

ESG and pension schemes: evolving duties of pension scheme trustees

Kate Granville Smith

Director







The “Elephant in the room”

“For too long, too few trustees focused on climate, ESG and wider sustainability issues in any significant detail, however, trustees can no longer ignore the elephant in the room.”

**The Pensions Regulator,
17 May 2023**



Obligations of pension trustees

SIP/IS	TCFD	General Code	Social Factors	TNFD
 <ul style="list-style-type: none"> • TPR's 2 tests <p style="text-align: center;">↓ ↓</p> <p>quantitative qualitative</p>	 <ul style="list-style-type: none"> • Regulations • DWP Statutory guidance • non-statutory guidance • TPR observations  • Exxonmobil fine	 <p><i>“There is no excuse for failing to know what the Regulator expects of them.” (TPR)</i></p>	 <p><i>“Social factors are becoming a much higher priority for schemes of all kinds when it comes to their engagement and stewardship activities.”</i></p> <p>PLSA</p>	 <p><i>“Trustees should take into account all financially material risks and opportunities that could impact savers’ pensions as part of good governance and stewardship.” (TPR)</i></p>

ESG litigation risks

ESG litigation risks for pensions trustees: A spotlight on identifying and mitigating risks



ESG litigation risks



Kate Granville Smith

Director and ESG Lead for Pensions



(0117) 902 7729



07812 317 904



kate.granvillesmith@burges-salmon.com



Our **award-winning Pension Schemes ESG Tool** is designed to make ESG simpler. Find out more here:

[Pensions Schemes ESG Tool \(Burges Salmon\)](#)

Bristol

One Glass Wharf
Bristol BS2 0ZX

T +44 (0) 117 939 2000

F +44 (0) 117 902 4400

Edinburgh

Atria One, 144 Morrison Street
Edinburgh EH3 8EX

T +44 (0) 131 314 2112

F +44 (0) 131 777 2604

London

6 New Street Square
London EC4A 3BF

T +44 (0) 20 7685 1200

F +44 (0) 20 7980 4966

www.burgess-salmon.com

This presentation gives general information only and is not intended to be an exhaustive statement of the law. Although we have taken care over the information, you should not rely on it as legal advice. We do not accept any liability to anyone who does rely on its content.

Burgess Salmon LLP is a limited liability partnership registered in England and Wales (LLP number OC307212), and is authorised and regulated by the Solicitors Regulation Authority. It is also regulated by the Law Society of Scotland. Its registered office is at One Glass Wharf, Bristol BS2 0ZX. A list of the members may be inspected at its registered office. Further information about Burgess Salmon entities, including details of their regulators, is set out on the Burgess Salmon website at www.burgess-salmon.com.

© Burgess Salmon LLP 2023. All rights reserved. Extracts may be reproduced with our prior consent, provided that the source is acknowledged.