

Press release

11 September 2019

LGIM launches tech tools for workplace pensions to drive member engagement

- **A management information tool** that allows workplace pension schemes to analyse and segment their membership information to better understand savings trends and create targeted member campaigns
- **A member app called *Unu*** that gives employees real-time access to employee benefits information, including their pension, as well as other applications through a single login

Legal and General Investment Management (LGIM) has developed a cloud-based web tool for Defined Contribution (DC) pension schemes that will aggregate scheme data in a central repository and help improve member engagement. This means pension providers will now have a consolidated data set from which to identify trends, such as employee's pension contributions, and respond accordingly with targeted communications and "nudge" techniques.

As one of the UK's biggest pension providers, LGIM will also be able to draw on a large data set to help give an overview of the UK pensions landscape. This has multiple applications including developing market projections, using business intelligence derived from machine learning and artificial intelligence insights, and influencing broader pensions policy. At an LGIM institutional client conference yesterday, two-thirds (66%) of respondents said data science was an important contributor to improving pension outcomes for workplace savers.

A second tool – the Unu member app – is designed for members themselves. It offers access to the full suite of their employee benefits and pension information through a single platform. LGIM expects to extend the platform to provide a single access point for all of an individual's financial information.

Emma Douglas, Head of Defined Contribution at LGIM, said: *"The tech tools we are launching will help pension providers gain insight into their members' saving trends by unlocking the wealth of information available in their schemes - such as demographic and regional savings trends, and gender biases. From this, providers will be able to create more targeted communications and apply nudge techniques. The data collected at an aggregate level can also be used to help inform and drive broader pensions policy."*

"Unu is designed to reduce the amount of time we all spend wading through multiple platforms and information sources. People increasingly expect to have information at their fingertips, and we believe pensions and employer benefits should be no different. While most users do not access this information on a daily basis, by providing a single, user-friendly app, we hope to encourage more regular engagement with pension and benefits provision, and ultimately greater engagement amongst users."

- ENDS -

Notes to editors

About the management information tool

The management information tool provides scheme managers with a breakdown of key statistics including, for example, member contributions over a specific time period, scheme assets under management, number of members, the percentage of users that are digitally active and net activity so far in the year.

Through the integrated machine learning capabilities, the software will act as a 'neural network', constantly collecting useful data, to ensure that new capabilities are developed to serve members whom it will benefit. For example, the help function will include a chatbot. If the same question is asked several times by the same persona type, detailed information can become available for members who fit that profile via a pop-up message, but not for others.

The infrastructure will allow certain schemes to upload their own data, including information not available to Legal & General, such as payroll information, to augment the tool's capabilities and build a more comprehensive profile of the scheme's users. LGIM has worked with a number of clients in the testing phase of the tool, to ensure the relevance and accessibility of the information provided. The data is non-attributable and does not identify individual members. It is securely held in the cloud and used to highlight trends that might help the membership improve their workplace pension experience.

Unu



Further information:

Angela Warburton

Senior PR Manager (interim)

☎ 0203 124 4355

✉ angela.warburton@lgim.com

🌐 www.lgim.com

Legal & General Investment Management:

Legal & General Investment Management is one of Europe's largest asset managers and a major global investor, with total assets under management of £1.1 trillion¹. We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

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¹LGIM internal data as at 30 June 2019. These figures include assets managed by LGIMA, an SEC Registered Investment Advisor. Data includes derivative positions.