Tackling sustainability challenges through collaborative initiatives
At Willis Towers Watson, we believe that collaborative initiatives are important to address the critical and underserved sustainability challenges in investment markets, economies, society and the environment.

We are proud to have real expertise on these topics across our company and we use those skills to collaborate with others with the aim of improving long-term outcomes for our clients, and the world they live in. Some highlights of Willis Towers Watson’s recent activities in this area are shown in the following pages.
Climate and the environment

**ClimateWise**
Willis Towers Watson is a member of ClimateWise which aligns a global network of leading insurance organisations to enhance societal resilience to climate risk, convened by the University of Cambridge Institute for Sustainability Leadership (CISL).

**Wharton’s Initiatives for Global Environmental Leadership**
Our environmental practice sponsors Wharton business schools’ Initiative for Global Environmental Leadership (IGEL) which promotes knowledge for business sustainability with a focus on environmental matters. Our involvement includes but is not limited to raising awareness through speaking engagements, meetings and corporate networking, panel moderation, topical blogging, joint white papers and coordination with other Willis Towers Watson resources.

**Global Innovation Lab for Climate Finance**
We have a seat on the leadership group of the Global Innovation Lab for Climate Finance, a group of experts from the public and private sector who come together to support identification and piloting of cutting edge climate finance instruments to support investment into climate change mitigation and adaptation strategies in developing countries.

**Centre for Risk Studies, Judge Business School**
We sponsor the University of Cambridge’s Centre for Risk Studies Risk Index, which looks to quantify the impact of future catastrophe shocks on the world’s economy, including those from cyber-attacks, commodity price volatility, geopolitical events and financial crises.

**Global Assessment Report**
We sponsor the Global Assessment Report co-coordinated by the United Nations Office for Disaster Risk Reduction which is the first globally consistent and comparable risk assessment tool for a wide range of perils.

**Global Ecosystem Resilience Facility (GERF)**
We launched the Global Ecosystem Resilience Facility (GERF) to develop resilience for vulnerable ecosystems such as coral reefs and mangroves, through innovative finance and risk management opportunities. GERF seeks to address ecosystem risk and vulnerability, and to support public and private organisations to understand the true value of ecosystems and put in place effective protection measures.

**1-in-100 initiative**
Willis Towers Watson’s ‘1-in-100 Initiative’ involved working with the G20 Financial Stability Board, Bank of England, US Treasury, IAIS and other authorities to propel reform on the disclosure of near-term climate and natural disaster related risks by financial institutions. We are also publicly committed to support the recommendations of the Task Force for Climate-related Financial Disclosures (TCFD).

**Natural Resource Risk Index**
We created this index to analyse severity of impact and ease of management of the top 50 global risks facing the natural resources industry, grouped into 5 megatrends and based on data, discussion and interviews with 350 senior executives.

**Global Adaption and Resilience Investment Working Group**
We participate in this multi-stakeholder working group looking to establish the Global Adaption and Resilience Fund, supported by private sector investors and other stakeholders from institutional investors to corporations, start-ups, think tanks, advisory firms and development finance institutions.
Investment and stewardship

Hermes Equity Ownership Services (Hermes EOS)
We partner with Hermes EOS to undertake public policy engagement on our and our clients’ behalves. Particular topics we have encouraged are stranded assets, corporate ESG disclosure and board governance. More recently, we appointed Hermes EOS to conduct corporate engagement and provide voting advice on holdings in our flagship equity pooled solution, which targets equity outperformance through high conviction, concentrated, long-term mandates.

Transition Pathway Initiative (TPI)
We are official supporters of the TPI, a global investor initiative led by asset owners which assesses companies’ preparedness for transition to a low carbon economy. Led by academic research from the Grantham Research Institute and London School of Economics, TPI is supported by over 40 investors globally with combined assets over US$13 trillion.

Principles for Responsible Investment (PRI)
We are a signatory of the PRI and an active member of the working group for ESG/Sustainable Development Goals (SDGs) in Strategic Asset Allocations. This work aims to identify the ways in which ESG, the SDGs, and sustainability in general can be incorporated in the strategic asset allocation decision making process.

International Integrated Reporting Council (IIRC)
We are currently on the integrated thinking task force for the IIRC, looking to promote communication about value creation as the next step in the evolution of corporate reporting.

MasterTrust LifeSight and MSCI
We have collaborated with MSCI in the development of a new core equity strategy which integrates ESG scoring and ESG momentum within a low-cost solution suitable for both DB and DC schemes. The strategy's seed investors included the MasterTrust LifeSight.

Diversity project
We are members of the diversity project, an industry-wide initiative to champion a more inclusive corporate culture, attract and retain diverse talent, and raise awareness of diversity issues (of all kinds) within the investment industry.

Association of Member Nominated Trustees (AMNT)
We have partnered with the UK Association of Member Nominated Trustees (AMNT) and the UK Sustainable Investment and Finance Association (UKSIF) in their efforts to stimulate investment consultant support for trustees after the Pensions Regulator issued guidance on the consideration of long-term sustainability and ESG factors by the trustees of DB and DC schemes.

CFA institute
Our global head of investment content Roger Urwin continues to engage with the CFA Institute to raise the profile of sustainability as a topic in the curriculum and as Strategic Director of the CFA Future of Finance initiative, which has a mission to shape a trustworthy, forward-thinking investment profession that better serves society.
UK Stewardship Code
We are a signatory to the Code, recognising and promoting the value and importance of effective investor stewardship in our own activities, as well as in those of our clients and partners.

Secure income and multi-asset pooled solutions
As part of secure income and multi-asset solutions, we have invested into a range of high quality opportunities which are compelling investments in their own rights, are supported by long-term sustainability trends, and also benefit from having attractive societal and environmental impacts. Examples include:

- Advanced greenhouse for sustainable agriculture
- UK’s largest Energy from Waste project – incinerating non-recyclable waste to generate electricity
- Specialist temporary accommodation for vulnerable families and housing for disabled adults
- Renewable energy such as Japanese solar, Scottish hydropower
- Venture capital to harness world-leading scientific research
- Insurance linked securities supporting climate resilience
- Private equity investment in areas such as healthcare education and cyber security
Research and thought leadership

**Willis Research Network (WRN)**
The Willis Research Network (WRN) is a collaboration between academia and our insurance and reinsurance experts seeking to integrate public science with the risk management community to enhance our collective ability to understand, evaluate and manage climate risk (including extreme natural catastrophes, climate variability, and emerging risks) and to provide credible scientific expertise to improve decision-making across the industry. The WRN is currently working on programmes and projects across more than fifty science partners worldwide, to confront the full spectrum of analytical challenges in this domain, with outputs that include data, models, applications, peer-reviewed journal articles, financial instruments and conferences, all of which feed into our collective understanding of climate-related risks, and supports integration of these risk into investment strategies over time.

**Thinking Ahead Institute (TAI)**
The Thinking Ahead Institute, sponsored by Willis Towers Watson, promotes a purposeful, inclusive and sustainable investment industry that works for the benefits of the individuals that it serves. As a global not-for-profit innovation hub, it brings together some of the world’s largest asset owners, asset managers and service providers to create positive change. Past working groups include understanding purpose and value creation, long-term investing, and sustainability portfolio construction. The Institute also works in partnership with the International Integrated Reporting Council (IIRC), Santa Fe Institute, Pembroke College at the University of Cambridge, and does project work with the University of Oxford.

**Capital, Science and Policy (CSP) practice**
Our CSP practice engages directly with the World Bank, the United Nations, the World Economic Forum, governments, regional trade associations, banks, and other non-governmental organisations with the mandate of mobilising the analytical capabilities of the insurance industry to confront large scale challenges of risk, including climate change. Specific examples of these engagements include:

- Co-sponsoring events with the British Consulate in the US to advance insurance and related analytical tools and innovative finance approaches. These include the Congressional Briefing at the US Capitol on Natural Hazards, and Resilience Roadshow 2.0 for North American coastal communities working to invest in adaptation and sustainability.
- Organising a community resilience finance summit in Washington DC to assemble leaders across a range of disciplines, sectors and levels of government to explore innovative mitigation and adaptation finance approaches to support infrastructure investment and a sustainable and resilient recovery from disasters.

**Sustainability CYMPLX Leadership Forum**
We are a member of the Sustainability Leadership Forum which engages sustainability leaders of global companies on environmental sustainability implementation challenges. Through collaboration, forum members identify and design viable change initiatives for their organisations.

**Tomorrow’s Capital Markets**
We were contributors and signatories to this influential report which set out an evolving role capital markets can play in channeling resources more productively for long-term human development.
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About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas — the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com.

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