Institute and Faculty of Actuaries

Submission deadline	11 July 2025

Submission form for organisations

Introduction

Thank you for taking part in this review. Organisations taking part should use this form. If you would like to make a personal submission, please go to our submission from for individuals.

The purpose of this thematic review is to examine the extent and range of actuarial work relating to climate and sustainability; the organisational context in which actuaries undertake such work; the application of professional and technical standards to such work; and the views of members on the existing IFoA offering in this area.

This will assist the IFoA's Regulatory Board in deciding where to focus their work. It will also provide useful information to the IFoA Sustainability Board to demonstrate where IFoA members are contributing to work relating to climate and sustainability.

How to take part

Please complete the following submission form on a 'best endeavours' basis. Partial submissions are acceptable. For general guidance on submitting to an IFoA thematic review, please read the thematic review programme page.

Please provide a copy of your response in the format of this download (".docx"), as this will help us collate responses using Microsoft Excel. Your final submission should be sent to reviews@actuaries.org.uk.

If you plan to submit written papers or reports with your form, please contact the IFoA Review Team prior to making your submission, and we will facilitate secure confidential transfer of documents.

Confidentiality

PLEASE READ THIS NOTICE BEFORE SUBMITTING THIS QUESTIONNAIRE

In submitting this questionnaire you confirm that the information supplied is correct to the best of your knowledge and belief, that you are entitled to provide the information requested on behalf of your organisation, that there is a lawful basis for the transfer of all personal data provided, and that you have read and understood the IFoA's Privacy Policy.

We acknowledge the disclosure to us by you of confidential information and know-how of a commercial, technical, personal or other nature for the Purpose (as defined under "Introduction", above).

We undertake to you to respect and preserve the confidentiality of such information and accordingly we shall not use the confidential information for anything other than the Purpose. We may disclose the confidential information to any IFoA employee or IFoA office holder solely in connection with the Purpose or, as may be required by law, to a court of competent jurisdiction or any governmental or regulatory authority.

This undertaking shall not apply to any confidential information which: (a) becomes public knowledge other than by a breach of this undertaking; (b) was already known to us prior to disclosure by you; or (c) has been received by us from a third party who did not to our knowledge acquire it in confidence from you or someone owing a duty if confidence to you.

1. About you and your organisation

1.1 Your contact details

Name	Sarah Keighley
Email address	Sarah.keighley@xpsgroup.com

1.2 Preferences

When the review report is published on the IFoA website are you content for your organisation's name to appear in a list of participants? No details of any submission will be attributed to any organisation.	Yes
Please indicate if your organisation is prepared to have a conversation with the Review Team following your submission. In the first instance, arrangements will be made with the contact named above.	Yes

1.3 About your organisation

Name	Association of Consulting Actuaries	
Type	Representative body	Click here to specify "Other"

1.4 About IFoA members employed by your organisation

Number	How many IFoA members does your organisation employ?	Please select

Locations	Below is a list of the fifteen countries in which most IFoA members are based. Please tick all countries in which IFoA members employed by your organisation are based. Please use the additional space provided to list any countries not included in the list.				
	Australia ☐	**Canada** ☐	**China** ☐	**Hong Kong** ☐	**India** ☐
	Ireland ☐	**Kenya** ☐	**Malaysia** ☐	**New Zealand** ☐	**Singapore** ☐
	South Africa ☐	**Switzerland** ☐	**UK** ☒	**USA** ☐	**Zimbabwe** ☐
	Click to list any other countries not included above				

2. Actuarial involvement in climate and sustainability work at your organisation

2.1 Types of work, functions, and roles

Please list the following in relation to climate and sustainability work at your organisation.
There is an opportunity to provide more detailed examples in the Case Studies section (Section 4), below.

Examples of typical actuarial work where climate and sustainability considerations are taken into account For example pricing, product or scheme design, reserving or funding, stress testing, risk management, investments	The following are examples of work carried out by our member organisations where climate and sustainability considerations are taken into account (rather than work carried out directly by the Association of Consulting Actuaries (ACA)): Retirement/pensions consulting: - Funding valuation assumptions and modelling - Covenant assessments - Risk management - Scheme governance - Risk transfer to bulk annuity provider Investment advisory: - Climate change scenarios analysis (e.g. to support strategic decision making and TCFD-aligned reporting). - Qualitative assessment of climate-related risks and opportunities (e.g. to support compliance with the General Code). - Developing bespoke ESG beliefs and policies, including measurable objectives and targets where possible - Setting and monitoring progress against long-term climate-related objectives e.g. net-zero and stewardship priorities - ESG due diligence as part of bulk annuity provider selection and monitoring. - Training - focusing on specific environmental (e.g. Climate science) and social (e.g. Modern slavery) issues - Due diligence on sustainable/impact investment products Climate risk advisory: - Physical risk assessments - Risk management - Insurance pricing - Insurance consulting and technology Institutional investment fund management Delegated fiduciary investment management

Examples of specific climate and sustainability work that actuaries are involved with at your organisation Where climate and sustainability are the key drivers for the work	- TCFD support - Climate risk scenarios, including impact on investment returns and mortality/longevity - Sustainable investment advice - Developing sustainability policies and objectives - Manager/bulk annuity provider selection and ongoing monitoring - Strategic asset allocation - Sustainability / ESG focused investment fund management - Climate change training for pension scheme trustees
Any specific climate and sustainability roles at your organisation which are currently held by an actuary	n/a

2.2 How the role of actuaries compares with that of other professionals, and how they work together

With respect to climate and sustainability work at your organisations, what is the level of:	Involvement of actuaries compared to other professionals	Please select
	Overall activity compared to 3 to 5 years ago	Please select
	Involvement of actuaries compared to 3 to 5 years ago	Please select
Please list examples of other professionals that actuaries typically work with on climate and sustainability activity.	Click to respond	

2.3 Impact of actuarial involvement in climate and sustainability

Describe the impact actuarial involvement has had at your organisation in terms of approaches and outputs?	Please select
Describe the impact this has had on customers or clients, thinking about aspects such as investments, products, and advice.	Please select

2.4 Work focused on biodiversity

Thinking about wider risks - please indicate the level of activity at your organisation which is focused on biodiversity and nature considerations.	Please select

3. Regulatory and supporting materials relevant to climate and sustainability work (1 of 2)

3.1 Standards, guidance, and other regulation

What actuarial regulatory material is relevant to specific climate and sustainability work carried	**Guidance**	☒
	Professional and ethical standards	☒

out by actuaries at your organisation? Please tick all that apply.	**Technical standards**	☒
	Risk alerts	☒
How would you describe current actuarial standards and guidance in relation to climate and sustainability work?	Too little	
	Climate risk is an emerging area where knowledge and understanding of the risks and the potential impact are developing rapidly, and the potential impact of the risks are huge. As actuaries are generally considered risk specialists (especially consulting actuaries), climate and sustainability are crucial areas for the profession to be well versed in, and to be able to help our clients navigate. As such we believe it is very important for actuarial standards and guidance to evolve as understanding of climate and sustainability risks develop. In our view much of the guidance published by the IFOA to date, including the ‘Ethical and professional guidance’ published in 2024 and the risk alerts published in 2017 and 2022 have been helpful in raising awareness and ensuring a common understanding of the general importance of incorporating and communicating climate and sustainability risks into actuarial work, and the professional obligations of actuaries in this areas. However in line with evolving practice and greater understanding of the potential risks, we would support the development of more specific guidance for actuaries working in common practice areas such as pensions and insurance, to ensure there is a common understanding of expectations in these areas. For example, in our view the 2024 risk alert on ‘climate change and scenario analysis’ provided practical and helpful guidance for actuaries working in this specific area.	
Describe how APS X2 (work or independent peer review) is applied to climate and sustainability work at your organisation? If preferred, this can be covered in Case Studies below.	Across the ACA’s member firms, a number of models are used for this purpose. However, they all have a similar structure. Each firm has a group of individuals who are experienced in climate and sustainability issues. When independent peer review is required, these individuals may review the work directly, or ensure that specific processes have been followed to ensure that climate and sustainability has been suitably addressed.	
Describe how the TAS 100 Risk Identification principle is applied to climate and sustainability work? If preferred, this can be covered in Case Studies below.	Click to respond	
Please list wider regulatory material that is relevant to the work of actuaries in this field. For example PRA SS3/19, TCFD	DWP’s Governance and reporting of climate change risk: guidance for trustees of occupational schemes. TPR’s governance and reporting of climate risks and opportunities	

3. Regulatory and supporting materials relevant to climate and sustainability work (2 of 2)

3.2 Thought leadership materials

Please list examples of actuarial thought leadership material that has influenced the work of actuaries in this field. Include materials produced by IFoA or other actuarial bodies	- IFoA: The Emperor's New Climate Scenarios - IFoA: Climate Scorpion - Planetary solvency – finding our balance with nature
Please list examples of other thought leadership material that has had an influence. Materials produced by non-actuarial bodies	University of Exeter and USS - No Time to Lose: New Scenario Narratives for Action on Climate Change
Please outline an example of actuarial work that has been developed based on climate and sustainability thought leadership material There is an opportunity to provide more detailed examples in the Case Studies section, below.	See case study 1

3.3 Lifelong learning materials

Do you think the IFoA's current education and lifelong learning materials in relation to climate and sustainability meet your needs and the needs of IFoA members in general?		No
Which aspects do you think may benefit from further development? Please tick all that apply.	**Post-qualification courses**	☒
	Other CPD materials (for example professionalism videos; curated document library	☒
	Qualification pathway	☒
	Webinars or conferences	☒
Please expand on your answers above with additional comments on actuarial lifelong learning in relation to climate and sustainability work.	As noted above, climate and sustainability is an evolving area where knowledge and understanding are rapidly developing, and we feel that it is a crucial area for the profession to demonstrate expertise in. Therefore we think that all areas of education and lifelong learning provided by the IFOA would benefit from continual development, to ensure for example that learning is relevant to the work actuaries are doing, is being kept up to date with recent developments, incorporates academic research in related fields, and that there is a clear understanding of the 'minimum' level of knowledge and understanding actuaries are expected to have, which itself may be expected to evolve as research and understanding in the wider field evolves. We believe a strong focus in this area is crucial to ensure that the profession remains at the leading edge of climate and sustainability thinking and that actuaries continue to be seen as professionals with a credible role to play in supporting public understanding of climate and sustainability risks in financial systems.	

4. Case studies

Please provide case studies of examples of work where actuaries are involved, such as:

- an area of typical actuarial work impacted by climate and sustainability considerations
- a specific climate and sustainability piece of work
- description of specific climate and sustainability role which an actuary holds
- an area of work focussing on wider nature and biodiversity risks

Please indicate where any relevant regulatory and/or thought leadership material has influenced any of the above.

We would also be happy to receive examples of papers or reports drafted and/or owned by actuaries as additional or alternative to providing a case study.

If you intend to submit such an example, please contact the IFoA Review Team, and we will facilitate the secure and confidential transfer.

Case study 1

Following the publication of the IFoA's publication of The Emperor's New Climate Scenarios paper, the ACA agreed to focus on the topic of climate scenario analysis at a sessional meeting for members in the Autumn of 2023. One of the co-authors of the paper gave a presentation summarising the key findings from the paper. This was then followed by a debate led by two members of the ACA to discuss the motion that 'Actuaries should use climate scenario analysis when forming their advice'. The case 'for' the motion was supported by an investment consulting actuary. A funding actuary supported case the 'against'. The aim of the debate was to draw out the pros and cons of scenario analysis, to highlight the benefits to our clients when used in the correct way, and to emphasise the importance of understanding the limitations and assumptions used in the climate scenario models.

Case study 2

The ACA set up a Climate Working Group in 2020 to discuss and respond to a series of climate related consultations that were relevant to pension funds. The working group was primarily made up of investment consulting actuaries as they had most exposure to talking to clients about climate related risks and carrying out climate scenario analysis. The group was reinstated in 2025 with the remit expanded out to cover Sustainability as well as climate change. The working group is made up of a majority of funding actuaries, as well as investment consulting actuaries. The objectives of the Sustainability Working Group are:

1. Providing a sustainability lens and overlay to ACA consultation responses
2. Promoting awareness of the work of consulting actuaries in the area of sustainability
3. Connecting with other industry groups on sustainability to share and improve knowledge and understanding on the role that consulting actuaries can play

Case study 3

Click to respond