



## DEEP DIVE: CORPORATE ENGAGEMENT ON THE JUST TRANSITION

### ROYAL LONDON

Royal London's customers, members, employees and the companies that Royal London provides workplace pensions to will all be impacted by the transition to a low carbon economy. Royal London wants to minimise the likelihood of the transition becoming a life shock.

The social risk of not taking climate action could be a significant barrier, if not addressed. Financial and social inclusion are also important drivers of Royal London's Purpose. Royal London believes that ensuring a Just Transition goes hand in hand with its decarbonisation and social inclusion aims.

Royal London is a large investor in the energy utilities sector, which has a critical role in decarbonising the economy by shifting away from fossil fuels towards green electrification. During 2021, in partnership with Friends Provident Foundation, Royal London continued active discussions with a number of utility companies about the trends transforming the power sector.

While most were already working on decarbonisation plans, the majority had not yet established specific approaches to addressing the social implications of their decarbonisation efforts. To remedy this, Royal London asked the companies to publish a Just Transition plan ahead of COP26. SSE published their plan in 2020 and five more companies responded in 2021:

- March 2021: E.ON published a section on Just Transition in its climate transition plan
- August 2021: National Grid committed to addressing the Just Transition in its Responsible Business Charter
- September 2021: Centrica published its Just Transition plan
- October 2021: EDF published its Just Transition plan
- November 2021: Scottish Power published its Just Transition plan

See Royal London's Annual Report and Accounts (2021) [here](#) for more details.

