ESG TOOLKIT FOR PENSION CHAIRS AND TRUSTEES
AN OVERVIEW
WHAT AND WHY

• A toolkit of resources that bring to life what good looks like.

• Aims to inspire action on next steps to mature the scheme’s ESG integration approach.

• A ‘live’ document with new resources continually being added.

• Supports trustees in discussions with fellow trustees, consultants and fund managers about practical actions they should take.

• Transferable to different jurisdictions and sizes (where appropriate).

• Also useful for service providers, actuaries and pension managers.

Access the toolkit here
**KEY COMPONENTS**

1. **An ESG maturity map** with suggested steps that schemes can take to progress on their ESG integration journey.

2. **Practical examples** of pension schemes to bring ‘what good looks like’ to life.

3. **Guidance material** to highlight the practical steps eg embedding ESG factors into different asset class portfolios.

Access the toolkit here
1. ESG MATURITY MAP

• Outlines ‘what good looks like’ and embeds ESG considerations into investment decisions, reporting, and engagement across the investment chain.

• Assesses what the scheme is currently doing and what steps can be taken to progress across 4 levels of maturity.

• For example:
  • Level 1: a Board could confidently speak about the role of asset owners in driving better corporate behaviour around ESG integration.
  • Level 3: a Board member would be expected to attend at least one investee company AGM per year, asking ESG-related questions as part of the engagement process.

Access the ESG Maturity Map [here](#)
1. ESG MATUREY MAP: LEVEL 0

- Level 0 outlines the minimum requirements that a Board of a UK pension scheme must comply with, as set out in the UK Pensions Schemes Act 2021.

Access the ESG Maturity Map here
1. ESG MATURITY MAP: IN PRACTICE

- A4S has written an accompanying guide to help trustees ‘workshop’ the maturity map with their Board.

Key features of the workshop guide:

- A step-by-step activity format and tips for maximizing engagement in a virtual context.

- An outputs template to record consensus on level of maturity per area, challenges identified and agreed next steps.

- Resource links table to signpost you to peer-case studies and guidance material.

- A commitments table to commit to progress with milestones and definitions of success.

Access the Workshop Guide [here](#)
2. PRACTICAL EXAMPLES

• A growing bank of case studies produced in collaboration with a variety of pension schemes (DB, DC, small, large, public, private, single/multi-employer).

• ‘In the voice’ of pensions schemes, focusing on practical steps for trustees, and including top tips for taking similar action.

Access the bank of practical examples here
TOPICS COVERED

• Engaging with service providers
• Stewardship
• TCFD reporting (including a deep dive into metric and target setting and scenario analysis)
• Setting Net Zero investment strategies
• Establishing opportunity funds
• Engaging with beneficiaries
• Considering climate in the employer covenant process

Access the bank of practical examples here
3. GUIDANCE MATERIAL

• A growing bank of resources for chairs and trustees to integrate ESG into their decision-making and processes.

• Aim to facilitate discussions in-house and across the investment chain, highlighting key actions and steps that can be taken.

Access the guidance material here
Tell us what resources and practical examples you would like to see – info@a4s.org
“A4S’s ESG Toolkit for Pension Chairs and Trustees will help you navigate through a changing landscape.”
Emma Howard-Boyd, former Chair of the Environment Agency

“We used the A4S Maturity Map in a Climate Training session with our Board. It was extremely useful to give the Trustees a picture of where we were, vis-a-vis other schemes, and where we might aspire to be across different parameters. It provided a good framework to prompt a thought-provoking discussion around our status, our goals and our specific areas of focus when it comes to climate risk.”
Catherine Claydon, Chair of BBC Pension Scheme and British Steel

"A4S’s ESG Maturity Map helps put the trustees back in control of the agenda. It enabled me and my peer trustees to challenge and probe further into previous statements and responses from our investment consultants."
Marcus Hurd, Professional Trustee, ndapt
Accounting for Sustainability (A4S) was established by HM King Charles III in 2004, when he was The Prince of Wales, to transform finance to make sustainable business, business as usual.

Exists to inspire action by finance leaders to drive a fundamental shift towards resilient business models and a sustainable economy.

Three core aims underpin everything we do:

- Inspire finance leaders to adopt sustainable and resilient business models
- Transform financial decision making to enable an integrated approach, reflective of the opportunities and risks posed by environmental and social issues
- Scale up action across the global finance and accounting community
The A4S Asset Owners Network is a grouping of pension fund chairs and trustees to discuss integrating sustainability into investment decision making. [Click here to find out more.](www.accountingforsustainability.org/pensions-toolkit)