The Bucket

By Editorial Staff *Fri, Oct 23, 2015*

Brief or late-breaking items from Voya Financial, TIAA-CREF, Prudential and MetLife.

Voya renews its $500 'Born to Save' campaign

For the second consecutive year, Voya Financial is offering a $500 mutual investment to every one of the approximately 10,000 babies born in the U.S. on the first working day of National Save for Retirement Week, the company announced this week. This year, the day is October 19.

Last year, about 1,000 parents enrolled in the program and claimed the prize for their newborns. Those children, born October 20, 2014, will receive a $50 contribution to their Voya accounts.

A Voya press release said that most parents of newborns can afford to contribute $500 to a savings fund for their children, as evidenced by the amount of money they spend on things they and their children don't need. According to a Voya survey in September of more than 1,000 new parents, about 40% spent at least $500 on baby-related items in the first year that they later determined were nonessential or they never used.

Almost 20% spent over $1,000 on items like clothing, toys, baby entertainment, strollers, baby carriers, and nursery furniture or décor. http://voya.com/borntosave. Parents and guardians of eligible babies must register for this offer at the Voya Financial website by December 18, 2015, Voya said.

TIAA-CREF expands in Europe

TIAA-CREF is set to grow its European institutional presence following the launch of three new UCITS fund strategies.

Managed by Nuveen Investments, a subsidiary of the US financial services company, the funds will invest in bonds and global equity with an environmental, social and governance (ESG) focus, and give investors access to emerging market debt.

Amy Muska O'Brien, head of TIAA-CREF's responsible investment team, said the ESG funds would focus on companies deemed "best in class" under its screening procedures.

Speaking about the ESG equity strategy, O'Brien said: "The strategy has been offered in the US for some time, and the same [portfolio management] team will be running the strategy as well."

The ESG bond fund will focus on US holdings, aiming to achieve an exposure to holdings with a "measurable" social or environmental outcome, she added.

O'Brien said the ESG bond fund was likely to be of interest to those seeking exposure to impact investing.

Asked whether the new fund launches marked an attempt by TIAA-CREF to further establish itself in the European market, she noted that the company was already known to a number of large asset owners through its agricultural funds.

She declined to state the company's expectations for investments over the first year of each fund's lifetime, saying only that "strong" demand was expected.

Fouche´succeeds O'Donnell as chief of Prudential Annuities

Bob O'Donnell, currently head of Prudential Annuities, has been tapped to lead a new organization that will focus on innovation and development of new growth opportunities across all of Prudential's U.S. business operations. The change will take effect December 7, according to a Prudential release.

Lori Fouché, currently head of Prudential's Group Insurance operation, will succeed O'Donnell as president of Prudential Annuities. Andrew Sullivan, currently chief operations officer for Prudential Group Insurance, will succeed Fouché as that business unit's president.

O'Donnell joined Prudential in 2003, following the company's acquisition of American Skandia, where he had been a member of the Product Development Department since 1997. Prior to becoming president of Prudential Annuities in 2012, he was the operation's vice president of product, investments, and marketing, and was responsible for its strategic development. He is also one of the founders of the Annuities Innovation Team.

Prior to joining American Skandia, O'Donnell was with Travelers Insurance Company and Mass Mutual in finance and asset management roles. He earned his bachelor's degree in

Economics from Fairfield University and an MBA in Finance from Rensselaer Polytechnic Institute.

Fouché joined Prudential as head of its Group Insurance operation in 2013. Previously, she served as president and CEO of Fireman's Fund Insurance Company, and held several other senior leadership positions in its commercial and specialty insurance divisions. Fouché earned an MBA from Harvard Business School and a Bachelor of Arts degree in History from Princeton University, with a certificate in American Studies.

Sullivan joined Prudential in 2011 and has been responsible for the underwriting, claims and service organizations within the Group business. He earned an Executive MBA from the University of Delaware and a Bachelor of Science degree in mechanical engineering from the United States Naval Academy.

More large DB plan sponsors contemplate de-risking: MetLife

MetLife's new 2015 Pension Risk Transfer Poll, released this week, found that nearly half of large plan sponsors (45%) have taken steps to prepare for an eventual pension risk transfer. Among those plan sponsors who are very or somewhat likely to engage in pension risk transfer, the percentage who have taken preparatory steps rises to 72%.

"Of those plan sponsors who have taken preparatory steps, approximately two-thirds have evaluated the financial impact of a pension risk transfer (65%); explored the pension risk transfer solutions available in the market place (62%); and/or, engaged in data review and cleanup (62%)," said Wayne Daniel, senior vice president and head of U.S. Pensions at MetLife.

According to the survey, plan sponsors identify key stakeholders as members of their company's C-suite (including the CEO, CFO, etc.) (87%); plan actuaries (72%); attorneys/legal counsel (68%); ERISA/plan governance committee members (62%); and, outside consultants/advisors (45%).

The top catalysts for a pension risk transfer to an insurance company are additional Pension Benefit Guaranty Corporation (PBGC) premium increases (51%), the impact of the new mortality tables issued by the Society of Actuaries in 2014 (45%) and the funded status of their plans reaching a predetermined level (34%).