

# ALMOST ALL EMPLOYEES ARE OBLIVIOUS TO THEIR PENSION'S CARBON EMISSIONS

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*A staggering 99.5% of employees have no idea about the scale of carbon emitted as a result of their pension's investments. When coupled with the fact that the average UK pension pot finances the CO<sub>2</sub> equivalent of 9 family cars, this lack of awareness is a national scandal, says the company.*

And it's not because they don't care, employees just don't know the extent of the problem. According to Cushon's recent research, more than eight in ten (84%) employees are concerned about climate change and 69% are specifically worried that their company pension could be investing in businesses that are contributing to climate change.

In 1995, the average carbon emissions per capita in the UK were 9.3 tonnes. Over the last 25 years the population has actively managed to reduce this output to 5.9 tonnes, yet the way we invest our pension pots remains relatively unchanged and finances nearly four times our personal emissions. Choosing to use a climate-friendly pension is

minimal effort and saves the CO2 equivalent of 27 years' of recycling each year

With £2.2 trillion of assets held by pensions, and 62% of employees saying that they would engage more with their pension if they knew their money was making a positive impact on climate change, this exposes a massive missed opportunity for the UK to simultaneously do good for the planet and encourage healthier saving habits for retirement.

Climate change and savings habits are inextricably linked, and the pension sector's part in this is a considerable, if poorly understood, part of the equation. In fact, each pension pot in the UK finances an average of 23 tonnes of CO2 emissions each year<sup>[6]</sup> through its investments. Yet, only a tiny fraction of the population is aware of this.

Responding to this issue, Cushon recently launched the world's first Net Zero Now pension. In doing so, their members are actively contributing towards slowing climate change and a 1.5 degree target. The fund has a management fee of just 0.15%, while offering highly competitive returns without sacrificing performance.

Responding to the Cushon research, Baroness Ros Altmann CBE, former UK Pension Minister, said: "It is about time we put people's pension savings to good use in the battle to protect our planet and knowing their money can help long term sustainability will encourage more people to feel proud of their pensions."

Ben Pollard, Founder & CEO, Cushon, said: "Anyone who recycles is concerned about the world we live in and protecting it for future generations. It's a complete no-brainer and the lack of awareness of the impact is a national scandal. Saving for retirement in a way that is climate friendly and helps create a better world to retire into should be as second-nature as recycling our newspapers has become. It's critical that we take immediate action and address this now. Every year that we continue to contribute to global warming, the prospects of eradicating it are greatly reduced. We can't afford to stand still and taking more responsibility for how our money is invested is a simple step but a giant leap forward.

"Our research shows that employees are concerned about how their pensions are adding to the damage done to the planet, but there is very little information available to pension members. Employees are calling for more information and they want more control. The pensions industry needs to provide greater transparency around the impact of investments on climate change. This is an issue that's been brushed under the carpet for far too long.

"We are raising the bar and setting new standards for the industry by launching the world's first Net Zero Now pension and hope that employers across the UK will recognise the crucial role they can play by partnering with a more responsible workplace pension provider."