

“As a supporter of the Financial Stability Board’s Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, Mercer has long recognized the importance of robust disclosure of environmental, social, and corporate governance (ESG) related metrics by corporations and investors, and we have worked to advance such disclosure activities within the corporate and financial sectors,” said **Alex Bernhardt, Principal, US Responsible Investment Leader, Mercer**. “We are pleased to have supported the California Department of Insurance’s path breaking disclosure activities through the Climate Risk Carbon Initiative, which has helped advance the understanding and awareness of material emerging climate-related risks and opportunities facing insurance companies’ investment portfolios. As insurance companies face growing physical and transition risks related to climate change, and government responses to climate change intensify globally, we anticipate that evaluating exposures to climate-sensitive investments will continue to rise on insurers’ agendas around the world.”

“The California Department of Insurance’s long-standing efforts to address climate risk has been marked by leadership and ambition. Its pioneering climate risk database highlights that understanding and managing climate risk goes hand in hand with business sustainability,” said **Butch Bacani, who leads UN Environment’s Principles for Sustainable Insurance Initiative (PSI)**, the largest collaborative initiative between the UN and the insurance industry. “Given the scale of the climate crisis and the need for urgent action, insurers and regulators need to demonstrate such climate leadership and ambition, and be part of the solution.”

“There is now unprecedented global investor action aimed squarely at pushing companies to cut carbon pollution, as fast as possible,” said **Cynthia McHale, Senior Director, Ceres**. “Fossil fuel companies and electric utilities that are slow to act risk significant loss of shareholder value from stranded assets, as well as reputational risk.”