



Molly Handley

From awareness to action: PEG's journey towards pensions equity

➔ **As part of our year-long special focus on diversity, equity and inclusion (DEI), *Pensions Age* speaks to Pensions Equity Group co-chair of communications and awareness, Molly Handley, about its mission to achieve equitable pension outcomes in the UK**

What inspired the formation of the Pensions Equity Group in 2023 and what are the primary goals you aim to achieve?

The Pensions Equity Group (PEG) exists to achieve equitable pension outcomes in the UK. We believe we stand the best chance of success by working together to tackle this issue, setting aside individual commercial objectives to focus on the broader mission of fairness and inclusivity. By uniting diverse voices from across the industry, PEG is uniquely positioned to drive meaningful change.

Our primary goal is, of course, equitable pension outcomes in the UK. Our initial focus is reducing the gender pensions gap, as women typically retire with significantly smaller pension pots than men, often due to career breaks, part-time work, and systemic barriers. We'll expand this in the future to address other pension inequities, including those faced by ethnic minorities, disabled individuals, and lower-income groups, ensuring that our work continues to evolve and address gaps in pension equity.

Second, we aim to raise awareness of the actions needed to achieve equitable pension

outcomes, emphasising practical steps that organisations and policymakers can take. Awareness is key to building momentum, driving collaboration, and fostering systemic change.

Third, we aim to become a trusted source of information and resources that help tackle inequity in pension outcomes. By sharing best practices, research, and tools, we can empower organisations to make impactful changes.

The group brings together over 50 passionate pension industry representatives from companies and organisations across the pensions industry, including Abrdn, Aegon, Aon, Arc Pensions Law, Aviva, Barnett Waddingham, Dalriada Trustees, Hymans Robertson, Legal & General, LCP, Mattioli Woods, MFS Investment Management, Now Pensions, Pinsent Masons, Pensions Policy Institute, The People's Pension, PLSA, Quietroom, Royal London Group, Smart Pension, Sackers, Scottish Widows, WTW, and USS. This collective expertise ensures that

PEG benefits from a broad range of perspectives and skills.

The group has been structured into four workstreams to meet these ambitions: Data and

Research, Government and Policy, Communications and Awareness, and Product Changes. Representatives from across the industry meet regularly to deliver valuable insights and actionable data for each workstream. By focusing on collaboration and transparency, we create an environment where organisations can work together to address challenges.

Why should the industry look to improve its DEI? For instance, can you provide examples of how DEI improvements in pensions have positively impacted both the industry and/or its members?

Our belief is that DEI should be a focus across the whole value chain in a scheme, from recruiting diverse boards to providing inclusive communications with scheme members, inclusive products that meet a broad spectrum of members' needs, and ensuring scheme investments consider environmental, social and governance (ESG) factors.

There's well-published evidence, as summarised in The Pensions Regulator's (TPR) equality, diversity and inclusion (EDI) policy, as well as papers from the Pensions Management Institute (PMI), that diversity throughout the value chain has a positive impact and drives better outcomes for employees, members, and commercially.

An example of improvement is TPR's focus in this area over the past couple of years. This has ensured the industry has prioritised EDI, and organisations are held accountable for creating more diverse and fairer policies. Many of our PEG members are involved in TPR's





working groups and have really helped drive this forward.

How can DEI be improved within pensions? What practical tips would you give to help pension organisations focus on and improve their DEI?

Improvements can be made by collecting data and being transparent about areas for development. For instance, regular reporting on diversity metrics can help organisations track progress and identify gaps that need addressing. It's important to allow time and resources to make the improvements and address gaps.

If you have networks in your organisation that have lived experiences your members may share, include them. Their expertise is invaluable in support of your organisational goals.

Putting commercial goals aside and sharing experiences, support, and resources – we're all ultimately working towards the same goal. We want more diversity in the industry, with everybody sharing their voice and views. We will all benefit.

PEG's employer-focused guide is a great practical resource. It helps employers benchmark their progress on the gender pay gap and shares some actionable steps to address this within organisations.

How can the industry support each other and work together to improve DEI across the board?

The cross-industry collaboration is vital for advocating for change. By pooling

***Pensions Age* DEI focus for 2025**

DEI is an area of growing importance for those running pension schemes, as the benefits it can provide, both from an operational perspective and improving customer service, are becoming more recognised. Yet much more must be done for DEI to be comprehensively implemented throughout the pensions sector. Therefore, *Pensions Age* is proud to explore DEI as its year-long special focus for 2025.

Commenting on this, Pensions Equity Group co-chair, Molly Handley, says that the group is "incredibly supportive" of *Pensions Age*'s focus on DEI this year, and that it is "pleased to see the recognition of the impact DEI can have on our industry".

The Pensions Equity Group

In June 2023, the Pensions Equity Group was formed to tackle pension inequality across the UK. Initially comprised of 23 pension companies and organisations, it is chaired by the Legal and General head of master trust and IGC, Kim Brown. It has now expanded to work with over 50 industry leaders. Reflecting on her role as chair, Brown says: "I feel privileged to chair the Pensions Equity Group. There are well-recognised inequalities in pensions, the gender pensions gap being a clear example, and it's inspiring seeing how many people volunteer their time to drive forward actions to make a change."

resources and expertise, organisations can tackle challenges that are too large to address individually.

Whether that's lobbying the government for policy change, sharing how we support members and employees in pushing back against inequalities that will impact them, or how we design our products to fit a broader spectrum of members, there's so much we can do that will have a positive impact for so many people.

For example, we hold ourselves accountable by voluntarily publishing how we measure ourselves (such as gender pension gap reporting and other measures of improvement) and using the resources and research available, including our *Mind the gap* report.

Use collective resources and measuring and analysing data to help identify and drive change for underserved groups. For example, we've just launched a new Ethnic Minority Pensions Gap group to help address this particular issue.

What political or regulatory help would you like to see the pensions sector receive to improve its DEI?

We'd like to see improvements in the

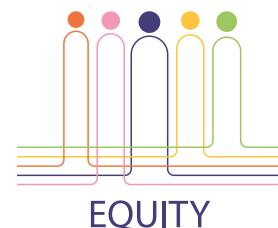
gender pensions gap, and this could mean reviewing the auto-enrolment (AE) legislation and considering which changes would have the most impact, such as increasing contribution levels or lowering the AE threshold.

Nearly two years on from the PEG's formation, have you noticed any improvements in DEI over this time within the pensions sector?

Yes. There have been more conversations about inclusivity and diversity. This increased focus has raised awareness and encouraged organisations to prioritise DEI. Unfortunately, there hasn't been a significant shift in the gender pensions gap, which still means that women are typically retiring with half the pension pot as men. This is a stark reminder of how much work is still required to achieve genuine equitable pension outcomes for everyone in the UK.

What future trends or challenges in DEI do you anticipate for the pensions sector?

Whilst we'll continue to drive change, we're apprehensive about the global political landscape and how DEI has been deprioritised in some areas. If more is not done to address closing these gaps, there are huge risks and potential consequences for people who are already underserved.



Written by Callum Conway