

Do you know where your pension is invested?

There's currently about £3T invested in UK pensions, but many of us barely think twice about where all this money is going. Pension management feels opaque and uninteresting – it's something that we don't always feel involved in, even though it's our money that's at stake.

However ethical our lifestyle habits are, it's likely our pensions are still funding fossil fuels, arms manufacture and the tobacco industry. If asked, we'd probably much rather this cash was invested in healthcare and renewable energy. In fact, according to [Make My Money Matter](#), a growing campaign advocating pensions that 'build a better world', 'making your pension sustainable can be 27x more powerful at cutting your carbon footprint than giving up flying and becoming a vegan combined'.

According to Emma Douglas, Head of Defined Contribution at Legal and General Investment Management (LGIM), "Increasingly a 'good member outcome' isn't just about building up as much as possible in the pot during the accumulation period, it's also about helping members make the right decisions and giving them the right options."

LGIM, one of Europe's largest asset managers, last week announced a partnership with Tumelo – an impact-focused fintech firm working towards greater transparency and a more ethical investment system. LGIM will now be working with [Tumelo](#) to ensure the £1.2T of pensions it manages are developed

with more than just financial return in mind.

“Our research has shown that most members don’t spend much time thinking about how their pension money is invested but once they have the opportunity to engage, they are interested in the underlying themes such as climate change, human exploitation, and fair pay”, Emma continues.

What will this mean for LGIM’s customers? Via Tumelo, hundreds of thousands will now be able to see precisely which companies their pension money is invested in. They will also be able to have their say and vote on ESG issues – from gender equality to climate change – raised by these companies’ conduct. For example, activewear brand Lululemon has come under fire for its poor animal welfare record and LGIM users would be able to vote against this via Tumelo’s user-friendly software.

Georgia Stewart co-founded Tumelo while studying at Cambridge University; it began life as a campaign to challenge the ways in which the university was investing its endowment funds. Now CEO, she says of the LGIM deal, “The largest companies in the world have a profound effect on the way we live our lives, and on what our futures will look like. But they are not untouchable.”

“Where our money is invested, and how those companies are stewarded, is critically important if our society is to have a better future and if biodiversity is to survive.”

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