



PRESS RELEASE

HS Trustees urges DC Schemes to be aware of the risk of climate change to their younger members and not to ignore inter-generational risk

Mind the Gap: Member Engagement, System Change, and Closing the Disconnect

Today, we manage pensions for members living very different lives — different ages, different time horizons, different priorities. Yet too often, we rarely ask them:

"What do you want from your money?"

Younger members are already telling us. Over 80% of under-40s in the UK care about climate change.

They want their savings to deliver **purpose, impact, and value** — not just financial return — **and they want to be able to retire into a liveable world, not have to adapt just to survive in a damaged one.**

It is not either/or — it is both. And it is urgent.

The intergenerational gap is real — and widening.

If we continue to invest ignoring the hopes and values of younger members, we risk losing not just engagement, but trust. We risk managing assets that will fail to support a sustainable, resilient future for those who will live with the consequences of today's decisions.

Yet many members still find themselves invested by default — not by choice, but because they lack the technical expertise, confidence, or support to make active investment decisions.

Default funds need to evolve — moving beyond purely financial objectives to strategies that align with members' values, deliver measurable real-world impact, and help secure a sustainable future. Today's defaults too often lag behind what members actually want — and what the future economy demands and requires.

If we want to stay relevant and truly engage our members, we must **mind the gap** — and close it. Our economy needs this funding as well.

That starts by **listening**: surveying members to understand what motivates them and what they expect from their pension savings.

According to Aon's 2024 DC Pension Scheme Survey, *only 18%* of DC schemes have ESG-screened funds in their default option.

This is not enough.

System change is needed: not just better communications, but a fundamental shift in how we assess and value investment offerings.

Products must be evaluated not only on financial metrics, but also on their ability to support the sustainable transition, manage systemic risks, and deliver better real-world outcomes — for members today and for generations to come.

If the pensions industry is to:

1. Avoid the growing financial risks linked to sustainability challenges;
2. Participate fully in the transition and capture the investment opportunities it creates;
3. Make a real difference on environmental and social issues affecting our members' futures

—

more must happen, and it must happen faster.

Engaging members now will:

- Build trust, agency and ownership;

- Align investments with their purpose and values;
- Drive better outcomes — for members, for the economy, and for the planet.

Mind the gap — and close it — before it becomes a chasm.

Further information:

Media contacts:

For media enquiries please contact:

- www.hstrustees.com
- Bobby Riddaway, Managing Director – 07970 378415 bobby.riddaway@hstrustees.com

Notes to editors:

About HS Trustees (HST):

- HST was founded in 2022 to promote trusteeship services.
- HST are totally independent and work on a whole of market basis.
- HST will provide services for schemes up to £2Bn, for DB, DC and Master Trust.
- Co-Founder, Steve Goddard is also CEO of the Pension Playpen. He also holds NED roles with Guide and Pension LAB.
- Managing Director, Bobby Riddaway has held several high-level pension trustee & management roles previously including roles with AON, Capita, Buck and worked with schemes including Santander, Scottish Power, A&P, Thyssen Krupp and Taylor Woodrow . He is joined at HS Trustees by Kevin O'Boyle (ex-Head of Global Pensions at BT, GECi and GlaxoSmithKline), Bob Bryant (ex BOC).

Address:

HS Trustees Ltd
Kings Parade
Lower Coombe Street
Croydon
CR0 1AA

