



**ACTUARIAL SOCIETY**  
SOUTH AFRICA

**Climate Change Committee  
Seminar Day  
10 September 2024**





# Housekeeping

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- ☐ Please use the Q&A functionality to ask questions
- ☐ Let's make it as interactive as possible!
- ☐ Recording and slides made available 1-2 days after the session

# Agenda



| <u>Time</u>   | <u>Title</u>                                                                                 | <u>Speakers</u>                                                                   |
|---------------|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| 08:30 - 08:40 | Opening                                                                                      | Ronald Richman                                                                    |
| 08:40 - 09:15 | Committee Update                                                                             | Committee                                                                         |
| 09:15 - 10:15 | Keynote - Climate Impacts on Mortality                                                       | Prof. Katrien Antonio                                                             |
| 10:15 - 11:00 | Collaborative Approaches to Bushfire Risk                                                    | Emma Vitz                                                                         |
| 11:00 - 11:15 | Tea Break                                                                                    | -                                                                                 |
| 11:15 - 11:45 | Climate Change and Mortality in South Africa                                                 | Pamela Hellig, Soshan Soobramoney                                                 |
| 11:45 - 12:30 | IAA Water Risk Taskforce                                                                     | Andries Schutte, Emily Forsyth-Davies, Hayley Clarke, Lylah Davies, Sara Goldberg |
| 12:30 - 13:15 | Guidance Note for Retirement Funds                                                           | John Anderson, Sudhir Ramdass                                                     |
| 13:15 - 14:00 | Lunch Break                                                                                  | -                                                                                 |
| 14:00 - 14:45 | Physical Risk Modelling                                                                      | Andries Schutte, Dr. Nadine van der Walt                                          |
| 14:45 - 15:30 | Projections of future Climate Change, Regional Tipping Points and Climate Change Attribution | Prof. Francois Engelbrecht                                                        |
| 15:30 - 15:45 | Tea Break                                                                                    | -                                                                                 |
| 15:45 - 16:30 | PA Update                                                                                    | Christiaan Henning                                                                |
| 16:30 - 17:15 | Milliman Climate Survey                                                                      | Adel Drew, Gaël Neuhaus                                                           |
| 17:15         | Closing                                                                                      |                                                                                   |



# Structure of the Committee

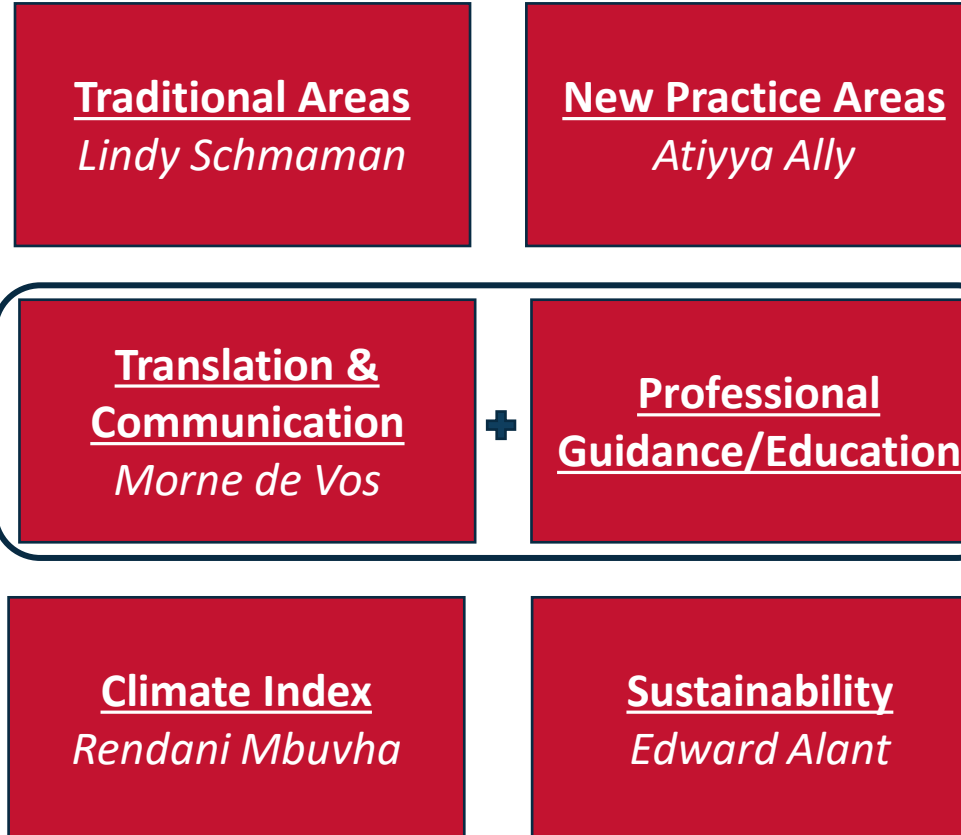
## Practicing Area

### Committee

Climate Change Committee  
Ron Richman  
Andries Schutte  
Hilde Strauss



## Sub-committees



ASSA Volunteers



# Goals

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- **Ensure that the South African Actuarial Profession well equipped to keep up with the evolving field of climate change**
  - **Understand the consequences of Climate Change for traditional practice areas**
  - **Enable new opportunities for Actuaries to work in this field**
  - **Deepen the professional understanding of climate issues**
  - **Quantify the impacts of Climate Change on South Africa**
  - **Ensure actuaries also work to improve the situation**
- **Your feedback matters!**
  - **To give input or join the work contact:**
    - **[Ronald.Richman@ominsure.co.za](mailto:Ronald.Richman@ominsure.co.za)**



# 2024 Goals and Themes

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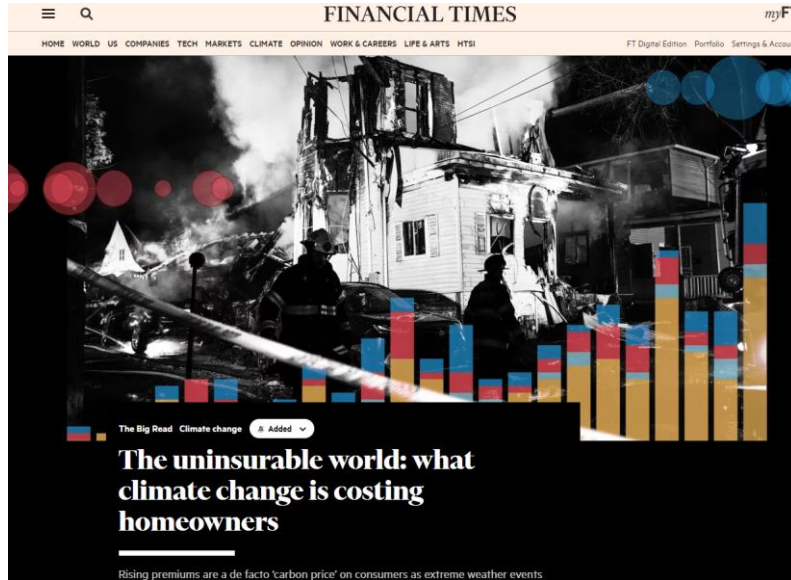
- ❑ Provide education options for ASSA members (SOA/IFOA)
- ❑ Survey on trends in uninsurability
- ❑ Launch Climate Index
- ❑ Issue papers on new practice areas and CC impacts on mortality
- ❑ Gap analysis of education w.r.t CC
- ❑ Issue guidance
- ❑ Sustainability engagement with ASSA members

## **Major emerging theme – uninsurability/insurance crisis!**

- **parametric insurance now within insurance legal framework!**
  - **government engagement on funding losses**
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# 2024 Theme



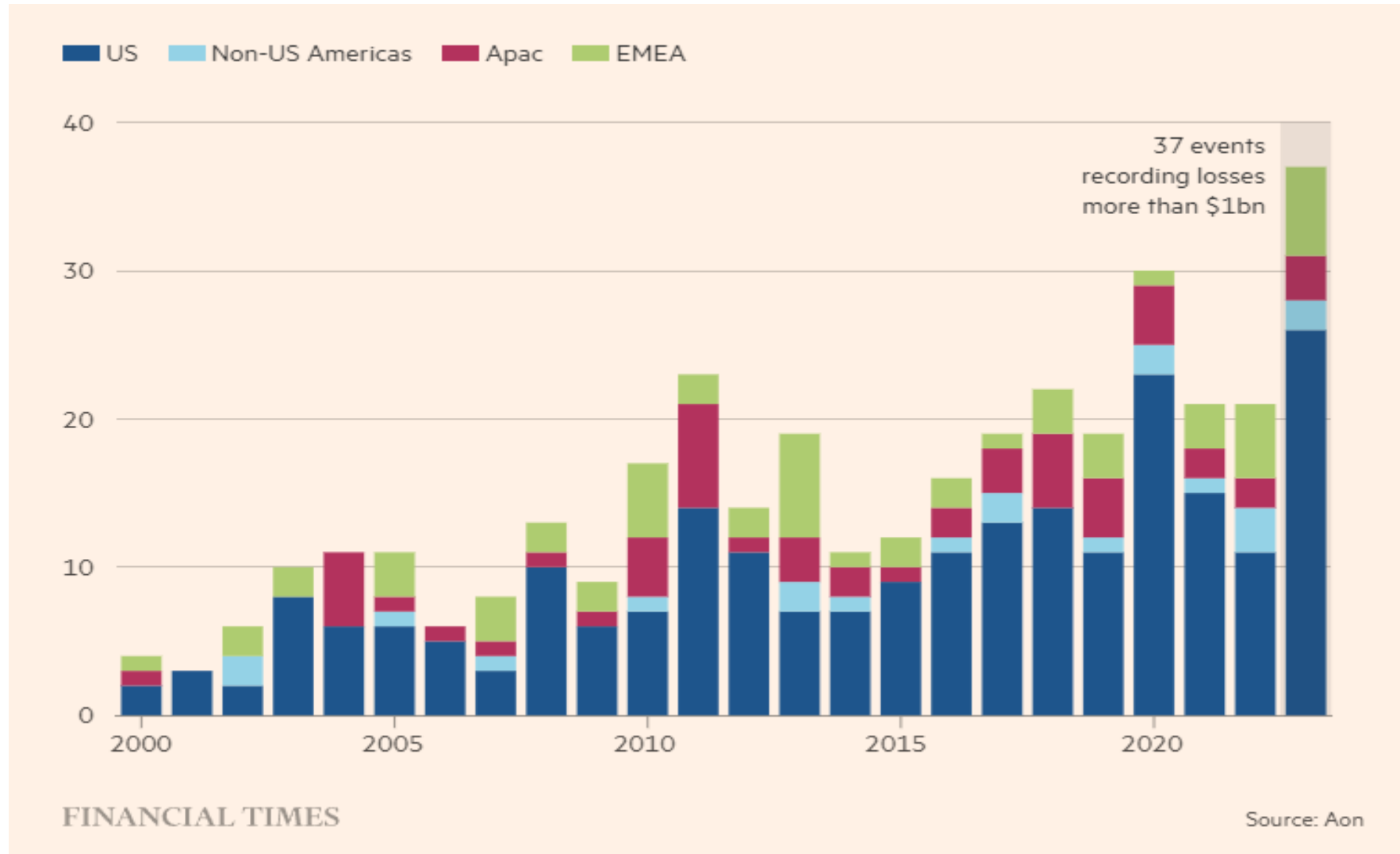
## "Worst insurance crisis in history"

State insurance commissioner raises the alarm – asks for legislative intervention

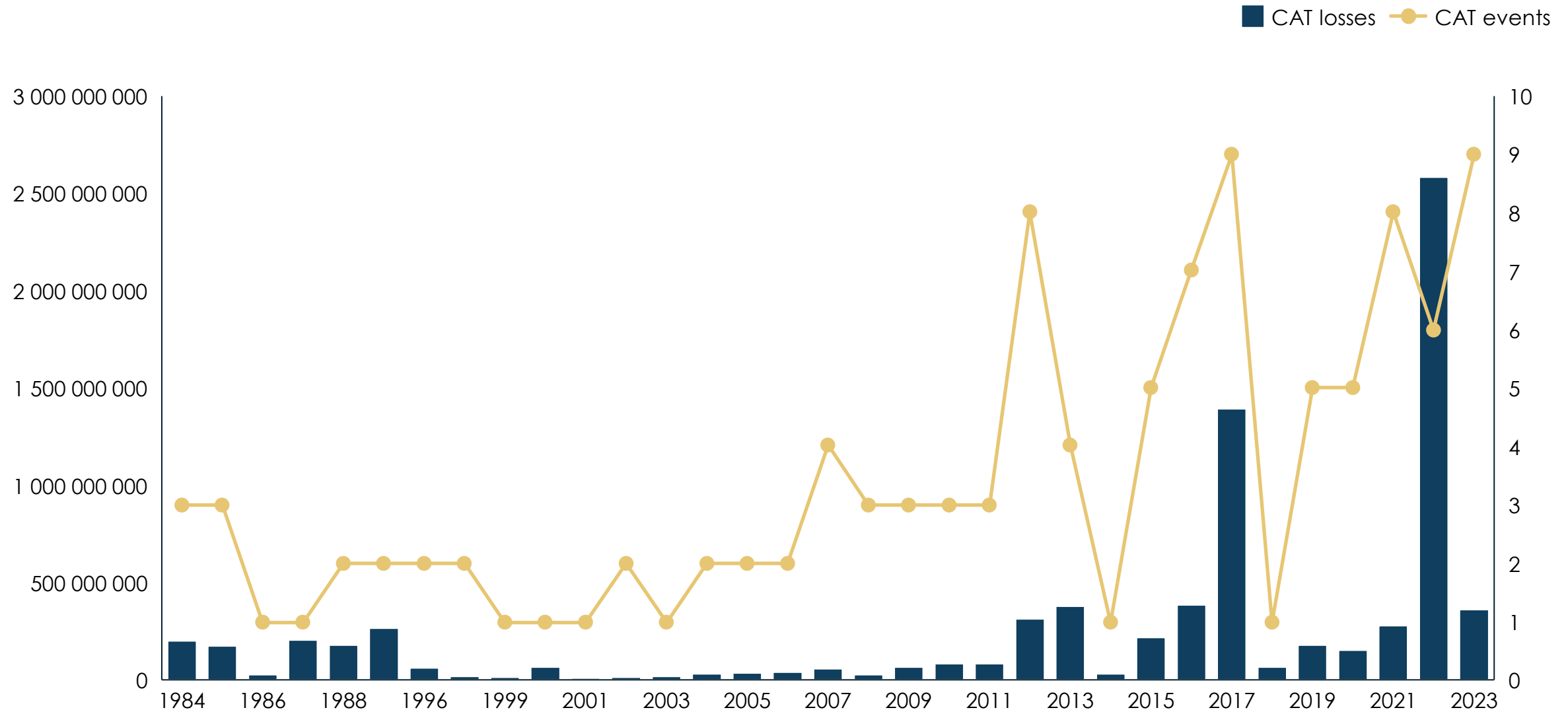




# CAT is impacting the world...



# ... and the SA insurance industry



# Regulators are actively engaging



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Prudential Authority

Ref.: 15/8/6/2

## Financial Sector Regulation Act, 2017

### Guidance Notice 1 of 2024

#### Guidance on climate-related governance and risk practices for insurers

##### **Objectives of this Guidance Notice**

*A Guidance Notice is a regulatory instrument aimed at assisting insurers in complying with the requirements outlined in the relevant Governance and Operational Standards for Insurers (GOI). Standards enjoy legal standing and are intended to establish minimum requirements with which insurers must comply. Guidance Notices, whilst having no legal standing nonetheless provide clarity on the application of the respective Standards.*

*This Guidance Notice sets out guidelines aimed at assisting insurers in complying with the requirements of GOI 3 (Risk Management and Internal Controls for Insurers) and GOI 3.1 (Own Risk Solvency Assessment (ORSA) for Insurers) as these prudential standards apply to climate-related risk for insurers. This Guidance Notice aims to illustrate approaches that should be considered in managing an insurer's climate-related risks.*

*This Guidance Notice may reference specific provisions within GOI standards and, as such, must be read in conjunction with the respective standards cited.*

*The Guidance Notice provides guidance to insurers on integrating climate-related risks into their governance and risk management frameworks, including guidance on the insurer's own risk and solvency assessments (ORSAs).*

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## Financial Sector Regulation Act, 2017

### Guidance Notice 2 of 2024

#### Guidance on climate-related disclosures for insurers

##### **Objectives of this Guidance Notice**

*The purpose of this Guidance Notice is to provide guidance to insurers regarding climate-related disclosures, taking into consideration the International Sustainability Standards Board climate-related disclosures standard, under the four thematic areas of governance, strategy, risk management, and metrics and targets.*

*Disclosures of climate-related risks and opportunities are required to promote market discipline through the provision of meaningful information to stakeholders on a consistent and comparable basis. Climate risk management is a developing area and approaches will evolve and mature over time. It is important that insurers build the necessary capacity and capabilities to assess, manage and disclose climate-related risks and opportunities within existing risk management and governance frameworks, including any metrics or targets developed by the insurer.*



# Review of the day

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# Closing

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- ❑ Thank you to all our speakers and sub-committee leads
- ❑ Get involved in the work; reach out to us
- ❑ Thank you to:
  - ❑ Erin Arendse
  - ❑ Gail Hawker