

Demand for responsible investing thrives among employees

Unemployment is already at an all-time low, and some predict it could dip below 4%.¹ How can you compete for top talent—and retain your best employees—in this tight labor market? Nuveen's research suggests it's critical to build a strong employer brand—and responsible investing can help.

EXECUTIVE SUMMARY

- Investor interest in responsible investing is growing fast—making sharp gains even from one year to the next.
- A large majority of investors want their investments not only to do well, but to do good. In fact, 80% say they'd like their investments to promote positive social and environmental outcomes in addition to producing competitive returns.
- Millennials are the forefront of change, with over 90% saying they would be willing to invest their entire retirement balance in a fully diversified responsible investment portfolio.
- Social and environmental impacts play a growing role in helping potential job candidates select their next employers. More than half of Millennials say they've researched potential employers' track records in these areas before showing up for an interview.
- Responsible investing retirement plan options are fast becoming table-stakes for employers looking to hire. Fifty-seven percent of investors would choose an employer based on whether it offered a fully diversified responsible investment portfolio. Among Millennials, that number skyrockets to 94%.
- Responsible investing opportunities also make a major impact on employees' loyalty and good feelings toward their employers, as well as their attitudes toward contributing to their plans.



Responsible investing appears to be here to stay.
\$8.7 trillion invested in 2016.²



SAY: "Having the option to choose responsible investing options in my retirement plan would make me feel good about working for my employer."



ABOUT THE SURVEY

The Third Annual Responsible Investing Survey is a trended analysis of key issues facing advisors and investors.

Nuveen commissioned Harris Poll to conduct two surveys of both populations, enabling the study to identify gaps between the perceptions of investors and those of advisors. The advisor survey was conducted online from June 13 - 22, 2017 among 281 currently employed financial advisors in the U.S. (one-third wirehouse, one-third RIAs, one-third broker/dealer affiliated). The affluent investor survey was conducted online from June 1 - 27, 2017 among 1,012 affluent investors: U.S. residents over age 21 with \$100,000 in investable assets (excluding workplace defined contribution accounts or real estate), who consider themselves the decision maker for financial decisions and who currently work with a financial advisor.

RESPONSIBLE INVESTING IS SURGING INTO THE MAINSTREAM

In growing numbers, Americans are turning to responsible investing. Over the course of a single year—from 2016 to 2017—the share of investors who say they're familiar with responsible investing jumped by 16 percentage points, from 41% to 57%. At the same time, they're turning their idealism into action, pouring a total of \$8.7 trillion in AUM into open-end funds that pursue responsible investing strategies.²

Today, it's natural to care about nature. And sociable to care about society

Concern for environmental and social impacts is becoming an accepted part of daily life in America. Nine out of 10 Americans recycle every day. Eighty percent say they'd like their investments to promote positive social and environmental outcomes in addition to producing competitive returns.



92%

of MILLENNIAL INVESTORS



58%

of ALL INVESTORS



43%

of NON-MILLENNIAL INVESTORS

SAY: "If I had the choice, I would invest my whole retirement balance in a fully diversified responsible investment portfolio."

COMPANIES GAIN A RECRUITING EDGE BY OFFERING RESPONSIBLE OPTIONS

A company's social and environmental impact is becoming an increasingly important factor in attracting job candidates. This year, more Americans want an employer who makes a positive environmental impact—and they're increasingly scrutinizing retirement plans for responsible investment options.

The rise of the feel-good employer

The number of Americans who say they'd like to work for an employer that makes a positive impact on the world is large and growing, with a 6 percentage-point increase from 70% in 2016 to 76% in 2017. This is especially true for Millennials, 91% of whom agree with the statement.

Many eyes are watching you

You expect job candidates to research your company before coming in for an interview—but they may be looking more closely than you realize. Half (51%) of Millennials have conducted online research into the social and environmental track record of a company where they are interviewing.

Ties that bind: Responsible investing are increasingly important for retaining talent

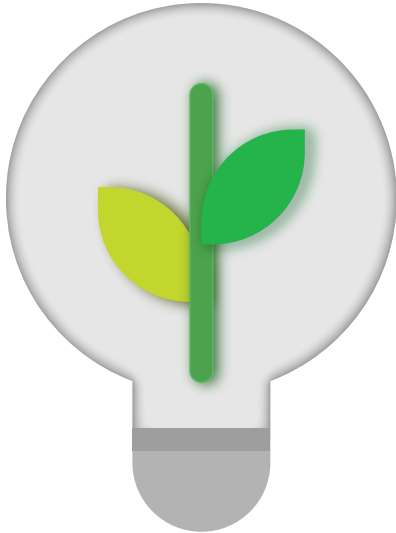
In today's job market, your employees have a lot of other opportunities to choose from—and it's a challenge to keep them happy at home. Employees say having responsible investing options make them more likely to feel good (79%) about working for their employers, feel more loyal (70%) to their employers, and feel better about contributing (70%) to their retirement plans—with every metric up significantly since 2016.



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9 out of 10
Americans recycle every day



80% of millennials say they'd like to invest on positive social and environmental outcomes and competitive returns

In 2014, TIAA and Nuveen came together to expand our capabilities across all investment types. Today, our customers fully benefit from our combined history of stability, retirement leadership and innovation.³

Visit TIAA.org to learn about responsible investing.

1 Washington Post, There's no reason unemployment can't go under 4 percent, 6 November 2017

2 Source: US SIF, Barron's 9 Nov 17

3 Reference to financial stability does not apply to the investment products offered

Risks and other important considerations

Responsible Investment are subject to the risk that because social criteria exclude securities of certain issuers for non-financial reasons, investors may forgo some market opportunities available to those that don't use these criteria. Investment products may be subject to market and other risk factors. See the applicable product literature, or visit nuveen.com for details.

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