



Date:	Thursday 14 August 2025
Time:	12:30 - 2:00pm AEST
Location:	Microsoft Teams meeting
Committee members:	Adam Searle (ANS), Brett Ward (BW), Christopher Armstrong (CA), David Jenkins (DJ), Francis Beens (FB), James Aclis (JA), John Jeaitani (JJ), Justin Portelli (JP), Mary Poon (MP), Matthew Webster (MW), Melissa Yan (MY), Scott Duncan (SD), Suzanne Patten (SP), Yongjie Qi (YQ), Vincent Chen (VC), Augustine Sidik (AS), Shishir Venkatesh (SV), Joey Chen (JC)
By invitation:	Clare Marshall (CM), Jacqueline Reid (JR)

Item
<p>1. Welcome and apologies</p> <ul style="list-style-type: none">In attendance were: ANS, BW, CA, CM, DJ, JA, JJ, JP, JR, MP, MW, MY, SD, SP, YQ, VC, AS, SV, JC.Apologies were received from FB.SP introduced new GIPC members: JC (Young Actuary), SV (AI), AS (Secretary) and VC (Emerging Risk), and farewelled JP, CA and MP, expressing appreciation for their contributions to the GIPC.MW and ANS also announced their intention to step down from the GIPC by the end of the calendar year.GIPC was reminded to be cognisant of competition law requirements in discussions and in its work.GIPC was asked if anyone has a conflict of interest in relation to an agenda item to declare this. None were raised.GIPC was informed about the recording and transcription of the meeting using Copilot.
<p>2. Minutes of previous meeting</p> <p>The minutes of the previous meeting held on 19 June were approved.</p>
<p>3. Actions from last meeting</p> <p>An update on outstanding actions was given, as set out in the table at the end of these minutes.</p> <ul style="list-style-type: none">Item 10.04.25 (4c) Customer Fairness Wording: Draft wording has been distributed. [Closed]Item 19.06.25 (4b) SP reminded GIPC to submit items for PPC meeting on 16 October. [Closed]

- Item 19.06.25 (4d) JA will prepare the newsletter by the end of August.
- Item 19.06.25 (4d) item completed. [Closed]
- Item 19.06.25 (4d) confirmed all feedback had been sent to MY. Item closed. [Closed]

4. Request tracker update

Update on open items:

- Tech guidance notes on scheme transfers: Working group has been formed, led by JJ. Next group catchup is mid-September to check in progress and aim to complete draft by late September. Request item closed. [Closed]
- Actuaries Summit articles for Actuaries Digital: Volunteer identified. Request item closed. [Closed]

There are no more open request items.

5. Agenda discussion

(a) International update – MW shared *International* updates

- Natural perils catastrophes and natural perils: MW noted the international perspectives on what is happening in the different markets from modelling perspectives, government intervention and the way the markets are operating.
 - Brazil: MW shared the development of the first flood model following a big flood in Brazil in 2024, the challenges with educating insurers on how to use the flood model and the data to support this model.
 - US: MW shared the presentation on extreme weather impact on insurance in the US, particularly on home owners insurance: the challenges with market profitability (2 years of underwriting profits in the last 7/8 years and some bad unprofitable years during that period); the rising cost of secondary perils, the increasing risks around areas of development and growth in states like Florida; the impact of government programmes and pricing regulation.
 - Canada: presentation on secondary perils (severe convective storms flood, wildfire and winter storm): incomplete view on those perils from current CAT models particularly wildfire despite having a big event a few years ago. Some drivers for severe losses for secondary perils including urbanisation and reduced protection gaps and climate effects.
 - Africa: presentation on trends in South Africa including changing hazard profiles, state intervention, affordability and availability of insurance.

MW noted that these presentations/webinars can be shared with interested members. If Institute members are interested in any of the presentations, they should get in touch with the Institute who can in turn get in touch with MW. MW asked if JA could include the topics in the newsletter [action point].

- Home insurance affordability in Australia: presented by Sharanjit Paddam and Calise Liu.
- Social Inflation: EY (US) presented on social inflation which has been a hot topic in US casualty line since 2019. The presentation focussed on third party litigation funding being seen as the dominant driver of social inflation in the US and more measurable than other drivers. Some of the contributing factors: absence of coherent regulation, third party funding model attracted a lot of capital and juries have been more sympathetic over the recent years. EY estimated about a loss ratio impact of 4 to 5% just from third party funded litigation on effected lines of business over the next few years.
- MW shared a few interesting recent/upcoming webinars:
 - Machine Learning in Reserving (Jacky Poon – he is an Australian member but heavily involved in the IFoA Machine Learning in Reserving working Party).
 - Application of extreme value theory to climate change.
- MW shared the AI For Actuaries website (an IAA initiative) which has a variety of useful resources, including learning resources, publications, case studies and a book club. It has good resources on insurance relevant uses of AI.
- Consultation on the AI Task Force shared draft papers which is due on 15 August. MW noted a few Actuaries Institute members contributed to this.
- Calls for papers for ICA2025 in Tokyo open until 30 September.
- MW listed a few IAA webinars, some of which are available to non-members.
- MW talked about the CAS Affiliate membership similar to the affiliate membership offered by the Australian Actuaries institute. It is low cost (USD69) and gives members access to all their resources, a lot of which are free. MW compared this to the Actuaries Institute affiliate membership offering which is more expensive (~\$400 a year).

(b) DJ provided APRA updates for June and July:

- Reinsurance framework: APRA has reflected on the consultation feedback. DJ expressed appreciation for the prompt and helpful input provided by several institute members. APRA remains on track to release a formal response in Q4 2025, which will include a proposed way forward along with a draft prudential standard and accompanying guidance notes.
- DJ spoke about the recent court application by APRA to wind up Eric Insurance. DJ also noted there is currently significant regulatory focus and challenges affecting the life insurance industry.
- DJ raised what the Institute's practice as an Actuarial community to support Actuaries under professional stress. CM will follow up with the Institute [Action point].
- DJ shared highlights from a recent speech by the Chair of APRA. He noted that while APRA's primary mandate is to prevent adverse outcomes, it also focuses on broader objectives such as stability and resilience. APRA has recently placed particular emphasis on achieving regulatory balance, navigating pressures globally for deregulation amid a landscape of growing threats. The aim is to ensure regulation remains appropriate to the size and risk profile of entities. DJ explained that the reinsurance framework initiative is part of this effort, with APRA stepping back

in areas where insurers and actuaries can take on some of that responsibility.

- DJ discussed APRA's recent stakeholder survey, noting that cyber risks, geopolitical risk and broader operational risks were identified by stakeholders as current key risks. In response, APRA and other regulators are increasing focus on this rapidly evolving landscape. DJ highlighted that global developments could transmit risk to our financial system through both traditional (e.g. credit liquidity, various market impacts and reinsurance) and less traditional routes (e.g. sanctions, social media).
- DJ emphasised that CPS230 (Operational risk management standard) was effective from 1 July. The standard focuses on business continuity and third-party risks.
- DJ noted that APRA has begun consulting on proposed changes to phase out additional tier 1 capital instruments. DJ noted that this is something to be mindful of for insurers that make use of this form of capital.
- DJ discussed APRA's recent initiatives to improve efficiency in licensing new banks. While these changes are currently specific to the banking sector, he mentioned that similar adjustments may be considered for the insurance industry if proven effective, although this would be more relevant to new insurers rather than existing ones.

SD asked DJ if there were any updates on the APRA's recent consultation on proposed changes to governance settings. DJ responded there were no updates at this stage and explained that the next steps will depend on the outcomes of the initial consultation. He noted there has been limited support for the proposed changes.

ANS asked whether the risk margin benchmarking is still scheduled for the first half of 2026. DJ responded that APRA has not made a commitment as it depends on APRA's resources. CA added that the Institute's risk margins working group is currently reaching out to large insurers to confirm their willingness to share data. Feedback from Suncorp was positive but still awaiting feedback from Allianz and IAG.

(c) APRA's consultation on statistical publication ([link](#))

- JJ noted that APRA is consulting on statistical publications for general and life insurance, focusing on unreleased data such as institution-level statistics, claims development data, and confidentiality criteria. JJ asked whether the Institute should make a submission, noting its earlier support for greater transparency to address AASB 17 challenges. The submission is due by 5 September.
- CA raised concerns about the proposed metrics, such as the definition of loss ratio suggesting that risk adjustments and loss components should be excluded to avoid confusion or that GPS340 definitions be used.
- CM noted that LIPC will not provide feedback to APRA noting that changes are benign from life insurance perspective. DJ encouraged industry feedback to help APRA identify and address potential issues. SP supported making a submission and invited GIPC members to contact her early next week (w/c 18 August) if they wish to contribute or raise concerns [Action point].

(d) SP led a discussion on two areas GIPC is looking to grow its focus and activity: emerging risks and AI, noting the addition of two new members, VP and SV focusing on each area respectively. Starting with

emerging risk:

- SP introduced VC as new member with a focus on emerging risks. VC currently works at EY and had background in software development. He's keen to contribute ideas on what GIPC should prioritise in the emerging risk space.
- ANS started the discussion by referencing Swiss Re's SONAR report as a valuable resource for identifying global emerging risks such as climate change, microplastics and AI.
- SD added that RMPC has a view on short-term risks and long-term risks and suggested there may be overlap with what GIPC views to be emerging risks. SD highlighted the importance of considering emerging risks both for GI and for actuaries more broadly. SD will connect with VC to share RMPC's current thinking ahead of the next GIPC meeting. [Action point]
- SP emphasised that GIPC's role is to support GI practitioners by focusing on areas members need, whether through working groups, insight sessions or bring together references. She noted this approach should also guide how the committee deals with emerging risks.
- VC raised the question of GIPC's strategic direction on emerging risks, whether the focus should be on developing referenceable frameworks, benchmarking, or providing practical tools to support GI actuaries. VC noted there are lots of emerging risks out there and so he emphasised the need to narrow down the focus to a few key risks. VC will connect with SD and SP offline to develop further thinking, with an update at a future GIPC meeting.
- SP proposed forming a working group on emerging risks, noting it is a key focus area for GIPC. SP asked JA to include a callout in the upcoming newsletter inviting interested members to contact VC. [Action point]
- JA noted that emerging risk discussions often have two parts: identifying the risks and how insurers/members are responding. He highlighted those working in corporate roles may benefit from insights into what others in the industry are doing (e.g. how they're approaching scenarios). He suggested GIPC could help provide that peer lens and practical guidance.

(e) AI discussion

- SV initiated discussion on how GIPC could support actuaries in navigating data and AI challenges, associated risks and promoting best practices. SV also highlighted the need to clearly define GIPC's priorities in this space.
- DJ outlined three ways an actuary can be exposed to risks: 1) actuary supporting insurer as an underwriter 2) operational risks to insurers as corporations 3) personal exposures to risks. VC and SV agreed this framework could be useful for broader risk discussions.
- YQ noted that AI is often framed around boosting productivity, but its potential for enhancing predictive modeling is a key focus for future development. GIPC should support members by providing guidance and resources to navigate the fast-evolving AI landscape. Understanding the limitations of AI is crucial for shaping future planning.
- SP noted that member support around AI could include working groups or roundtable discussions to share experiences. CM added that Elayne (Actuaries Institute CEO) will be issuing communications on keeping the profession closely aligned with data science and AI. She

emphasised that actuaries could play a key role in advising government and regulators on practical applications and encouraged practice committees to use their networks to share real-world use cases that benefit members.

- BW reflected on the potential risk of becoming overly focussed on the question of how to incorporate AI into actuarial work, particularly when the term 'AI' itself remains loosely defined. The group emphasised that while the tools and methods may evolve, the fundamental focus of actuarial work remains unchanged. This led to a discussion on the Institute's dual strategy: a *defensive* approach to ensure actuaries remain contemporary but still aligned with professional standards and code of conduct while using AI, and an *offensive* strategy aimed at expanding the profession's reach by developing AI-related courses to attract data science professionals.
- There was consensus on the need to embed AI in foundational and CPD training to maintain the profession's relevance. Actuaries should have a baseline understanding of AI to support the profession's brand and credibility. The group acknowledged that AI introduces new operational risks across industries, and actuaries must be equipped to understand and manage these emerging challenges. Practical applications of AI, such as using tools like ChatGPT and Copilot, were highlighted as accessible entry points for actuaries to begin engaging with AI in their daily work.
- To support this, the idea of sharing simple, usable AI scripts with members was proposed, enabling actuaries to experiment with AI in areas like reserving and pricing. The discussion also touched on the level of technical understanding required, suggesting that while actuaries need not become developers, they should grasp the fundamental principles of how AI works, including its limitations and risks like hallucination. This understanding would empower actuaries to use AI responsibly and effectively, much like their use of statistical tools and models.

(f) Other business

- Fairness in insurance – BW shared progress on incorporating fairness into FCRs.
 - BW shared insights from recent Council discussions, with concerns about scope and relevance. BW highlighted fairness should be considered across customer touchpoints including pricing, underwriting and claims. BW views this as an important part of the role that actuaries are going to play in the future, especially with the rise of AI and automated decision making. BW intends to revise the proposed FCR wording based on recent learnings and feedback and will bring back to GIPC for endorsement.
- Actuaries Institute Volunteer thank you celebration – a reminder to RSVP if interested in attending.

6. Any other business

N/A

The meeting closed at 2.05pm.

Signed as a true and correct record of the meeting:

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General Insurance Practice Committee meeting
Minutes

Chair: Suzanne Patten

Dated: 11 September 2025

Committee outstanding actions					
Ref	Meeting (Item)	Who	Focus area	What	Done?
1	19.06.25 (4d)	GIPC	Newsletter	GIPC to send JA any points for inclusion in the bulletin prior to end of month [now extended to August].	
2	14.08.25 (5b)	CM	Members wellbeing	CM to follow up with the Institute regarding its practices for supporting members.	
3	14.08.25 (5a) 14.08.25 (5d)	JA	Newsletter	<p>JA to include the following in the upcoming bulletin (draft by end of August 2025):</p> <ul style="list-style-type: none"> Topics of International webinars/presentations that MW discussed in the August 2025 meeting and to mention that members can reach out to the Institute if interested in seeing the presentations/webinars. Invitation for members interested in contributing to the area of emerging risks to contact VC to form a working group. 	
4	14.08.25 (5c)	GIPC	Submission to APRA – statistical publications (link)	GIPC members to contact SP early next week (w/c 18 August) if they wish to contribute to making a submission to APRA or raise concerns. Submission is due on 5 September.	
5	14.08.25 (5d)	SD/VC	Emerging risk	SD will connect with VC to share RMPC's current thinking on emerging risks ahead of the September GIPC meeting.	
6	10.04.25 (4c)	BW/SP	FCR	Circulate draft wording on customer fairness	Closed
7	19.06.25 (4a)	JA/CA	Young actuaries	JA / CA to have informal catch up with the young actuary candidates for GIPC	Closed
8	19.06.25 (4d)	GIPC	Risk register	GIPC to send MY confirmation of any feedback on the risk register prior to 4/7	Closed
9	19.06.25 (4b)	GIPC	Professional standards	GIPC to raise any points to discuss with PPC at 16/10 meeting	Closed