ACTUARIAL ASSOCIATION OF EUROPE

# AAE Competency Framework

21 September 2026 | 10.00 – 11.15 CEST

ADVISING • ACHIEVING • ENGAGING

# Moderator


Rafael Moreno Ruiz

Chairperson of the AAE Education Committee and Member of the Competency Framework Task Force

# Agenda

**10:00-10:10: Welcome and Introductions**

- **Rafael Moreno Ruiz**

**10:10-10:50: AAE Competency Framework**

- **Gábor Hanák**
- **Ramona Dolan**

**10:50-11:15: Q&A with the speakers**

# Introduction

- Why is this topic relevant:
  - It is the result of a high level but systematic assessment of the basic features/skills that every actuary needs to have irrespective of the concrete practice area they actually work in.
  - It supports the AAE, member associations and individual actuaries in identifying areas for education and CPD development.
  - It communicates the breadth and value of actuarial competencies to external stakeholders.

# Introduction

- The CF is:
  - A picture of the combination of technical, professional, business and human capabilities that characterise a well-rounded actuary
  - A stable, high-level foundation for entry education and lifelong learning.
  - Relevant to actuaries across practice areas.
  - A reference point for future development – relevant to the AAE and its FMAs.
  - A means of explaining the profession’s breadth and skill types.

# Introduction

- The CF is **not**:
  - A requirement that every actuary demonstrate every competency to the same level.
  - An immediate mandate to alter the Core Syllabus or member associations' CPD programmes.
  - A replacement for existing national frameworks.
  - A rigid classification of core and specialised actuaries.

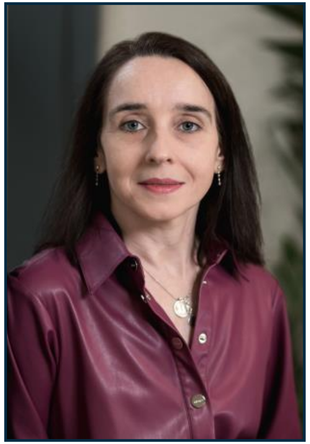
# Introduction

**Drafting and discussion process**

- The TF was created by the Education Committee in November 2024.
- It included members from both the Education and the Professionalism Committee.
- Successive drafts were presented and discussed in meetings of both Committees (April and October 2025), so the TF received relevant feed-back and incorporated it into the document.
- It was approved by the Education Committee in its meeting on 23 April 2026, and, finally, by the AAE Board in its meeting on 20 May 2026.

# Speakers

Gàbor Hanák
Past-Chairperson of the AAE and
Member of the Competency Framework Task
Force



Ramona Dolan
Vice-Chairperson of the AAE Education
Committee and Chairperson of the
Competency Framework Task Force

# Why did we do the work?

- A logical simple robust framework for actuarial competencies – instead of the futile attempt to define what an actuary is…
- … although we use the term ‘actuarial’
- Create a home for the ‘result’ of both entry and continuous training types
- I’m afraid though that not all competencies can be acquired through formal training processes (e.g. Ethics, Professional Judgement, Effective Communication, Conflict Resolution and Stakeholder Management)
- Address both internal and external audiences
- Contribute to the well-being of society (our vision)

# Why did the AAE do it?

- It could have been a piece of work for the IAA
- Greater commonality across Europe
- Note what happened with the EAN 3 Professional Judgment (→IAN 300 Professional Judgment)

# Is it specific to the actuarial profession?

- Most of the competencies are equally applicable in many professions
  - Professional Conduct, Holistic Thinking and Problem Solving, Business Context and Compliance, Communication and Collaboration
- However, Actuarial and Analytical Expertise is quite specific but…
- …there may be other professions, although not too many, with the same competencies, e.g. risk managers
- Well, my personal view (which is not reflected in the paper) is that an actuary is a risk manager; from that perspective the Competency Framework is rather specific

# The Competency Framework in detail

Structure, content, and the choices behind the words

**Ramona Dolan | Chair, Competency Framework Task Force**

# Where to find?

https://actuary.eu/wp-content/uploads/2026/06/AAE_Competency_Framework_May-2026-Board_-approved.pdf

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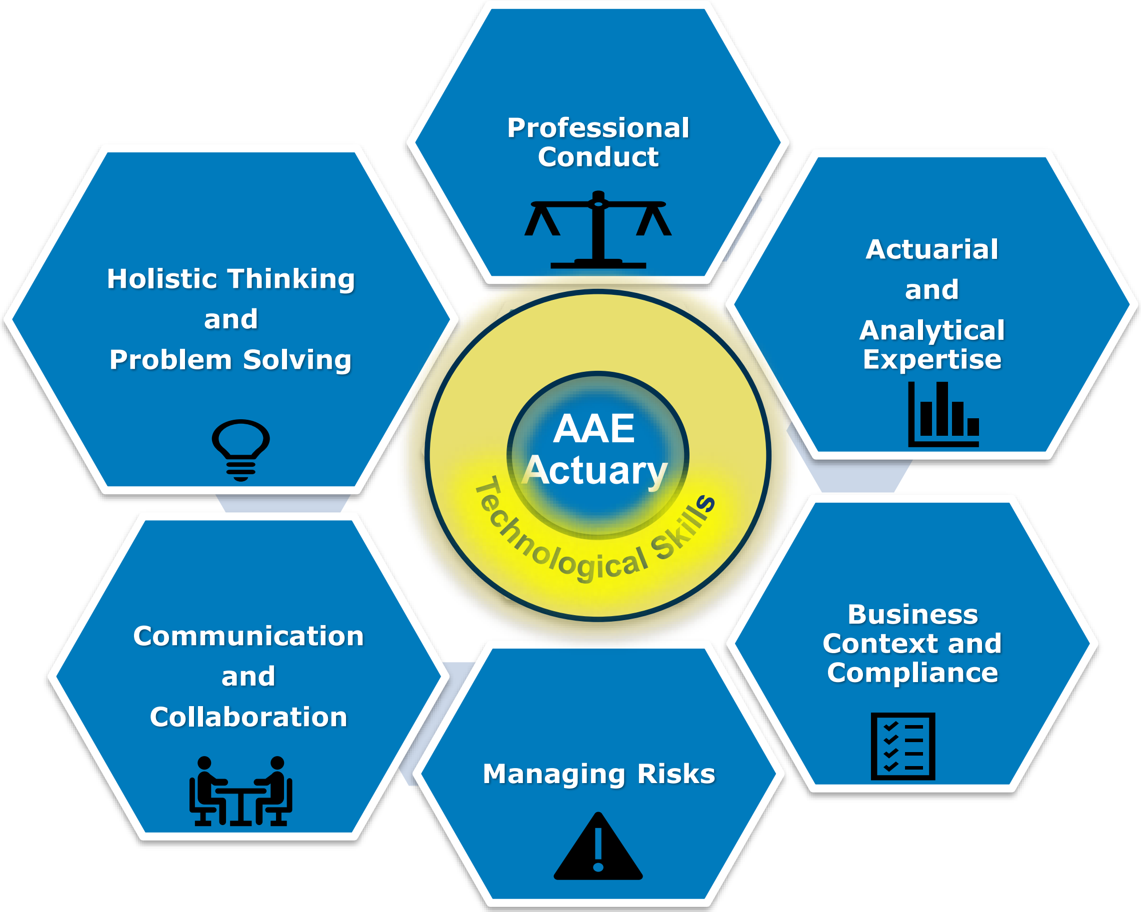
AAE COMPETENCY FRAMEWORK

*Framework setting out the core competencies that enable AAE actuaries to provide trusted, high-quality professional advice.*

*"Approved by the AAE Board on 20 May 2026"*

# The big picture



# Debate A: Strategic or holistic thinking?

### THE QUESTION

Earlier drafts named one area ‘Strategic Thinking and Problem Solving’.

Is strategic thinking a competency that every actuary needs, at every stage of a career?

### WHERE THE TASK FORCE LANDED

‘Strategic’ carries an implication of seniority and of high-level corporate strategy.

Valuable - but not part of the core skill-set of every actuary.

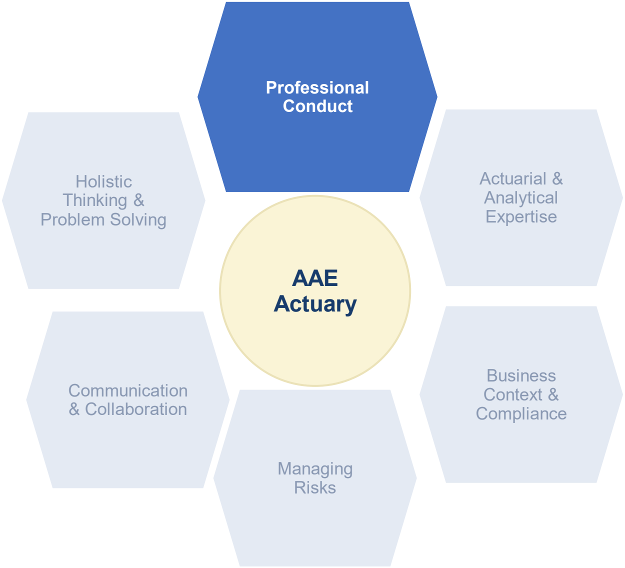
‘Holistic’ better captures what we meant: considering all relevant aspects of a problem.

**In the final Framework: the area is Holistic Thinking and Problem Solving**

# Professional Conduct

**TOPICS**

- Accountability
- Ethics
- Professional Judgement
- Resilience
- Professional Standards




***This is the area that distinguishes a profession from a technical discipline***

# Debate B: "Expert" or "Professional" Judgement?

### THE QUESTION

Earlier drafts used ‘Expert Judgement’ - the term familiar from technical work.

### WHERE THE TASK FORCE LANDED

‘Expert judgement’ reads narrowly: tied to formal expert roles.

‘Professional judgement’ is broader

Its exercise necessarily takes account of every professional standard the actuary is bound by - the Code of Conduct and applicable practice standards.

**In the final Framework: Professional Judgement is a topic under Professional Conduct.**

# Actuarial and Analytical Expertise

**TOPICS**

- Data Analysis
- Modelling
- Financial Mathematics
- Statistics
- Asset Valuation
- Economics
- Quantitative Analysis
- Qualitative Analysis


*Qualitative analysis sits deliberately alongside quantitative analysis. The word 'actuarial' was itself debated - and retained, as a key differentiator for the profession.*

# Holistic Thinking and Problem Solving

**TOPICS**

- Solution Design
- Critical Thinking
- Decision Making
- Holistic Thinking
- Supporting Stakeholders’ Decision Making


*Two of the Task Force’s longest discussions sit inside this one area - the next two slides.*

# Debate C: Should "leadership" be included?

**THE QUESTION**

Leadership appeared as a topic in earlier drafts.

Is it a competency every actuary needs - or one that some actuaries develop?

**WHERE THE TASK FORCE LANDED**

Leadership matters, but it is not universal in the way decision making is.

Much of what we wanted from it is already carried by decision making, solution design and stakeholder management.

It was therefore removed as a separate topic.

**In the final Framework: there is no ‘Leadership’ topic. That is a statement about universality, not about value.**

# Debate D: Decision-makers, or advisers?

**THE QUESTION**

Should the Framework describe actuaries as decision-makers, or as providers of analysis and judgement that support others' decisions?

This was not a drafting point. It concerns how the profession describes its role and its influence.

**WHERE THE TASK FORCE LANDED**

Actuaries do make decisions. The Framework does not say otherwise.

But the purpose of that work is to provide actuarial advice to principals and to other users of actuarial advice.

The Framework therefore refers to supporting stakeholders' decision-making.

**In the final Framework: 'Supporting Stakeholders' Decision Making' sits alongside 'Decision Making'. Both are there, deliberately.**

# Business Context and Compliance

**TOPICS**

- Industry Knowledge
- Regulatory Knowledge
- Governance
- Internal Business Knowledge
- Stakeholder Knowledge

# Managing Risks

### TOPICS

- Risk Identification
- Risk Measurement
- Risk Mitigation and Management
- Managing Extreme Events Risk
- Balance of Quantitative and Qualitative Skills


*The explicit reference to balancing quantitative and qualitative skills came directly from committee feedback.*

# Communication and Collaboration

**TOPICS**

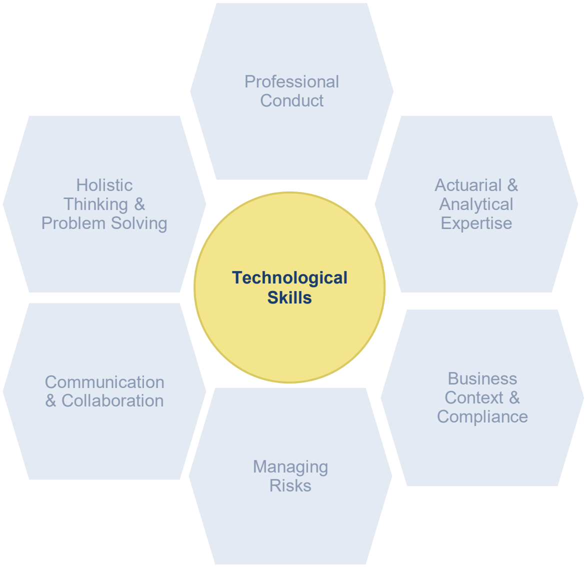
- Active Listening
- Effective Communication
- Teamwork and Collaboration
- Conflict Resolution
- Stakeholder Management


*Analysis that cannot be explained cannot be acted on.*

# Technological skills at the centre

*"Actuaries apply powerful analytical tools, modelling software, and AI-driven methods to interpret complex data and support sound decision-making. All actuaries make use of technological capabilities appropriate to their role in order to enhance accuracy, efficiency, and insight."*

- Placed at the centre, not added as a seventh area - it changes how every other area is exercised.
- 'Appropriate to their role' does the work: proportionate capability, not universal expertise in every tool.
- Deliberately technology-neutral wording, so the Framework does not date as the tools change.



# Putting the Framework to work

## Member associations

- A way of reviewing whether education and CPD opportunities cover the breadth of actuarial capability.
- A complement to national frameworks, not a replacement for them.
- Full flexibility over programme design is retained.

## Individual actuaries

- A prompt to consider competency gaps - relative to a current role, or a desired future one.
- A vocabulary for a development conversation with an employer or a mentor.
- A way of seeing where your own emphasis sits across the six areas.

## External audiences

- A concise explanation of what distinguishes actuarial advice.
- The breadth of contexts in which actuarial competencies can be applied.
- What principals and users of actuarial advice can reasonably expect.

**Adoption requires no immediate change. Future changes to education and CPD - whether initiated by the AAE or by an association - should have due regard to the Framework.**

# A worked illustration

**ILLUSTRATIVE ONLY - THIS EXAMPLE IS NOT PART OF THE FORMAL FRAMEWORK**

**SCENARIO**

**An actuary is asked to advise on the introduction of an AI-supported pricing, reserving or risk-assessment process.**

*Which competencies does that single piece of work actually draw on?*

# The Framework in practice

| | |
|---|---|
| **Actuarial and Analytical Expertise** — Understand and challenge the model. | |
| **Managing Risks** — Identify limitations, uncertainty and unintended impacts. | |
| **Professional Conduct** — Exercise professional judgement; weigh the ethical implications. | |
| **Business Context and Compliance** — Understand the governance and regulatory requirements. | |
| **Holistic Thinking and Problem Solving** — Consider wider consequences and alternative solutions. | |
| **Communication and Collaboration** — Explain the analysis; engage with other disciplines. | |
| **Technological Skills** — Use and assess the relevant technology appropriately. | |

**No single area is sufficient on its own.**

# Three messages to take away

1

**Broader than technical**

Actuarial competence is broader than technical expertise - and always has been.

2

**Interconnected, not ranked**

The relative emphasis varies by role, but the areas are interconnected.

3

**A foundation, not a requirement**

A flexible foundation for development and communication - not an immediate new compliance requirement.

# Thank you to the members of the Task Force

**Chaired by Ramona Dolan (Society of Actuaries in Ireland)**

| | | |
|---|---|---|
| **Julie Bjørner Søe** | **Rafael Moreno Ruiz** | **Zuzana Weber** |
| **Christina Ziehaus** | **Adam Pasternak-Winiarski** | **Giampaolo Crenca** |
| **Gábor Hanák** | | |

*With thanks also to the AAE Education and Professionalism Committees for their feedback through 2025 and 2026.*

# Questions

# Thank you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