

Notes of a meeting of the AAE Board and Committee Chairs 13 March 2024 | 13:00-15:30 CEST

Participants:

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| Giampaolo Crenca | GC | Chairperson |
| Lutz Wilhelmy | LW | Immediate Past Chairperson |
| Lourdes Afonso | LA | Board member |
| Matthias Pillaudin | MP | Board member (joined until 14:00) |
| Jette Lunding Sandqvist | JLS | Board member |
| Frank Schiller | FS | Board member (joined from 13:00-14:00) |
| Hartwig Sorger | HS | Board member |
| Jeroen van den Bosch | JvdB | Vice-Chairperson PC (joined from 13:00-14:00) |
| Henning Wergen | HW | Chairperson EC |
| Christophe Heck | CH | Chairperson ProfC |
| Lauri Saraste | LS | Chairperson IC |
| 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 |

Apologies:

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| Inga Helmane | IH | Vice-Chairperson |
| Tatiana Bitunska | TB | Chairperson PC |
| Malcolm Kemp | MKe | Board member |

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| 1. | Opening of the meeting and approval of agenda. Giampaolo shared the availability of Board members (see above). Letter of support sent to Moldova as well as on the ECA to all MAs. The mentoring program for Stephanos ongoing and will be assessed in Vilnius. The agenda was approved. |
| 2. | Minutes of the Board meeting of 14 February 2024 The notes of the meeting of 14 February 2024 were approved . |
| | BUSINESS/OPERATIONAL PART |

3. Urgent Committee issues

Each Committee to present a draft of the topics/agenda for the Spring meeting in Vilnius according to each Project/Board Group and to the 3 Years strategic plan.

Proposal if any/Updates

1. Professionalism

- a. AI-DS WG – AI Act on the way AI is used in EU. They produced a short paper/article (now being drafted) which is of good quality. They want to directly liaise with CommP. - publish as a blog? FS noted that it is very important to have something soon.
Board reviewers: FS-LA. CH will inform Esko.
SH: already reviewed it. Depending on the format (blog?) we can adapt the document.
- b. CH **presented the ProfC.'s draft agenda** and raised the issue of Governance.
 - i. We agreed to have a strategic view from the Board to identify initiatives, executed by the Committees.
Role of the Board liaison. Discussion on Sustainability Climate change as an example. In Vilnius to discuss in ProfC. We need to be careful that we do not push one topic over the other, and not lose volunteers for other projects (risk to offense certain volunteers based on perceived preferential treatment).
And also how we cooperate between the Board and the Committee.
 - ii. SH: To give some background, we received the ethical guidance from IFoA (non-mandatory). The question is whether we would need similar guidance for AAE. A short survey was developed, get it approved in the Board in Vilnius, then approved by ProfC, then launch. Good that you raised the channel, whether or not this is through the Board liaison.
 - iii. CH: this is exactly the point. Good to further discuss at Board level. This process is an example of room for improvement.

2. Risk Management

- a. [paper Social Sustainability in insurance](#) – published. Feedback from [Webinar held on 8 March 2024](#) was very good, over 100 participants. [Blog](#) published.
 - i. GC: One-pager in process, there was already a discussion about this issue (for instance Malcolm had some very valuable comments) and a general agreement to create a small TF to discuss and broaden the horizon. One of the points under discussion was the consolidation of the comments how to transition a discussion paper into an AAE position is the main issue. It could be a floating ideas paper, not necessarily a position. Feedback from the Board is welcome. Stephanos is collecting all these comments, also today during the Board and in the next days in order to prepare a proposal for reviewing the publication process to be approved before by the Board Group/Project 1 and then submitted to the Board for approval.

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| | <ul style="list-style-type: none"> ii. LW: the advantage of having a one-pager is when we discuss the topics with external stakeholders. For this reason, it needs to be a consolidated position. This relates to what CH said before. It is important to give it back to the resp. committee as all MAs are represented there. It is important to know how stakeholders think of things. iii. FS: the question is how we can activate the individual MAs. We did not receive feedback from MAs. For me a question mark. We could think of how we can improve this. Part of the CommP discussion is to know what the purpose of the paper is. Is it to share ideas? Or is it really a position? When we speak about a real position, the approach is different. What is a one-pager? Apparently not clear to everyone. iv. MP: goal of a position paper is to feed the Seniors and Board to prepare for talks with stakeholders. What we could ask from CommChairs is to prepare a position on request of the Seniors/Board. It does not need to be based on a discussion paper or work outside the committees. v. LW: We do not need a position for every discussion paper we write. vi. GC: send your comments, if any, a.s.a.p. and LE in RMC to find volunteers for the TF to review/broaden the position. vii. SH: double checking the process of publications with AA and MS. <p>b. Vilnius agenda RMC:</p> <ul style="list-style-type: none"> i. Loudina: volunteers not very active, except for Jerome. Perhaps an idea to use the Vilnius meeting to discuss and to get them to contribute. To give it a proper half hour for discussion. ii. GC: topic on external stakeholders on the agenda. GC can attend. iii. LE: yes, we would like to make members more aware of what their work is leading to. iv. Feedback from Dutch: too much duplication of effort in the AAE meeting structure. v. MS explained the reason of parallel meetings and the goal to cover common topics in the Joint meeting. vi. FS: for the topics we should have positions. We can prioritize. We need to be clear what is a position and what is not. <p>3. Insurance</p> <ul style="list-style-type: none"> a. Vilnius agenda, currently being drafted. There is room for the 4 WGs, consider topics that are popping of from different countries. Specific topics e.g. RTBF, Regarding FIDA. How AAE deals with the digital agenda, this would be perfect for the joint committee (agenda currently being drafted by LE, TB and LS). SII and IRRD will take up a lot of time in the (near) future. EIOPA identified around 80 documents to be reviewed. We may need to extend the WGs to tackle this. b. Update on Right to be Forgotten - roundtable and update on EC Code of Conduct. <ul style="list-style-type: none"> i. LS is now using half day per week on this big topic. There is |
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| | <p>ambition in the Commission. The CoC might be ready in the next month. 2 stages: rules first, then individual insurance companies to sign the CoC. We need to have an opinion as AAE whether we will be a signatory or not.</p> <ul style="list-style-type: none"> ii. CH: SwissRe (and probably also MunichRe) is involved and it is very worrying how this topic is developing. Feedback received is how important AAE is, being a neutral player. This should be a key product for AAE. iii. FS: we came across an additional idea that may be interesting from Grayling talks. Health care is a big topic in which the AAE could do some work in this field. Can this be done by Insurance? There is a huge interest for this in Europe. iv. LS: yes, this could be a topic which we identified, we talked about old age already. We can actually have a discussion on this in the IC. To CH, thanks for the connections in France. We are building relationship also with DG SANTE, AAE can start considering liaising ties. v. HS: health insurance topics. IC could work on comparison of private health insurance. vi. GC: supplementary health private fund (SHPF) is already a wider field developed enough and it is a task of the Board Group/project 1 to develop. So, as already discussed, it is a matter of IC and it concerns health care and health insurance but looking to groups. To broaden also to individual insurance coverages would be a good thing. vii. LW: we also need to ensure that EC understands that deleting it from the records leads to all kinds of negative effects. We saw this in equal rates and in motor insurance. While this is OK for motor insurance, it is not OK for life or health insurance. RTBF needs to be transparent and people should have access. <p>c. Update on Value for Money – will be covered in Vilnius.</p> |
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4. Pensions

Jeroen van den Bosch replaced Tatiana today as Vice-Chair PC.

- A WG started on PTS, Jeroen is in the lead. Members from 6 MAs. The goal is to provide advice to local and European entities. Present the first results to the PC near the end of the year. We would like to start with a small group as this increases commitment and activity.
 - i. HS comment: there is a draft of the FIDA regulation, will be in the ECON subcommittee in March. Maybe there is some overlap between PTS and FIDA. Member states are free to opt in.
 - ii. Jeroen: Is there someone who can share this and has more expertise, in the next meeting or in Budapest? This new information on Financial data could shake things up. On the back of communication there should be rules how to make insurance and pension products comparable. Actuaries can play a large role here. We are aware that this is an issue and the PTS WG is fully aware of this. First impression is that there are very few people see that this could be an issue.
- Review IORP II Directive ongoing. Philip Shier is in the lead. Because of the upcoming elections, some down pacing is expected. Provides us with the opportunity to prepare well for any changes in the IORP II Directive.
- Update on paper Risk mapping of Social Security Pensions Systems – pending for publication (March). Lead author is Tibor Parniczky. The paper was discussed first in Cologne, already reviewed by Board. Follow-up questions are being handled prior to publication, which is expected in March.
- **Pensions agenda Vilnius:** Jeroen asked if anyone knows someone who is familiar with the FIDA regulation.
 - i. GC: to include the AAE strategic plan in the agenda. It is a recommendation for all committees – an example is the draft agenda presented today by Education Committee. For pensions this would be, for instance, project 1 – wider field - Social Security.
 - ii. HS: topic of Solvency in Insurance and Pensions. We see a shift in DC. A model/system should have a sufficient smoothing process. It is available/implemented in Austria.
 - iii. Jeroen: Agree with HS. Solvency will be different. Solvency is about taking risks and how to deal with risks. This can be done with smoothing mechanisms but also by making sure that people receive what they expect to receive. In NL on the one hand you shift the risks. If you go to another system you should also change this mechanism. Risks are difficult for people to understand.

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| | <p>5. Education</p> <ul style="list-style-type: none"> a. Vilnius agenda – want to have a brief discussion on the strategy, on the competency framework and what role the AAE may have. b. Update on TF CPD in Data Science – working on the paper, a best practice approach to deliver some concepts how to gain skills in DS in the actuarial fields: traditionally actuaries gaining DS skills and the other way around: Data scientists gaining more actuarial knowledge. To be discussed in Vilnius. |
| 4. | <p>Update on important business topics - operations</p> <ul style="list-style-type: none"> 1. Consultations: <ul style="list-style-type: none"> • state of art about current consultations (Giampaolo/Stephanos) <ul style="list-style-type: none"> i. SH: greenwashing consultation already submitted. Value for Money: draft now being reviewed, consolidated response, well done project. Capital models, prudential treatment consultation: now with IC and RMC, deadline for comments on 18 March. This one is a bit different as there are some different views. SH expects some comments from IC and RMC and will have a call with the Board reviewers FS-MP next week to discuss/align. ii. SH: One last comment: we should have all MAs involved, which is in the committees. There was not much feedback from the committees, approved by the silence, no real engagements. iii. Consultation process: it seems we miss a step and we need to reassess this process. iv. LE: healthy if there is a difference of opinion. Agreed by silence, this is exactly what I mentioned earlier, no real engagement. This is what I want to address in Vilnius. v. GC: the review of the consultation process is in progress. SH is working to a proposal that will be discussed before with the Board Group/project 1 • to assign reviewers to outstanding consultations, if any (Giampaolo) – no new consultations, no reviewers assigned. 2. Update from the Communications Panel <ul style="list-style-type: none"> • website preview and projected timeline to go live and launch campaign: AA: short 30 min calls are scheduled with NextLead to discuss status. Functioning backend available on Fri-Mon. Design elements: logo, templates (ppt-Word) available and under review by CommP. We want to ensure the quality and the goal is to launch by Vilnius. |

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| | <p>a. communications expert</p> <ul style="list-style-type: none"> i. LA: the Grayling document was in the Board material. Foundation for our messaging house. We need to work further on the recommendation. ii. GC: have some comments to further develop. We need to be aware of the different languages to use for different stakeholders. Videos: to be reviewed, already started with ECA video and we will continue. Remember: involve MAs as communication channels. iii. JLS: see the added value of Grayling, we need it. iv. SB: paper: AAE is more than European Union, we need to address this in the paper. Find another wording. Perhaps Europe? v. JLS: often both Iceland and Norway copy European legislation. vi. LW: we also have UK, Turkey, Switzerland. Calling it Europe would be best. |
| 5. | <p>Events</p> <p>1. AAE webinars and roundtable</p> <ul style="list-style-type: none"> • LS: IC webinar – idea would be to have visibility for the AAE work in the topic of SII, perhaps EIOPA will be interested to contribute. Agenda to be discussed in Vilnius. • EC is asked to also discuss the webinar for Q4 in Vilnius. <p>2. ECA 2024</p> <ul style="list-style-type: none"> • HW: everything we say now would be outdated in an hour. All relevant info is in the shared documents. 2 additional bronze sponsors. 130 registrations, expect another 50 by Friday (end of early bird). Call held with CommP to align communication/messaging. • GC: all Board members involved. Had a good discussion this morning about the strategy to communicate before, during and after the congress. The strategic plan, the title and the sub title of the Congress should be included in the message. AI and Sustainability, or Value for Money, RTBF, to be mentioned, whatever is decided to be included in the message. GC asks the Board for suggested leading topics to bring to the attention at the ECA. • Many ideas: 1. good press release before, 2. Individuate the message. Main message is in the title and in the presentation of the strategic plan. To include the message in the press release, which will also go to the external world. If you have other ideas/suggestions, please share. About the number of participants an additional remark: with the free tickets at now we are at 209. We will expect between 80-120 participants from Italy. • LW: is the general message in one of the documents? MS shared the ECA webpage for the title of the congress and the titles of the speeches. |

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| | <ul style="list-style-type: none"> • LW: Careful how we phrase that actuaries are good risk managers. It can be delicate to say that all actuaries are equally suited for all positions, which is not necessarily the case. <p>3. CONVENTION A Europe</p> <ul style="list-style-type: none"> • SH: call on Friday to prep for the session. All progressing well. • JLS: SH will moderate the session. • Number of participants: HW reported 960, expect more coming in, hit 1,000. 3 biggest: Germany, Italy, France. 340 free AAE tickets. |
| | STRATEGIC PART |
| 6. | <p>3 Years Strategic plan</p> <ol style="list-style-type: none"> 1. The Board folder (for information only) – includes: <ul style="list-style-type: none"> ○ Workplan file in excel to be updated step by step according to the works in progress and related outcomes about each “project-priority/Board group” ○ Plan application ○ Updated summary presentation 2. Main previous works still in progress (for information only) Website in progress, hopefully to launch before Vilnius. 3. Official launch of the <i>3 Years Strategic Plan</i> – Communication strategy (for proposal) GC: Discussed with CommP: gradual communication leading up to ECA starting end March/April. An article is in TEA. One idea is to combine the message/Press Release with ECA/strategic plan. In the next Board we will have more clear ideas. 4. Each Board Group to provide an update about each Project <ul style="list-style-type: none"> ○ Project 1: <ul style="list-style-type: none"> ▪ GC: meeting held in February. Review of the consultation and publication processes and started to work on ideas for the wider fields. A call is scheduled with Tatiana Bitunska and Maria Economou to discuss social security. Now work on further steps to decide on what actions are needed to reach the goal. ▪ About SPHF, the idea is to create a group (looking for volunteers, also in the Meet & Greet in Vilnius) and to collect material to draft a paper (not a position). |

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| | <ul style="list-style-type: none"> ▪ About ERM (Enterprise Risk Management) – pure risks: open the door to non-financial firms. Find volunteers in RMC or through the Meet & Greet. The medium/long term goal is to prepare a paper (not a position). ▪ LW: some topics are a bit special (e.g. SPFH and risks in non-financial firms), we need to assess if there are sufficient volunteers. <p>○ Project 2:</p> <ul style="list-style-type: none"> ▪ JLS and LA: we raised this earlier in the meeting, also regarding the Grayling recommendations. We need the topics to move forward. ▪ JLS: we need some more time on working on the messaging house. ▪ LA: E.g. the one pager on AI. We need to decide on which topics we focus first. Should we propose the topics and the Board approves? ▪ JLS: this also has an impact on the committees. Topics for messaging house: AI, SII, Sustainability (wait until will solved the questions of the one-pager) ▪ LW. Maybe we have other material on Sustainability which is less controversial. ▪ LA: we will start with these 3 topics. |
| | <p>○ Project 3: Lutz: we will meet before Vilnius, all on track.</p> <p>○ Project 4: No meeting held. To schedule one before Vilnius. GC to talk to Inga. CH: on 18 March the ProfC leadership will meet. IFoA feedback on MRA is expected as well.</p> <p>○ Project 5: Budget for the extension of the secretariat is being considered. In absence of MP, this topic was not further discussed.</p> <p><u>GC encouraged all Board Groups to have meetings on the projects on a regular basis.</u></p> |
| 7. | <p>Update on important business topics - strategic</p> <ul style="list-style-type: none"> a. Update from Advisory panel and new issues to be submitted, if any. <ul style="list-style-type: none"> i. GC: discussed with Senior Officers, no new tasks for high level issues. New elections upcoming. Probably after the elections, AP will ask for advice to (re-)connect to new/re-elected MEPs. Any suggestions from the Board about issues to be submitted to AP are welcome b. Meetings with stakeholders Folder in Teams: 01 Meetings with stakeholders • Future meetings with stakeholders – Scheduled: <ul style="list-style-type: none"> i. <i>Prep meeting for FERMA GC/IH/LW, 18 March</i> ii. FERMA –25 March 2024 (virtual) GC, LW, IH will attend. First meeting, discuss common topics in our similar associations. iii. Insurance Europe – 29 April 2024 (virtual), prep call on 8 April. |

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| | <ul style="list-style-type: none"> iv. DG FISMA – 14 May 2024 (in person), prep call to be scheduled v. EIOPA – 25 June 2024 (in person), prep call to be scheduled vi. Any others that are confirmed in the meantime - outstanding invitations: CRO Forum, Pensions Europe. Pensions Europe prefers a virtual meeting, probably 13 June 2024. CRO Forum delivered a speaker for ECA and we hope to be able to arrange a meeting shortly. <ul style="list-style-type: none"> • Follow-up actions resulting from stakeholder meetings, if any. IRSG-OPSG Call for nominations from EIOPA stakeholder groups. MS explained: EIOPA calls for individuals, not representing AAE. AAE can support if an individual so requests. NP will decide. |
| | BUSINESS/OPERATIONAL PART - continued |
| 8. | Report of the Secretariat <ul style="list-style-type: none"> • Monique stressed again that in Vilnius no online participation will be arranged, only for presenters in exceptional cases. CommChairs to inform the Secretariat a.s.a.p. Need to further market the Spring Meetings, as we are now just over 70 participants. Remarks were made that travel to and from Vilnius is challenging for some, which may prevent people from travelling there. A reminder was sent earlier today. • Annual Fee; 23 MAs paid, pending nearly 100K. |
| 9. | Any other business <ul style="list-style-type: none"> • SB: Insurance Stress Test Workshop: nothing really new, presented again the timetable to start to launch the exercise, expected in April. Especially the scenarios will be published. Process approved already, now waiting for the scenarios. Names of the participants are known, mostly groups that participated in the exercise 3 years ago. To deliver the date to the national supervisor in August and then to EIOPA with the publication by the end of 2024. Petra pointed to the new article 64 in the directive which would allow EIOPA to publish without the consent of the undertakings of the groups. • Brief conclusions by Giampaolo: thanks to all for the valuable work. We continue to deliver contributions and to 'push'. • GC: ECA video draft was viewed, very good impression. To be further developed and finalised. |

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| | Future meetings / conference calls: 13:00 – 15:30 CE(S)T on the second Wednesday of every month unless shown otherwise |
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| | <p>Confirmed schedule Board meetings 2023-2024:</p> <ul style="list-style-type: none"> • 17 April 2024, Vilnius, 14:00-17:00 • 15 May 2024, virtual, 13:00-15:30 • 5 June 2024, Rome, full day 09:00-16:00 (day before ECA 2024) • 3 July 2024, virtual, 13:00-15:30 • 11 September 2024, virtual, 13:00-15:30 • 9 October 2024, Budapest, Hungary, 14:00-17:00 (tbc) |
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SUMMARY OF MAIN ACTIONS/DECISIONS:

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| Professionalism Committee | <ul style="list-style-type: none"> • AI Act paper: reviewers: Frank and Lourdes | Frank, Lourdes |
| Risk Management Committee | <ul style="list-style-type: none"> • To set up a TF to review the position on Social Sustainability | Loudina |
| All Committees | <ul style="list-style-type: none"> • To include (relevant part of) the strategic plan in the committee agendas | All CommChairs |
| Communications Panel | <ul style="list-style-type: none"> • Take comments on Grayling document into account (see 4.2b – reference to European Union = Europe, language, etc.) | CommP |