



Auto-enrolment; making it work

nest
NATIONAL
EMPLOYMENT
SAVINGS TRUST

Launching NEST

Paul Gilbody

TISA
November 2010

The slide features a large orange circle on the right side. The NEST logo is positioned in the upper right quadrant of this circle. The text 'Launching NEST' is centered on the left side of the slide, and 'Paul Gilbody' is below it. At the bottom left, 'TISA November 2010' is written.

Delivering NEST

- NEST is on track to launch in 2011
- We have made great progress in building and testing the product:
- Working with TCS to design an end to end system that employers can use
 - Building prototypes, testing in usability labs, researching our visual design
- developing a language appropriate for a target market new to pension saving
- developing our investment strategy
- We've got a lot to show and we will be gradually rolling out elements of our product later this year and into 2011

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The NEST logo, consisting of the word 'nest' in a white, lowercase, sans-serif font inside an orange circle.

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TCS

TCS's international presence

- IT services, business solutions and outsourcing
- 137 offices in 42 countries; 88 delivery centres in 18 countries
- 160,000 employees globally, 60 sites in the UK
- Case study - Bank of China: Largest banking implementation ever undertaken across the world
 - Covers retail, commercial, cards, channels, payments and over 300 interfaces
 - Centralized operations of 380 million accounts, 22,000+ branches and 205,000 front line users



TCS and Diligenta - experienced partners

- TCS - More than 30 years experience in UK insurance sector with 90 insurance clients including the Top 7 UK insurers (e.g. AXA Group, Phoenix Group, Aviva, Aegon)
- Diligenta - FSA regulated service provider to UK life and pensions market with 5 million policies under management and 2000 staff in UK

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State Street Corporation



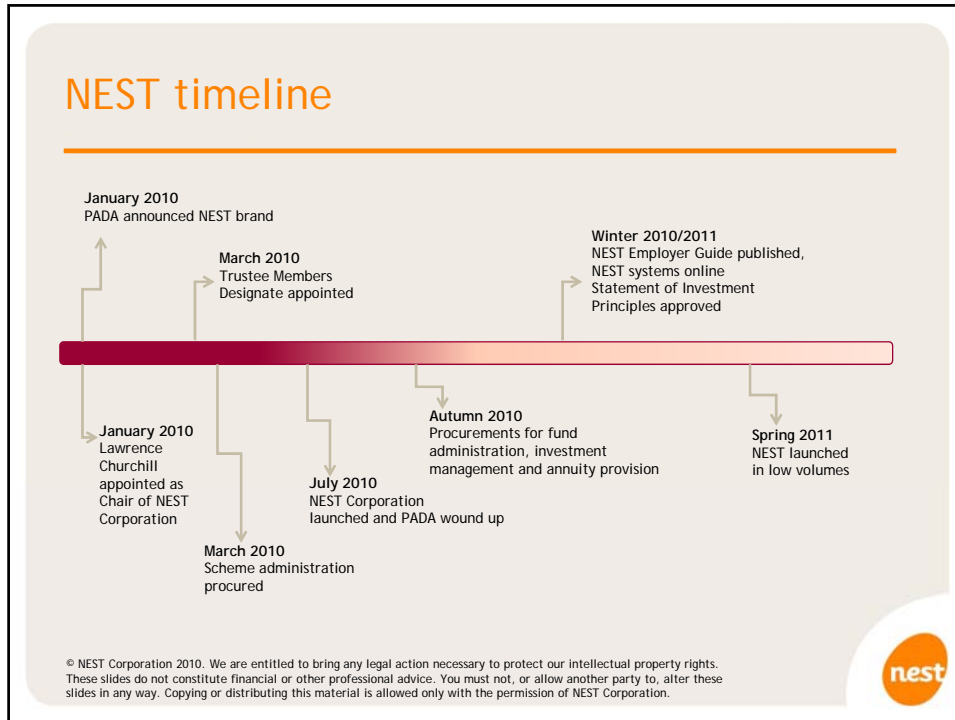
- Operate in 25 countries servicing customers in more than 100 markets.
- Offices in the UK in London, Edinburgh and Windsor. Opened its first UK office in 1972 and has 2,100 experienced professionals in the UK.
- £12.8 trillion in assets under custody and administration and £1.2 trillion in assets under management
- Administer over 1000 pension funds worldwide.
- 90 UK pension fund clients, including:
 - Kingfisher; Marks & Spencer; Rio Tinto; Pension Protection Fund.

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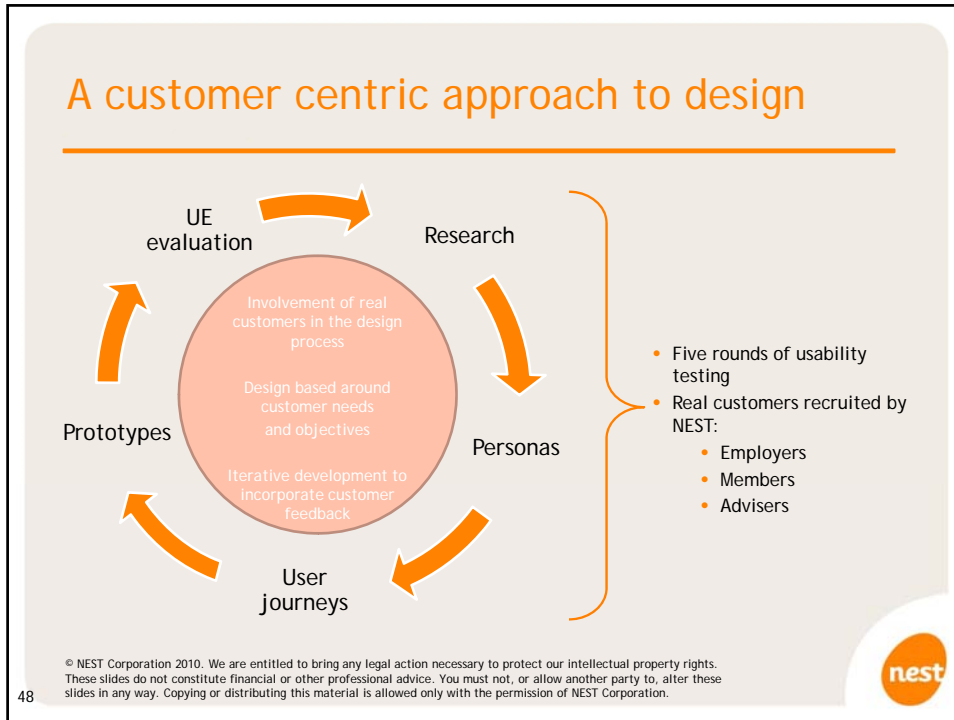




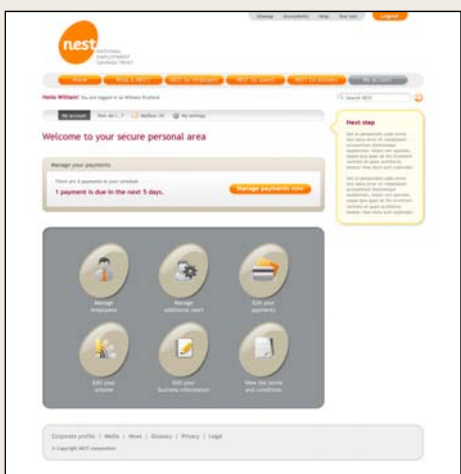
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Online pension scheme - ease of administration



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Investment approach

- Investment risk and volatility are likely to be alien to much of our membership
- NEST's investment strategy is likely to be characterised as 'appropriate risk at appropriate times'

For low-to-moderate earners

Value for money and is consistent with our low cost mandate

Detailed public consultation & debate with industry

High quality managers with performance history

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Fund mandates

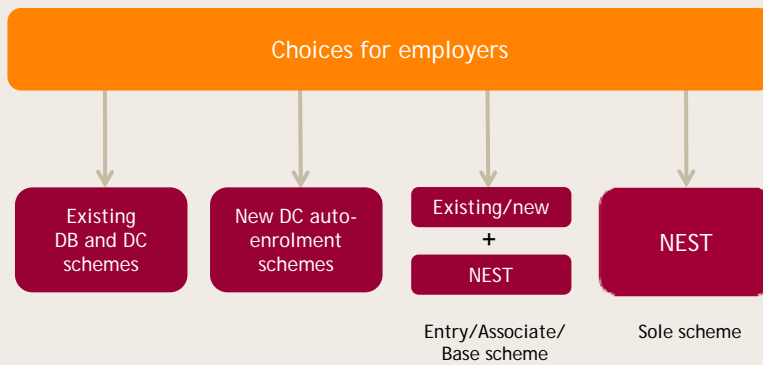
- Target-date funds
 - members whom make no investment choice will be automatically defaulted into the fund that corresponds to their expected retirement date
- Asset classes (adverts have appeared in OJEU):
 - Global Equities (Developed) Fund
 - UK Fixed Interest Fund
 - IL Gilts Indexed Fund
 - Cash Fund
 - Diversified Beta
- As we grow additional asset classes will be added
- Core strategy is based on passive management,
 - active managers where appropriate and where they add value.

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2012 - Employer options

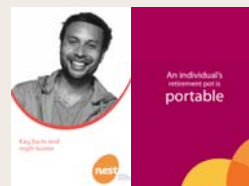


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More information

- Key facts and Myth buster
- www.nestpensions.org.uk
- Advice and support from Xafinity and NEST



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