessing and managing DC savings comes with increased individual responsibility and risk
- Increased focus on ESG factors and alternative asset classes playing an increased role in DC investment
- Moving forward, Government and industry collaboration needed to mitigate risks and support savers

Sponsor's Response

Andrew Brown,

Institutional Business Director

Columbia Threadneedle Investments



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Keynote address

Sir Steve Webb,

Partner LCP & PPI Governor

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Opening Comments from the Panel

Q&A with the panel



Jonathan Stapleton
Professional Pensions

Rob O'Carroll
DWP

Lauren Wilkinson
PPI

Andrew Brown
Columbia Threadneedle
Investments

Steve Webb
LCP
PPI Governor

Please respect The Chatham House Rule

Thank you to...



The authors of the research, Shantel Okello, Lauren Wilkinson, John Adams and Daniela Silcock

The Event Chair, Speakers and Panel Members

To everyone who has made the launch of this report possible today.

**Thank you for
attending today**