

Climate Change

Public Policy Statement

September 2026



Context

Australia is increasingly being affected by environmental and societal risks such as climate change and the loss of biodiversity. The ability of governments, communities and businesses to operate is inextricably linked to their interactions with society, the economy, and the natural environment. In this context, sustainability is the ability to maintain resources and relationships with, and manage its dependencies and impacts within, this whole ecosystem over the short, medium and long-term.

Foremost amongst sustainability risks is climate change. [The Intergovernmental Panel on Climate Change \(IPCC\) Sixth Assessment Report \(AR6\)](#) concludes with high confidence that global surface temperature increased faster from 1970 to 2019 than in any other 50-year period over at least the last 2,000 years, that atmospheric concentrations of carbon dioxide have reached levels not experienced for at least 2 million years, and that the observed increase in greenhouse gas concentrations since around 1750 is unequivocally caused by human activities. Climate change is already causing widespread environmental, economic and social impacts and these impacts are expected to increase with further warming.

The Institute's views are grounded in established climate science and reflect the application of actuarial expertise in assessing risk, uncertainty and long-term financial impacts.

Climate change and inadequate responses to it pose serious risks to communities, economies, and the fields in which actuaries work including insurance, superannuation and retirement incomes, banking, enterprise risk management, data science and AI, climate change and sustainability, and government services.

Climate change and responses to it also creates opportunities. For example, an orderly clean energy transition provides opportunities for the economy and community to benefit from increased investment, employment and quality of life.

Actuaries have considerable expertise in managing risks, opportunities and uncertainty. Working with other stakeholders and often in multidisciplinary teams, actuaries are well placed to assist in:

- Identifying and understanding climate-related risks and opportunities in the short, medium and long-term, including the degree of confidence in future outcomes
- Developing policy options and strategies to respond to these risks and opportunities
- Developing and implementing frameworks and plans to manage risks over time.

This Statement highlights key public policy positions of the Institute relating to climate change. These reflect an evidence-based assessment of climate-related risks and opportunities, acknowledging uncertainty in climate pathways but recognising the material and potentially irreversible impacts associated with delayed or insufficient action.



Public Policy Position

The Actuaries Institute:

- 1 Supports the key aim of the [Paris Agreement](#) and calls for urgent co-ordinated global action to limit temperature rises to the maximum practical extent, given the unavoidable impacts, uncertainty of outcomes, and the significant risks associated with tipping points
- 2 Supports an ambitious, orderly global transition to net zero emissions by 2050 to avoid the worst outcomes of climate change, protect water and food security, support biodiversity and manage transition risk
- 3 Supports an increased focus on the protection and restoration of nature, and the biodiversity it contains, to recognise its value and vital role in limiting emissions and adapting to climate impacts
- 4 Supports a just transition that is fair and equitable for all, acknowledging the different vulnerabilities across communities, regions and stakeholders, as well as the need to identify new opportunities for socio-economic development in affected regions
- 5 Calls for timely, co-ordinated and significant investment in adaptation and resilience, given that significant additional warming, extreme weather and rising sea levels are expected, exposing Australia to increased risks, impacts and costs
- 6 Encourages Australia to lead by example and play its part on the world stage, recognising Australia's influence, capabilities, vast access to renewables and exposure to natural hazards
- 7 Highlights the important role that actuaries can play, using their long-term risk, uncertainty, financial and leadership skills to help businesses and society develop ambitious, just, orderly net zero transition plans, manage transition risks and opportunities, drive adaptation and increase resilience
- 8 Actively supports actuaries in understanding and responding to climate-related risks and opportunities, including where relevant educating, capability building and informed engagement.
- 9 Embeds climate change considerations within the Institute's decision making, policy development and event planning, with a focus on minimising greenhouse gas emissions, where relevant and practical.

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