

COSTS AND PAST PERFORMANCE REPORT

December 2023

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CONTENTS

List of figures and tables	3
Executive summary	5
1. Introduction	7
2. Insurance Based investment Products	9
2.1. Market Coverage	9
2.2. Performance and costs	10
2.2.1. Net Returns (nominal term)	11
2.2.2. Net Return adjusted for inflation.	14
2.2.3. Costs	15
2.3. Value for money	21
2.3.1. Risk drivers	21
2.3.2. Asset allocation	24
2.4. IBIPs with sustainability features	25
2.5. Cross-border IBIPs	27
3. Pension Schemes and Products	31
3.1. Personal Pension Products (PPPs)	31
3.1.1. Performance and costs	31
3.2. Institutions for occupational retirement provision (IORPs)	39
Annex I - Methodology	45
Annex II – Statistical annex	51
Annex III - Occupational Pensions Landscape: Structure and design, country analysis	62
Annex IV - Additional information on IORPs	71
Annex V - Definitions	73
Annex VI - List of national competent authorities	77
Annex VII - Acronyms	79

LIST OF FIGURES AND TABLES

Figure 1 - EEA life insurance GWP (€ million), for selected lines of business, 2022	8
Figure 2 - Market coverage of the sample in scope – UL and HY products, 2022.....	10
Figure 3 - Market coverage of the sample in scope – PP and HY products, 2022.....	10
Figure 4 – Net returns for UL, PP and HY, at EEA level, 2022-2018.....	13
Figure 5 – Dispersion of net returns, per country, UL products, 2022.....	14
Figure 6 – Dispersion of net returns, per country, PP (left) and HY products (right), 2022	14
Figure 7 – Net returns for UL, PP and HY, at EEA level, 2022-2018 adjusted for inflation	15
Figure 8 – Reduction in Yield (RIY) (left) and breakdown by type of cost component (right), by product, at EEA, 2022	16
Figure 9 – UL weighted average costs, by Member State, 2022	17
Figure 10 – HY weighted average costs, by Member State, 2022	17
Figure 11 – PP weighted average costs, by Member State, 2022	18
Figure 12 – Dispersion of costs, UL products, by Member State, 2022	18
Figure 13 – Dispersion of costs, PP (left) and HY products (right) by Member State, 2022	18
Figure 14 – Dispersion of costs – Proportion of the different type of costs, by product, 2022	21
Figure 15 – Net returns (left) and costs (right) for UL products, by risk class, 2018-2022	22
Figure 16 – Net returns (left) and costs (right), for PP products, by risk class, 2018-2022.....	22
Figure 17 – Net returns (left) and costs (right), for HY products, by risk class, 2018-2022	22
Figure 18 – Net returns (above) and costs (below), by product and RHP, 2022	23
Figure 19 – Net returns (above) and costs (below), by product and premium frequency, 2022.....	24
Figure 20 – ISINs collected and method to match them with the sector and asset class.....	24
Figure 21 – Sector and asset class breakdown of the ISINs backing up UL and HY products, 2022	25
Figure 22 - Net performance, products with sustainability features vs products with no sustainability features, 2022	26
Figure 23 – Net performance and costs, products with sustainability features vs products with no sustainability features, UL products, by Member State, 2022.....	26

Figure 24 – Net performance, products with sustainability features vs products with no sustainability features, HY products, by Member State, 2022	27
Figure 25 – Cross-border business, by product, 2022.....	28
Figure 26 – Cross-border business by GWPs of undertakings in the sample vs. total cross-border business in the relevant corridor (i.e., same home and same host) and total incoming cross-border business, 2022.....	28
Figure 27 – Costs as RIY at RHP, for cross-border UL and HY products, domestic vs foreign undertakings, 2022	29
Figure 28 – Costs as RIY, cross-border UL products, in-depth analysis, 2022	29
Figure 29 – Net returns, cross-border UL products, in-depth analysis, 2022	30
Figure 30 – Net returns (left) and costs (right), PPP_UL and PPP_PP, at EEA level, 2022	32
Figure 31 – Assets held by IORPs (above €40bn), top 6 countries, 2022	40
Figure 32 – Assets held by IORPs (between €5bn and €40bn), 2022	41
Figure 33 - Assets held by IORPs (below €5bn), 2022.....	41
Figure 34 – DC assets breakdown by asset class, main assets view, by Member State, 2022	42
Figure 35 – DC assets breakdown by asset class, granular view, by Member State, 2022	43
Figure 36 – DC assets evolution	43
Figure 37 – Ratio total expenses over total assets (DC schemes), by Member State, 2022	44

► Tables

Table 1 - Sample by type of product, 2022	9
Table 2 - Details sample of PPPs, 2022.....	31

EXECUTIVE SUMMARY

EIOPA's Costs and Past Performance Report provides an overview of the past performance and costs of EU retail investment products within EIOPA's remit. In this edition, EIOPA covers the evolution of past performance from 2018 to year-end 2022 as well as costs in 2022.

In line with last year, EIOPA achieved 60% coverage across the European Economic Area (EEA). The sample collected and reviewed comprises:

- More than 1,000 IBIPs marketed by 173 undertakings (slightly increased compared to 2021 sample) and accounting for a total of € 404 billion Gross Written Premium, with a decrease of around 16% compared to 2021 Gross Written Premium (GWP);
- More than 200 personal pension products (PPPs), increased by around 15% compared to 2021 sample, accounting for a total of € 29 billion GWP (decreased by around 19% compared to 2021 GWP); and
- More than 1,400 Institutions for Occupational Retirement Provision (IORPs) holding assets under management for around 2.5 trillion, decreased by around 11% compared to 2021. DC schemes registered a gradual increase of total assets (+25%) in 2022.
- **In the light of financial market downturns and instability, several IBIPs reported significant (potential) losses for consumers in 2022 but the mid/long-term nature of IBIPs and the capital protection features existing in some products that may limit losses.** Together with negative market performance, inflation peaks played a key role. Due to the substantial impact of inflation on consumers and their investment outcomes, this Report incorporates the effect of inflation on IBIPs' returns for consumers including product returns in nominal and real terms.

In 2022, after positive performance in the last three years, unit-linked (UL) and hybrid (HY) products offered overall negative returns while profit participation (PP) products given their features provided positive returns. UL and HY products reported negative returns, -11.5% (-18.9% in real terms) and -4.7% (-12.7% in real terms), respectively. Unlike these products, PP products delivered positive net return in nominal terms (1.35%), but losses in real terms (-7.2%).

IBIPs net performance in 2022 and, in general, throughout the reference period (2018-2022) has been influenced by risk classes, the recommended holding period (RHP) and, to a lesser extent, premium frequency. The risk class is the most significant driver for UL product performance; products with higher risk classes were typically more exposed to market volatility and, hence, reported significantly worse net returns in 2022. On average, all risk classes of UL and HY products reported losses, however, the magnitude of losses varied significantly depending on the risk classification of the products (i.e. 18% difference on net returns between risk classes 1 and 6 for UL).

IBIPs' costs remained stable, with PP products continuing to be cheaper than UL and HY products despite a limited cost decrease for UL and HY products. Reduction in yield (RIY) of PP stood at 1.5% whereas UL and HY product stood at 2.1%.

The appetite for and offer of sustainable products showed signs of rapid growth and these products continued to be cheaper than those with non-sustainable features. The number of IBIPs reporting sustainable features increased 24% from last year, confirming evidence in EIOPA's 2022 Consumer Trends Report and in the forthcoming 2023 Report on rapid growth. Overall, these products remained cheaper, and with no substantial difference in their performance – which means that on average these products delivered higher net returns than those products with no sustainability features.

Generally, IBIPs which are sold on a cross border basis, particularly UL products, showed higher costs. Possibly due to the fact that they need to pay higher distribution costs to break market entry barriers, products sold on a cross-border basis, like last year, are most expensive than products sold on a domestic basis. While the sample of products sold on a cross-border basis has been slightly expanded from the previous year, it continues to be limited and thus data and conclusions should be interpreted with caution.

With regards to Personal Pension Products (PPPs), the existing wide diversity amongst markets continues to limit comparability; however, it can be observed that PPPs followed IBIPs' trends. While the limited comparability continues being the most prominent feature, some high-level trends can be extracted. Similar to IBIPs, where financial market turmoil and rising interest rates strongly affected the products' performance in 2022, returns of PPPs without guarantees were on average negative.

In relation to IORPs, the information available at EIOPA has become more stable over the past year, however, reporting issues persist preventing a more granular analysis. In 2022, assets of Defined Contribution pension schemes (DC) grew circa 25%, mainly due to the increase of IORPs in France and the continuous gradual transition from Define Benefit schemes (DB) towards DC. Over the year, DC scheme assets composition showed a shift from listed equities to corporate bonds and cash.

1. INTRODUCTION

In line with Article 9¹ of EIOPA's founding Regulation², the Authority is required to regularly monitor and report on the development of costs and charges of retail financial products and services in Member States. This Report provides an overview of the (past) performance and costs of EU retail investment products within EIOPA's remit – with the aim of increasing transparency and comparability, and ultimately enhance the Capital Markets Union (CMU).

The Report follows an agreed methodology,³ covering costs and performance over the previous five years (2018-2022), relying on data available in standardised disclosures – the Key Information Documents (KID) for Insurance Based Investment Products (IBIPs) – set under the requirements of the PRIIPs Regulation⁴. Given KIDs do not provide information on past performance and that not all products within EIOPA's remit are in the scope of PRIIPs Regulation, EIOPA also carries out a supplemental data collection to gather the missing data on IBIPs. This data collection also targets information on Personal Pension Products (PPPs), which are not subject to any harmonised European Directive.

Additionally, EIOPA reports on Institutions for Occupational Retirement Provision (IORPs), particularly the ones providing Defined Contribution (DC) schemes, following the implementation of the IORPS II Directive⁵. Despite a significant improvement in the data collection and a more stable sample of IORPs included in the analysis, some remaining reporting issues might affect some of the conclusions.

1.1. Market overview 2022

In 2022 the switch from a low yield environment with moderate inflation rates to a new macro-economic environment with higher inflation and interest rates changed the market returns and outlook for assets underpinning all investment products, including IBIPs as well as a change in consumers' preferences vis-à-vis these products.

After a solid increase in 2021, life insurance Gross Written Premium (GWP) in 2022 shrank by – 9.4%, with (UL) business decreasing nearly 13% and profit participation (PP) business 7.7% (Figure 1). Member States where UL products were predominant experienced the biggest reduction in life premiums (around one third of Member States reported on average a contraction in premiums well above 13%). A few Member States reported a growth in life business in 2022 (e.g., Cyprus +17%, Lithuania +11% and Liechtenstein +10%) and only two others (Austria and Belgium) experienced a

¹ Article 9(1)(a), Regulation 1094/2010 establishing EIOPA

² Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (europa.eu)

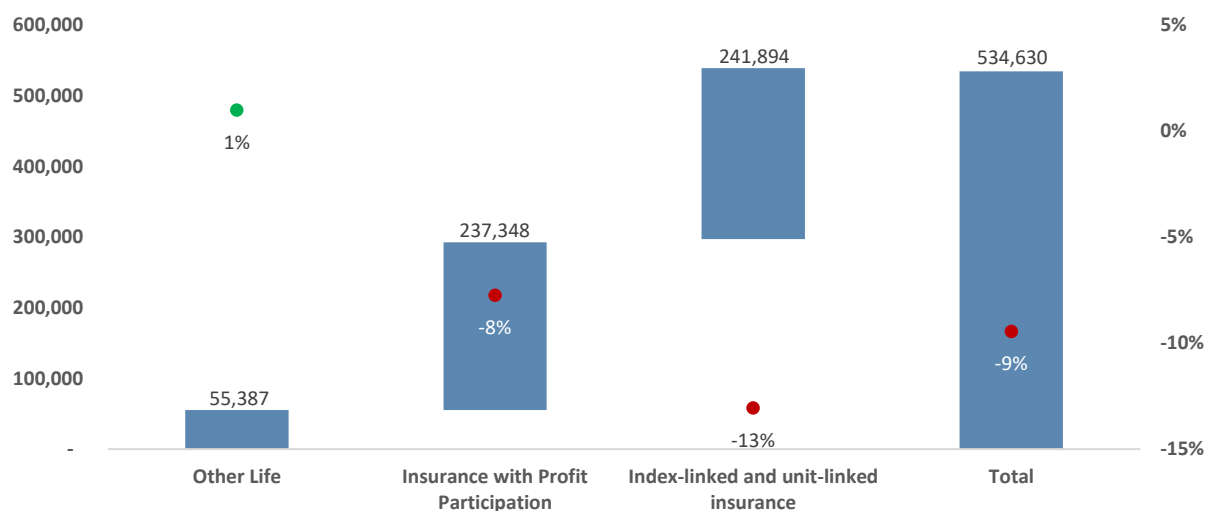
³ Methodology presented in Annex I

⁴ PRIIPs Regulation

⁵ IORPS II Directive

small decrease (-1% and -0.4%) – with the remaining Member States experiencing important decreases.

Figure 1 - EEA life insurance GWP (€ million), for selected lines of business, 2022⁶



Source: Solvency II Database

The reversal in the growth trend of the life business in EEA, mainly driven by the drop in the unit-linked segment, could be explained by the falling returns observed in 2022 on the financial markets, resulting in poor investment outcomes, further exacerbated if adjusted for inflation. Another reason for the slowdown in life business could be due to consumers' real disposable income decreasing in 2022, given the rising cost of living, leading consumers to prioritise other expenses⁷.

⁶ Stock variables based on template S.05.01, R0110, for each LoB

Flow variable (GWP growth) computed as $(S.05.01.01.02 [(R0110YN - R0110YN - 1)/R0110YN - 1])$, taking N as 2022 and N-1 as 2021.

⁷ EIOPA Report on the Impact of Inflation on the Insurance Sector ([europa.eu](https://www.eiopa.europa.eu)).

2. INSURANCE BASED INVESTMENT PRODUCTS

2.1. Market Coverage

This Report covers IBIPs sold to retail consumers, broken down into three broad groups: UL, PP, and hybrid (HY) products. For multi-option products, it is worth highlighting that as per methodology (Annex V), the notion of ‘product’ follows a policyholder’s perspective – i.e., it looks at how products are perceived by consumers. Therefore, in the case of multi-option products, an investment option (or a combination of a limited number of investment options) plus the wrapper (i.e., the insurance package used to carry the investment options) is considered as a single product. This notion can differ from the manufacture’s perception, where a product is seen as all the possible investment options available plus the wrapper.

Table 1 provides an overview of the sample collected in the current exercise⁸, in terms of participating undertakings and Member States as well as in terms of products collected and market size covered (both in terms of contracts and GWP, at product level).

Table 1 - Sample by type of product, 2022

Summary	UL	PP	HY	Total
Undertakings	131	69	50	173
Countries	26	19	11	26
Products	681	164	227	1072
Contracts (million)	3.40	0.52	4.35	8.27
GWP (€ billion)	134.86	18.15	251.13	404.14
Products ESG features	257	51	132	440

Source: Costs and Past Performance Survey

In terms of GWP, all insurance undertakings, which provided data for one or more products, accounted for around 80% of the European UL market, and 64% of the PP market (measured in terms of GWP). The targeted minimum coverage (60%) was overall reached for almost all Member States⁹, despite being considerably lower for PP products¹⁰. This year a slight shift (around 1%) from UL products to PP products in terms of GWP was identified, likely due to more attractive conditions offered to counterbalance the diminishing returns of UL products¹¹ and also to the fact that higher interest rates enable insurers to offer again products with guaranteed returns above 0% minus costs. The detailed

⁸ All EEA Member States participated, except for CY and IS, as in the previous exercise. Data for DK IBIPs market not been included as almost no products on the Danish market are currently distributed as IBIPs. Similarly, the NL has also not been included as IBIPs are no longer commercialised – i.e., the remaining products are run-off products.

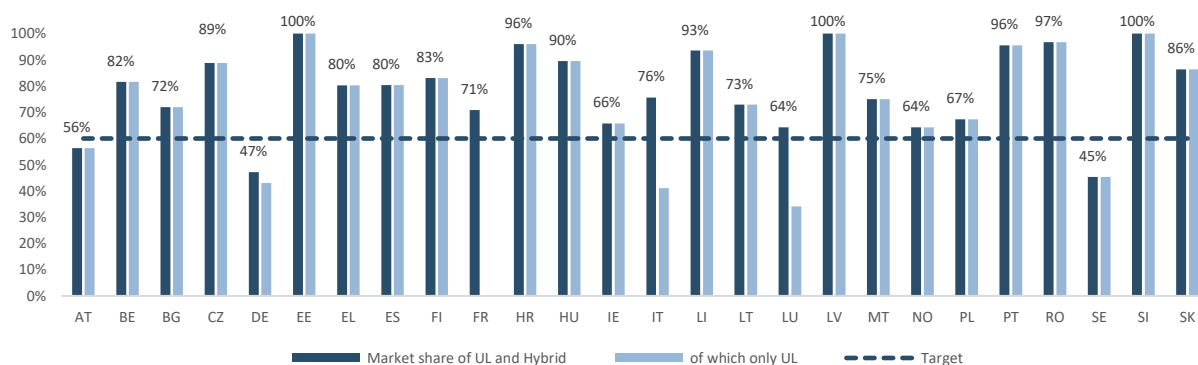
⁹ Exception made for DE, although the coverage was still high, and SE for which one undertaking this year did not participate to the survey.

¹⁰ BG, EL, ES, HR, PL, PT, RO and SI.

¹¹ SE was the country reporting a significant increase in PP products’ GWP in 2022.

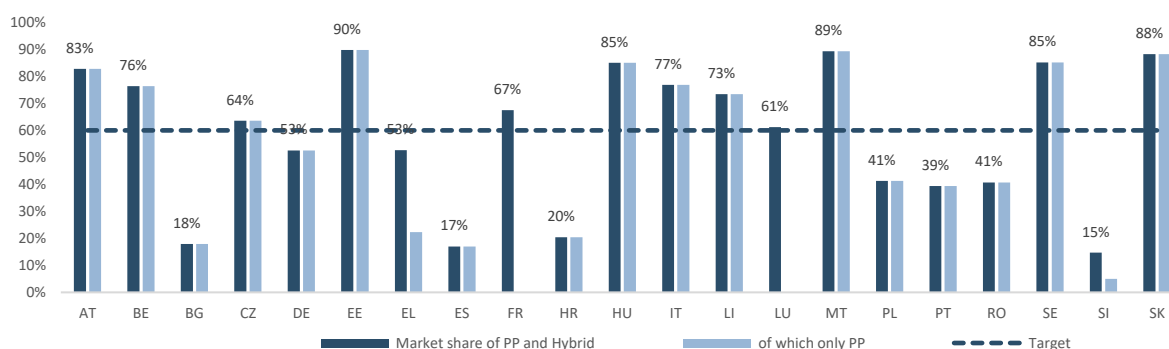
market coverage at Member State level is shown in Figure 2 for UL products, and in Figure 3 for PP products¹².

Figure 2 - Market coverage of the sample in scope – UL and HY products, 2022



Source: Solvency II Database

Figure 3 - Market coverage of the sample in scope – PP and HY products, 2022



Source: Solvency II Database

2.2. Performance and costs¹³

The analysis of IBIPs' performance over time illustrates how significant volatility affected net returns over the last years. This is even more significant for UL products given their inherent volatility (Figure 4). A different pace has been observed for costs which changed moderately over time (Figure 8).

¹² To ensure consistency across Member States and market representativeness, the sample was targeted to the largest insurance undertakings covering 60% of the home market in terms of GWP, this does not mean that the products covered in the report represent 60% of the market but rather than the reporting undertakings do. To measure GWP the data from the Quantitative Reporting Template (QRT) S.05 was used.

¹³ More granular figures and statistical metrics can be found in the Annex "Statistical Annex".

After a steady pattern of positive performance over the last years, a reversal trend of significant negative net returns, even if with different magnitude across products, materialized for IBIPs in 2022 (Figure 4).

The poor performance of financial markets coupled with high volatility and rising interest rates negatively affected IBIPs. Inflation, already identified as one of the main sources of risk for consumers in 2021¹⁴, peaked in 2022 eroding even more the investment value of such insurance products. Inflation resulted in significant losses for both UL and HY products in real terms, while PP even if reported nominal positive net return in 2022, when adjusted for inflation, offered negative net real returns (Figure 7).

Given that the new economic scenario, with poor market performance coupled to higher inflation, has directly affected net returns and costs trends, this Report provides analyses of IBIPs' net-returns, including adjustments for inflation, to show the impact of both market poor performance and inflation. It is worth noting that in this new economic scenarios Central Banks have also increased interest rates, which could lead to products with guarantees offering higher returns.

These comparisons, nevertheless, should be interpreted cautiously since they reflect a short-term perspective, while over the medium-term investment returns are expected to gradually return to growth, also in real terms, due to an expected decline in the rate of inflation and adjustments of underlying portfolios to the new macro-economic environment, including higher interest rates. In fact, the long-term nature of IBIPs, including so-called whole-life products, should be considered when looking at the effect of the market performance and inflation on shorter-term investment values.

In addition, considering the importance of HY multi-options products (MOPs)¹⁵ in some Member States (e.g., France, Italy and Luxembourg) this Report includes information on HY products on an aggregated basis¹⁶, as in previous years, along with details on costs and returns of UL and PP components within HY MOPs.

In fact, cost and return of so-called HY MOPs vary significantly depending on the investment options, the allocation to each option and management regime chosen by the investor (where this is offered), and thus the analysis of average or median values may be not entirely representative. Due to the focus of this report on the main options selected by consumers, the results herein are nonetheless representative in an aggregated manner. Beyond this, the inclusion of results from different allocations of components provides a more accurate picture of HY products.

2.2.1. Net Returns (nominal term)

After positive performance in the last three years, in 2022, UL products provided negative returns (at the EEA level they reached a maximum loss of -11,4%), driven by poor financial market performance (Figure 4). UL products are by nature volatile, being more prone to shocks and market changes

¹⁴ Financial Stability Report June 2022 and Consumer Trends Report 2022 (europa.eu).

¹⁵ A MOP could be explained as a life insurance contract linked to an investment pocket. Each of the funds or the combination of funds in which the pocket invests could be deemed as an investment option. The UL and PP components of a MOP could be also unbundled as separate options.

¹⁶ HY products in this Report cover both multi-option hybrid where each option is sold with hybrid features and products where UL and PP options are sold in an unbundled manner.

including economic rebounds. For example, in 2022 UL net returns varied in a range, with some products offering as low as -63.6% returns and others, despite the overall negative trend, reporting +63.9% returns. The standard deviation of all the products within the sample stood at 11.1%. This is in line with trends observed in the past, in 2021 UL products' performance fluctuated from -20.2% to +51.6%, with a standard deviation at 12%, and it is due to the wide variety of UL products.

While PP products reported positive returns (1.3%) and overall show less volatility, in 2022 returns continued to decrease (-0.5%)¹⁷ due to the low for long interest rate environment and the nature of these products which need to spread return and profits over time.

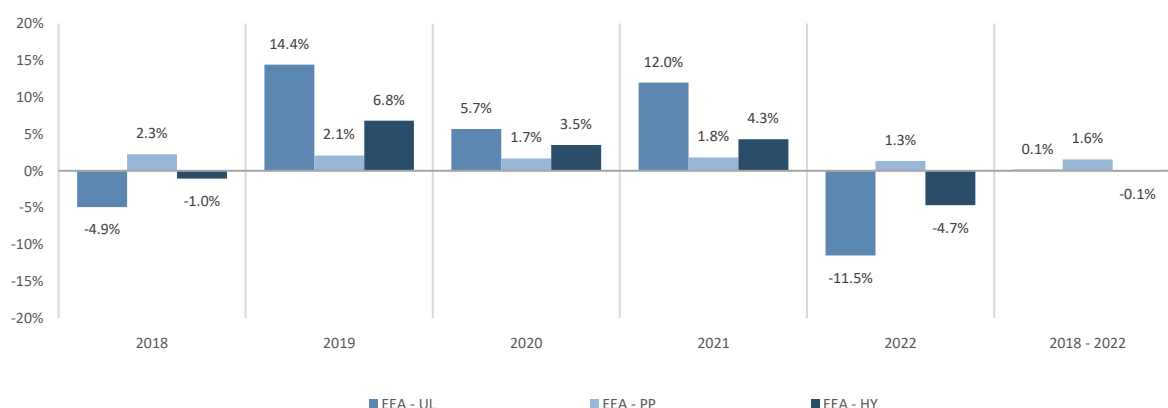
HY products, which follow a mix between PP and UL trends, reported negative returns, (-4.7% at EEA level), despite general more contained losses compared to UL. (Figure 4). Given their hybrid nature, these products absorb the benefits and costs of both UL and PP components. The net outcome ultimately depends on the weight of each of them (e.g., in cases where guarantees are low, and the product represents almost a pure UL product, it might expose the policyholder to higher levels of volatility while delivering lower returns). To allow a comparability with the performance of pure UL and PP products, a breakdown of the performance of UL and PP components within HY products has been presented. Assuming a 100% allocation to UL options, HY products in the sample offered a negative return at -12.61%, while assuming a 100% allocation to PP options, net return of HY products stood at +1.73%.

Looking at the 5-year period (2018-2022), average net returns were positive for UL products, but low at 0.1%, HY products stood at -0.1%. This because while UL products lose more in periods of downward market trends, they also tend to perform better when markets perform well (Figure 4), having reported exceptionally high performance in 2019 and 2021.

Regarding PP products, while on average products' net returns were positive in 2022, the evolution of annual net returns was negative since 2018 (1% decrease) as these products spread the impact of market shocks and also the fact that the economy is coming out of a low-for long interest rate period which impacts returns which limit insurers' ability to seek stable guaranteed higher returns to pass them onto consumers.

¹⁷ Despite being less sold, traditional profit participation products still represent a non-negligible amount of business in some countries, AT, BE, DE and IT. These products are characterized by extremely stable returns as the profit allocation mechanisms smooth the market volatility assigning each year a part of the undertaking's profit to the policyholders.

Figure 4 – Net returns for UL, PP and HY, at EEA level, 2022-2018



Source: Costs and Past Performance Survey

Over a 5-year period (2018-2022), average net return stood at -1.81%, if the premium for HY products was allocated 100% to the UL component, and at +1.73%, if the premium for HY products was allocated 100% to the PP component.

When looking at country performance, it is important to note that country analyses are based on the reported country of commercialisation – i.e., from the host country perspective as ultimately those are the products the consumer will be offered. Therefore, the subsequent analyses cover the complete universe of products sold in each country, and not only those offered by domestic undertakings.

All Member States reported losses for UL products, with 14 countries exhibiting negative net returns below -11% in 2022, and 1 below -18%. The dispersion and variability exhibited by some countries is also high (Figure 5). For instance, in DE returns can vary from -60% to 31%, showing some products still performed positively. A number of other countries (e.g., HU and AT) showed some positive outliers, while many (e.g., IT, IE and LV) showed negative outliers, providing returns considerably below the median of their markets (Figure 5).

For PP products, the dispersion in terms of average returns is not significant. For HY products, the variability of returns is low, but the number of outliers is remarkably higher than for UL and PP products, highlighting the high volatility of these products, which provide very high or very low returns (Figure 6).

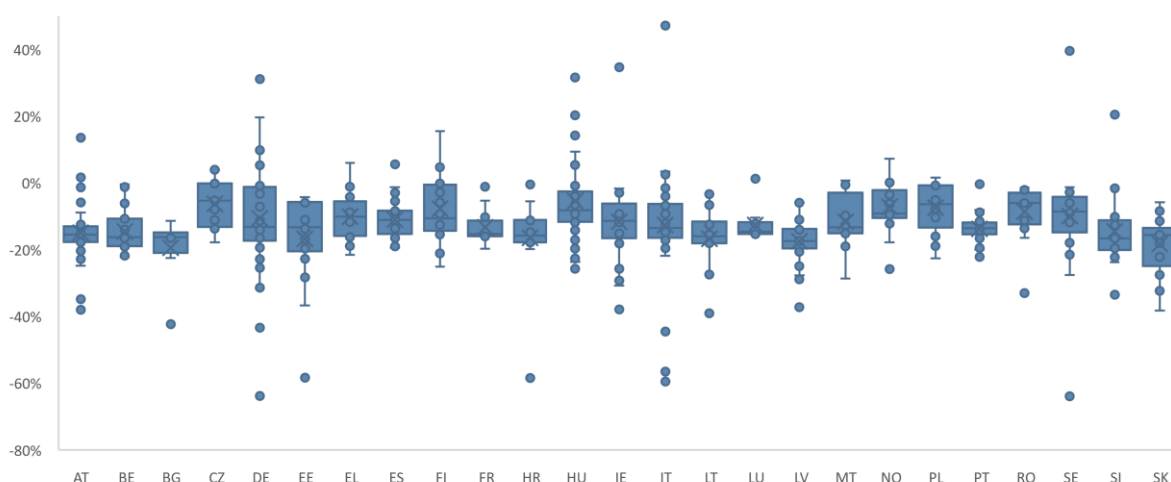
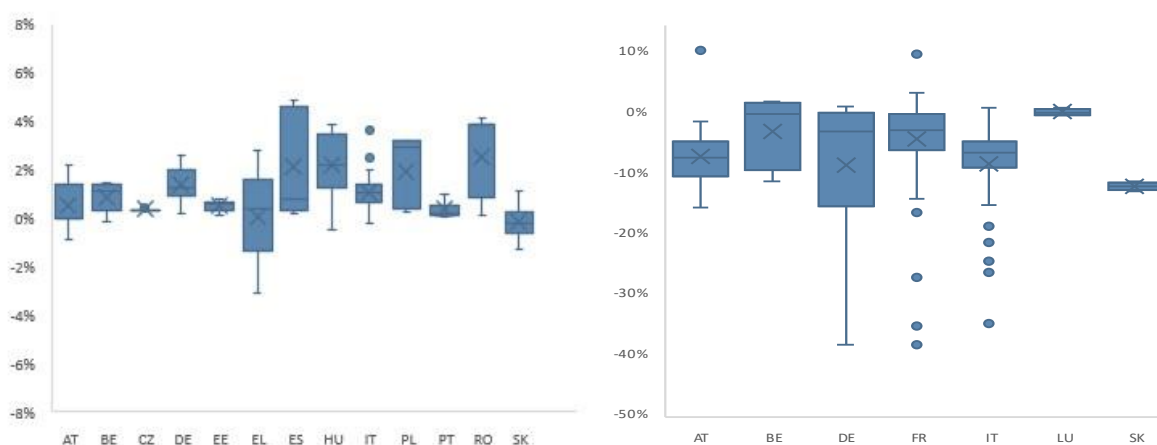
Figure 5 – Dispersion of net returns¹⁸, per country, UL products, 2022

Figure 6 – Dispersion of net returns, per country, PP (left) and HY products (right), 2022



Source: Costs and Past Performance Survey

2.2.2. Net Return adjusted for inflation.

High inflation has a direct impact on consumers. This implies that inflation and increasing interest rates, both of which grew very significantly in 2022, reduced IBIPs' returns.

Inflation rose quickly since mid-2021 and reached a peak of above 10% in October 2022. This is a level not seen for decades and well above the Euro Area 2% target. The high inflation rates led to monetary policy tightening and a sharp increase in interest rates¹⁹. The table below depicts the level of inflation by Member States for the years 2021 – 2022.

¹⁸ Dispersion chart represented through a whisker plot. The box plots divide the data into sections that each contain approximately 25% of the data in that set. The median is shown by the line that divides the box into two parts. The cross represents the average, and the dots represent the outliers (observations that are numerically distant from the rest of the data). The same interpretation holds for the similar visualisations.

¹⁹ [Impact of inflation on the insurance sector.](#)

Box 1 – Inflation trends in Europe²⁰

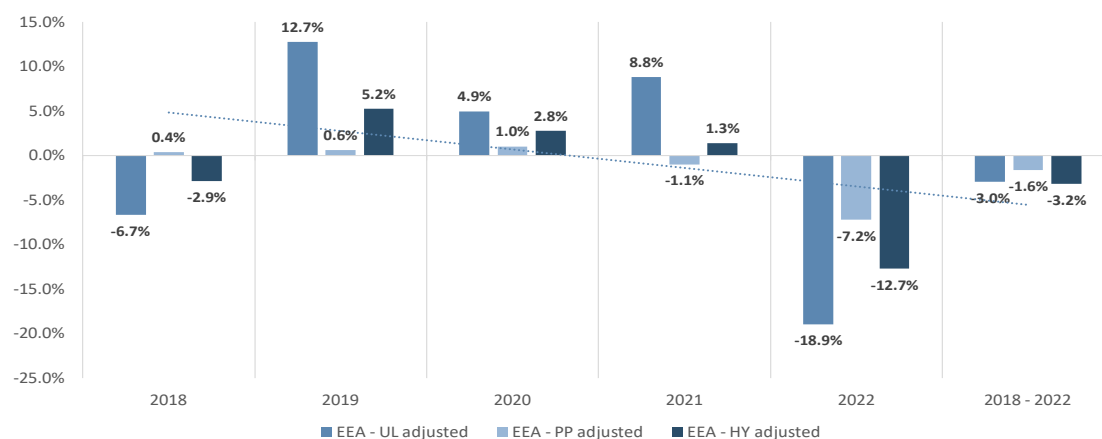
Member State	2021	2022
Austria	2.8%	8.6%
Belgium	3.2%	10.3%
Bulgaria	2.8%	13.0%
Croatia	2.7%	10.7%
Cyprus	2.3%	8.1%
Czechia	3.3%	14.8%
Denmark	1.9%	8.5%
Estonia	4.5%	19.4%
Finland	2.1%	7.2%
France	2.1%	5.9%
Germany	3.2%	8.7%
Greece	0.6%	9.3%
Hungary	5.2%	15.3%
Iceland	3.7%	5.7%

Member State	2021	2022
Ireland	2.4%	8.1%
Italy	1.9%	8.7%
Latvia	3.2%	17.2%
Lithuania	4.6%	18.9%
Luxembourg	3.5%	8.2%
Malta	0.7%	6.1%
Netherlands	2.8%	11.6%
Norway	3.9%	6.2%
Poland	5.2%	13.2%
Portugal	0.9%	8.1%
Romania	4.1%	12.0%
Slovakia	2.8%	12.1%
Slovenia	2.0%	9.3%
Spain	3.0%	8.3%
Sweden	2.7%	8.1%

Source: ECB, Eurostat

Increasing inflation²¹ resulted in significant losses in real terms for both UL and HY with -18.9% and -12.7% net real return respectively (Figure 8). PP real performance was also negative as the positive nominal net returns were quite below the inflation level (-7.2%).

Figure 7 – Net returns for UL, PP and HY, at EEA level, 2022-2018 adjusted for inflation



Source: Costs and Past Performance Survey

2.2.3. Costs

Pure PP products continued being cheaper than UL and HY products. Nevertheless, costs for UL and HY products reported an average decrease of 10 and 20 bps RIY at RHP terms in 2022 (Figure 8).

²⁰ HICP, annual change by Member State

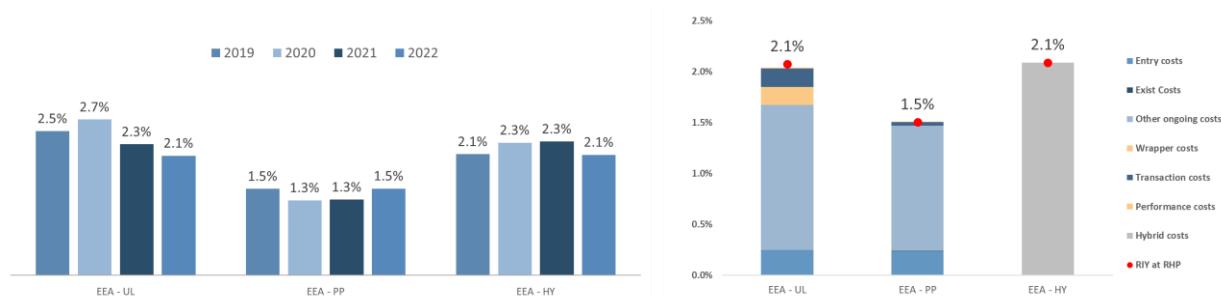
²¹ EEA - Inflation (HICP - annual rate of change) was above 9%

Following the same approach adopted for returns (100% allocation to UL and PP component, respectively), so as to give a more accurate view of HY multi-option products, costs have been broken down for the UL and PP component of HY products. The analysis shows that in 2022, the RIY of UL options in HY products in the sample was 3.1% on average, which is more expensive than UL products themselves (2.1%). In relation to PP options in HY products in the sample, these presented a RIY of 1.5%, which is similar to that for PP products themselves.

The predominant cost component for UL and PP products is “other ongoing costs”²², followed by “entry costs”. “Wrapper costs” and “transaction costs” were also relevant for UL products, while “exit costs” at RHP continued being a negligible cost element for both products. (Figure 10).

Given the continued complexity of HY product cost structures and the limited comparability across markets, it is not possible to breakdown their RIY by cost components.

Figure 8 – Reduction in Yield (RIY) (left) and breakdown by type of cost component (right), by product, at EEA, 2022²³



Source: Costs and Past Performance Survey

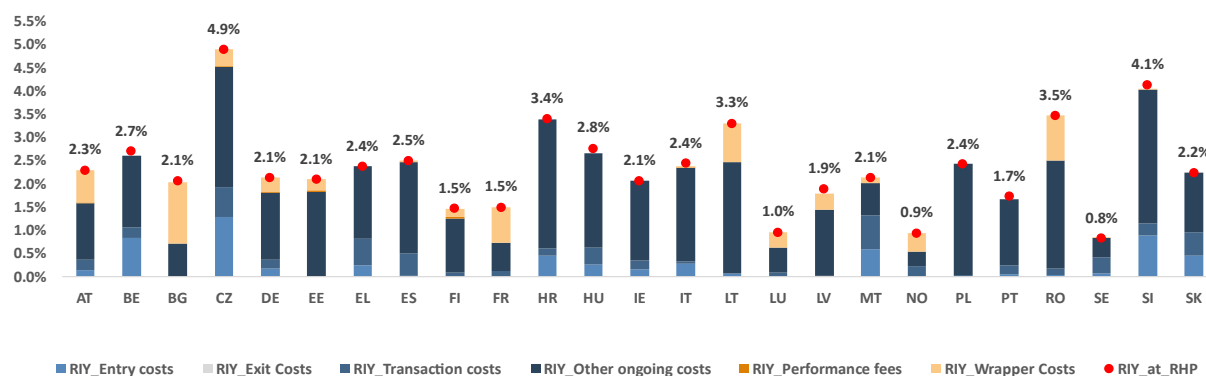
Looking at the level of costs by Member State, measured in terms of RIY, UL product costs ranged from 0.8% to 4.9% in 2022 (Figure 9), while HY products' costs were less disperse, from 1.1% to 3% (Figure 10), signalling the significant variability of the level of costs particularly for UL. Not only the total RIY varies, but also differences in cost structure across Member States can be observed, reflecting most likely differences in the underwriting and distribution of products in Europe.

In some jurisdictions, such as AT, BG, FR, LT and RO, wrapper costs for UL multi-option products are quite material, reflecting in some instances the nature of the market.

²² “Other on-going costs” refer to all on-going costs, excluding transaction costs.

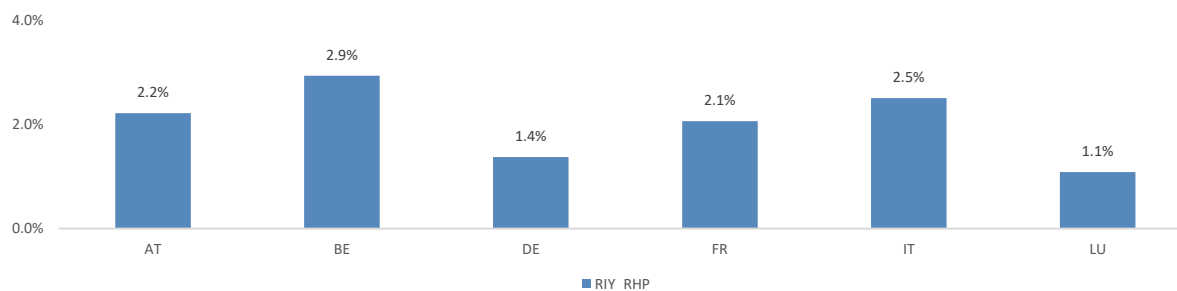
²³ The data for the RIY for previous years is based on the data collected in the previous exercises, therefore, the samples do not match 100% as undertakings report the most significant products every year, which might change on a yearly basis. Nevertheless, it is possible to compare the level of costs for the most representative products for each undertaking YoY.

Figure 9 – UL weighted average costs, by Member State, 2022



Source: Costs and Past Performance Survey

Figure 10 – HY weighted average costs, by Member State, 2022



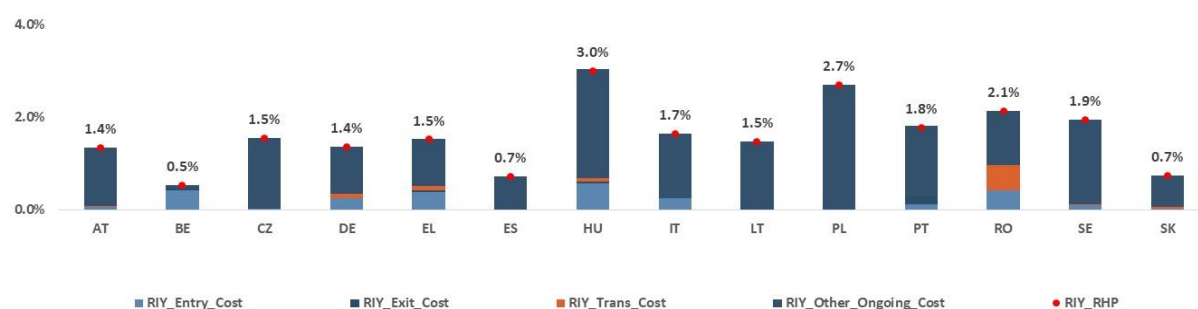
Source: Costs and Past Performance Survey

For PP products cost levels and their structure also varied across Member States in 2022 (Figure 11). BE, ES and SK provided PP products' RIY below 1%, whereas in HU, PL and RO these products showed a RIY close or equal to 3%.

In some instances, BE PP products could involve extra costs related to the profit participation mechanism, which is not mandatory in Belgium. When applicable, these costs affect the return, but they are not part of the tariff considered for the calculation of the above figure. As such, the final costs of BE PP can be in some cases higher than the figure presented. This should be taken into account when comparing costs of UL and PP products in BE.

It is worth highlighting that in most countries the "entry costs" are proportionally more relevant for PP products than in other type of products, although the "other ongoing costs" represent the most predominant category.

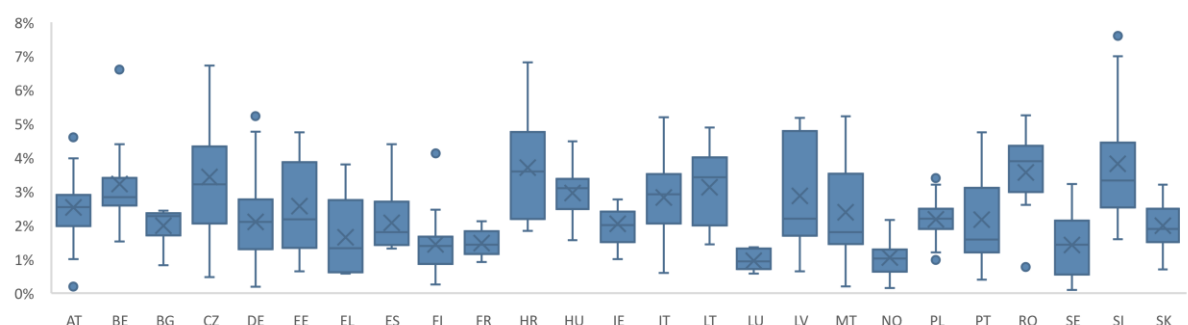
Figure 11 – PP weighted average costs, by Member State, 2022



Source: Costs and Past Performance Survey

Dispersions of costs does not only relate to different markets but also to different products, with cost levels varying quite significantly for UL products (Figure 12),²⁴ with some outlying products carrying significantly high costs.

Figure 12 – Dispersion of costs, UL products, by Member State, 2022

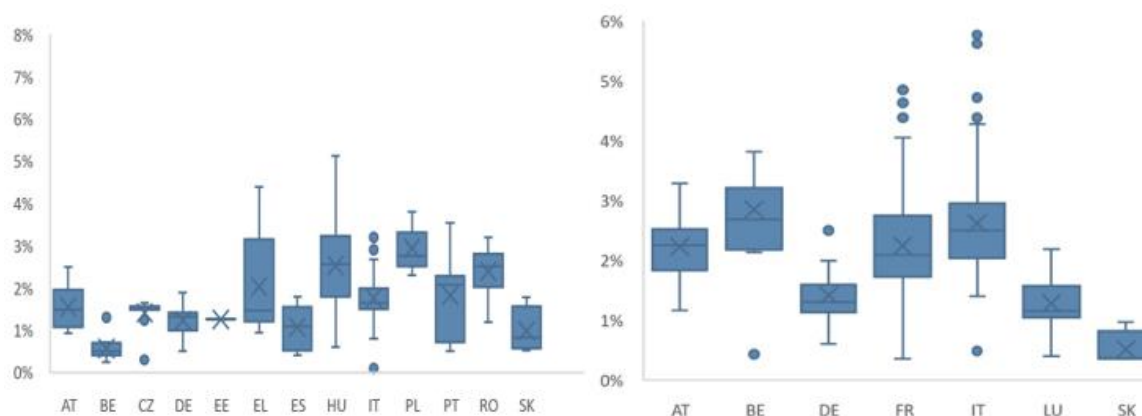


Source: Costs and Past Performance Survey

In general, products which carry guarantees – PP and HY products – tend to show lower dispersions in terms of costs. However, differences exist, PP products' costs are dispersed in some Member States (e.g., EL and HU) (Figure 13), while they are mostly homogenous in BE and DE. The cost-dispersion is lower for HY products, even though RIYs are generally higher than PP products. However, in FR and IT, extreme outliers are observed (Figure 13). Typically, the costs of investment options with profit sharing mechanism are more contained than costs of unit-linked options since the latter are linked to the underlying investments. Consequently, the high dispersion of costs shown by some Member States could be attributed to the different weight of each component in the investment option sold.

Figure 13 – Dispersion of costs, PP (left) and HY products (right) by Member State, 2022

²⁴ The dispersion considers RIY not weighted unlike the previous graphs.



Source: Costs and Past Performance Survey

Following the analysis on the costs' level, the next paragraphs focus on the main drivers of costs.

To this end EIOPA conducts a supplemental survey requesting insurance undertakings to split costs in five categories: administrative costs, biometric costs, distribution costs, investment management costs and additional costs, which differ from PRIIPs KID categorization (entry costs, exit costs, transaction costs, other ongoing costs and performance costs) (Box 2). The information collected in the survey comprises 137 UL products, 68 PP products and 52 HY products.

Box 2 – Main costs drivers for IBIPs

- ▶ **Administrative costs:** costs incurred to handle the insurance policy contract. Some administrative costs relate directly to activity regarding a specific insurance contract (e.g. maintenance costs) such as cost of premium billing, cost of sending regular information to policyholders and cost of handling policy changes (e.g. conversions and reinstatements). Other administrative costs relate directly to insurance activity but are a result of activities that cover more than one policy such as salaries of staff responsible for policy administration.
- ▶ **Biometric costs:** Costs related to the biometric risk cover provided by IBIP products, computed as from PRIIPs delegated regulation (Annex VI, points 54-60).
- ▶ **Distribution costs:** Distribution costs cover all costs arising from the undertaking's activities when marketing and selling the product, including any form of monetary and non-monetary benefits given to insurance intermediaries, based upon an agreement with the intermediary, in relation to the sale of an insurance product. This includes the advice, marketing and commercialisation efforts i.e. overheads to bring the product onto the market, the assessment of the demands and needs of the consumer as well as where applicable the cost of advice, and the costs relating to the sale process of the product such as the conclusion of the contract.
- ▶ **Investment management costs:** Costs related to the investment of the contribution paid by the policyholder. These costs include expenses of record keeping of the investment portfolio, salaries of staff responsible for investments, remunerations of external advisers, expenses

connected with investment trading activity (i.e., buying and selling of the portfolio securities) and in some cases also remuneration for custodial services and any eventual costs paid to third parties.

- **Additional costs:** other costs paid by the policyholder.

In line with previous years, administrative costs are a large contributor to total costs, for all three product types: for more than half of the total products (UL, PP and HY) considered in this analysis, administrative costs account for more than 30% of total costs. This trend is even more prevalent for PP and HY products, where around half of the products, for which data were collected, has administrative costs accounting for more than 50% of total costs. In some cases, this high percentage comes from the allocation of profit participation mechanisms' costs to administrative expenses rather than as separate cost (Figure 14).

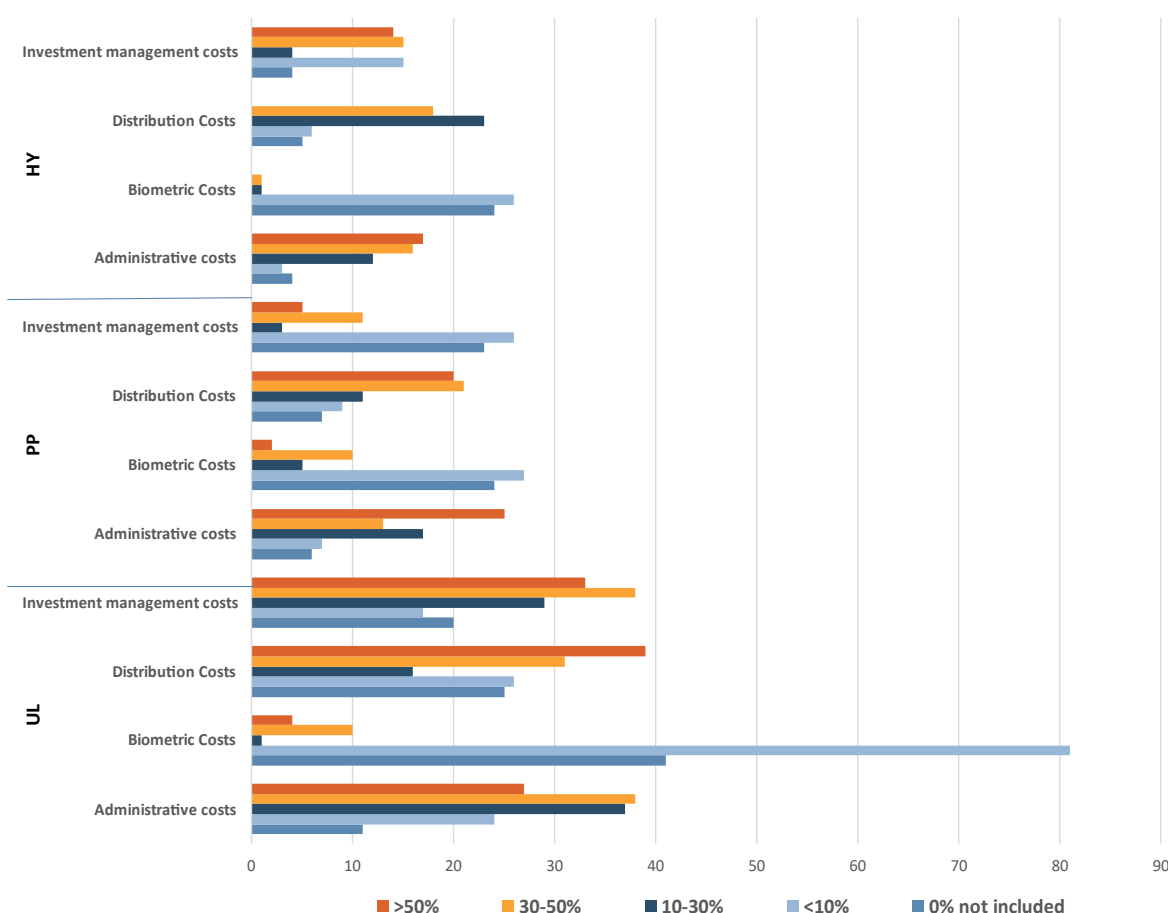
For many UL products, investment management fees represent (33 out of 137) more than 50% of the total costs, driven by the investment strategy in the asset allocation of the portfolio backing the products.

Along with administrative and investment management fees, distribution costs are also very sizeable, falling into the 10-50% bracket of total costs, being more relevant for UL and PP products in 2022 compared to the previous year. However, the exact percentage compared to total costs has been difficult to compute given the more heterogeneous distribution of products in the different ranges. In this regard, variables such as, the presence of advice, the use of digitalization channels, the type of distribution channel (broker, tied agent, etc.), the business model of the company, likely influence the distribution costs.

"Biometric costs" remain negligible, being in most cases not included (35% of the products included in this analysis) or less than 10% (50% of the products included in this analysis).

It is worth highlighting that the comparability of costs illustrated above can be affected by some discrepancies as these costs can be treated differently across markets. For example, there are countries in which distribution costs are embedded in management fees, and others in which they can be charged through entry or exit fees.

Figure 14 – Dispersion of costs – Proportion of the different type of costs, by product, 2022



Source: Costs and Past Performance Survey

2.3. Value for money

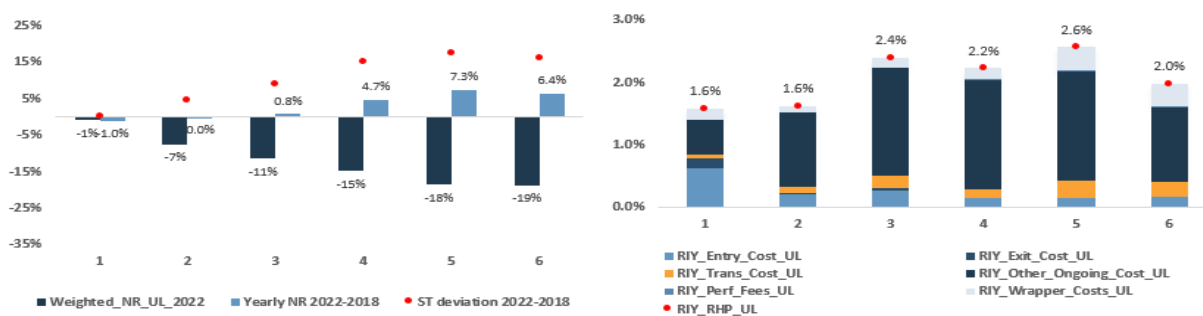
2.3.1. Risk drivers

The risk class is the most relevant driver of the performance for UL products being riskier products more exposed to market volatility, with the magnitude of the negative net returns reported in 2022 varying across risk classes, as represented by the level of standard deviation close to 15% for risk classes 5 and 6 (Figure 15)²⁵.

However, for UL products, as in 2021, low-risk classes (1 and 2) showed costs similar to high-risk class products (6). This means that while consumers pay similar costs they benefit from significantly different features – i.e., lower risk classes would have more risk-mitigation techniques limiting consumers' losses but also limiting consumers' ability to seek higher returns.

²⁵ The new requirements under the European Union's Packaged Retail and Insurance-based Investment Products (PRIIP) regulation, came into effect in January 2023 for the PRIIP KID document for all UCITS and non-UCITS PRIIPs distributed to retail investors. The risk calculation under the PRIIPs regulation (SRI) has brought that the new classification tends to shrink the risk scale for typical funds range and unit-linked products.

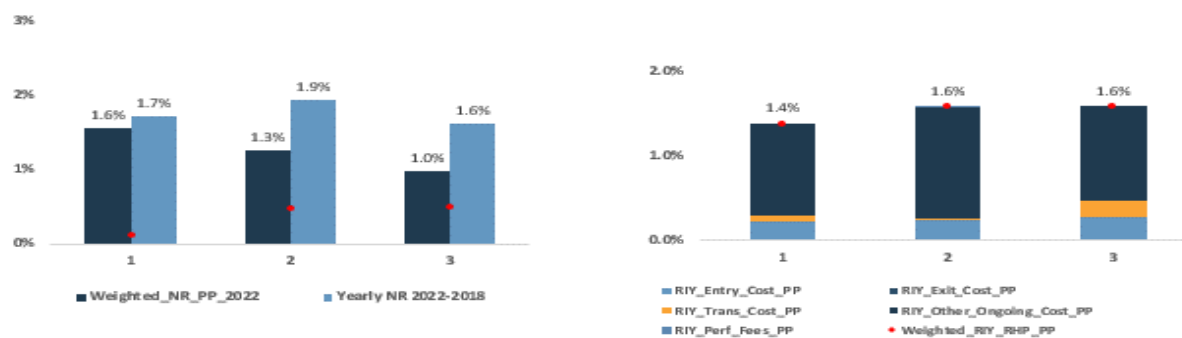
Figure 15 – Net returns (left) and costs (right) for UL products, by risk class, 2018-2022



Source: Costs and Past Performance Survey

In 2022, PP products reported positive net returns with lower risk class products providing higher returns (Figure 16), while carrying a lower RIY. In 2022, a consumer investing in a product with risk class 1 would, on average, expect a return of 1.6%, at a RIY of 1.4%, whereas when investing in a product with risk class 3, they would, on average, expect a return of 1%, at a RIY of 1.6%.

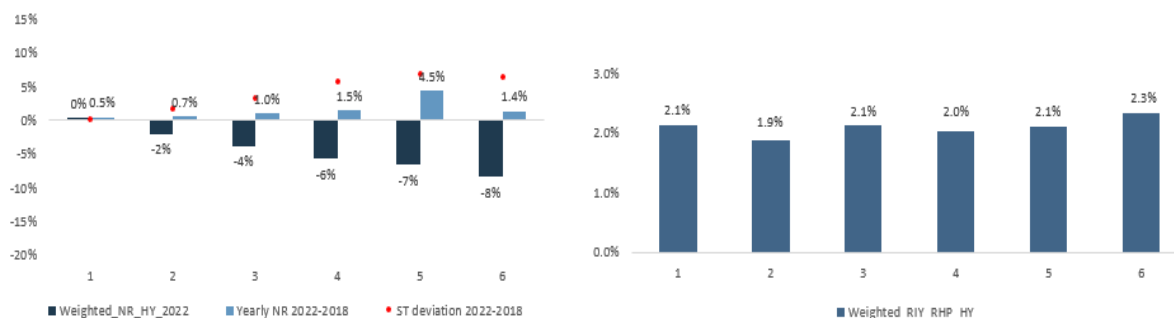
Figure 16 – Net returns (left) and costs (right), for PP products, by risk class, 2018-2022



Source: Costs and Past Performance Survey

Figure 17 provides for HY products a similar picture as to that for UL products. High-risk classes products underperformed low-risk classes products, reporting higher losses. On the other hand, RIY on average was similar across all risk classes (varying between 2.1% and 2.3%).

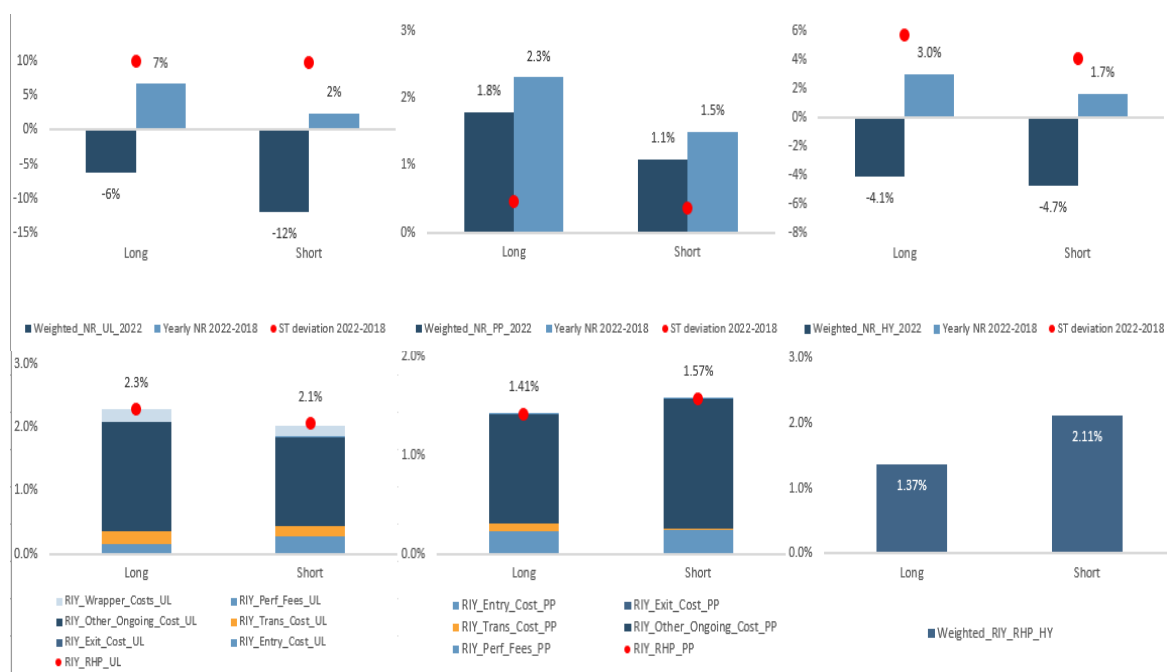
Figure 17 – Net returns (left) and costs (right), for HY products, by risk class, 2018-2022



Source: Costs and Past Performance Survey

RHPs also impact returns and costs. Figure 18 shows that in 2022 IBIPs with shorter²⁶ RHPs incurred higher losses/lower net returns. Namely, in 2022, the RHP for PP products was a driver of extra performance as long-RHP PP products paid on average 1% more of the returns offered by short-RHP PP products. UL product losses for long-RHP products were almost half those of short-RHP products, as volatility risk can smoothen over time taking advantage of market trends over the long term – i.e., ability to recover from losses. Looking at costs, in 2022 long-RHP UL products were slightly more expensive than short-RHP UL products, which is against the principle that costs should smoothen over time. HY and PP long term products were cheaper.

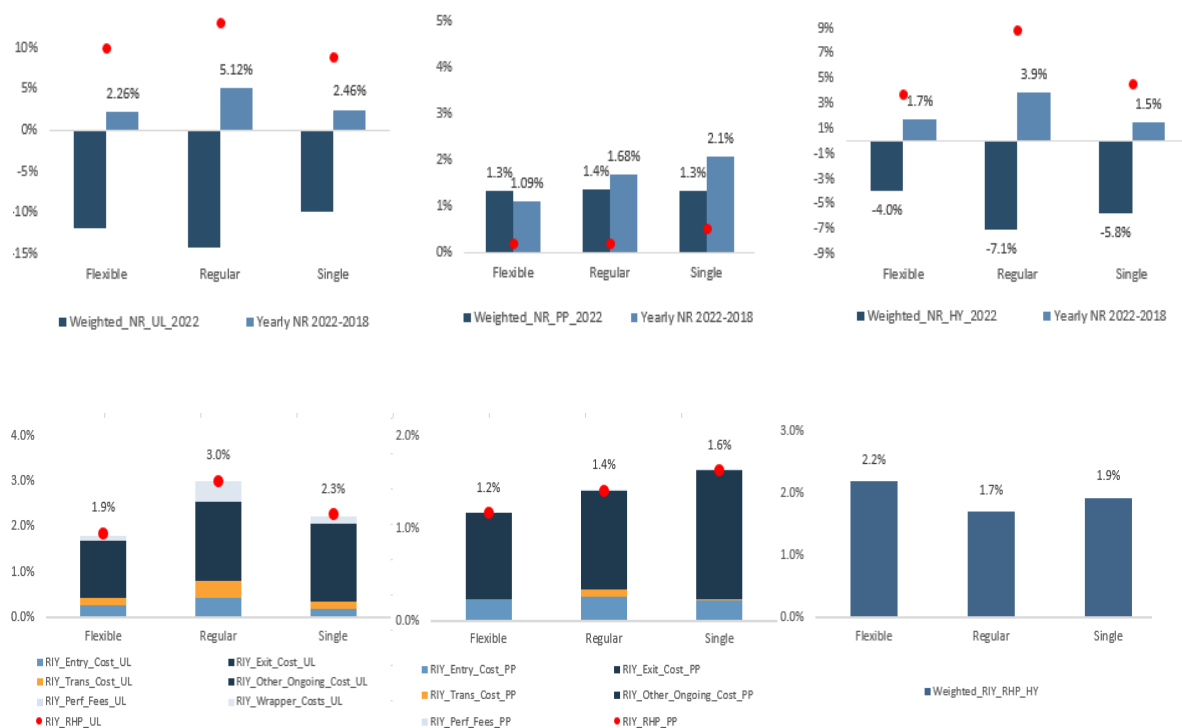
Figure 18 – Net returns (above) and costs (below), by product and RHP, 2022



Source: Costs and Past Performance Survey

Figure 19 shows the link between costs, returns and premium frequency. For UL products, regular premium products carried higher RIY (3%) and, on average, also higher negative returns in 2022 than flexible and single premiums products. Different findings are observed for HY products as regular premiums products provided higher negative return than regular and flexible products but were less expensive (1.7% RIY)

²⁶ 15 years or less

Figure 19 – Net returns (above) and costs (below), by product and premium frequency, 2022

Source: Costs and Past Performance Survey

2.3.2. Asset allocation

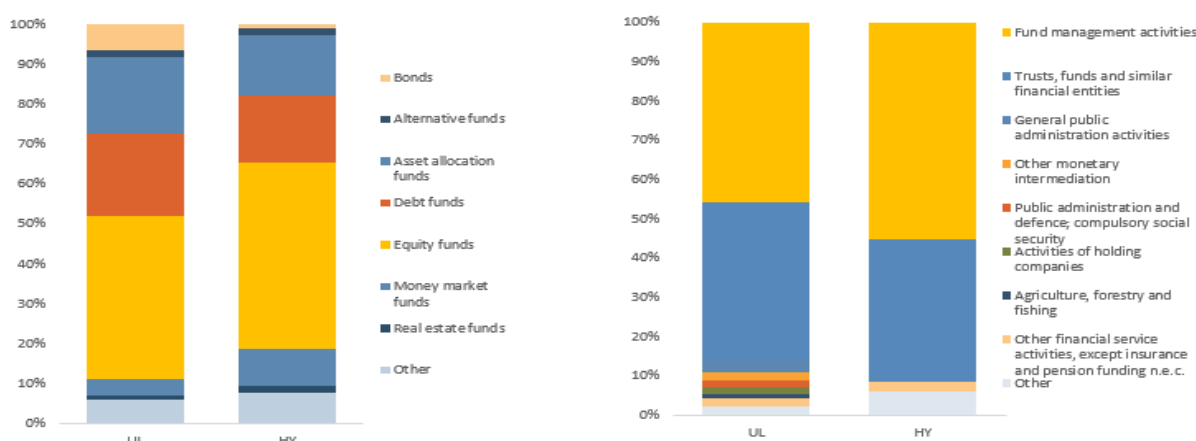
The performance of UL and HY products depends on the composition of the portfolio of underlying assets. Based on the ISIN codes provided for each underlying investment option, it was possible to map them with the data provided via the Solvency II Quantitative Reporting Templates, to better understand the type of underlying assets backing the unit-linked options. Figure 20 provides an overview of the number of ISIN collected and how many were mapped through Solvency II data.

Figure 20 – ISINs collected and method to match them with the sector and asset class

ISIN	UL	HY
▶ Total collected	484	128
▶ Mapped through SII data	442	118
▶ Mapped (%)	91.32%	92.19%

Source: Costs and Past Performance Survey

It was possible to identify to which sectors and asset categories those ISIN codes are mostly associated. The majority of the unit-linked options are backed by different types of funds, for both UL (around 88%) and HY (around 92%) products (Figure 21). In terms of assets classes, equity funds (41% for UL, and around 47% for HY) and debt funds (21% for UL, and 17% for HY) are the most represented.

Figure 21 – Sector and asset class breakdown of the ISINs backing up UL and HY products, 2022

Source: Costs and Past Performance Survey

2.4. IBIPs with sustainability features

Following growing consumer demand for investment products with sustainability features, the supply of IBIPs with sustainability features has been steadily increasing.

Since the entry into force of the SFDR in March 2021, EU insurers are required to disclose sustainability-related information on their products under Article 8 (products with sustainability features also commonly known as “light green” products) or Article 9 (products pursuing a sustainable objective also known as “dark green” products)²⁷.

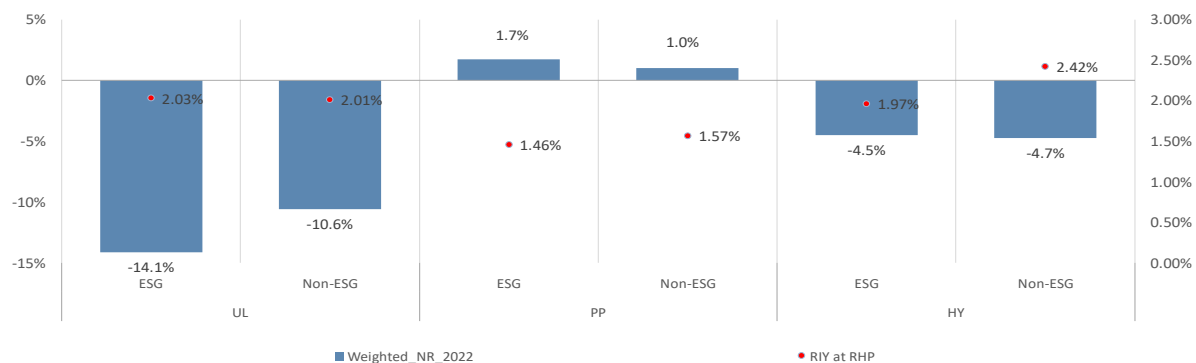
As 90% of the reported products with sustainability features are Article 8 products, the analysis below does not distinguish between Article 8 and Article 9 products.

On average, both UL products with sustainability features in the sample (257) and HY products with sustainability features reported losses in line with market trends. However, they are slightly cheaper than products with no sustainability features, even though some differences arose across countries. As shown in Figure 22 UL products with sustainability features returns were - 14.1% (vs - 10.6% for products with no sustainability features), underperforming HY products with sustainability features whose return was -4.5% (vs -4.7% for products with no sustainability features). Costs for UL products with sustainability features remained stable at around 2%, being modestly lower for products with no sustainability features vs products with sustainability features. HY products with sustainability features, on the other hand, reported a drop of 50 bps in RIY in 2022 compared to 2021.

Since this year a more representative, but still limited, sample of PP products with sustainability features was collected, preliminary observations have been drawn also for this type of product. PP products with sustainability features displayed positive net return slightly higher than PP products with no sustainability features, while being also cheaper.

²⁷ [Sustainability-related disclosures in the financial services sector](#)

Figure 22 - Net performance, products with sustainability features vs products with no sustainability features, 2022



Source: Costs and Past Performance Survey

Figure 23 – Net performance and costs, products with sustainability features vs products with no sustainability features, UL products, by Member State, 2022

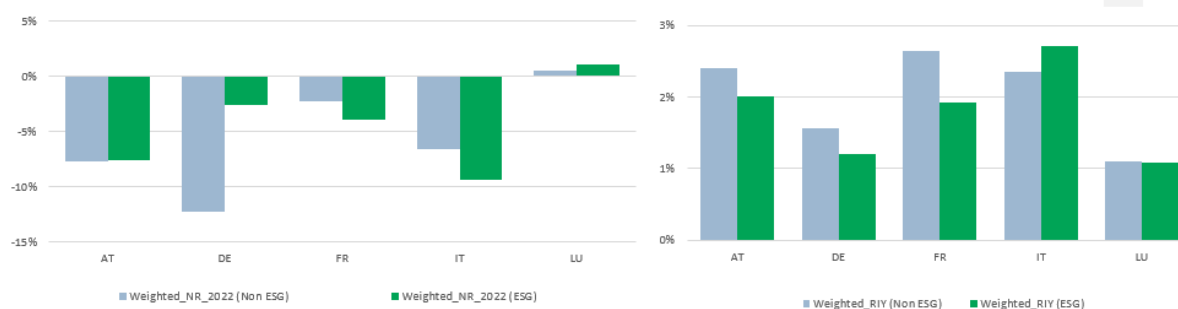


Source: Costs and Past Performance Survey

While the analysis above presents the EU average, UL products with sustainability features underperformed UL products with no sustainability features in 12 out 15 reporting Member States²⁸. In 9 countries, UL products with sustainability features were also costlier than products (Figure 23) with no sustainability features.

²⁸ Due to the small size of the sample for EL, MT, RO and SI, these countries were excluded from this analysis.

Figure 24 – Net performance, products with sustainability features vs products with no sustainability features, HY products, by Member State, 2022



Source: Costs and Past Performance Survey

Given the unavailability of more granular data and the limited sample of products with sustainability features collected, at this stage, assessing the reasons behind the above observations cannot be done. Nevertheless, the environment characterising 2022 had a number of implications for sustainable products which tend to be influenced by longer-duration fixed income assets, given many sustainable products tend to invest in longer-term opportunities dealing with climate change, water scarcity and social equality, while increasing rates in 2022 favoured products focused on shorter durations.

2.5. Cross-border IBIPs

The following analysis focuses on products marketed on a cross-border basis, based on the market where they are commercialized (host markets) (Figure 25). The analysis, however, needs to be interpreted cautiously; in fact, while EIOPA has expanded the sample this year, for many markets analysed the cross-border sample remains limited. Figure 26 gives an overview of the total GWP for which the undertakings, whose products are analysed in this section, account. In particular, it shows:

- How much the undertakings whose products have been analysed for this section account for – in GWP terms – in the relevant cross-border corridor (i.e., same home and same host);
- How much the undertakings whose products have been analysed for this section account for – in GWP terms – in the host market in terms of total incoming business (i.e., same host but multiple homes)

IE, LI and LU are the main markets from where products are sold on a cross-border basis. The Baltics are also relevant given they are highly interconnected markets.

Despite the growing cross-border activity in Europe and the improvements in the information collected, it is noteworthy that this analysis is sample-based (i.e., it does not cover all products sold on a cross-border basis²⁹) and the available data is still limited.

²⁹ It only collects data from a sample of undertakings writing business out of markets for which 50% of their total gross-written premium is written on a cross basis, accounting for just about over 30% of total business written on a cross-border basis.

Figure 25 – Cross-border business, by product, 2022^{30 31}

UL			PP			HY		
Home	Host	Products	Home	Host	Products	Home	Host	Products
LI	AT	12	EE	LT	3	LU	FR	13
LI	DE	28						
LV	EE	5						
LU	FR	12						
IE, LI	IT	28						
EE, LV	LT	8						
EE	LV	13						
ES	PT	5						
CZ	SK	6						

Source: Costs and Past Performance Survey

Figure 26 – Cross-border business by GWPs of undertakings in the sample vs. total cross-border business in the relevant corridor (i.e., same home and same host) and total incoming cross-border business, 2022

UL				PP				HY					
Home	Host	% GWP (home to host)	% GWP host	Home	Host	% GWP (home to host)	% GWP host	Home	Host	% GWP UL (home to host)	% GWP host UL	% GWP PP (home to host)	% GWP host PP
CZ	SK	100%	59.0%	EE	LT	95.9%	81.9%	LU	FR	33.2%	32.4%	48.1%	46.9%
EE	LT	45.0%	28.1%										
	LV	100%	70.3%										
ES	PT	100%	2.2%										
IE	IT	68.1%	52.8%										
LI	AT	100%	12.7%										
	DE	95.5%	17.9%										
	IT	55.7%	1.6%										
LU	FR	23.1%	22.6%										
LV	EE	100%	32.4%										
	LT	100%	23.9%										

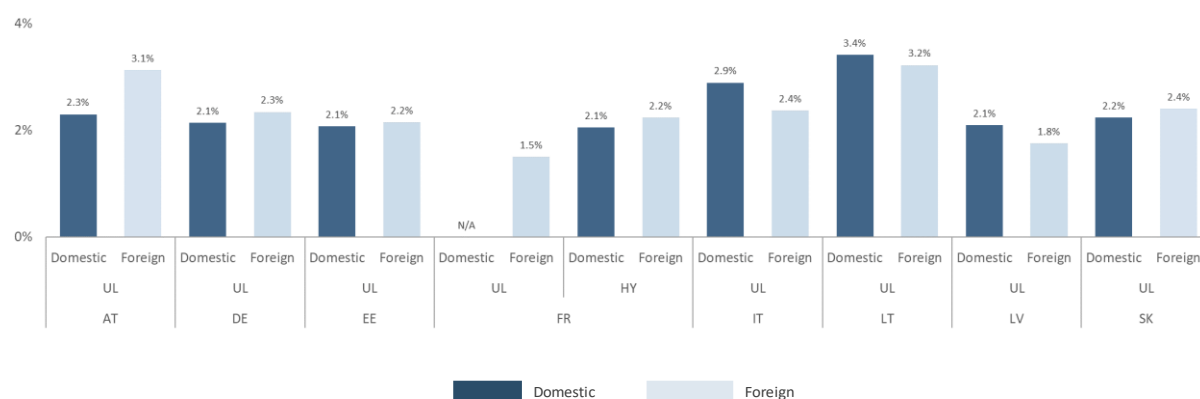
Source: Costs and Past Performance Survey

On average, costs are higher for the UL products within the sample sold on a cross-border basis than for those products within the sample sold on a domestic basis, which might be due to higher distribution costs when commercialising the same products abroad. Costs for products sold on a cross-border basis are lower when there are stronger interconnections in place as it is the case in the Baltics (Figure 27), showing existing distribution structures can have an influence.

³⁰ First table shows the distribution in terms of number of products reported. Second table shows the relevance of the cross-border business, for the home and host countries, based on the sample collected.

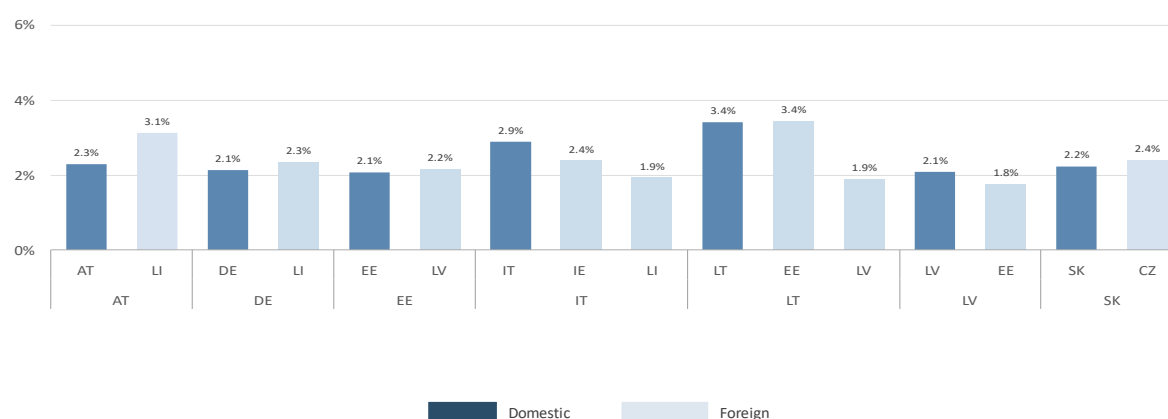
³¹ If less than 3 products were reported for the corridor, values are not presented in Figure 25 and 26.

Figure 27 – Costs as RIY at RHP, for cross-border UL and HY products, domestic vs foreign undertakings, 2022



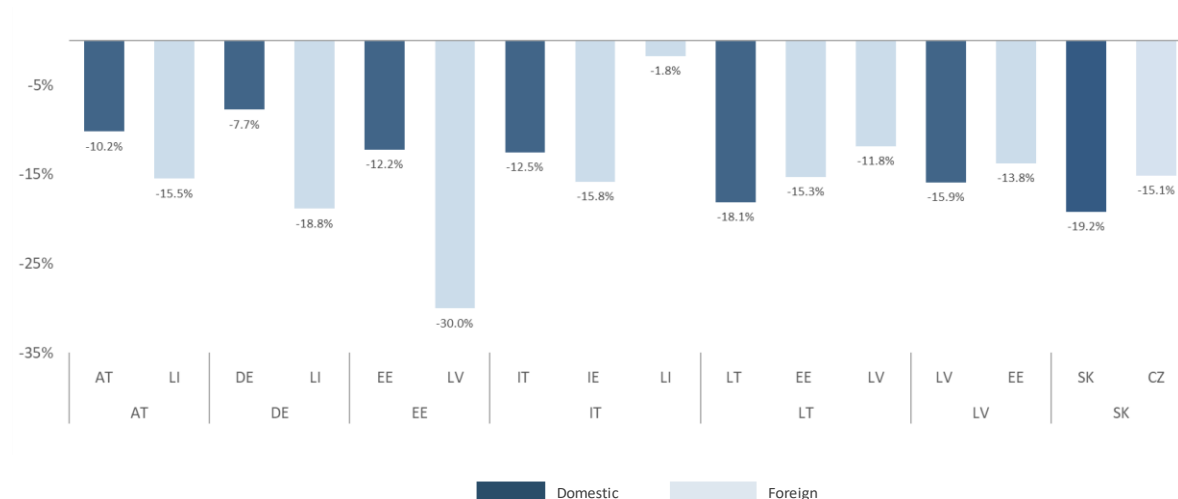
Source: Costs and Past Performance Survey

Figure 28 – Costs as RIY, cross-border UL products, in-depth analysis, 2022



Source: Costs and Past Performance Survey

As Figure 29 shows, in terms of net performance, returns of cross-border products followed a similar pattern of domestic business. In some cases, cross-border business underperformed significantly domestic business (e.g., in DE and EE the difference peaked to 101 bps and 182 bps respectively).

Figure 29 – Net returns, cross-border UL products, in-depth analysis, 2022

Source: Costs and Past Performance Survey

Given the smaller size of the cross-border business for HY products and some data quality issues, such in-depth analysis was not included in this iteration.

ESMA has also reported similar findings for investment funds and structured retail products³².

³² [Performance and Costs of EU Retail Investment Products – ESMA Annual Statistical Report](#)

3. PENSION SCHEMES AND PRODUCTS

This section of the report focuses on pension schemes and products, namely i) PPPs commercialized by insurance undertakings and ii) IORPs as providers of pension schemes, which can be either Pillar II or Pillar III products.

The analysis on PPPs leverages on a supplemental data collection. Comparability across markets is limited due to the lack of a harmonized framework. In addition, the survey only considers PPPs sold by insurance undertakings and does not cover PPPs offered by other providers (e.g., banks and asset managers).

The analysis on IORPs, as providers of occupational pension schemes, leverages on the centralized data repository available since 2021. Despite significant improvements in the data collection, reporting issues still remain, so conclusions should be cautiously drawn.

Given the type of data collected, the analysis on PPPs is conducted at product level, whereas for IORPs, it is only possible to provide data at IORP level due to the unavailability of retail information.

3.1. Personal Pension Products (PPPs)

Given the considerable heterogeneity of PPPs and in line with the agreed methodology, the product categories considered are the same as for the IBIPs – personal pension products with similar features to unit-linked (PPP_UL) and personal pension products with similar features to profit participation (PPP_PP). A snapshot of the key indicators of the products collected in 2022 is provided in Table 2.

Compared to 2021 and in line with the trend observed for IBIPs, the GWPs of both PPP-UL and PPP-PP decreased in 2022, influenced by the poor financial market performance impacting investment outcomes and lower real disposal income for consumers.

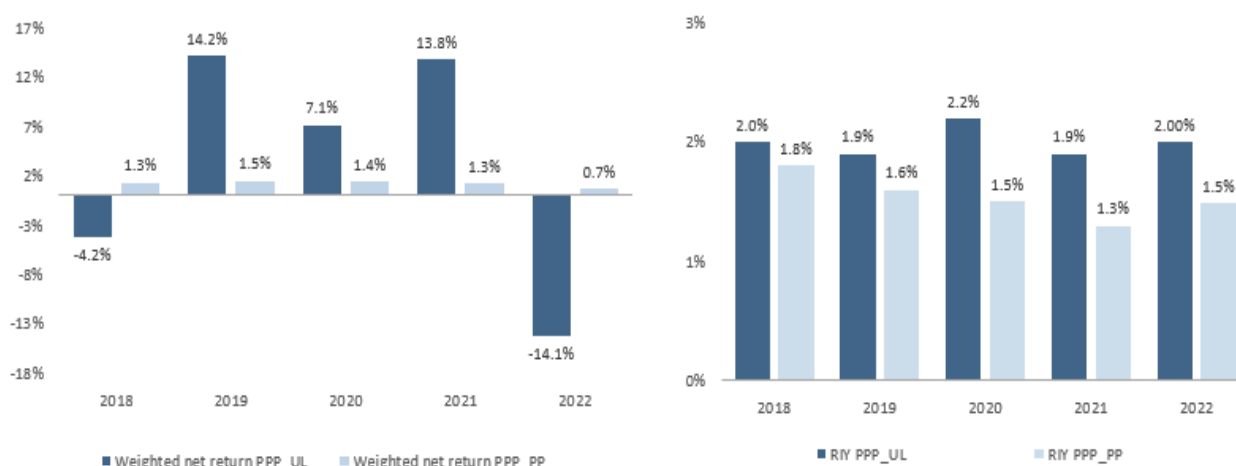
Table 2 - Details sample of PPPs, 2022

Summary	PPP_UL	PPP_PP
Undertakings	60	41
Countries	17	14
Products	174	70
Under PRIIPs regulation	85	26
Contracts (million)	1.14	0.41
GWP (€ billion)	19.3	9.7

3.1.1. Performance and costs

Similar to the observations made in the IBIPs' section, where financial market turmoil and rising interest rates have been identified as the main drivers of the underperformance of such products, returns of PPP_UL products were negative in 2022 (-14.1%), whereas PPP_PP products reported a return still low, but positive (+0.7%) (Figure 30). Volatility was quite high posing concerns on the future retirement benefits members might have crystallised for those retiring in 2022.

Figure 30 – Net returns (left) and costs (right), PPP_UL and PPP_PP, at EEA level, 2022



Source: Costs and Past Performance Survey

Similarly to previous years, the cost level³³ is higher for PPP_UL, although both PPP_UL and PPP_PP reporting an increasing trend. Despite the oscillations since 2018, PPP_UL are becoming cheaper, but are still more expensive than the PPP_PP (Figure 30).

When looking at country level, to better capture the market specificities and the current state of play in each jurisdiction, an overview at Member State level is presented below.

These in-depth analyses are presented for the country which provided granular information, both in qualitative and quantitative terms. For the quantitative analyses, Member States where less than 3 products could be assessed were excluded from the analysis.

Austria

PPPs are state-sponsored retirement provisions (Prämienbegünstigte Zukunftsvorsorge), a form of pension insurance, under which, upon reaching a defined retirement age, a life-long annuity is paid out. Usually, a survivor's provision is also arranged, such that following the death of the insured person an annuity continues to be paid to the insured's widow(er). A particular feature of state-sponsored retirement provision is the existence of a capital guarantee and a state premium. The product also has preferential tax treatment, with no insurance tax, no capital yield tax and no income tax being accrued.

	PPP_UL	PPP_PP
N. of products analysed	11	8
Weighted Average Net Return 2022	-9.6%	0.5%
Weighted Average Net Return 2022-2018	1.7%	0.6%
Weighted Average costs (as RIY at RHP)	2.1%	1.4%

³³ The data for the RIY for previous years is based on the data collected in the previous exercises, therefore, the samples is not homogeneous as undertakings report the most significant products every year, which might change on a yearly basis. Nevertheless, it is possible to compare the level of costs for the most representative products for each undertaking YoY.

Range of risk classes	1-6	1-2
Range of RHPs	15Y-25Y	15Y-25Y

Belgium

Under Belgian insurance law, part of PPPs are insurance pension savings belonging to the 3rd pension pillar. They can be concluded either as unit-linked insurance products, profit participation products or as hybrid products. With the exception of the Belgian Tax Law, there is no specific legal framework for PPPs. The legal framework is the one applicable to all life insurance (i.e., mainly the Law of 4 April 2014 on insurance and the Royal Decree on Life Insurance).

	PPP_UL	PPP_PP
N. of products analysed	4	8
Weighted Average Net Return 2022	-17.1%	1.3%
Weighted Average Net Return 2022-2018	-1.8%	1.3%
Weighted Average costs (as RIY at RHP)	2.8%	0.7%
Range of risk classes	2-4	1-2
Range of RHPs	10Y	10Y-20Y

Czech Republic

The Czech Republic has a voluntary funded pension system. It covers 52% of the working-age population and the assets under management represent 9% of GDP. The Czech pension system has two segments (both are called 3rd pillar):

- Supplementary pension insurance scheme since 1994 (from 2013 closed for entry by new participants)
 - It guarantees a non-negative return on annual basis to the participants.
 - Asset management fee - up to 0.8% of the average annual value of the fund
 - Performance fee - up to 10% of the profit
- Supplementary pension savings scheme from 2013
 - Participants can contribute into one of the “participating funds”, with different risk profiles and investment strategies.
 - Participating funds have risk category from scale 1-7
 - Asset management fee - up to 0.4% of the average annual value of the fund (conservative participating funds) / up to 1% of the average annual value of the fund (other participating funds)
 - Performance fee - up to 10% of (the average value of the pension unit in t – the highest annual average value of the pension unit since t₀) × the average number of pension units in t (conservative participating funds) / up to 15% of (the average value of the pension unit in t – the highest annual average value of the pension unit since t₀) × the average number of pension units in t (other participating funds)

Denmark

Personal pension products in Denmark are voluntary (pillar III) pension plans based on individual contribution payments. PPPs may be set up in addition to or as an alternative to a mandatory occupational (pillar II) pension scheme. PPPs in Denmark are life insurance products, or, to a lesser degree, pure investment products without an insurance element.

PPPs are paid out as life annuities (“livrente”) or in installments (“ratepension”). A third option is an “aldersopsparing”, which may be paid out as a lump sum, life annuity or in installments. Contributions to most PPPs are tax deductible and the benefits taxed upon payout, except for “aldersopsparing” for which contributions are non-deductible and the benefits tax-free. All PPPs in Denmark are subject to special pension taxation rules with a lower taxation on profits compared to regular investment products.

As part of the data collection exercise, EIOPA received data on 6 Personal Pension Products (life insurance products) in Denmark. These products offered an average a weighted net return of -12.5% in 2022 and +3.92% over the period 2018-2022. In terms of costs, the RIY at RHP of the products analysed varied from 0.75% to 1.5%.

Estonia

A supplementary or a voluntary pension fund is a common fund with the objective to provide unit-holders additional income during their retirement years. Voluntary pension funds are pools of assets established and managed by licensed pension fund managers. They are very similar to pillar II funds, but the legislation covering the product is less comprehensive, meaning that the fund managers have a greater flexibility to decide on fees, redemption policies and portfolio allocations.

The amount and frequency of contributions as well as their suspension is decided by the investor and the money can be taken out, as a whole or in part, before reaching the retirement age. In addition, pillar III accounts can be opened for a person below the age of 18, as contributions to the fund are voluntary and can be made by other people, e.g. parents or employers. Employers have no obligation to make contributions, but many opt to do so on behalf of or in addition their employees, often including it in the motivational package offered to the employees.

Additionally, employers can create a pension fund that is only for their employees, e.g. occupational retirement pension fund, but currently this is not a common market practice. Other alternatives are pension insurance with guaranteed interest rate and pension insurance with investment risk.

	PPP_UL	PPP_PP
N. of products analysed	3	4
Weighted Average Net Return 2022	-5%	0.2%
Weighted Average Net Return 2022-2018	-0.63%	0.9%
Weighted Average costs (as RIY at RHP)	4.8%	1.5%
Range of risk classes	4	1

Range of RHPs

10Y

10Y

Germany

In addition to the IBIPs sold with the aim of providing a retirement benefit, there are also 7 additional personal pension products categories, namely Riester products following Altersvorsorgeverträge-Zertifizierungsgesetz (AltZertG). These are voluntary, individual-based and have a DB feature. They are state subsidised pension products which were introduced in Germany in 2001, are not insurance specific and fall under the Altersvorsorgeverträge-Zertifizierungsgesetz (AltZertG). These are explicitly excluded from the PRIIPS scope in Art. 2 Para 2 e) PRIIPS Regulation.

They may comprise: classic private pension schemes, bank savings plan, funds-related pension scheme; internal and external investment funds, funds savings plan, direct insurances and pension funds, 'Wohn-Riester' (home owner) – a contract of loan to buy or build privately used real estate and cooperative shares. Combinations are also possible.

The information provided below refer to the IBIPs sold with the aim of providing retirement benefit. The range of RHPs relates to the sample of products collected in this exercise. However, it might not be representative of the German market as PPP IBIPs with retirement purpose in Germany usually have a minimum RHP of 12 years (often the RHP is even 30 to 40 years).



	PPP_UL	PPP_PP
N. of products analysed	24	10
Weighted Average Net Return 2022	-17.1%	1.5%
Weighted Average Net Return 2022-2018	4.6%	1.6%
Weighted Average costs (as RIY at RHP)	1.8%	1.4%
Range of risk classes	1-6	1-2
Range of RHPs	10-40Y	12Y-30Y

Hungary

Voluntary pension funds offer an institutional form for retirement support, introducing additional capital in the market that can support long term investment. Members can join the funds voluntarily on individual basis and they are the owners of the pension funds. They are supplementary pension products designed to substantially improve the amount of the state pension.

In case of PPPs which are also IBIPs, these products are life insurance products where the insurance event is the retirement of the client. Usually tax refunds can be claimed, but only after the accumulation phase.

These contracts have a separate, dedicated account, where also the tax benefits are credited, and which cannot be surrendered in a flexible way. In case of early surrender the tax benefit has to be paid back entirely (Act CXVII of 1995 on Personal Income Tax).



	PPP_UL	PPP_PP
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N. of products analysed	28	5
Weighted Average Net Return 2022	-5.7%	0.5%
Weighted Average Net Return 2022-2018	4.2%	1%
Weighted Average costs (as RIY at RHP)	3.4%	2.7%
Range of risk classes	2-6	1-3
Range of RHPs	20Y-25Y	10Y-20Y

Ireland

There are two forms of personal pension contracts used to save for retirement: Personal Retirement Savings Accounts (PRSAs) and Retirement Annuity Contracts (RACs). Any individual can contribute voluntarily to a PRSA and employers who don't provide access to an occupational pension scheme must provide their employees with access to a PRSA. RACs are used mainly by the unincorporated self-employed, but also to a much lesser extent by employees in non-pensionable employment. There is a third type of retirement contract called a Personal Retirement Bond or a 'buy out bond' which is designed only to accept transfers from occupational pension schemes. Generally, all three types of personal pension contract allow individuals to take a tax-free lump sum at retirement and use the remaining funds to buy an annuity and/or invest in, and drawdown from, an Approved Retirement Fund.



	PPP_UL
N. of products analysed	18
Weighted Average Net Return 2022	-12.5%
Weighted Average Net Return 2022-2018	1.94%
Weighted Average costs (as RIY at RHP)	2.2%
Range of risk classes	1-3
Range of RHPs	5Y-7Y

Italy

Pillar III products include "PIPs" (Piani individuali pensionistici di tipo assicurativo) and open pension plans (so called "fondi pensione aperti") giving the rights to each individual to decide to be part or not of such plans. PIPs are individual pension plans implemented through life insurance contracts offered by insurance companies; they can be either in the form of with-profit (traditional policies) or unit-linked policies and they only support personal plans.

Open pension funds are promoted by banks, insurance companies, asset management companies. They support both occupational plans (collective adhesion) and personal plans (individual adhesion).

In both PIPs and open pension funds the assets of the products are required to be segregated by those of the provider and they do not have legal personality.

In Italy, individual pension products have a specific legal regime and have the same fiscal treatment of occupational pension funds which is more favourable compared to other financial and insurance products. They have the same rules for adhesions, disclosure and benefits payment of occupational pension funds. Italian individual pension products are not considered IBIPs and are not subject to the PRIIPs regulation.

	PPP_UL	PPP_PP
 N. of products analysed	21	12
Weighted Average Net Return 2022	-12.6%	-0.68%
Weighted Average Net Return 2022-2018	-0.05%	0.45%
Weighted Average Costs (as RIY at RHP)	2.2%	1.78%
Range of risk classes	N.A No KID available as PPPs in IT are subject to specific national provisions	N.A No KID available as PPPs in IT are subject to specific national provisions
Range of RHPs	5Y-15Y	5Y-10Y

Malta

The Retirement Pensions Act, 2011, defines a Personal Retirement Scheme as a Retirement Scheme which is not an occupational scheme and to which contributions are made for the benefit of an individual. The MFSA is also currently working on a proposal which will regulate local Maltese insurance undertakings which are distributing insurance products which have a pension element.

Some of these insurance products are structured similar to IBIPs, however they do not fall under the definition of IDD since they are approved by the Commissioner of Inland Revenue as pension products, under Maltese national law and have some specific features such as annual withdrawals which render them pension products.

The aim of this new regime is to clarify the prudential requirements, and most importantly the conduct of business requirements which such undertakings are required to comply with.

Norway

Individuelle pensjonsavtater (IPA), or individual pension schemes fall in the scope of Pillar III products, all of them proving tax benefits and attractive return rates.

	PPP_UL
 N. of products analysed	8
Weighted Average Net Return 2022	-9.79%
Weighted Average Net Return 2022-2018	5.3%
Weighted Average Costs (as RIY at RHP)	1.3%
Range of risk classes	3-5

Range of RHPs

5Y

Poland

IKZE (Individual retirement savings account) and IKE (Individual retirement account) are personal saving accounts that facilitate saving for the future retirement need.

	PPP_UL
N. of products analysed	11
Weighted Average Net Return 2022	-11.4%
Weighted Average Net Return 2022-2018	-1.5%
Weighted Average costs (as RIY at RHP)	2.2%
Range of risk classes	1-5
Range of RHPs	5Y-20Y

Portugal

Pillar III products include individual membership of open pension funds and retirement saving schemes (Plano Poupança Reforma – “PPR”), the latter which can be financed by life insurance contracts, pension funds or investment funds. The reimbursement of the accumulated amount from PPR is possible at any time, but a tax penalty applies. Withdrawals from PPRs are not subject to penalties in the following cases: (i) at retirement age, (ii) permanent disability of the participant or any member of his household, (iii) at the age of 60, (iv) severe illness of the participant or any member of their household, (v) from payment of instalments of credit guaranteed by mortgage on the participant’s own residence, and (vi) long-term unemployment of the participant or any member of his household.

	PPP_UL
N. of products analysed	13
Weighted Average Net Return 2022	-11.43%
Weighted Average Net Return 2022-2018	0.15%
Weighted Average costs (as RIY at RHP)	1.96%
Range of risk classes	2 to 3
Range of RHPs	3Y to 8Y

Slovenia

Pension products with tax incentives are defined in the Pension and Disability Act and products can be designed in two ways: (i) products with the capital guarantee in the accumulation period or (ii) life cycle products where the last fund aiming for the oldest age group must bear the capital guarantee.

All individual pension plans registered at tax authority are life cycle products that are performed through 3 funds with different investment policy because they are prepared for different age groups.



PPP_UL

N. of products analysed	10
Weighted Average Net Return 2022	-14.6%
Weighted Average Net Return 2022-2018	0.9%
Weighted Average costs (as RIY at RHP)	4.7%
Range of risk classes	2-6
Range of RHPs	10Y-25Y

Spain

Pension schemes have a sponsor or sponsors that are financial institutions and members who are natural persons. PPPs may only be DC in nature and include a number of key distinctive features: (i) voluntary principles (not compulsory), (ii) complementary to public pensions, (iii) no discrimination, (iv) capitalization, (vi) irrevocability of contribution, (vii) recognition of existing rights, (viii) compulsory integration of the pension scheme in a pension fund.



PPP_PP

N. of products analysed	9
Weighted Average Net Return 2022	1%
Weighted Average Net Return 2022-2018	0.7%
Weighted Average Costs (as RIY at RHP)	1.3%
Range of risk classes	N.A
Range of RHPs	4Y-24Y

3.2. Institutions for occupational retirement provision (IORPs)

IORPs are one of the vehicles contributing to the multi-pillar pensions system in Europe. Despite the introduction of common standards to ensure the soundness of occupational pensions, their set-up and relevance remains quite diverse across Member States. The approach of each country to the establishment of pension schemes and development of each Pillar varies quite substantially and those differences must be recognised when looking at the data.

In order to acknowledge the discrepancies and provide a more accurate picture of the relevance of IORPs for each country, Annexes provide a look-through assessment covering key features such as type of providers, affiliation, contributions and taxation.

Based on that, it is possible to understand that the European landscape is highly diverse when it comes to occupational schemes – in some countries, such as Finland, the most important pensions scheme

is Pillar I mandatory and statutory pension scheme, through which employers and employees contribute to private pension insurance companies. Whereas in some others, such as Belgium, insurance undertakings are responsible for the largest part of the occupational pension schemes. In some countries, such as Austria, membership is completely voluntary; whereas in some others, there are auto-enrolment policies in place, as it is the case in the Netherlands and in France for some sectors.

The type of tax incentives can also vary significantly due to the different regimes taxing contributions, returns on investment and pension income.

Irrespective of those differences, IORPs providing DC schemes can expose members and beneficiaries to risks as they bear the investment risk. Hybrid schemes, which are plans which have two separate DB and DC components, but which are treated as part of the same scheme, can attenuate the risks borne by members and beneficiaries.

The total assets of IORPs decreased to € 2,486 billion in 2022, from € 2,799.8 billion, in 2021 (Figures 31, 32 and 33). Defined contribution pension schemes totalled € 527.6 billion, from € 423.7 billion, in 2022, reflecting a continuous gradual transition towards DC schemes (+25%), although they represent only 21% of total IORPs assets.

Figure 31 – Assets held by IORPs (above €40bn), top 6 countries, 2022

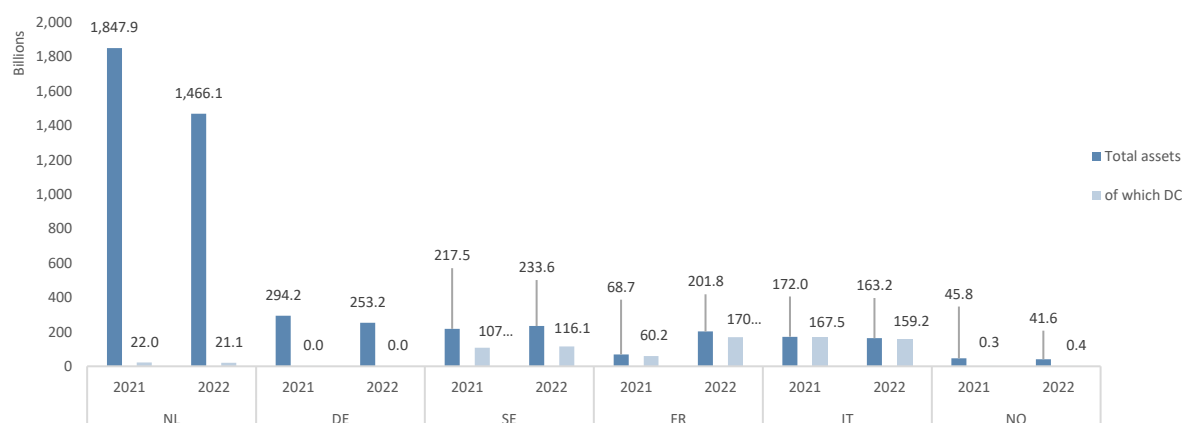


Figure 32 – Assets held by IORPs (between €5bn and €40bn), 2022

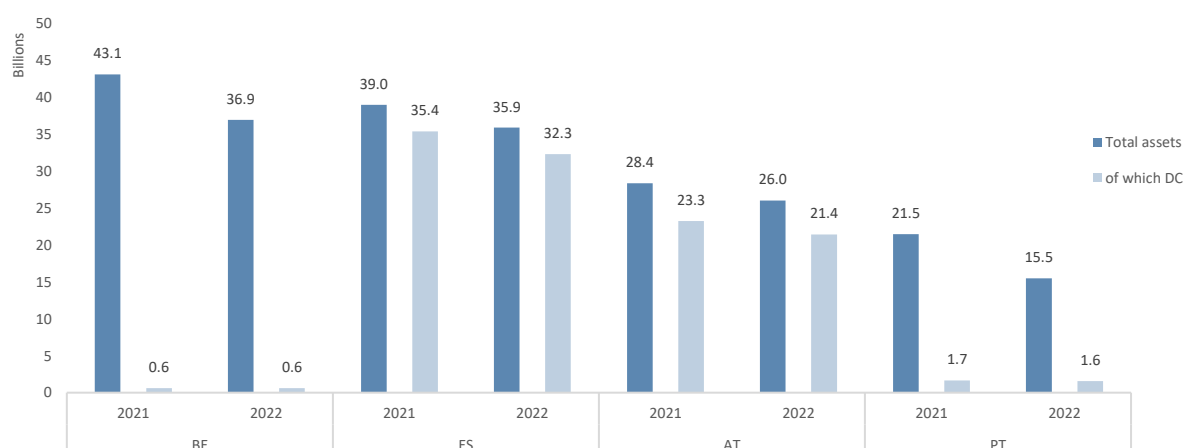
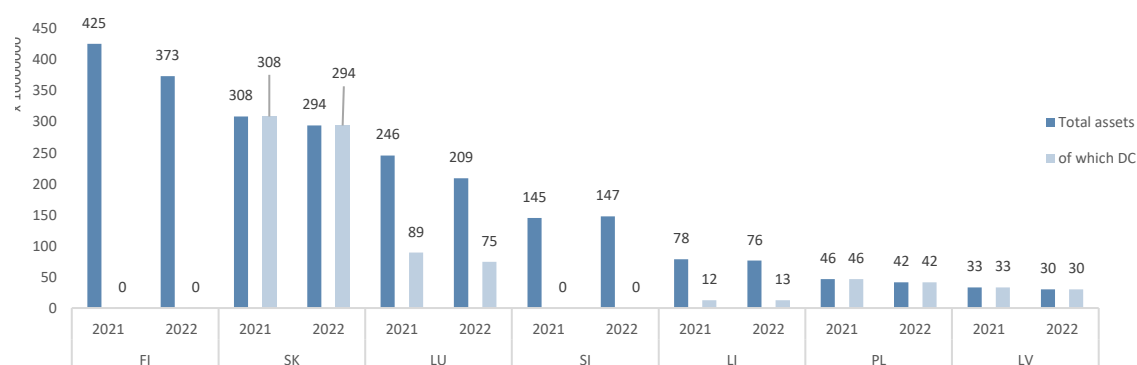


Figure 33 - Assets held by IORPs (below €5bn), 2022



Source: IORPs database

The estimated penetration rate of IORPs continuous to be low, when compared to the country GDP.

The Netherlands, whose holdings represent more than 153% of the country's GDP, emerge as an outlier as a result of a strong dependence on IORPs as the vehicle for occupational pensions. The vast majority of those employed in the NL participate in an occupational pension scheme via schemes provided by IORPs, and this form of savings is also attractive for as it is tax favoured. For other countries, nevertheless, the occupational pension system can rely on other providers, such as insurance companies, banks and/or asset managers. In spite of being essentially reliant on DB schemes, the new Pensions Act, which has passed on 1 July 2023, could intensify the relevance of DC schemes in Netherlands, since it introduces, among several important changes, the obligation to provide occupational pension schemes on a defined contribution (DC) basis only instead of a defined benefit (DB) provision accrual.

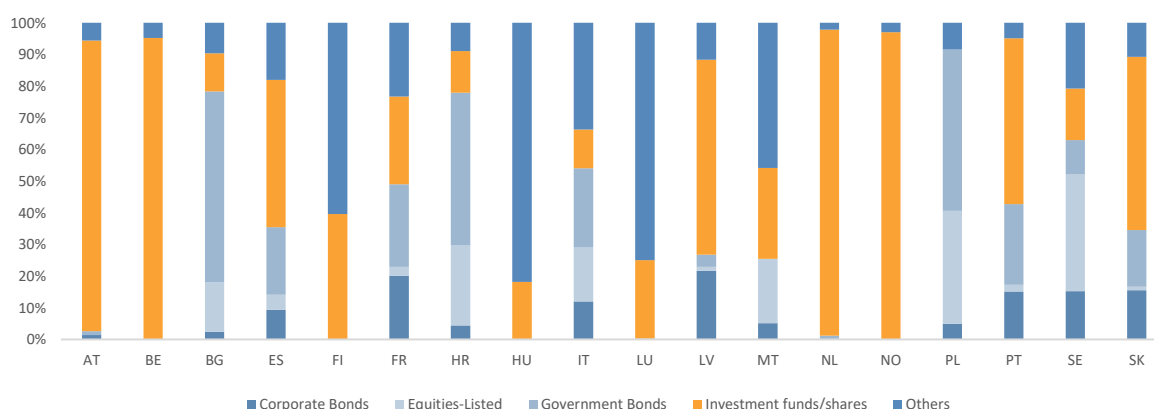
Given that in pure DC schemes, members bear the investment risk related to the capitalisation of the contributions paid, in many cases, without any guarantees associated to the contributions and/or

guaranteed replacement ratios³⁴, it is relevant to understand how these types of schemes invest their holdings (Figure 34) and structure their income and expenses.

IORPs in 6 out of 18 Member States hold more than 50% in investment funds/shares, 6 out of 18 hold between 25% and 60% in government bonds.

This might flag some lack of diversity in the asset allocation, which might pose future issues in case one of distress of one of those markets. A more granular analysis on the type of investments made via CIUs and its breakdown by asset category (Figure 34 and 35) shows a more balanced structure in some cases, whereas in some others reflects higher concentration towards specific assets. That is the case for Austria, Luxembourg, the Netherlands, and Norway towards investment funds/shares and Sweden toward equities (listed and unlisted). Depending on the sector, this reliance on equity investments might become concerning. Nevertheless, there is no further data is available to perform a more in-depth analysis.

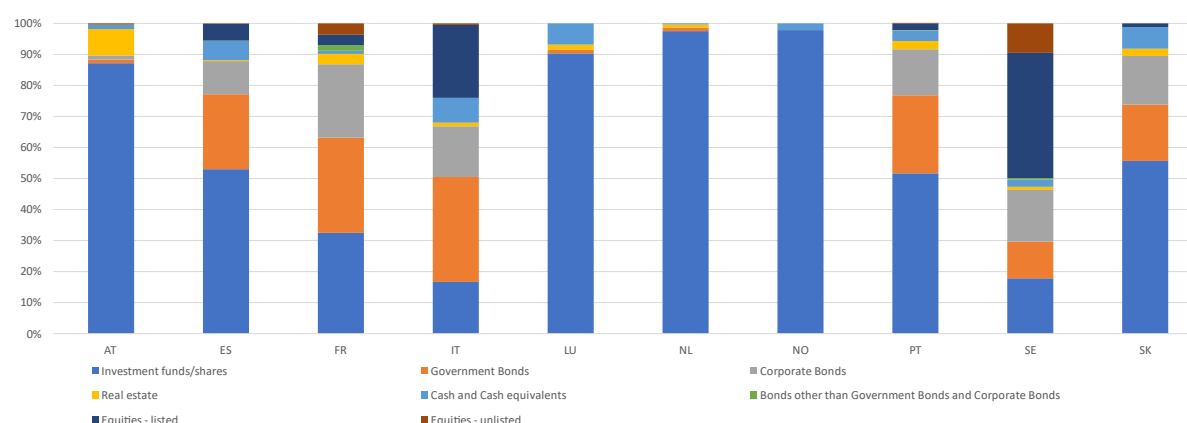
Figure 34 – DC assets breakdown by asset class, main assets view, by Member State, 2022³⁵



Source: IORPs database

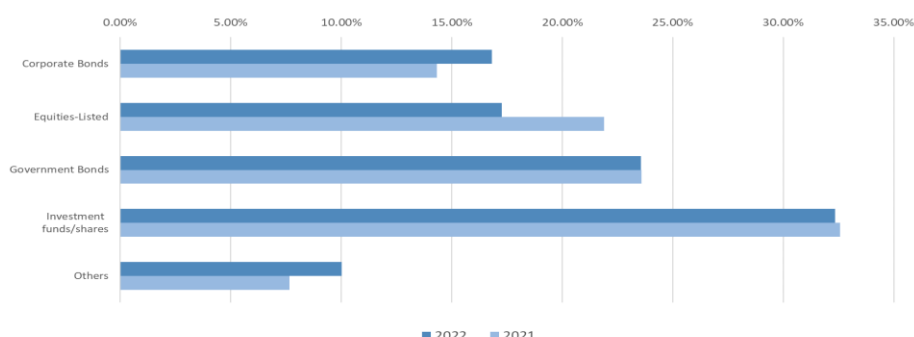
³⁴ In some countries (e.g. BE), some guarantees to DC Pension Schemes are being provided.

³⁵ Data related to BE refers almost exclusively to IORPs that manage DC schemes of other countries, in the context of the cross-border activity. All Belgian schemes, including DC schemes, are officially classified as DB schemes for EIOPA reporting purposes because of a legal minimum return in the DC schemes (non-pure DC). The data shown in the figures 34 and 37 are therefore not necessarily representative for the Belgian DC sector.

Figure 35 – DC assets breakdown by asset class, granular view, by Member State, 2022³⁶

Source: IORPs database

Making a comparison of the asset allocation between 2022 and 2021, IORPs in 2022 slightly changed the exposures toward some assets (Figure 36). In particular, a shift from equities-listed toward corporate bonds was observed in some countries (e.g., France), while in general the exposure toward investment funds/shares remained unchanged. This could be due to the investment in short-duration corporate bonds to benefit from the rising interest rates³⁷.

Figure 36 – DC assets evolution

Source: IORPs database

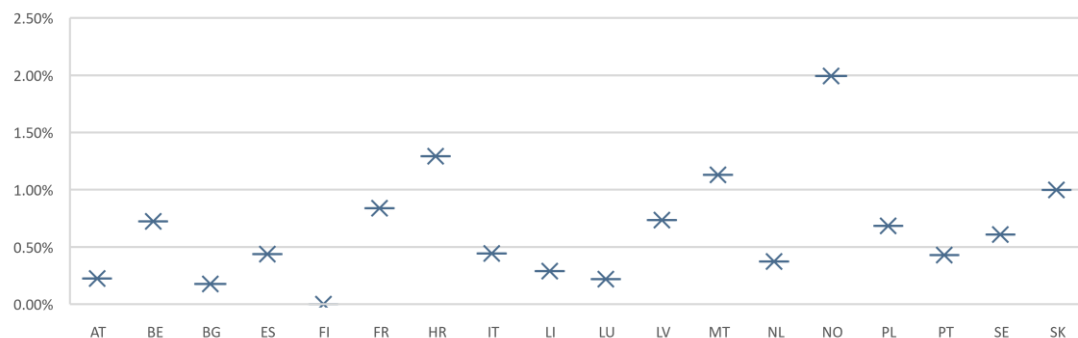
After looking at the asset-breakdown, it is important to also assess the efficiency and profitability. This can be done by computing the expense ratio – i.e., the ratio between expenses and total assets. The expense ratio provides an indication on the performance of these providers, measuring how much of the assets are used for administrative, investment and operating expenses. This reduces the fund's assets, thereby reducing the return to beneficiaries.

³⁶ Figures 34 and 35: data extracted from template PF.02.01 "balance sheet".

³⁷ The difference in the asset allocation between 2022 and 2021, observed in FR, is also explained by the substantial increase of French IORPs.

While the majority of Members exhibit an expense ratio below 1%, three out of 18 Members exhibit an expense ratio above 1%³⁸ (Figure 37), which is usually the benchmark used for similar products managed by investment and mutual funds, offering long-term investment options. This might raise some concerns in terms of sustainability and future income benefits to be distributed to beneficiaries, particularly considering the growing demographic and labour problems.

Figure 37 – Ratio total expenses over total assets (DC schemes), by Member State, 2022³⁹



Source: IORPs database

³⁸ Zhang, Andrew (Jianzhong), Mutual Fund Expense Ratios in Market Equilibrium (July 20, 2007, Pension Charges Survey 2020, Department for Work and Pensions (DWP) (January 2021)

³⁹ Data extracted from template PF.05.03 “Expenses”, for the expenses related items (R0010, R0020, R0040; C0020); and from template PF. 02.01, from the total amount of assets. Tax expenses were not included as taxes are not costs and do not reflect the efficiency of the IORP cost structure. In addition, including tax expenses in the calculation would distort the comparison between IORPs due to the different taxation systems in place (e.g impact from an ETT regime vs an EET regime). Taxes are also not included in the calculation of costs for PPPs (as they are indeed not costs), therefore, the same approach has been used for the calculation of IORPs costs.

ANNEX I - METHODOLOGY

I.1 – IBIPs

The methodology describes how to compute costs and past performance from a representative sample of products sold by insurance manufacturer, focusing on the most sold products per undertakings and their risk class.

These samples are not randomised. The aim is to reflect the asset allocations of policyholders in practice, while also addressing some of the main different types of products on the markets. The size of GWPs has been used for the purpose of weighting product figures.

While relying on information provided in KID, or required to produce the KID, since past net returns cannot be derived solely from the KID information, supplemental data was requested. EIOPA:

- Collected product data from a sample of firms and products selected by the NCA for each Member State, according to common principles;
- Analysed aggregated and averaged the data (weighted by 2022 GWP).

To ensure consistency across Member States and market representativeness, the sample was targeted to the largest insurance undertakings covering 60% of the market in terms of GWP. To measure GWP the data from the Quantitative Reporting Template (QRT) S.05 is used⁴⁰. The target market coverage of the sample is set at 60% of the EEA market in term of GWP for unit-linked and profit participation products.

The sample for the 2024 report, as for the previous iteration, mainly focused on products that are sold in the domestic market by domestic market participants⁴¹ taking-up business in the home country. Cross-border activity⁴² is limited to those markets where domestic business represents less than 50% of the total GWP volume.

EIOPA collected the data with questionnaires circulated to selected insurance undertakings by NCAs and past performance over a period of 5 years is sought. For the current iteration of the report the timeframe was 2018-2022.

Disability and occupational disability products, immediate annuities, certain endowments, and funeral products were all excluded.

In some markets the products on offer are new every year. In these cases older product generations that are representative could be used for previous years.

⁴⁰ The Solvency II cell notation is: S.05.01.01 R1410 C0220, S.05.01.01 R1410 C0230

⁴¹ In the case of insurance undertakings, domestic market participants are defined as insurance undertakings with primary corporate headquarters located in that Member State, subsidiaries of EU/EEA and non-EU/EEA country insurance undertakings and branches from insurance undertakings of non-EU/EEA countries.

⁴² Cross-border business is composed of domestic insurance undertakings taking-up business in another Member State under the freedom of establishment or the freedom to provide services.

The data was broken down where product features are significantly different – splits created ‘clusters’ of products, classified according to:

- Premium frequency: regular, singular or flexible premiums
- Recommended holding periods: Long ($\geq 15Y$) or Short ($< 15Y$)
- Risk categories: from 1 to 7 (for unit-linked and hybrids) and from 1 to 3 for the profit participation products.

In this way, costs and returns are distinguished where they materially vary depending on product features, to ensure adequate comparisons.

The selection was addressed to those products that were commercialised at least until 31st December 2022 to exclude products in run-off.

While for costs information publicly available input from the PRIIPs KID is used, additional data have been requested on past performance and on costs not reflected in that performance to allow computing a past performance net of all costs. The methodology to calculate the performance of the products is specific to the type of product: unit-linked, profit participation and hybrids.

This report focuses on net performance in nominal terms, i.e., gross of inflation and tax effect. Some considerations on inflation are also provided together with the actual rate of inflation measured in the years of analysis. On the other hand, for the analysis on costs, the Reduction in Yield (RIY) figures as reported in the KID are used without the need to collect other ad-hoc input.

Unit-linked products

For the iteration of the 2024 report, as for previous ones, a unique template for both 10.a and 10.b unit-linked products⁴³ was used. In case of single option products, the collection is straightforward. In case of multi-option products, the data collection is based on the largest underlying options (in terms of GWP 2022) and the insurance wrapper. A product is therefore considered as one option plus its wrapper, following a consumer perspective. This may differ from the manufacturer’s perspective where a product can be defined as all the available underlying options plus the insurance wrapper. The net return computations are based on the NaV YoY% change as unit value, to prevent possible fluctuation due to submission/redemption or dividends, adjusted for all the costs not included in the NaV in order to be able to compute a net return.

⁴³ 10.a and 10.b unit-linked product refers to Article 10 PRIIPs-RTS / delegated regulation

Calculations – Unit Linked Product

$R(j)$: observable annual return of the unit of the fund in year j , i.e. $R(j) = \frac{NaV_j}{NaV_{j-1}} - 1$

$RIY(j)$: Reduction in Yield of all the costs components not included in $R(j)$

$R(j)_n$: net return for the year j , i.e. $R(j)_n = R(j) - RIY(j)$

R_{av_n} : average net return of the fund in the sample period ($n=5$), i.e.:

$$R_{av_n} = ((1+R(1)_n) \cdot \dots \cdot (1+R(n)))^{1/n} - 1$$

Profit participation products

To measure the past performance of profit participation products EIOPA has used data on the evolution of the Total Credit Rate (inclusive of technical interest rate, profit participation rate, allocated declared terminal bonus) or profit-sharing rate. These are broadly understood as a reasonable proxy for overall performance trends.

Undertakings were required to provide the past annual profit participation rates for the last 5 years. All the costs items not already accounted in the provided profit rate were to be shown in terms of RIY on separate basis to compute the net return.

Calculations – Profit Participation Product

$R(j)$: observable annual return of the unit of the fund in year j , i.e. **$R(j)$ = Total Credit Rate (inclusive of technical interest rate, profit participation rate, allocated declared terminal bonus) or Profit sharing rate**

$RIY(j)$: Reduction in Yield of all the costs components not accounted in $R(j)$

$R(j)_n$: net return of the product for the year j , i.e. $R(j)_n = R(j) - RIY(j)$

R_{av_n} : average net return of the product in the sample period ($n=5$), i.e.:

$$R_{av_n} = ((1+R(1)_n) \cdot \dots \cdot (1+R(n)))^{1/n} - 1$$

Hybrid products

Hybrid products are a mix of unit-linked and products with profit participation. For these products, the net return was computed with two alternative approaches, depending on how the products were sold, i.e.:

- as combination already set by the manufacturer
- a variety of options where the allocation between the two components (the unit-linked and the profit participation one) is customised by the policyholder.

In the former case, the net return for hybrid products is simply the aggregate net return of the combination offered where the most relevant one in terms of GWP per risk class is considered.

In the second case, the net return of the hybrid product is a weighted average of the most popular unit-linked and profit participation components. The allocation between the two options is provided by the product manufacturers as representative of the average allocation for policyholders. This, while being often an approximation as the allocation changes consumer by consumer, aims at providing an aggregate meaningful picture.

For example, manufacturer can use assets under management or GWP allocation to compute the average allocation per option. Respondents had the possibility to choose the approach most adequate to represent the feature of their product, hence, to provide two underlying options with their relative allocation, and to provide the information on the hybrid product as aggregate.

Calculations – Hybrid Product

1st approach

$R(j)_{HY}$: observable annual return of the product during year j , i.e. **$R(j)_{HY}$ = Total return computed by the undertaking on an aggregate basis**

$RIY(j)_{HY}$: Reduction in Yield of all the costs components not accounted in $R(j)$

$R(j)_{n_{HY}}$: net return of the profit-sharing component of the product for the year j , i.e. **$R(j)_{n_{HY}} = R(j)_{HY} - RIY(j)_{HY}$**

$R_{av_{n_{HY}}}$: average net return of the product in the sample period ($n=5$), i.e.

$$R_{av_{n_{HY}}} = ((1+R(1)_{n_{HY}}) \cdot \dots \cdot (1+R(n)_{n_{HY}}))^{1/n} - 1$$

2nd approach

As unit-linked and profit participation options are unbundled, at first the net return has to be computed for each option individually. Secondly the hybrid net return is obtained weighting the two components.

UL net return Calculation

$R(j)_{UL}$: observable annual return of the unit of the fund in year j , i.e. **$R(j) = \frac{NAV_j}{NAV_{j-1}} - 1$**

$RIY(j)_{UL}$: Reduction in Yield of all the costs components not included in $R(j)$

$R(j)_{n_{UL}}$: net return for the year j , i.e. **$R(j)_{n_{UL}} = R(j)_{UL} - RIY(j)_{UL}$**

PP net return

$R(j)_{PP}$: observable annual return of the product during year j , i.e., **$R(j)_{PP}$ = Total Credit Rate (inclusive of technical interest rate, profit participation rate, allocated declared terminal bonus) or Profit sharing rate**

$RIY(j)_{PP}$: Reduction in Yield of all the costs components not accounted in $R(j)_{PP}$

$R(j)_{n_{PP}}$: net return of the profit-sharing component of the product for the year j , i.e. **$R(j)_{n_{PP}} = R(j)_{PP} - RIY(j)_{PP}$**

Hybrid net return

K : relative weight of the UL components with respect to the PP component

$1-K$: relative weight of the PP components with respect to the UL component

$R(j)_{n_{HY}}$: net return of the Hybrid product, weighted average of the UL and PP net return for the year j , i.e. **$R(j)_{n_{HY}} = R(j)_{n_{UL}} \cdot K + R(j)_{n_{PP}} \cdot (1-K)$**

$R_{av_{n_{HY}}}$: average net return of the fund in the sample period ($n=5$), i.e.

$$R_{av_{n_{HY}}} = ((1+R(1)_{n_{HY}}) \cdot \dots \cdot (1+R(n)_{n_{HY}}))^{1/n} - 1$$

I.II - Pension Products

Given the lack of harmonisation at the European level of what is commonly defined as personal pension product (PPP), the categorization is based on national legislation. Therefore, under PPPs category there is a diversity of products. PPPs could be IBIPs with KID and non IBIPs products. Given the diverse framework, EIOPA requested to report data for only the 3 most relevant Personal Pension Product in 2022 GWP terms.

However, EIOPA applied the same IBIPs template to collect the data, bearing in mind that the absence of a harmonised framework as PRIIPs implies a lower data granularity and availability.

The calculation followed to compute the net return of personal pension product are those shown above for the unit-linked, profit participation and hybrid products.

In addition, the survey on IBIPs ask direct information on whether the IBIPs product represented is also sold with the aim to provide a pension benefit during the retirement age. The report also shows the costs and the performance of this subset of products.

I.III - Refinements

Leveraging on the lessons learnt from previous editions, some refinements to the methodology of the 2024 report were made with respect to the previous years' edition. This paragraph aims at giving transparent evidence of such methodological improvements.

In particular:

- Similarly to last year, in order to compute weighted return and weighted costs figures it was finally possible to use the GWP corresponding to the product rather than the one corresponding to the undertaking per line of business. This was ultimately possible as the quality of the input collected corresponding to the field GWP 2022 was adequate.
- The return and costs by markets reflect the country of commercialization of the product taking into consideration product written on a cross border basis. The surveys shared this year included a field to report the 'country of commercialisation', which allows for capturing a more precise picture on the cross-border business and provide some additional considerations on these matters.
- The 2024 report expanded the analyses on ESG related topics, by gathering information on the ESG classification of the products, underlying funds (in the case of UL products) and SFDR disclosures. The additional data provide more input to assess the market developments on this field, the impact on costs and returns, and the potential risks to consumers. Going forward, the fully implementation of European directives in this regard will be of further interest and importance.
- Further analysis on the underlying assets and investments backing UL products were included, leveraging on the ISIN code provided in the surveys. This aims to gather more input and insights on the type of exposure of UL products and how it can impact the consumer.

- The current year report also improved the pension sections, providing a more concrete context to the relevance of IORPs for each member state, and by targeting more concrete analysis based on the central repository. Given the different significance in terms of providers and products, this year's report aims to provide a more granular picture of the pension's landscape across countries, putting in the context the subsequent analysis.

ANNEX II – STATISTICAL ANNEX

► Table 3 – Unit-linked net return by Member State, 2018-2022

Country	N.of products analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR_U L_2018	Weighted_NR_U L_2019	Weighted_NR_U L_2020	Weighted_NR_U L_2021	Weighted_NR_U L_2022
AT	48	1.5%	9.9%	-4.8%	15.7%	-1.9%	11.3%	-10.4%
BE	28	-1.3%	8.8%	-5.6%	6.7%	-0.1%	9.6%	-14.9%
BG	8	3.7%	14.4%	-6.8%	17.1%	12.7%	18.2%	-17.6%
CZ	15	0.8%	6.8%	-5.1%	9.4%	0.7%	7.7%	-7.8%
DE	59	6.7%	11.5%	-3.0%	20.8%	9.6%	17.9%	-8.8%
EE	18	0.7%	12.5%	-7.2%	16.1%	2.9%	13.1%	-17.4%
EL	21	1.1%	10.5%	-6.2%	20.8%	-3.3%	4.7%	-8.0%
ES	41	-1.1%	7.3%	-7.0%	6.8%	-0.1%	7.1%	-11.0%
FI	20	2.4%	7.2%	-3.4%	11.1%	3.1%	9.9%	-7.3%
FR	12	0.2%	10.0%	-9.3%	11.8%	3.5%	10.1%	-12.9%
HR	16	0.3%	10.8%	-4.0%	15.3%	-0.6%	9.7%	-15.7%
HU	59	5.4%	8.7%	-4.1%	16.9%	7.6%	13.1%	-4.4%
IE	25	3.8%	11.2%	-4.8%	16.5%	8.4%	14.5%	-12.4%
IT	62	0.8%	9.4%	-4.3%	9.3%	10.3%	5.5%	-14.3%
LT	19	1.8%	11.5%	-4.8%	14.9%	6.6%	11.8%	-16.3%
LU	10	1.2%	10.5%	-8.7%	13.6%	2.5%	13.0%	-11.4%
LV	27	0.9%	10.0%	-4.6%	10.9%	3.8%	11.6%	-14.8%
MT	12	1.1%	9.5%	-4.9%	14.2%	0.3%	9.7%	-11.8%
NO	28	5.2%	9.1%	-4.3%	16.7%	8.6%	12.9%	-6.0%
PL	28	-1.4%	5.2%	-3.8%	0.9%	0.7%	5.8%	-9.8%
PT	40	0.1%	8.9%	-7.5%	10.7%	4.1%	7.5%	-12.4%
RO	13	3.5%	8.5%	-2.7%	14.0%	1.8%	13.4%	-7.1%
SE	24	7.2%	14.9%	-4.6%	25.9%	1.0%	26.5%	-7.7%
SI	23	0.8%	12.1%	-7.1%	13.6%	0.3%	16.4%	-15.6%
SK	25	1.8%	15.1%	-9.2%	18.6%	5.5%	18.9%	-18.9%
EEA	681	0.1%	7.2%	-4.9%	14.4%	5.7%	12.0%	-11.5%

► Table 4 – Hybrid products net return, by Member State, 2018-2022

Country	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_N R_UL_2018	Weighted_N R_UL_2019	Weighted_N R_UL_2020	Weighted_N R_UL_2021	Weighted_N R_UL_2022
AT	18	0.7%	9.0%	-10.7%	12.9%	3.1%	8.0%	-7.7%
BE	15	0.9%	1.8%	-0.3%	3.4%	1.0%	2.4%	-1.7%
DE	21	4.1%	7.9%	-2.4%	13.3%	8.6%	10.1%	-7.4%
FR	83	1.7%	3.6%	-0.7%	6.2%	3.3%	3.7%	-3.8%
IT	75	0.5%	6.0%	-4.6%	8.1%	2.3%	5.3%	-7.8%
LU	7	0.8%	0.2%	0.7%	1.1%	0.5%	0.9%	0.9%
SK	5	1.4%	10.0%	-6.4%	15.1%	4.2%	8.9%	-12.2%
EEA	227	-0.1%	5.3%	-1.0%	6.8%	3.5%	4.3%	-4.7%

EL, RO and SI were excluded as less than 3 products reported

► Table 5 – Profit-participation products net return, by Member State, 2018-2022

Country	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR_PP_2018	Weighted_NR_PP_2019	Weighted_NR_PP_2020	Weighted_NR_PP_2021	Weighted_NR_PP_2022
AT	12	0.6%	0.1%	0.5%	0.4%	0.7%	0.7%	0.6%
BE	14	1.2%	0.3%	1.4%	1.2%	0.9%	1.1%	1.7%
CZ	10	0.6%	0.3%	0.4%	0.8%	0.6%	0.3%	1.1%
DE	16	1.9%	0.2%	2.0%	2.0%	2.0%	1.8%	1.5%
EE	3	0.3%	0.0%			0.4%	0.4%	0.4%
EL	5	0.8%	1.7%	2.3%	2.8%	1.0%	-1.1%	-1.2%
ES	6	0.4%	0.3%	1.1%	0.1%	0.2%	0.2%	0.3%
HU	16	2.2%	0.4%	2.6%	2.7%	2.1%	1.7%	1.8%
IT	38	1.6%	0.4%	2.0%	2.1%	1.6%	1.1%	1.0%
LT	3	1.3%	0.8%	2.5%	2.0%	0.7%	0.7%	0.7%
MT	3	1.9%	0.6%	2.4%	2.9%	1.5%	2.0%	1.0%
PL	7	1.4%	0.7%	1.8%	2.2%	1.6%	0.6%	0.6%
PT	8	0.3%	0.2%	0.1%	0.6%	0.2%	0.2%	0.7%
RO	7	2.5%	0.5%	2.5%	2.5%	2.4%	1.8%	3.4%
SE	8	4.9%	2.7%	5.5%	3.8%	1.7%	9.6%	3.9%
SK	4	1.1%	0.2%	1.3%	1.3%	1.1%	1.0%	0.9%
EEA	164	1.6%	1.6%	2.3%	2.1%	1.7%	1.8%	1.3%

HR, LV, SI were excluded as they reported less than 3 products

► Table 6 – Unit-linked products net return, cross border basis, 2022

Host	Home	Weighted_NR_UL_2018	Weighted_NR_UL_2019	Weighted_NR_UL_2020	Weighted_NR_UL_2021	Weighted_NR_UL_2022	Yearly NR 2022-2018	ST deviation 2022-2018	N. of products
AT	LI	-8.3%	20.2%	8.9%	15.9%	-15.5%	3.3%	13.8%	12
DE	LI	-4.0%	17.9%	22.5%	7.8%	-18.8%	3.9%	15.0%	28
EE	LV	-8.5%	16.2%	-1.9%	11.8%	-30.0%	-4.0%	16.4%	5
FR	LU	-9.3%	11.8%	3.5%	10.1%	-12.9%	0.2%	10.0%	12
IT	IE, LI	-4.3%	8.5%	12.4%	4.8%	-15.3%	0.7%	9.9%	28
LT	LV, EE	-4.6%	15.3%	6.8%	12.1%	-14.8%	2.3%	11.2%	8
LV	EE	-5.0%	14.1%	3.3%	11.8%	-13.8%	1.5%	10.4%	13
PT	ES	-7.7%	9.8%	6.4%	7.6%	-13.0%	0.2%	9.2%	5
SK	CZ	-12.3%	16.9%	-2.2%	18.5%	-15.1%	0.2%	14.2%	6

SE was excluded as the reported number of products was less than 3

► Table 7 – Hybrid products net return, cross-border basis, 2022

Host	Home	Weighted_NR _HY_2018	Weighted_NR _HY_2019	Weighted_NR _HY_2020	Weighted_NR _HY_2021	Weighted_NR _HY_2022	Yearly NR 2022-2018	ST deviation 2022-2018	N. of products
FR	LU	4.0%	3.4%	4.1%	16.2%	-1.7%	5.1%	5.9%	13

IT was excluded as the reported number of products was less than 3

► Table 8 – Unit-linked products net return, by risk class, 2018-2022

Risk class	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR _UL_2018	Weighted_NR _UL_2019	Weighted_NR _UL_2020	Weighted_NR _UL_2021	Weighted_NR _UL_2022
1	42	-1.0%	0.2%	-1.1%	-0.8%	-1.2%	-1.2%	-0.8%
2	133	0.0%	4.5%	-2.0%	5.7%	1.3%	2.8%	-7.5%
3	191	0.8%	9.0%	-6.3%	11.4%	1.6%	10.8%	-11.3%
4	179	4.7%	15.0%	-6.7%	23.5%	5.6%	21.0%	-14.7%
5	85	7.3%	17.4%	-4.2%	26.4%	23.6%	16.8%	-18.5%
6	46	6.4%	16.3%	-3.7%	23.7%	18.9%	18.6%	-18.7%

► Table 9 – Hybrid products net return, by risk class, 2018-2022

Risk class	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR _HY_2018	Weighted_NR _HY_2019	Weighted_NR _HY_2020	Weighted_NR _HY_2021	Weighted_NR _HY_2022
1	23	0.5%	0.3%	0.2%	1.0%	0.5%	0.2%	0.5%
2	44	0.7%	1.8%	-0.4%	3.3%	0.7%	1.9%	-2.0%
3	68	1.0%	3.2%	-1.5%	4.9%	1.9%	3.8%	-3.8%
4	38	1.5%	5.7%	-3.4%	8.9%	1.1%	7.3%	-5.7%
5	26	4.5%	7.0%	-0.3%	11.4%	7.7%	11.2%	-6.5%
6	22	1.4%	6.6%	-1.8%	9.8%	7.8%	0.8%	-8.3%

► Table 10 – Profit participation products net return, by risk class, 2018-2022

Risk class	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR _PP_2018	Weighted_NR _PP_2019	Weighted_NR _PP_2020	Weighted_NR _PP_2021	Weighted_NR _PP_2022
1	41	1.7%	0.1%	1.8%	1.8%	1.8%	1.6%	1.6%
2	96	1.9%	0.5%	2.6%	2.3%	1.6%	1.9%	1.3%
3	21	1.6%	0.5%	2.0%	2.4%	1.3%	1.5%	1.0%

► Table 11 – Unit linked products net return, by recommended holding period, 2018-2022

RHP_Long_Short	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR _UL_2018	Weighted_NR _UL_2019	Weighted_NR _UL_2020	Weighted_NR _UL_2021	Weighted_NR _UL_2022
Long	128	6.6%	10.0%	-2.5%	19.0%	8.6%	16.6%	-6.1%
Short	553	2.3%	9.9%	-5.1%	14.0%	5.3%	11.5%	-12.0%

► **Table 12 – Hybrid products net return, by recommended holding period, 2018-2022**

RHP_Long_Short	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR_HY_2018	Weighted_NR_HY_2019	Weighted_NR_HY_2020	Weighted_NR_HY_2021	Weighted_NR_HY_2022
Long	31	3.0%	5.7%	-1.7%	10.5%	2.2%	8.8%	-4.1%
Short	196	1.7%	4.1%	-1.0%	6.7%	3.5%	4.2%	-4.7%

► **Table 13 – Profit participation products net return, by recommended holding period, 2018-2022**

RHP_Long_Short	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR_PP_2018	Weighted_NR_PP_2019	Weighted_NR_PP_2020	Weighted_NR_PP_2021	Weighted_NR_PP_2022
Long	75	2.3%	0.5%	2.6%	2.2%	1.9%	3.1%	1.8%
Short	89	1.5%	0.4%	1.9%	1.9%	1.5%	1.1%	1.1%

► **Table 14 – Unit-linked products net return, by premium frequency, 2018-2022**

Premium_Frequency	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR_UL_2018	Weighted_NR_UL_2019	Weighted_NR_UL_2020	Weighted_NR_UL_2021	Weighted_NR_UL_2022
Flexible	234	2.3%	9.9%	-5.1%	14.1%	5.1%	11.7%	-12.0%
Regular	198	5.1%	13.0%	-4.3%	19.5%	12.8%	15.9%	-14.2%
Single	249	2.5%	8.9%	-4.6%	12.8%	4.6%	11.4%	-10.0%

► **Table 15 – Hybrid products net return, by premium frequency, 2018-2022**

Premium_Frequency	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR_HY_2018	Weighted_NR_HY_2019	Weighted_NR_HY_2020	Weighted_NR_HY_2021	Weighted_NR_HY_2022
Flexible	83	1.7%	3.7%	-0.6%	6.8%	3.7%	3.3%	-4.0%
Regular	23	3.9%	8.9%	-4.4%	16.1%	5.2%	11.3%	-7.1%
Single	121	1.5%	4.5%	-1.3%	6.2%	3.2%	5.6%	-5.8%

► **Table 16 – Profit-participation products net return, by premium frequency, 2018-2022**

Premium_Frequency	N.of product analysed	Yearly NR 2022-2018	ST deviation 2022-2018	Weighted_NR_PP_2018	Weighted_NR_PP_2019	Weighted_NR_PP_2020	Weighted_NR_PP_2021	Weighted_NR_PP_2022
Flexible	16	1.1%	0.2%	1.2%	1.2%	0.8%	0.9%	1.3%
Regular	84	1.7%	0.2%	1.9%	1.8%	1.8%	1.6%	1.4%
Single	64	2.1%	0.5%	2.8%	2.5%	1.6%	2.0%	1.3%

► Table 17 – Unit-linked products costs, by Member State, 2022

Country	RIY_Entry costs	RIY_Exit Costs	RIY_Transaction costs	RIY_Other ongoing costs	RIY_Performance fees	RIY_Wrapper Costs	RIY_at_RHP
AT	0.1%	0.0%	0.2%	1.2%	0.0%	0.7%	2.3%
BE	0.8%	0.0%	0.2%	1.5%	0.0%	0.0%	2.7%
BG	0.0%	0.0%	0.0%	0.7%	0.0%	1.3%	2.1%
CZ	1.3%	0.0%	0.6%	2.6%	0.0%	0.4%	4.9%
DE	0.2%	0.0%	0.2%	1.4%	0.0%	0.3%	2.1%
EE	0.0%	0.0%	0.0%	1.8%	0.0%	0.2%	2.1%
EL	0.2%	0.0%	0.6%	1.6%	0.0%	0.0%	2.4%
ES	0.0%	0.0%	0.5%	2.0%	0.0%	0.0%	2.5%
FI	0.0%	0.0%	0.1%	1.2%	0.0%	0.2%	1.5%
FR	0.0%	0.0%	0.1%	0.6%	0.0%	0.8%	1.5%
HR	0.4%	0.0%	0.2%	2.8%	0.0%	0.0%	3.4%
HU	0.3%	0.0%	0.4%	2.0%	0.0%	0.0%	2.8%
IE	0.2%	0.0%	0.2%	1.7%	0.0%	0.0%	2.1%
IT	0.3%	0.0%	0.0%	2.0%	0.0%	0.0%	2.4%
LT	0.1%	0.0%	0.0%	2.4%	0.0%	0.8%	3.3%
LU	0.0%	0.0%	0.1%	0.5%	0.0%	0.3%	1.0%
LV	0.0%	0.0%	0.0%	1.4%	0.0%	0.4%	1.9%
MT	0.6%	0.0%	0.7%	0.7%	0.0%	0.1%	2.1%
NO	0.0%	0.0%	0.2%	0.3%	0.0%	0.4%	0.9%
PL	0.0%	0.0%	0.0%	2.4%	0.0%	0.0%	2.4%
PT	0.1%	0.0%	0.2%	1.4%	0.0%	0.0%	1.7%
RO	0.0%	0.0%	0.1%	2.3%	0.0%	1.0%	3.5%
SE	0.1%	0.0%	0.3%	0.4%	0.0%	0.0%	0.8%
SI	0.9%	0.0%	0.3%	2.9%	0.0%	0.0%	4.1%
SK	0.4%	0.0%	0.5%	1.3%	0.0%	0.0%	2.2%
EEA	0.2%	0.0%	0.2%	1.4%	0.0%	0.2%	2.1%

► Table 18 – Hybrid products costs, by Member State, 2022

Country	RIY_RHP
AT	2.2%
BE	2.9%
DE	1.4%
FR	2.1%
IT	2.5%
LU	1.1%
SK	0.5%
EEA	2.1%

EL, RO and SI were excluded as they reported one product.

► Table 19 – Profit-participation products costs, by Member State, 2022

Row Labels	RIY_Entry_Cost	RIY_Exit_Cost	RIY_Trans_Cost	RIY_Other_Ongoing_Cost	RIY_RHP
AT	0.1%	0.0%	0.0%	1.3%	1.4%
BE	0.4%	0.0%	0.0%	0.1%	0.5%
CZ	0.0%	0.0%	0.0%	1.5%	1.5%
DE	0.3%	0.0%	0.1%	1.0%	1.4%
EE	0.0%	0.0%	0.0%	1.3%	1.3%
EL	0.4%	0.0%	0.1%	1.0%	1.5%
ES	0.0%	0.0%	0.0%	0.7%	0.7%
HU	0.6%	0.0%	0.1%	2.4%	3.0%
IT	0.2%	0.0%	0.0%	1.4%	1.7%
LT	0.0%	0.0%	0.0%	1.5%	1.5%
MT	0.2%	0.0%	0.3%	0.9%	1.4%
PL	0.0%	0.0%	0.0%	2.7%	2.7%
PT	0.1%	0.2%	0.0%	1.5%	1.8%
RO	0.4%	0.0%	0.5%	1.2%	2.1%
SE	0.1%	0.0%	0.0%	1.8%	1.9%
SK	0.0%	0.0%	0.0%	0.7%	0.7%
EEA	0.2%	0.0%	0.0%	1.2%	1.5%

HR, LV, SI were excluded as they reported less than 3 products

► Table 20 – Unit-linked products costs, cross-border basis, 2022

Host	Home	Weighted_UL_RIY_RHP
AT	LI	3.1%
DE	LI	2.3%
EE	LV	2.2%
FR	LU	1.5%
IT	IE	2.4%
	LI	1.9%
LT	LV	1.9%
	EE	3.4%
LV	EE	1.8%
PT	ES	1.2%
SK	CZ	2.4%

► **Table 21 – Hybrid products costs, cross-border basis, 2022**

Host	Home	Weighted_HY _RIY_RHP
FR	LU	2.2%

IT was excluded as the number of reported products was less than 3

► **Table 22 – Unit-linked products costs, by risk class, 2022**

Risk_Class	RIY_Entry_Cost _UL	RIY_Exit_Cost_ UL	RIY_Trans_Cost _UL	RIY_Other_O ngoing_Cost_ UL	RIY_Perf_Fees _UL	RIY_Wrapper_ Costs_UL	RIY_RHP_UL
1	0.6%	0.2%	0.1%	0.5%	0.0%	0.2%	1.6%
2	0.2%	0.0%	0.1%	1.2%	0.0%	0.1%	1.6%
3	0.3%	0.0%	0.2%	1.7%	0.0%	0.2%	2.4%
4	0.2%	0.0%	0.1%	1.8%	0.0%	0.2%	2.2%
5	0.1%	0.0%	0.3%	1.8%	0.0%	0.4%	2.6%
6	0.2%	0.0%	0.2%	1.2%	0.0%	0.4%	2.0%

► **Table 23 – Hybrid products costs, by risk class, 2022**

Risk_Class	Weighted_RIY _RHP_HY
1	2.1%
2	1.9%
3	2.1%
4	2.0%
5	2.1%
6	2.3%

► **Table 24 – Profit participation products costs, by risk class, 2022**

Risk_Class	RIY_Entry_Cost _PP	RIY_Exit_Cost_ PP	RIY_Trans_Cost _PP	RIY_Other_O ngoing_Cost_ PP	RIY_Perf_Fees _PP	Weighted_RIY _RHP_PP
1	0.2%	0.0%	0.1%	1.1%	0.0%	1.4%
2	0.2%	0.0%	0.0%	1.3%	0.0%	1.6%
3	0.3%	0.0%	0.2%	1.1%	0.0%	1.6%

► Table 25 – Unit-linked products costs, by recommended holding period, 2022

Recommended holding period	RIY_Entry_Cost_UL	RIY_Exit_Cost_UL	RIY_Trans_Cost_UL	RIY_Other_On going_Cost_UL	RIY_Perf_Fees_UL	RIY_Wrapper_Costs_UL	RIY_RHP_UL
Long	0.2%	0.0%	0.2%	1.7%	0.0%	0.2%	2.3%
Short	0.3%	0.0%	0.2%	1.4%	0.0%	0.2%	2.1%

► Table 26 – Hybrid products costs, by recommended holding period, 2022

Recommended holding period	RIY_RHP_HY
Long	1.4%
Short	2.1%

► Table 27 – Profit-participation products costs, by recommended holding period, 2022

Recommended holding period	RIY_Entry_Cost_PP	RIY_Exit_Cost_PP	RIY_Trans_Cost_PP	RIY_Other_On going_Cost_PP	RIY_Perf_Fees_PP	RIY_RHP_PP
Long	0.2%	0.0%	0.1%	1.1%	0.0%	1.4%
Short	0.2%	0.0%	0.0%	1.3%	0.0%	1.6%

► Table 28 – Unit-linked products costs, by premium frequency, 2022

Risk_Class	RIY_Entry_Cost_UL	RIY_Exit_Cost_UL	RIY_Trans_Cost_UL	RIY_Other_On going_Cost_UL	RIY_Perf_Fees_UL	RIY_Wrapper_Costs_UL	RIY_RHP_UL
Flexible	0.3%	0.0%	0.2%	1.2%	0.0%	0.1%	1.8%
Regular	0.4%	0.0%	0.4%	1.7%	0.0%	0.4%	3.0%
Single	0.2%	0.0%	0.2%	1.7%	0.0%	0.2%	2.3%

► Table 29 – Hybrid products costs, by premium frequency, 2022

Premiums frequency	Weighted_RIY_RHP_HY
Flexible	2.2%
Regular	1.7%
Single	1.9%

► **Table 30 – Profit participation products costs, by premium frequency, 2022**

Premiums frequency	RIY_Entry_Cost_PP	RIY_Exit_Cost_PP	RIY_Trans_Cost_PP	RIY_Other_On_going_Cost_PP	RIY_Perf_Fees_PP	RIY_RHP_PP
Flexible	0.2%	0.1%	0.0%	0.9%	0.0%	1.2%
Regular	0.3%	0.0%	0.1%	1.1%	0.0%	1.4%
Single	0.2%	0.0%	0.0%	1.4%	0.0%	1.6%

► **Table 31 – Unit-linked products with sustainability features, statistics net returns, 2018-2022**

	2022	2021	2020	2019	2018	2022-2018
N. of products (Art 8 and 9)	257	233	210	170	146	257
Median Net Return	-14.6%	11.1%	3.1%	16.2%	-5.4%	0.6%
Average Net Return	-14.2%	12.8%	8.8%	17.3%	-5.6%	0.4%
Weighted Average Net Return (Art 8 and 9)	-14.1%	11.9%	8.6%	15.8%	-4.7%	-0.6%
St dev	11.4%	12.0%	18.7%	13.4%	6.8%	8.2%
25% percentile	-18.1%	2.3%	0.2%	6.7%	-8.9%	-2.3%
75% percentile	-9.5%	21.8%	10.7%	27.3%	-2.5%	4.9%
Skewness	0.26	0.24	4.48	0.63	2.72	-1.47
Kurtosis	11.31	-0.68	29.76	0.41	16.77	9.34
Min	-63.8%	-20.2%	-33.0%	-4.7%	-23.1%	-56.5%
Max	63.6%	41.7%	167.7%	71.2%	35.4%	28.6%

► **Table 32 – Hybrid products with sustainability features, statistics net returns, 2018-2022**

	2022	2021	2020	2019	2018	2022-2018
N. of products (Art 8 and 9)	132	107	80	63	53	132
Median Net Return	-3.6%	2.1%	1.7%	3.1%	-0.6%	0.2%
Average Net Return	-5.2%	4.7%	2.0%	4.9%	-0.8%	-0.8%
Weighted Average Net Return (Art 8 and Art.9)	-4.5%	3.7%	2.5%	5.8%	-0.8%	-0.4%
St dev	8.0%	7.8%	3.7%	4.7%	4.4%	5.3%
25% percentile	-7.9%	0.4%	0.2%	1.3%	-2.4%	-1.2%
75% percentile	0.1%	6.6%	2.3%	8.6%	1.2%	1.5%
Skewness	-3.07	3.05	2.13	0.89	2.22	-3.19
Kurtosis	14.21	15.45	7.29	-0.15	14.09	17.80
Min	-56.0%	-10.4%	-5.8%	-0.9%	-11.8%	-35.8%
Max	2.3%	53.8%	17.7%	18.3%	21.9%	16.4%

► **Table 33 – Profit participation products with sustainability features, statistics net returns, 2018-2022**

	2022	2021	2020	2019	2018	2022-2018
N. of products (Art 8 and 9)	51	48	46	31	30	51
Median Net Return	1.4%	1.3%	1.2%	1.4%	1.6%	1.3%
Average Net Return	1.8%	2.7%	1.3%	2.0%	2.6%	1.9%
Weighted Average Net Return (Art 8)	1.7%	2.9%	2.1%	2.7%	3.0%	2.2%
St dev	1.4%	4.2%	0.8%	1.6%	2.6%	1.9%
25% percentile	1.1%	0.3%	0.6%	0.8%	0.9%	0.7%
75% percentile	2.0%	2.0%	1.9%	3.3%	4.2%	2.0%
Skewness	1.29	1.93	0.54	0.85	1.05	1.57
Kurtosis	1.13	2.07	-0.04	-0.75	-0.55	1.41
Min	-0.7%	-0.2%	0.0%	0.0%	0.0%	-0.7%
Max	5.4%	13.1%	3.5%	5.1%	7.5%	6.6%

► **Table 34 – Unit-linked products with sustainability features, statistics costs, 2022**

	RIY at RHP
N. of products (Art 8 and 9)	257
Median	2.3%
Simple Average	2.4%
Weighted Average	2.0%
St dev	1.20%
25% percentile	1.53%
75% percentile	3.10%
Min	0.10%
Max	8.25%

► **Table 35 – Hybrid ESG products with sustainability features, statistics costs, 2022**

	RIY at RHP
N. of products (Art 8 and 9)	132
Median	2.1%
Simple Average	2.3%
Weighted Average (Art 8 and Art 9)	2.0%
St dev	1.15%
25% percentile	1.64%
75% percentile	2.73%
Min	0.36%
Max	8.25%

► **Table 36 – Profit-participation products with sustainability features, statistics costs, 2022**

	RIY at RHP
N. of products (Art 8 and 9)	51
Median	1.4%
Simple Average	1.3%
Weighted Average (Art 8)	1.5%
St dev	0.62%
25% percentile	0.60%
75% percentile	1.60%
Min	0.09%
Max	2.91%

► **Table 37 – Number of products with sustainability features by Member State (and product type)**

Member	No. of products (UL)	No. of products (PP)	No. of products (HY)
AT	30	0	9
BE	24	14	15
BG	6	0	0
CZ	6	8	0
DE	24	11	8
EE	5	0	0
EL	3	0	1
ES	6	0	0
FI	12	0	0
FR	0	0	61
HR	8	0	0
HU	17	0	0
IE	12	0	0
IT	27	10	31
LT	5	0	0
LU	0	0	4
LV	8	0	0
MT	5	0	0
NO	21	0	0
PL	0	0	0
PT	10	0	0
RO	3	0	0
SE	15	8	0
SI	2	0	1
SK	8	0	2
EEA	257	51	132

ANNEX III - OCCUPATIONAL PENSIONS LANDSCAPE: STRUCTURE AND DESIGN, COUNTRY ANALYSIS

MS	Type of providers and plans ⁴⁴	Membership and Freedom of choice on the pension product/plan provider	Taxation
AT	▪ Pensionskassen ▪ Direct commitments (Direktzusagen) ▪ Direct insurance (Direktversicherung) ▪ -Support funds (Unterstützungskasse)	▪ Voluntary. ▪ Before a pension fund contract can be signed, the employer and the employees have to decide via „Betriebsvereinbarung“ (a contract signed by the representatives of the employees of a certain firm and the firm) or via model contract on the specific contributions and the fulfilment of obligations. ▪ Employers with more than 1000 employees in their firm can establish their own pension fund.	▪ EET treatment⁴⁵ - principle is just realised for the employers' contributions to the pension funds, not for the contributions of the employees. ▪ Income Tax Act states a premium for contributions paid to a pension fund, an additional pension insurance, and voluntary higher payments to the public pension insurance or a pension investment fund made by an employee of up to EUR 1.000.
BE	▪ instellingen voor bedrijfspensioenvoorziening, or institutions de retraite professionnelle, or institutions for occupational retirement ▪ Group life insurance schemes ▪ Individual pension savings account	▪ Voluntary ▪ There is no obligation for employers to set up supplementary schemes for employees. ▪ If there is a plan in place, employees immediately become members of the plan upon entry into service.	▪ Employer contributions might be tax-deductible under certain circumstances. ▪ Benefits are taxed as incomes, but retirees do receive tax credits. ▪ Favourable tax treatment of lump sums payments.

⁴⁴ Providers and schemes design for occupational pension plans.

⁴⁵ EET system: A form of taxation of pension plans, whereby contributions are exempt, investment income and capital gains of the pension fund are also exempt, and benefits are taxed from personal income taxation.

BG	Voluntary pension funds under occupational schemes (VPFOS)	Automatic enrolment, if the occupational scheme is established by a collective bargaining agreement, it applies automatically to all members of the trade unions, and all employees who are not members of the trade union can join; if the occupational scheme is established by a collective agreement, its coverage depends on that agreement and could be automatic enrolment and/or voluntary joining the scheme by submitting the application by the respective employee.	EEE treatment⁴⁶ in which contributions⁴⁷, investment income and benefits are exempt from taxes.
CY	- Occupational Pension Funds - Provident Funds - Class VII group pension schemes	- Mandatory or voluntary - Participation is often based on collective or individual agreements with the employers. - If the employer has a plan in place, the employee becomes a member a few months after employment.	- Tax exemption on the amount of contributions made by the employer and employee. - Tax deductions on investments, upon to a certain amount.
CZ	Personal Pension Plan	Voluntary	Tax incentives are available
DE	- Direktzusage - Unterstützungskasse - Direktversicherung - Pensionskassen - Pensionsfonds	Voluntary system. However, employees have a right to deferred compensation. Additionally, there are collective agreements in some areas providing for obligatory occupational retirement provision or financial incentives for employees for deferred compensation.	EET treatment⁴⁸

⁴⁶ EEE system: “Exempt-Exempt-Exempt” regime, where contributions, returns on investment and pension income are all tax-exempt

⁴⁷ The contributions are not taxable up to a certain amount.

⁴⁸ The Occupational Pensions Strengthening Act (*Betriebsrentenstärkungsgesetz*), which came into effect on 1 January 2018, is expected to further encourage employers to pay occupational pension contributions.

DK	▪ Company pension funds ▪ Public sector pension funds ▪ General pension funds ▪ Specialised life insurance companies ▪ Pension funds held in life insurance companies. ▪ Supplementary earnings-related pension Scheme (ATP) ▪ Special pension savings scheme (SP) ▪ Public-sector employee capital pension fund (LD Pensions)	▪ Occupational Mandatory Pensions (ATP) – participation in ATP is mandatory for all employees over age 16. Self-employed can optionally participate in the ATP-pension scheme. ▪ Occupational Quasi-Mandatory Pensions – despite there is no statutory requirement for additional occupational pension provision, plans that have been introduced by collective agreement by the employer associations and union are compulsory for all companies covered by the agreement with only limited opt-out options.	▪ ETT treatment⁴⁹
EE	▪ There are no occupational pension schemes in Estonia.		
EL	▪ Occupational insurance funds ▪ Occupational pension plans	▪ Voluntary ▪ Mandatory (only to occupational insurance funds) ▪ Currently not widespread in Greece.	▪ ETT treatment ▪ Returns on investment are taxed. ▪ The tax treatment of pension benefits varies. For example, regarding occupational insurance funds, annuity benefit is taxed but the lump-sum benefit is not included in taxable income.
ES	▪ Pension funds: occupational plans (Fondos de pensiones: planes de empleo) ▪ Mutual pension provident entities (entidades de prevision social or mutualidades de prevision social) ▪ Collective pension insurance plan (seguro colectivo) ▪ Non-autonomous funds (fondos de pensiones internos)	▪ Voluntary	▪ Tax incentives available, with some ceilings and caps in place.

⁴⁹ ETT taxation – contributions are tax exempt (Deductible), while investment return and pension benefits are taxed.

FI	▪ The earnings-related statutory pension provisions for private sector workers, farmers, and self-employed persons ▪ The earnings-related statutory pension provision for public sector workers ▪ Company pension funds and industry-wide pension funds ▪ Group pension insurance contracts in life insurance companies ▪ Book reserve pension plans	▪ Compulsory occupational pension scheme (TyEL), established through collective bargaining. ▪ Voluntary – In addition to the TyEL plan, some employers offer additional pension schemes, which usually supplement TyEL.	▪ Tax benefits available, with some ceiling on age and base income.
FR	▪ 3 types of PER (plan d'épargne retraite): - The « plan d'épargne retraite individuel (PERI) » (independent worker) - The « plan d'épargne retraite d'entreprise collectif (PERE collectif) - The « plan d'épargne retraite d'entreprise obligatoire (PERE obligatoire)	▪ The « plan d'épargne retraite d'entreprise obligatoire (PERE obligatoire) is mandatory ▪ PERI (independent worker) and PERE (collectif) is voluntary	▪ Mandatory: ETT treatment ▪ Voluntary schemes: it depends on the earnings at the payout phase.
HR	▪ Occupational pension funds (closed ended voluntary pension funds)	▪ Voluntary: there is no obligation for employers to set up supplementary schemes for employees, nor obligation for employees to participate.	▪ Contributions paid by the employer to voluntary pension funds up to a limit of HRK 6,000 per year per person are exempt from income tax. ▪ Pension payments made from closed-ended pension funds are not taxed.
HU	▪ Occupational pension plan	▪ Voluntary	▪ EEE treatment

IE	In Ireland, there are two types of IORPs: - Occupational pension schemes and, - Trust Retirement Annuity Contracts. Employees can also contribute to one or more personal retirement savings accounts (PRSAs). PRSAs are individual contract-based arrangements which are not subject to the IORP II Directive.	Voluntary	EET system exists: Contributions to approved pension schemes/contracts are tax exempt subject to certain limits set by Revenue. Investment income and capital gains are also tax exempt. Retirement benefits are taxed, although members and contributors can generally take a proportion of their retirement funds/benefits tax-free at retirement subject to Revenue limits.
IS	Occupational pensions funds	Mandatory	- Employee contributions up to 4% are tax-deductible, while there is no tax deduction ceiling on public-sector employer contributions. - Pension investment income is not taxed, while pension payments are.
IT	- Contractual pension funds (fondi pensione negoziali) - Open pension funds (fondi pensione aperti) - Pre-existing autonomous pension funds (fondi pensione preesistenti autonomi) - Pre-existing non-autonomous pension funds (fondi pensione preesistenti non autonomi)	Voluntary - due to the reliance on the public pension scheme, occupational pension schemes are essentially voluntary.	- Contributions are tax-deductible up to certain levels. - The taxation of the net investment income of the plan varies depending on the asset allocation. - More favourable conditions on the pension benefits.

LI	Occupational pension provisioning is based on funded schemes. As a rule, major companies have in-house pension schemes that manage the occupational pensions of their employees and may also do this for other companies. Smaller companies tend to join a collective foundation. In these, each member employer represents an independent pension scheme. Different pension plans tend to exist in a collective foundation.	Mandatory – employers are obliged to conclude an agreement with a pension institution domiciled in Liechtenstein.	ETT treatment, but lump sum payments are taxed at a preferential rate.
LT	Since July 2006, it is possible to set up occupational pension funds, but until last year no entities offer this type of product.	Voluntary	ETT treatment
LU	- Association d'Épargne-Pension (ASSEP) and Société d'Épargne-Pension à Capital Variable (SEPCAV) - Pension funds - Group insurance contracts (traditional and unit-linked)	- Voluntary - The minimum age for admission is usually 25.	- Tax benefits under certain circumstances. - Investment income is tax-exempt.
LV	- Occupational pension scheme - Personal pension scheme	Voluntary participation – employees, with participation being based on collective agreements.	Tax benefits under certain circumstances.
MT	Retirement scheme or a long-term contract of insurance that fulfils the requirements of these rules and which is approved by the Commissioner)	Voluntary	- Corporate tax incentives available to employers in the form of declaration for tax purposes of up to 3,000 Euros per employee per annum, plus a further tax credit of up to 750 Euros per employee per annum. - A personal tax credit for employees of up to 750 Euros per annum on personal contributions.

NL	▪ Sector- or industry-wide pension plans ▪ Company pension funds ▪ Pension funds for professions ▪ Other pension funds ▪ Pension funds not under supervision ▪ Insured occupational plans	▪ Mandatory ▪ Employers may opt out of a sectoral plan if they offer a provision that promises equal or better benefits.	▪ Employer contributions are tax-deductible and employee contributions are not considered taxable income. ▪ Taxations levels depend on benefit levels.
NO	▪ Bank ▪ Life insurance company ▪ Pension fund ▪ Defined contribution pension enterprises ▪ Management companies for securities funds	▪ Mandatory	▪ Favourable tax relief on the contributions. ▪ The entire amount of a pension is taxed as income when paid out.
PL	▪ Employee pension plans (PPE)	▪ Voluntary	▪ TEE treatment
PT	▪ Fundos de Pensões Fechados (closed pension funds) ▪ Fundos de Pensões Abertos (open pension funds) ▪ Pension insurance contract: collective insurance	▪ Voluntary – the occupational pension market is negligible	▪ Tax benefits available under certain circumstances
RO	▪ Fund manager companies, authorized by the State.	▪ The employer decides whether to propose to the employee an occupational pension scheme. ▪ The occupational pension is absolutely optional for the employees.	▪ Employees' contributions will be tax-deductible and investment income tax-exempt. ▪ Pension benefits will be subject to ordinary taxation.
SE	▪ Pension foundations (pensionsstiftelser) ▪ Occupational pension undertakings ▪ Life insurance companies ▪ Occupational pension plans: book reserves	▪ Mandatory - in case the employer has a collective agreement. Automatic enrolment in those cases. ▪ Voluntary – in cases where there is no collective agreement, the employer can take out another solution.	▪ ETT treatment: contributions are tax exempt (Deductible), while investment return is taxed (on a flat-fee basis) and pension benefits are taxed.

SI	▪ Pension companies ▪ Insurance companies ▪ Banks	▪ Mandatory for two groups: workers in arduous and hazardous occupations, and civil servants. ▪ For all other workers in Slovenia, occupational retirement savings schemes are voluntary. If a company has a representative trade union, that trade union decides on whether a pension plan would be included in employees' contracts.	▪ Supplementary pensions in payment are subject to taxation, but not to social contributions.
SK	▪ Supplementary pension management companies defined as the pension companies within an occupational pension system, as well as a personal pension system (voluntary participation, voluntary employer contributions).	▪ Voluntary	▪ tTE treatment. Within the 3rd pillar (occupational pension scheme under IORP II) the tax regime could be defined as "TTE" or "tTE". There are contributions paid by employers and contributions paid by employees or individuals. Employer's contributions are treated as employee's income and therefore they are taxed at the employee's marginal rate (the income tax represents 19%). Employer's contributions to supplementary pension plans are also subject to health insurance contributions (but not to social insurance contributions). Individual contributions are paid from net, after-tax income. So, there is a taxation and health insurance, and social insurance contributions (including pillar 2 mandatory contributions) are levied on these contributions. Returns on investment within supplementary pension system are taxed upon withdrawal (taxed is a yield gained during the accumulation phase as well as the pay-out phase). A flat tax rate of 19% applies.

			• Regarding the supplementary pension benefits the part of the assets originated from contributions is tax-free (as it was mentioned only the part originated from returns on investment is taxed at 19%). In supplementary pension system are also applied financial incentives for supplementary saving. Therefore, it is not capital “T” for taxation of contributions in all cases. ▪ The “EEE” tax regime is applied for our 2nd pillar which could be described as quasi-mandatory pension system (1bis pillar system).
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ANNEX IV - ADDITIONAL INFORMATION ON IORPS

► Annex IV.I - IORP Sector size based on number of members⁵⁰

Member State (figure in million)	IORP II
AT	0.79
BE	1.28
BG	0.01
CY	-
CZ	-
DE	5.58
DK	-
EE	-
EL	-
ES	2.07
FI	0.02
FR	5.79
HU	0.0002
HR	0.05
IE	-
IS	-
IT	6.33
LI	0.003
LT	-
LU	0.03
LV	0.05
MT	0.00
NL	6.93
NO	0.27
PL	0.03
PT	0.17
RO	-
SE	15.72
SI	0.15
SK	0.81

⁵⁰ Number of active members at 31.12.2022. Data source: EIOPA IORPs repository

► **Annex IV.II: IORP Sector Size based on AUM⁵¹**

Member State (figure in EUR Bn)	IORP II
AT	26.03
BE	36.94
BG	0.01
CY	-
CZ	-
DE	253.25
DK	0.21
EE	-
EL	-
ES	35.91
FI	3.73
FR	201.82
HU	0.00
HR	0.19
IE	-
IS	-
IT	163.22
LI	0.76
LT	-
LU	2.09
LV	0.30
MT	0.11
NL	1,466.06
NO	41.57
PL	0.42
PT	15.50
RO	-
SE	233.64
SI	1.47
SK	2.94

⁵¹ Assets under management at 31.12.2022. Data source: EIOPA IORPs repository

ANNEX V - DEFINITIONS

One-Off costs – PRIIPs regulation Annex VI points: 47-49	A one-off cost is an entry and exit cost which includes initial charges, commissions or any other amount paid directly by the retail investor or deducted from the first payment or from a limited number of payments due to the retail investor or from a payment upon redemption or termination of the product. One-off costs are borne by an insurance-based investment product, whether they represent expenses necessarily incurred in its operation, or the remuneration of any party connected with it or providing services to it. One-off costs include, but are not limited to, the following types of entry costs and charges that shall be considered in the amount to be disclosed for insurance-based investment products: (a) structuring or marketing costs; (b) acquisition, distribution, sales costs; (c) processing/operating costs (including costs for the management of the insurance cover); (d) cost part of biometric risk premiums ; (e) costs of holding required capital (up front part to be disclosed insofar as they are charged).
Ongoing Costs – PRIIPs regulation Annex VI points: 50-53	Recurring costs are payments regularly deducted from all payments from the retail investor or from the amount invested or amounts that are not allocated to the retail investor according to a profit-sharing mechanism. The recurring costs include all types of costs borne by an insurance-based investment product whether they represent expenses necessarily incurred in its operation, or the remuneration of any party connected with it or providing services to it. The following list is indicative but not exhaustive of the types of recurring charge that shall be taken into account in the amount of the 'Other ongoing costs' in table 2 of Annex VII: (a) structuring or marketing costs; (b) acquisition, distribution, sales costs; (c) processing/operating costs (including costs for the management of insurance cover); (d) cost part of biometric risk premiums referred to in point 59 of this Annex; (e) other administrative costs; (f) costs of holding capital (recurring part to be disclosed insofar as they are charged); (g) any amount implicitly charged on the amount invested such as the costs incurred for the management of the investments of the insurance company (deposit fees, costs for new investments, etc.); (h) payments to third parties to meet costs necessarily incurred in connection with the acquisition or disposal of any asset owned by the insurance-based investment product (including transaction costs as referred to in points 7 to 23 of this Annex). Where an insurance-based investment product invests a part of its assets in UCITS or AIFs, in a PRIIP other than UCITS or AIFs or in an investment product other than a PRIIP, points 5(l), 5(m) and 5(n) of this Annex shall be applied respectively.

Carried Interest - PRIIP Regulation - Annex VI, point: 25 - 26	To calculate carried interests, the following steps shall be taken: (a) compute the fees on the basis of historical data covering the last 5 years. The average annual carried interests shall be computed in percentage terms; (b) where a full carried interests history is unavailable because the fund/share class is new or the fund's terms have changed due to the introduction of carried interests or the change of one of its parameters, the abovementioned method shall be adjusted according to the following steps: (i) take the relevant available history of the carried interests of the fund/share class; — for any years for which data is not available, estimate the return of the fund/share class, — for new funds, their return shall be estimated using the return of a comparable fund or of a peer group. The estimated return shall be gross of all the costs charged to the new fund. Therefore peer group's returns need to be adjusted by adding the average relevant costs charged according to the rules of the new fund. For instance, in case of a new class with a different fee structure, the returns of this new class shall be adjusted taking into account the costs of the existing class. (ii) compute the carried interests from the beginning of the sample period, as required in point (a), until the date of availability of the actual carried interests data of the fund, applying the relevant algorithm to the abovementioned historical series; (iii) concatenate both carried interests series to one series over the full sample period as required in point (a); (iv) compute the carried interests using the methodology referred to in point (a) (average of annual carried interests). If no carried interests are taken throughout the investment, a warning needs to accompany the indication of zero carried interests in the composition of costs table in order to clarify that a payment of x % of the final return shall take place subsequently to the exit of the investment.
Costs part of biometric risk premiums - PRIIPs regulation Annex VI points: 54-60	Biometric risk premiums are those premiums paid directly by the retail investor or deducted from the amounts credited to the mathematical provision or from the participation bonus of the insurance policy, that are intended to cover the statistical risk of benefit payments from insurance coverage. The fair value of biometric risk premiums is the expected present value, of the future benefit payments from insurance coverage considering the following: (a) best estimate assumptions on these benefit payments derived from the individual risk profile of the portfolio of the individual manufacturer; (b) other payoffs related to insurance cover (rebates on biometric risk premiums paid back to the retail investors, increase of benefit payments, reduction of future premiums, etc.) resulting from profit sharing mechanisms (legal and/or contractual). Best estimate assumptions on future benefit payments from insurance coverage shall be set in a realistic way. The estimated future benefit payments shall not include prudency margins or costs for the management of the insurance cover. For manufacturers within the scope of Directive 2009/138/EC these best estimate assumptions shall be consistent with the respective assumptions used for the calculation of the technical provisions in the Solvency II balance sheet. The cost part of biometric risk premiums is the difference between biometric risk premiums charged to the retail investor referred to in point 54 of this Annex and the fair value of the biometric risk premiums referred to in point 55 of this Annex. A PRIIP manufacturer may include the full biometric risk premiums in the calculation of one-off costs or recurring costs in the place of the cost part of those premiums.

Incidental Costs – Performance fees - PRIIP Regulation-Annex VI, point: 24	To calculate performance related fees, the following steps shall be taken: (a) compute the fees on the basis of historical data covering the last 5 years. The average annual performance fees shall be computed in percentage terms, (b) where a full performance fees history is not available because the fund/share class is new or the fund's terms have changed due to the introduction of the performance fee or the change of one of its parameters, the abovementioned method shall be adjusted according to the following steps: (i) take the relevant available history of the performance fees of the fund/share class; (ii) for any years for which data is not available, estimate the return of the fund/share class and, in case of a relative performance fee model, take into account the historical series of the benchmark/hurdle rate; for new funds, their return shall be estimated using the return of a comparable fund or of a peer group. The estimated return shall be gross of all the costs charged to the new fund. Therefore, peer groups' returns need to be adjusted by adding the average relevant costs charged according to the rules of the new fund. For instance, in case of a new class with a different fee structure, the returns of this new class shall be adjusted taking into account the costs of the existing class; (iii) compute the fees from the beginning of the sample period, as required in point (a), until the date of availability of the actual performance fee data of the fund, applying the relevant algorithm to the abovementioned historical series; (iv) concatenate both performance fee series to one series over the full sample period as required in point (a); (v) compute the performance fees using the methodology referred to in point (a)(average of annual performance fees).
Unit-linked – working definition	It is a category of life insurance contract where the benefits are wholly or partly determined by reference to the value of a fund or index. There is a segregation between the assets of the undertaking and those connected to the insurance policy. These products generally offer a biometric risk cover (e.g., death, life, disability...), the treatment and feature of such cover do not affect their definition.
Profit participation – Working definition	It is an insurance contract which provides insurance benefits through eligibility to participate materially in periodic discretionary distributions based on profits arising from the insurance undertaking's business. These products usually have a minimum guarantee return or capital protection. These products generally offer a biometric risk cover (e.g death, life, disability...), the treatment and feature of such cover do not affect their definition.
Hybrid product – working definition	It is a category of life insurance contract with feature of both unit-linked and profit participation. Usually, it represents a product whose benefits are linked to the value of a fund or index (unit-linked component of the hybrid product) and at the same time offers the distribution of a minimum guaranteed profit (profit participation component of the hybrid product). The features and treatment of the biometric cover do not affect the definition of such products.
Product (MOP) – Working definition	A Multi Options Product (MOP) in the context of this work is simplified to an investment option plus its wrapper. This is meant to be closer to the perspective of the policyholder who buys an option (or a limited combination of them) plus its wrapper. This definition is therefore different from the insurance manufacturer perspective where a product can be considered as a wrapper plus all the investment options offered.
Defined Benefit schemes (DB)	

	Retirement benefit plans under which amounts to be paid as retirement benefits are determined by reference to a formula usually based on employees' earnings and/or years of service.
Defined Contributions schemes (DC)	A pension plan where the only obligation of the plan sponsor is to pay a specified contribution (normally expressed as a percentage of the employee's salary) to the plan on the employee behalf. There are no further promises or 'guarantees' made by the sponsor.
Hybrid schemes (HY)	A plan which has two separate DB and DC components, but which are treated as part of the same scheme. (definition based on "Survey on fully funded, technical provisions and security mechanisms in the European occupational pension sector" (Report of the Solvency Sub-Committee, CEIOPS, 14 March 2008)

ANNEX VI - LIST OF NATIONAL COMPETENT AUTHORITIES

Austria	AT	Financial Markets Authority (FMA)
Belgium	BE	Financial Services and Markets Authority (FSMA)
Bulgaria	BG	Financial Supervision Commission
Croatia	HR	Croatian Financial Services Supervisory Authority (HANFA)
Cyprus	CY	Ministry of Finance Insurance Companies Control Service (ICCS) Ministry of Labour, Welfare and Social Insurance; Registrar of Occupational Retirement Benefit Funds
Czechia	CZ	Czech National Bank
Denmark	DK	Financial Supervisory Authority (Danish FSA)
Estonia	EE	Estonian Financial Supervision Authority
Finland	FI	Finnish Financial Supervisory Authority (FIN-FSA)
France	FR	Autorité de Contrôle Prudentiel et Résolution (ACPR)
Germany	DE	Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)
Greece	EL	Bank of Greece Hellenic Ministry of Labour, Social Security and Social Solidarity
Hungary	HU	Central Bank of Hungary
Iceland	IS	Financial Supervisory Authority (FME)
Ireland	IE	Central Bank of Ireland Pensions Authority
Italy	IT	Istituto per la Vigilanza sulle Assicurazioni (IVASS) Commissione di Vigilanza sui Fondi Pensione (COVIP)
Latvia	LV	Financial Capital Market Commission
Liechtenstein	LI	Financial Market Authority (FMA)
Lithuania	LT	Bank of Lithuania
Luxembourg	LU	Commissariat aux Assurances
Malta	MT	Malta Financial Services Authority
Netherlands	NL	Financial Supervisory Authority (AFM)
Norway	NO	Financial Supervisory Authority of Norway
Poland	PL	Financial Supervision Authority (KNF)
Portugal	PT	PT Insurance and Pension Funds Supervisory Authority (ASF)
Romania	RO	Financial Supervisory Authority (ASF)
Slovakia	SK	National Bank of Slovakia
Slovenia	SI	Insurance Supervision Agency
Spain	ES	Ministry of Economy — Directorate General of Insurance and Pension Funds

Sweden	SE	Finansinspektionen (FI)
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ANNEX VII - ACRONYMS

DB	Defined benefit
DC	Defined contribution
EBA	European Banking Authority
EEA	European Economic Area
EIOPA	European Insurance and Occupational Pensions Authority
ESA	European Supervisory Authority
ESMA	European Securities and Markets Authority
ESG	Environmental, social and governance
FoE	Freedom of establishment
FoS	Freedom to provide services
HY	Hybrid product
IBIPs	Insurance-based investment products
IDD	Insurance Distribution Directive
IRSG	Insurance and Reinsurance Stakeholder Group
IORPs	Institution for Occupational Retirement Provisions
GWP	Gross written premium
KID	Key information document
KIID	Key investor information document
ITS	Implementing Technical Standard
ISIN	International Securities Identification Number
MOP	Multi Option Products
NAV	Net Asset Value
NCA	National competent authority
OPSG	Occupational Pensions Stakeholder Group
POG	Product oversight and governance
PP	Profit participation product
PPP	Personal pension product
PRIIPS	Packaged retail and insurance-based investment products
QRT	Quantitative reporting template
RHP	Recommended holding period
RIY	Reduction in yield
SRI	Summary risk indicator
UCITS	Undertakings Collective Investment in Transferable Securities
UL	Unit linked product