

Landmark Report

Australia's first National Climate Risk Assessment (NCRA)

The long awaited report
is out, what are the key
takeaways?



➔ Overview

The Australian Government has released its first National Climate Risk Assessment (2025), providing a **nationally consistent view of climate risks across health, communities, infrastructure, ecosystems, primary industries, and the economy.**

The assessment highlights residual risks that persist despite current adaptation and mitigation measures and will form the foundation for future national adaptation planning.



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The NCRA states that the world is already 1.2°C hotter than during pre-industrial times, while because of its sheer land size **Australia is warming faster and is 1.5°C hotter**



Key Insights

- **System-wide risks:** Climate change impacts are compounding and interconnected, with cascading consequences across sectors.
- **Health:** Increasing heat, floods, fires, and disease outbreaks will disproportionately affect vulnerable populations. Deaths due to extreme heat could quintuple.



Key Insights

- **Economy and finance:** Property value losses could reach AUD \$611 billion by 2050, with wider financial system risks linked to supply chain disruptions, insurance costs, and disaster recovery.
- **Defence & National Security:** Rising climate hazards create concurrent disaster pressures, straining response capacity and reliance on the Australian Defence Force.



Key Insights

- **Communities:** By 2050, over 1.5 million Australians could live in high-risk coastal areas exposed to sea-level rise. There will be increasing demand on health services and inaccessible or unaffordable insurance in high risk areas.
- **Workforce & productivity:** Heat stress may cause millions of lost workdays each year, reducing economic output by up to AUD \$423 billion by 2063.



Key Insights

- **Natural systems:** Coral reefs, eucalypt woodlands, and other ecosystems are at acute risk from warming, acidification, and fire. 40 to 70 per cent of species will be forced to move, adapt to the new conditions or die out.
- **Agriculture:** Productivity will decline under worsening drought, biosecurity risks, and changing rainfall. Domestic food security will become vulnerable and water security is a major concern.



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Existing global efforts - including Australia's - are insufficient to limit global heating to safer thresholds. Based on current policies to cut climate pollution, the world is estimated to heat up by 2.7°C by 2100.

This means the NCRA's 3° C scenario is most likely to occur based on the choices we're making.

Climate Council



What this means for organisations

For Australian businesses, the Assessment highlights the material risks that climate change poses to operations, supply chains, assets, and markets. It signals the need to embed climate risk into core corporate planning and decision-making.

Strategic planning: Climate risks will directly affect supply chains, assets, customers, and financial performance.

Disclosure: With the Australian Sustainability Reporting Standards (ASRS) coming into effect in 2025, organisations will need to integrate climate risk and opportunity assessments into financial reporting.

Resilience and adaptation: Forward-looking investment in adaptation and risk management is now a necessity.

How Anthesis can help

- Identifying, assessing and quantifying climate and nature-related risks and opportunities in line with global standards (ASRS, ISSB, TCFD, TNFD).
- Modelling physical and transition risks to inform strategy and disclosure.
- Designing adaptation and transition plans that build resilience and protect enterprise value.
- Developing decarbonisation strategies and net zero pathways to drive measurable emissions reduction.

Proactive action will help reduce costs, protect enterprise value, build resilience, and maintain competitiveness in a changing economy.

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Anyone looking at this report will realise the urgency and scale of action needed across almost the whole economy, particularly infrastructure, supply chains, and the health and natural systems they rely upon.

IGCC





Need help understanding
your organisations climate
and nature related risks
and opportunities or
decarbonisation pathways?

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