

**AAE**ACTUARIAL
ASSOCIATION
OF EUROPE

ADVISING • ACHIEVING • ENGAGING

ACTUARIAL ASSOCIATION OF EUROPE

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Notes of a meeting of the AAE Board and Committee Chairs**Brussels | 19 November 2024 | 09:00-16:00 CET**

Venue: Silversquare North, Boulevard Roi Albert II 4, 1000 Brussels

Meeting room: The Chamber

Participants:

Inga Helmane	IH	Chairperson
Matthias Pillaudin	MP	Vice Chairperson
Lutz Wilhelmy	LW	Immediate Past Chairperson
Philippe Demol	PD	Board member
Malcolm Kemp	MKe	Board member
Jette Lunding Sandqvist	JLS	Board member
Rafael Moreno Ruiz	RMR	Chairperson EC
Lauri Saraste	LS	Chairperson IC
Tatiana Bitunska	TB	Chairperson PC
Birgit Kaiser	BK	Chairperson ProfC (joined from 12:30)
Siegbert Baldauf	SB	SII Project Manager
Stephanos Hadjistyllis	SH	Senior Actuary/Project Manager
Annette Aragonés	AA	Operations Assistant
Monique Schuilenburg	MS	Operations Manager

Apologies:

Lourdes Afonso	LA	Board member
Frank Schiller	FS	Board member
Hartwig Sorger	HS	Board member

1.	Opening of the meeting and approval of agenda IH opened the meeting. The agenda was approved without objections.
2.	Minutes of the Board meeting of 9 and 23 October 2024 The minutes of both Board meetings were approved.
3.	Update from AAE Senior Officers <ul style="list-style-type: none"> Meetings with EU stakeholders IH provided an update on the recent stakeholder meeting with EIOPA where priorities were shared. Several topics were addressed and follow-up points identified: <ul style="list-style-type: none"> AAE - IORP position paper – to share once ready mutual AAE participation in upcoming webinars (e.g. Workshop 27 November on 5 open consultations on SII – SB will be present). EIOPA will form an external data expert group on digital ethics in insurance, emphasizing the importance of having volunteers from the AI-DS working group and those familiar with regulation (will be related to the AI Act). The Call for Nominations is to follow.
	Reminder: AAE MS Teams Meetings with EU Stakeholders information available (agenda, material used/ shared, meeting minutes).

	<ul style="list-style-type: none"> • MRA - to share a status update regarding the signing of the MRA; IH announced that the MRA agreement has been signed by IFoA and a request to (re-)sign was sent to member associations for signatures, with a deadline of December 18th to ensure it takes effect on January 1, 2025. Communication will be done after all signatures are received. • Cooperation agreement – actuview 2025; Current agreement ends Dec 2024. Prolongation of 1 year. Next year continued discussions. Linked to discussions on TOM. • AAE Operations; Loudina stepped down as RMC chairperson. Marika Guralnik (previously RMC Vice-chair) will take the acting Chair role until a new Chair is found. For governance purposes a Call for Nom was sent with deadline 15 Dec. LW explained the process for nominating a new chair for the Risk Management Committee, emphasizing the importance of having a strong candidate familiar with the committee's work. The NP will meet before Christmas to review candidates. The NP may also consider extending the period if no candidate is found/received. We also need to have the sufficient exposure period for the GA to vote electronically. Candidates are to be nominated by MAs, not individually. Support by other MAs is possible. Vice-chair positions are chosen by Committee on recommendation of the Chair. • Extraordinary GA – December 10, 2024; Final decision on material to be taken by Board, to send material to GA today. • Letter of sympathy – Spain; IH mentioned that AAE sent both IAE and CAC a letter of sympathy after the floods caused by Hurricane Dana. IAE started a donation campaign after the floods. IAE will match every Euro collected. IAE also exempted those actuaries affected for fee payment. • IFoA introduces Chartered Actuary (actuaries.org.uk/chartered)
4.	<p>AAE Strategy plan/ Priorities and tasks identified in 2024</p> <ol style="list-style-type: none"> 1. IH reviewed the strategic plan priorities, including the MRA agreement, code of professional conduct, review of statutes, CPD compliance, and participation in European consultations. The team discussed the importance of focusing on key priorities and ensuring proper interconnection between committees. 2. PD asked to be added as Board sponsor to Pillar 2. 3. Code of Professional Conduct and Review Statutes: MK noted the Fit and Properness. Properness is not sufficiently focussed. SH responded that this point was discussed in the TF and will go into the subordinate document to make the Statutes as flexible as possible. SH noted that the review of the AAE Statutes is challenging as it is influenced by TOM TF developments. Discuss the advantages and disadvantages of the current setup for committee chairs and vice chairs.

	<p>4. Artificial Intelligence Working Group: The team discussed the ongoing work of the AI working group and the need for interconnection with other committees. They emphasized the importance of involving the Education Committee, Risk Management Committee, and Insurance Committee in AI-related discussions. We could delete 'Wider Fields', as it is already a reality.</p> <p>5. Sustainability Project: IH mentioned that the own sustainability project will be discussed in the December board meeting, with a summary provided by SH of phase one and approval of next steps for phase two. The project is led by the Risk Management Committee. We could delete 'Wider Fields'.</p> <p>6. Transversal topics such as AI and Sustainability: LW mentioned that the current structure can be challenged. Could be our objective to rethink the current committee structure after GA 2025.</p> <p>7. Consultations: LS mentioned the added value of SB and SH as there is an overload of consultations (next year 60 expected).</p> <p>8. Competency Framework: Pillar 3 activity.</p> <p>9. Target Operating Model: IH reiterated the importance of the target operating model as a priority for 2025, emphasizing the need for internal focus and proper allocation of resources.</p> <p>Summary of points discussed/ agreed is disclosed in the Annex to the meeting minutes.</p>
	<p>BREAK</p> <p><i>Introduction to breakout sessions after the coffee break</i></p> <p>Breakout Sessions: IH outlined the tasks for the breakout sessions, including discussing the roles and responsibilities of committee chairs, cooperation with advisory panels and the board, and reviewing the stakeholder list.</p>
5.1	<p>Breakout session Board:</p> <ul style="list-style-type: none"> For decision – approval Budget 2025 <ul style="list-style-type: none"> IH shared that the budget for 2025 has been approved and will be sent out to the General Assembly. For decision – approval TOM ToR <ul style="list-style-type: none"> IH announced that the TOM TF will be led by Christophe Heck, with support by JLS The chair/vice could consider organising TF Inside group from the delegates on specific points to speed up progress. The ToR were approved with some minor edits (addition of Angel Videnov (Bulgaria), Thomas Béhar supported by Samuel Cywie (France)) MP indicated he will not participate in the TF. PD indicated he would be willing to participate in the TF. IH emphasized the importance of regular discussions and progress monitoring. For discussion – principles to be used for income/ expense allocation to SOs/ Other Not covered; expected to cover in the next coming Board meetings (proposed January 2025). For discussion – any new/ revised priorities for 2025 Discussed together with all participants of the meeting (refer to point 10).

5.2	<p>Breakout session CommChairs:</p> <p>Meeting room Grace Field – ground floor</p> <ol style="list-style-type: none"> 1. Identify minimum requirements for CommChair role; review AAE-Links-Board-and-CommitteeChairs_FINAL.pdf and discuss potential amendments; <ul style="list-style-type: none"> • LS: We started on the links document; the paper obviously needs updating. SB and SH offered to assist as they are involved in consultations and the process. 2. Review existing Committee substructures and identify/ disclose cross-Committee work, identify potential cross-work-with-IAA (Sustainability, AI) <ul style="list-style-type: none"> • It was noted that CommChairs are some kind of ‘middle man’, and although both are needed, we discussed how to engage volunteer but also steer them. • Cross-sectional WG’s were also mentioned, with SB’s comment that we should also learn to end those WG’s when necessary. The WG’s should learn to identify other important WG’s and committees and to each have a reporting committee. • The popularity of AI and Sustainability was noted, a positive problem, but we must learn how to manage them. • A first improvement is to review the reporting lines in the ToR’s. • In order to attract volunteers, we have volunteers who would like to be recognised, Esko does this very well. And so we should include the names of contributors and recognise them.
	<ul style="list-style-type: none"> • TB noted: We did not discuss specifically how to attract volunteers, but rather noticed when MA’s find a particular topic attractive, they impose themselves much more. And when lack of response is noted, we found we are not in a position to provoke the MA’s/volunteers to respond. • SH: Cross sectional topics like AI, currently under ProfC, could be addressed by revising the ToR by clarifying the possibility of cross committee interactions. <ol style="list-style-type: none"> 3. Disclose a list of EU stakeholders important for AAE (from perspective of Comm) <ul style="list-style-type: none"> • On stakeholders, it was noted that each committee has different stakeholder and different views on them. Committees can better identify the stakeholders important on topics. <p><u>Follow-up tasks:</u></p> <ul style="list-style-type: none"> • IH stressed the importance of committees identifying key stakeholders and prioritizing their involvement based on the topic, such as legislation or supervision. • To present an update on outdated documents (Links document and ToRs) and continuing discussions in the next board meeting in December (all CommChairs).
6.	<p>Summary from breakout sessions and Feedback</p> <p>See above at 5.1 and 5.2.</p>
	<p>LUNCH at The Chairman</p>

7.1	AAE Events: ECA 2026 The Board voted in favour of France as the host of ECA 2026 (majority vote). For ECA 2028, we could reconsider the scoring criteria.																					
7.2	AAE Events: other <ul style="list-style-type: none">• Presidents' Meeting (11 April 2025) scheduled and preparation will be started soon• Convention A is focussed on Africa in 2025, so no role for AAE• EAD 2025 - postponed, stakeholders to be consulted																					
8.	Update on important business topics - operations 1. Consultations: (Stephanos) a. to assign reviewers to outstanding consultations, if any <table><tr><th>#</th><th>Consultation Title</th><th>Board Reviewers</th></tr><tr><td>1</td><td>Consultation on AI Act prohibitions and AI system definition</td><td>MK & MP</td></tr><tr><td>2</td><td>EIOPA consults on mass-lapse reinsurance and reinsurance termination clauses to enhance guidance on risk mitigation techniques</td><td>TBC</td></tr><tr><td>3</td><td>SII Review - Liquidity Risk Management</td><td>LW & FS</td></tr><tr><td>4</td><td>SII Review - Best-estimate valuations for life insurance obligations</td><td>JLS & MP</td></tr><tr><td>5</td><td>SII Review - Exceptional sector-wide shocks</td><td>LW & FS</td></tr><tr><td>6</td><td>EIOPA consultation on the supervision of liquidity risk in IORPs</td><td>HS & MK</td></tr></table> <ul style="list-style-type: none">• IH - we informed EIOPA that AAE will respond to 5,6,7 and not 8,9. EIOPA agreed that this aligns with their expectations. b. update on current consultations: <ul style="list-style-type: none">• Upcoming Consultations: SH provided an update on the upcoming consultations, highlighting the importance of prioritizing relevant topics. This prioritization ensures that the organization focuses on the most impactful consultations.• Timeline Management: SH emphasized the need to manage the timeline effectively. By setting internal deadlines and ensuring that the board reviews the consultations promptly, the organization can meet the external submission deadlines.	#	Consultation Title	Board Reviewers	1	Consultation on AI Act prohibitions and AI system definition	MK & MP	2	EIOPA consults on mass-lapse reinsurance and reinsurance termination clauses to enhance guidance on risk mitigation techniques	TBC	3	SII Review - Liquidity Risk Management	LW & FS	4	SII Review - Best-estimate valuations for life insurance obligations	JLS & MP	5	SII Review - Exceptional sector-wide shocks	LW & FS	6	EIOPA consultation on the supervision of liquidity risk in IORPs	HS & MK
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	2. Update from the Communications Panel a. To discuss the workplan for 2025 <ul style="list-style-type: none">• Communication Panel Plan: JLS presented the communication panel's working plan, focusing on reviewing the strategy, channels, and topics for 2025. They emphasized the importance of proactive communication.																					

	<ul style="list-style-type: none"> • Focus Topics for 2025: JLS noted the focus areas in random order: Consumer protection (including Insurability), AI, SII/IORP II, and Sustainability.
	<p>b. To approve the revised ToR</p> <ul style="list-style-type: none"> • Terms of Reference: JLS discussed the updated terms of reference for the communication panel, highlighting the importance of content being provided by the board and committees. Comments included adding the strategic plan, CP update to the Board more frequently and delete the CP report at the Presidents Meeting, more communication with the TEA Editorial Board. <p><u>Follow-up task:</u></p> <ul style="list-style-type: none"> • The CP to revise the ToR based on the comments received and present to the Board for approval in the December meeting.
9.	<p>Report of the Secretariat</p> <ul style="list-style-type: none"> • In addition to the report MS mentioned the call for interest to host future Spring or Annual Meetings. • BK mentioned that DAV will celebrate their 125th anniversary in 2028 and is considering organising an international week in Berline. Hosting the AAE Annual Meeting 2028 is currently being considered (Wed-Fri) in addition to an IAA event on Mon-Tue. Further info is to follow. • Webinars: 237 participants registered so far for the Dec 6th IC webinar • For webinars in 2025, Maria Economou is already asking for SSsC and the secretariat can happily accommodate. We ask for those considering to please inform as soon as possible. • TB mentioned that a potential webinar could be organised based on the IORP position paper. • RMR mentioned that EC considered topics for a webinar in 2025 in Q1-Q2. • The Annual Fee 2025 process is also in preparation.
10.	<p>Any urgent/ additional priority/ task identified for 2025</p> <p>1. ProfCom (Fit & Proper WG) initiative on Standards (deliverable to be submitted to external parties/ EIOPA)</p> <ul style="list-style-type: none"> • LW: the ProfC discussed in Budapest, appendix 2. Actuaries work in public interest roles, insurance/pensions and those should adhere to certain fitness/properness standards and subject to disciplinary 3rd parties when/if necessary. • The addressees for this message, are undertakings, and insurers- however this is a tall order to relay the message. We considering using the regulators to act as multipliers of this message. The report will be publicly shared, after taking a decision. • BK: in Budapest, appendix 2, which goes further and proposes to go to EIOPA to set additional minimum standards and is considered more political. This has been approved by ProfC but not yet integrated into the paper.

	<ul style="list-style-type: none"> Appendix 2 was created by the TF that was meant to be disbanded upon the creation of the Fit and Proper paper. <p><u>Follow-up task:</u></p> <ul style="list-style-type: none"> Further discuss the process, scope and documents in the December Board meeting. Board members to become familiar with Annex 2.
	<p>2. Insurance affordability statistics (Lutz)</p> <ul style="list-style-type: none"> LW: the Australian association published a paper on Insurance affordability and we wondered if this existed in Europe (raising costs due to inflation, NATCAT coverage etc). Lots of ongoing discussions and potentially worthwhile to be given some objective attention. <p><u>Follow-up task:</u></p> <ul style="list-style-type: none"> AI and Affordability Statistics: Discuss the topic of insurance affordability statistics with the advisory panel and gather their input. (LW) Insurance Committee Discussion: Discuss the topic of insurance affordability statistics with the Insurance Committee to identify potential volunteers and gather insights. (LS) <p>3. Sustainability/ Ethics (Stephanos/ Lutz)</p> <ul style="list-style-type: none"> SH: first discussed in Vilnius and again in Budapest, and consider it a strategically important topic. IFOA presented guidance and rationale. Eventually we will have to issue guidance on AI/Sustainability. For the moment it's on hold, due to lack of interest at this juncture. <p>4. AAE (internal) Risk management update</p> <p><u>Follow-up task:</u></p> <ul style="list-style-type: none"> Internal Risk Management Review: Review the internal risk management processes and risk matrix on a high level in the December board meeting to ensure alignment with the target operating model and other initiatives. (Board Members) <p>5. Finance: Coverage ratio Not covered because of the absence of HS.</p> <p>6. Finance: Other source of income Not covered because of the absence of HS.</p> <p>Summary of points discussed/ agreed is disclosed in the Annex to the meeting minutes.</p>
11.	<p>Any other business</p> <p>IH closed the meeting and thanked all for the support and active participation.</p>

	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"> • 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:

Strategic plan	<ul style="list-style-type: none"> • PD asked to be added as Board sponsor to Pillar 2. • AI - delete 'Wider Fields'. • Sustainability - delete 'Wider Fields'. • Transversal topics such as AI and Sustainability: reconsider the current committee structure after GA 2025. • TOM – priority for 2025 	Philippe
Budget 2025	<ul style="list-style-type: none"> • The Board approved the budget for 2025, to be sent to the GA for approval in the extra GA of 10 December 2024. 	
TOM TF	<ul style="list-style-type: none"> • The ToR were approved with some minor edits (addition of Angel Videnov (Bulgaria), Thomas Béhar supported by Samuel Cywie (France)) • The TOM TF will be led by Christophe Heck, with support by JLS. • MP indicated he will not participate in the TF. • PD indicated he would be willing to participate in the TF. 	
Committees	<ul style="list-style-type: none"> • To update the links document. • Proposal of roles/ responsibilities for ComChairs; • ComStructure update, Cross-Com work (AI); • Status on update of Com ToR (reporting lines) 	CommChairs + SH-SB CommChairs CommChairs CommChairs
ECA 2026 host	<ul style="list-style-type: none"> • The Board voted in favour of France as the host of ECA 2026 (majority vote). 	
Consultations – Board reviewers	<ul style="list-style-type: none"> • Consultation 1 – MK & MP • Consultation 3 – LW & FS • Consultation 4 – JLS & MP • Consultation 5 – LW & FS • Consultation 6 – HS & MK 	Malcolm, Matthias Lutz, Frank Jette, Matthias Lutz, Frank Hartwig, Malcolm

Communications Panel	<ul style="list-style-type: none"> The CP to revise the ToR based on the comments received and present to the Board for approval in the December meeting. 	CommP
Fit & Proper WG (ProfC)	<ul style="list-style-type: none"> Further discuss the process, scope and documents in the December Board meeting. Board members to become familiar with Annex 2. 	Board
Insurance Affordability statistics	<ul style="list-style-type: none"> Discuss the topic of insurance affordability statistics with the advisory panel and gather their input. Discuss the topic of insurance affordability statistics with the Insurance Committee to identify potential volunteers and gather insights. 	Lutz Lauri
Internal Risk Management Review	<ul style="list-style-type: none"> Review the internal risk management processes and risk matrix on a high level in the December board meeting to ensure alignment with the target operating model and other initiatives. 	Board