

Time to act: facing the risks of a changing climate

Climate change creates uncertainty, posing a significant threat to the sustainability of our global ecosystems, health, and economies.

Actuaries help ensure the long-term financial viability of insurance systems and social protection programs. Across our varied practice areas, we see a range of climate risks affecting Canadians, such as increased insurance losses from extreme weather events, changes in mortality and morbidity as climate change impacts people's health and longevity, and failure to account for climate change risks in financial planning or reporting.

Quantifying and disclosing the financial impacts of climate change are important ways to help limit the increase in global temperatures in line with the Paris Agreement and to help Canadians adapt to a changing climate. Now more than ever, we see the urgency for increased action on data collection, climate-related financial reporting, and best practices for climate-sensitive investing.

Canada's actuaries call on:

- 1** The federal government to **oversee the development of national data collection and disclosure** related to the financial impacts of climate-related events such as floods, windstorms, and wildfires.
- 2** All levels of government to require all entities to implement **financial disclosure of climate-related risks and opportunities** under the Task Force on Climate-related Financial Disclosures (TCFD) by 2021 and for corporate entities to adopt the TCFD framework voluntarily as soon as possible.
- 3** Investors and business leaders to **include environmental, social, and governance (ESG) factors** in their decision-making.

These important steps will help manage the financial impacts associated with the climate risks we face and will help ensure climate-sensitive financial security for all Canadians.

Now is the time to act.
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