

**JOINT MEETING OF
INSURANCE, PENSIONS AND RISK MANAGEMENT COMMITTEES
HELD IN ROME, ITALY
ON THURSDAY 6 OCTOBER 2022 FROM 09.00-11.00 CEST**

MINUTES

The list of participants is attached at the end of these minutes as **Annex 0.1**.

1. OPENING OF MEETING AND ADOPTION OF THE AGENDA

Malcolm Kemp (Chairperson) welcomed attendees.
A short silence was held in remembrance of the recent death of Ermanno Pitacco.

2. MINUTES OF PREVIOUS MEETING

There were no comments or additions to the minutes of the meeting held on 31 March 2022 as available [on the AAE website](#).

3. INFLATION RISK

Samuel Achord gave a presentation about the impacts and implications of inflation on insurance and pensions, that included consideration of instantaneous and longer-term impacts as well as nominal and real return effects. This was followed by a general discussion on inflation risk including whether it was likely that inflation expectations would remain grounded near the current ECB longer term target of 2% pa. Malcolm indicated that a fuller discussion on this topic would take place later that day in the Risk Management Committee.

4. RISK MANAGEMENT FOR IORPS

4.1 Mr. Luigi Antonelli PhD, the CRO of Fondo Pensione Cometa (the biggest Italian IORP) gave a presentation on the risk management model implemented in Cometa. He explained the structure of Cometa and similar Italian sector wide DC pension schemes. He noted that they had started to use economic scenario generators more extensively in c. 2012. He described an innovative way in which they seek behavioural information from plan members for risk profiling purposes via a self-assessment questionnaire. His presentation was followed by a general discussion of issues involved in such analyses. Malcolm thanked him for his interesting presentation.

4.2 Charles Cowling provided a short update on recent experience in the UK regarding Liability Driven Investment (LDI). This was a commonly used strategy by DB pension funds in the UK (and he guessed by DB funds as well as potentially insurers in some other European jurisdictions). Government fiscal pronouncements had triggered instability in the gilt (i.e. UK government debt) market. LDI funds had commonly included leverage and use of derivatives and this instability had led to uncomfortably

large margin / collateral calls which had created the risk of fire sales at the long-dated end of the gilt market. Because of the sums involved and the perceived risk to financial stability, the Bank of England had introduced a backstop designed to calm the market.

5. SUGGESTIONS FOR TOPICS TO BE COVERED IN FUTURE MEETINGS AND ANY OTHER BUSINESS

Malcolm asked meeting participants to suggest topics to one of the committee chairs. There was no other business raised.

6. DATE OF NEXT MEETING

The next meeting will be held in Bratislava Slovakia, on 20 April 2023 (tbc) at the invitation of the Slovak Society of Actuaries and in conjunction with the AAE Spring Meetings.

Annex 0.1

Participants Joint meeting Insurance, Pensions, Risk Management Committees Rome | 6 October 2022

| | Family name | First name | Member Association | Country |
|----|-----------------|---------------|-------------------------------------|---------------------|
| 1 | Kainhofer | Reinhold | Aktuarvereinigung Österreichs (AVÖ) | Austria |
| 2 | Knapp | René | Aktuarvereinigung Österreichs (AVÖ) | Austria |
| 3 | Krischanitz | Christoph | Aktuarvereinigung Österreichs (AVÖ) | Austria |
| 4 | Sorger | Hartwig | Aktuarvereinigung Österreichs (AVÖ) | Austria |
| 5 | De Leval | Daphné | Institute of Actuaries in Belgium | Belgium |
| 6 | Demol | Philippe | Institute of Actuaries in Belgium | Belgium |
| 7 | Goossens | Karel | Institute of Actuaries in Belgium | Belgium |
| 8 | Bitunska | Tatiana | Bulgarian Actuarial Society | Bulgaria |
| 9 | Jusko | Martin | Ceska spolecnost aktuaru | Czech Republic |
| 10 | Melchior | Martin | Danish Actuarial Association | Denmark |
| 11 | OByrne | Conor | Den Danske Aktuarforening | Denmark |
| 12 | Kivisaari | Esko | Actuarial Society of Finland | Finland |
| 13 | Mannonen | Hillevi | Suomen Aktuaariyhdistys | Finland |
| 14 | Saraste | Lauri | Suomen Aktuaariyhdistys | Finland |
| 15 | Deville | Richard | Institut des Actuaire | France |
| 16 | Baldauf | Siegbert | DAV | Germany |
| 17 | Dennstedt | Nils | DAV | Germany |
| 18 | Renz | Michael | DAV | Germany |
| 19 | Anyfanti | Marianna | Hellenic Actuarial Society | Greece |
| 20 | Borza | Gábor | Magyar Aktuárius Társaság | Hungary |
| 21 | Hanak | Gabor | Hungarian | Hungary |
| 22 | Sammartini | Giovanni | ISOA | Italy |
| 23 | Ptakauskas | Paulius | Lietuvos aktuaru draugija | Lithuania |
| 24 | Valeiša | Evaldas | Lietuvos Aktuaru Draugija | Lithuania |
| 25 | Albertsen | Gunn | Sissel Rødevand | Norway |
| 26 | Pusz | Robert | Polskie Stowarzyszenie Aktuariuszy | Poland |
| 27 | Zwara | Marcin | Polish Society of Actuaries | Poland |
| 28 | Ornelas Marques | Rita | IAP | Portugal |
| 29 | Shier | Philip | Society of Actuaries in Ireland | Republic of Ireland |
| 30 | Wiebe | Jason | Society of Actuaries in Inreland | Republic of Ireland |
| 31 | Lundgren | Maryna | Aktuarieföreningen | Sweden |
| 32 | Kaufmann | Roger | Swiss Association of Actuaries | Switzerland |
| 33 | Cowling | Charles | Institute and Faculty of Actuaries | UK |
| 34 | Kemp | Malcolm | Institute and Faculty of Actuaries | UK |
| 35 | Piper | Alice | IFoA | UK |
| 36 | Thomson | Kartina Tahir | Institute and Faculty of Actuaries | UK |