

Emma Reynolds MP
Minister for Pensions
HM Treasury / DWP
1 Horse Guards Rd
London SW1A 2HQ

11 September 2024

Responsible Investment Proposals for Pensions Reform

Dear Minister,

We are writing to you as the CEOs of three leading responsible investment NGOs to request a meeting to discuss how we can support the Government's review of retirement savings and the pensions system.

Earlier this year, ShareAction, Finance Innovation Lab and Make My Money Matter, set out five detailed solutions with evidence-based recommendations for how the Government can deliver better pensions for all and ensure pension funds support sustainable, productive growth in the UK. A copy of our paper is attached.

The package of practical measures we propose has been developed through expert-led research, and extensive conversations with industry leaders, pensions lawyers and unions.

We are pleased with the ambition you have set out for reforming the UK pensions system, including a clearer focus on future outcomes to boost returns for savers, and unleashing the full potential of schemes to deliver increased productive investment across the whole of the UK. Alongside these first steps, we also welcome the launch of the National Wealth Fund and GB Energy as part of an economy-wide approach to achieving our transition to net-zero.

For that reason, we believe it is essential that your pensions review has a strong focus specifically on green growth, from the outset, and we are concerned that this appears to be lacking in the recently published [Terms of Reference](#). Our research highlights that, currently, many pension funds are not only failing to adequately manage climate risks, but they are actively contributing to them through continued investment in fossil fuel expansion and deforestation. This near-sighted approach poses a real threat to the UK's future economic stability and UK savers' quality of life in retirement.

Furthermore, we believe it is essential that a wide range of voices are fully consulted at every stage of the review, as you have committed to in the Terms of Reference – not only to ensure that pension inequality and inadequacy are addressed effectively, but also because our recent polling shows clear cross-party support for stronger government action to ensure pension schemes help to tackle the climate crisis and boost the UK economy. This must include clearer consultation of consumer groups, civil society voices and other independent experts.

Finally, we are surprised to see that defined benefit schemes will remain outside the remit of the review, and that investment and pension adequacy are being considered separately. Investment and outcomes are inherently interlinked, and we believe this review provides a real opportunity to support the government's wider ambitions to deliver clean energy, make work pay, and achieve national renewal across the entire country, in tandem with improving quality of life in retirement.

We would be delighted to meet with you and your team to discuss our proposals for how to achieve this, helping you to deliver the full potential of pensions for both savers and the UK economy.

Yours sincerely,



Catherine Howarth OBE
Chief Executive, ShareAction



Jesse Griffiths
CEO, Finance Innovation Lab



Tony Burdon
CEO, Make My Money Matter