

Notes of a Meeting of the AAE Board and Committee Chairs
Budapest, Hungary | 9 October 2024 | 14:00-17:00 CEST

Participants:

Inga Helmane	IH	Chairperson
Matthias Pillaudin	MP	Vice Chairperson
Lutz Wilhelmy	LW	Immediate Past Chairperson
Lourdes Afonso	LA	Board member
Philippe Demol	PD	Board member
Malcolm Kemp	MKe	Board member
Jette Lunding Sandqvist	JLS	Board member
Frank Schiller	FS	Board member
Hartwig Sorger	HS	Board member
Henning Wergen	HW	Chairperson EC
Lauri Saraste	LS	Chairperson IC
Tatiana Bitunska	TB	Chairperson PC
Christophe Heck	CH	Chairperson ProfC
Loudina Erasmus	LE	Chairperson RMC
Siegbert Baldauf	SB	SII Project Manager
Stephanos Hadjistyllis	SH	Senior Actuary/Project Manager
Annette Aragonés	AA	Operations Assistant
Monique Schuilenburg	MS	Operations Manager

1.	Opening of the meeting and approval of agenda <ul style="list-style-type: none"> LS shared highlights from a recent trip to Helsinki, where local actuaries held a unique event involving spray painting to engage young people and raise awareness about the actuarial profession. The agenda was approved without further discussion.
2.	Minutes of the Board meeting of 11 September 2024 <ul style="list-style-type: none"> The Meeting Minutes from 11 September 2024 were approved.
GENERAL ASSEMBLY (FINALIZATION)	
3.	Target operating model ('TOM') <p>Discussion/comments:</p> <ul style="list-style-type: none"> IH reminded Board members that they were tasked with collecting views from Member Associations (MAs) on the TOM. The goal is to gather support and move forward with the TOM, starting with discussions among senior officers. MP shared insights from discussions with LW and IH, leading to the development of a statement to be presented at the General Assembly (GA): <i>"Support the necessity to review the current AAE's target operating model in its goal of delivering on the strategic objectives".</i> A Task Force (TF) is proposed to further explore and develop the TOM.

	<ul style="list-style-type: none"> • HW inquired whether the current TOM would be shared with those not involved in internal talks. IH confirmed that a package outlining workload issues would be shared before asking for votes on the statement. • MK raised concerns regarding the cost implications and the need for a transparent presentation of both the TOM and financial aspects. • LW suggested using the April Presidents' meeting to discuss the pros and cons with MA representatives before holding an Extraordinary GA. • FS and others echoed the need for clear explanations on why the TOM is necessary and how the workload affects sustainability. LS suggested identifying different needs based on MA resources. • IH emphasized the urgency of finalizing the TOM but acknowledged the importance of transparency. A balanced approach, considering both the TOM and financial implications, would help ensure buy-in from all MAs. • LW and MK discussed the importance of presenting the TOM and finances together, with MK stressing that a clear business case is needed. LA mentioned that fee increases must be well-explained to smaller MAs. • MP highlighted the pressing need for approval to implement the TOM and avoid depleting reserves by 2028. • PD raised concerns from the Belgian Association, which opposes fee increases without fully exploring alternatives. • It was agreed that a Task Force will be created, with all MAs invited to participate, and a decision on the TOM will be taken after discussions in the April Presidents' meeting. The TF aims to present results by mid-2025. <p>Discussion summary: Concerns were raised about transparency, costs, and the need to present both TOM and financial implications together. The Board agreed to form a Task Force with participation from all MAs, aiming for results by mid-2025. It was agreed to use the April Presidents' Meeting for further discussions.</p>
4.	<p>Finance (Forecast, Budget)</p> <p>Issue: Feedback received from MAs after the pre-Budapest information meeting of the GA; Information about planned voting process</p> <ul style="list-style-type: none"> • MP reminded the Board that the forecast for 2024 had been approved in the last meeting. • MP proposed that the detailed discussion on the forecast for 2026-2029 be postponed, as it depends on the approval and implementation of the TOM and the fee level. • MP also proposed to postpone asking the GA for approval of Budget 2025 as the pre-read material provided to the GA requires an update. • It was noted the Annual Fee 2026 is most likely to stay on the 2025 level of 22 EUR.
5.	<p>MRA</p> <p>Issue: To discuss the feedback from the pre-Budapest ProfC meeting and anticipated decision in the ProfC meeting of 11 October.</p> <ul style="list-style-type: none"> • CH presented slight changes to the MRA presentation, specifically rephrasing the conciliation process, and requested Board approval.

	<ul style="list-style-type: none"> • HS questioned the involvement of the AAE, as the MRA is an agreement between two associations. CH clarified that the AAE acts as an intermediary when necessary. • A conditional vote on the updated MRA, subject to ProfC approval, was held and the changes were approved.
6.	<p>Board report GA 2024</p> <ul style="list-style-type: none"> • IH presented the Board Report to GA, reflecting on the significant changes that occurred over the past year within the AAE. • The main message was how the AAE successfully overcame challenges and <u>continued to operate at an incredible pace.</u> • Transparency and achieving <u>tangible outcomes remain key.</u> <p>Summary: Inga presented the Board Report, reflecting on how the AAE overcame challenges in 2023 while maintaining a strong pace. She emphasized transparency and the importance of Board members serving the best interests of the AAE. The work summary was disclosed using AAE's Strategic objectives (SO 1 – SO3). Despite positive progress, concerns about workload strain on the Secretariat were raised, and the need for clearer communication was highlighted.</p>
BUSINESS / OPERATIONAL PART	
7.	<p>Update on important business topics - operations</p> <ol style="list-style-type: none"> 1. Consultations: <ol style="list-style-type: none"> a. to assign reviewers to outstanding consultations, if any (Inga/Stephanos) <ul style="list-style-type: none"> • Volunteers for Consultation 4 (New SII proportionality – deadline 25 October): JS and MP volunteered to review. • Volunteers for Consultation 5 (Liquidity RM for IORPs – deadline 20 December): Both MK and HS volunteered • New SII consultations (5 with deadline 2 January 2025): • SH + SB noted the decision will be taken to which of the 5 consultations AAE will respond. It is likely that this will be 3. • With a 3-month timeline (excluding the Christmas break), it was highlighted to ensure enough time to meet the deadline, preferably submit the final response before Christmas. • It was noted that these consultations will require additional work from the Board, and further discussions will be needed to manage this. b. update on current consultations <ul style="list-style-type: none"> • SH reported that in recent months, the AAE has submitted responses to 3 consultations: 2 on AI and 1 on Catastrophes. • A draft response for consultation 4 (New SII proportionality) is prepared and will undergo internal review before being presented to the Board. • Work started on the response to consultation 5 (IOPRs) and the same process will be followed.

	<p>2. Update Communications Panel:</p> <ul style="list-style-type: none"> • FS highlighted the challenge of addressing limited resources while meeting expanded expectations from the Board and Committees. • Review of the Terms of Reference (ToR): FS proposed a review to clearly define the responsibilities of the Communications Panel (CP) and distinguish what can be done by the Secretariat. This would improve clarity and help better structure the work, reflecting these updates in the revised TOR. • Governance Communication: While AAE's governance is strong, there's room for improvement in communicating governance—first to the Board, then to the Committees. A more strategic approach to communication is needed, with better planning. • Focus Areas: FS suggested that the November strategy meeting define 3-4 key topics (e.g., EAD, webinars) to communicate repeatedly, ensuring clear and powerful messaging to the public. • Content and Messaging: The panel seeks to better align content from the committees with what needs to be communicated, focusing on IORP, SII, AI, and Sustainability as potential core topics. • actuvview Agreement: FS mentioned that the actuvview agreement is up for renewal in December. The decision has been made to opt for a <u>1-year extension instead of a 3-year renewal.</u>
8.	<p>Report of the Secretariat</p> <ul style="list-style-type: none"> • MS reminded the Board of the upcoming April Spring Meeting and the Annual Meeting in Paris in September 2025. Attention was drawn to the May 14th Board meeting, which might face low attendance. • Webinars: December 6th is confirmed, and 2025 webinars should be scheduled with the Secretariat. • MS emphasized to inform the Secretariat well in advance of plans for webinars, publications, etc. in order to structure the workload. • The Senior Actuary Report was presented and will now be an annual feature. HS raised concerns about potential bias in the IORP paper that there is a not a purely actuarial view, and SH agreed to discuss this in the Pensions Meeting, emphasizing that the board's position should reflect a collective European opinion, not individual or national views. • Emma Gilpin from the IFoA has been invited to speak at the ProfC meeting. Additionally, a draft on own sustainability is expected to be discussed in the RMC and brought to the Board for recommendations. IH praised the Senior Actuary's work as a useful tool for engagement with Member Associations.
9.	<p>AAE Events</p> <p>Issue: ECA 2026: To agree on targets/ goals for the Event to be considered for preparing recommendations on the next hosts and to be considered for planning of the Event.</p> <ul style="list-style-type: none"> • HS: Asked about the strategic objectives (SO's) for the ECA 2026, seeking clarity on the most important priorities.

	<ul style="list-style-type: none"> • HW: Mentioned that the submissions for hosting ECA 2026 were diverse. This led the Steering Committee to take a step back and align those submissions with the AAE's strategic objectives, a process not done before. The committee will take more time to evaluate these criteria and present them to the Board. • FS: Noted the late decision to invite the public and journalists, which should be considered earlier for future events. • HW: Added that the AAE Chair and the hosting Chair previously did not align on their goals, which should be addressed to avoid mismatched expectations. • LW: Suggested maintaining flexibility in the criteria to avoid deterring smaller associations from participating. • HW: Agreed that certain criteria could be helpful but should not exclude smaller countries from participating.
11.	Any other business <ul style="list-style-type: none"> • Our thanks to Henning and Christophe who leave the Board after 6 years of service. • We encourage those attending the meet and greet to welcome new members/attendees.

	Future meetings / conference calls: 13:00 – 15:30 CE(S)T on the second Wednesday of every month unless shown otherwise
	Schedule Board meetings 2024-2025: <ul style="list-style-type: none"> • 23 October 2024, virtual, 13:00-14:30 – short feedback meeting • 19 November 2024, Silversquare North Brussels, 08:30-16:00 – strategic meeting • 11 December 2024, virtual • 15 January 2025, virtual • 12 February 2025, virtual • 12 March 2025, virtual • 9 April 2025, Edinburgh, 09:00-13:00 BST in conjunction with Spring Meetings • 11 April 2025, Edinburgh, 13:30-16:30 BST – Presidents' Meeting • 14 May 2025, virtual – under discussion • 11 June 2025, virtual or in-person – under discussion • 2 July 2025, virtual • 3 September 2025, virtual – under discussion • 24 September 2025, Paris, time tbc – in conjunction Annual Meeting

SUMMARY OF MAIN ACTIONS/DECISIONS:

Target Operating Model (TOM)	<ul style="list-style-type: none"> • The Board discussed feedback from Member Associations (MAs) and agreed to establish a Task Force (TF) to further explore the TOM's financial and operational implications. The TF will present findings at the April 2025 Presidents' Meeting, with a decision expected by mid-2025. 	Board – TOM TF
Finance	<ul style="list-style-type: none"> • Approval of budget 2025 was postponed • Proposal for Annual Fee 2026 was postponed • Approval of forecast 2026-2029 was postponed 	Board - HonTreas