

## PRESS RELEASE

### Actuarial Association of Europe publishes AAE Discussion Paper “What should an actuary know about Artificial Intelligence?”

Brussels, 15 January 2024:

The Actuarial Association of Europe (AAE) announces the publication of a paper titled “[What should an actuary know about Artificial Intelligence?](#)”.

Actuaries are living through the birth of large-scale adoption of Large Language Models (LLMs) like ChatGPT. Next to enormous promises, this technology carries risks and threats. It is yet to be seen where the journey with AI will exactly go and how fast societal adaptation will push this topic forward.

We believe actuaries not only working in insurance but also more generally in business, pensions, social security and other areas need to familiarise themselves with novel tools to understand how they can revolutionise practices in the actuarial domain. Actuaries need to understand how they can, based on their long experience with complex models, bring their expertise to this novel area, and also warn of the possible dangers with models that might be used when assumptions they are based on are not valid or when the tools are used in areas where their validity has not been tested.

Many technologies already exist today and will become reality in the near future. Hence, rather than a burden, this is a unique opportunity for actuaries to strengthen their role, broaden their areas of influence, and safeguard responsible use of AI in critical areas. AI and adjacent trends will fundamentally transform how companies operate and will allow them to optimise sales, distribution, pricing, claims management, and many more areas. As many of these applications require actuarial expertise paired with data, business and communication skills, actuaries are optimally positioned to assume central roles and shape this change. Taking a stronger stance, one could argue that actuaries have the duty to step up in AI and protect what matters most – safeguarding welfare and protection of customers and societies.

AI and data are also areas where regulation is needed to protect individuals from inappropriate use of data. EU is developing regulation in this area, most importantly the AI Act. We feel actuaries are needed in the implementation of this horizontal piece of regulation especially in the areas of insurance and pensions. Our current paper lays the groundwork, e.g., in introducing tools for explainable AI (XAI) to create a sound framework for responsible use of novel tools.

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#### Notes for editors

1. For further information please contact Monique Schuilenburg, Operations Manager (tel. +32 2 274 06 61), [moniques@actuary.eu](mailto:moniques@actuary.eu)
2. Copies of all AAE press releases are available on the AAE website ([www.actuary.eu](http://www.actuary.eu))
3. The Actuarial Association of Europe (AAE) was established in 1978 under the name Groupe Consultatif to represent actuarial associations in Europe. Its primary purpose is to provide advice and opinions to the various organisations of the European Union - the Commission, the Council of Ministers, the European Parliament, the European Supervisors and their committees – on actuarial issues in European legislation. The AAE currently has 38 member associations in 37 European countries, representing over 29,000 actuaries. Advice and comments provided by the AAE on behalf of the European actuarial profession are totally independent of industry interests. The Actuarial Association of Europe is registered in the EU Transparency Register under number 550855911144-54