



EIOPA-BoS-15/112 EN

Guidelines on exchange of information on a systematic basis within colleges

1. Introduction

- 1.1. According to Article 16 and 21(3) of Regulation (EU) No 1094/2010 of the European Parliament and of the Council (hereinafter EIOPA Regulation)¹ and with regard to Article 249 of Directive 2009/138/EC of the European Parliament and of the Council (hereinafter "Solvency II Directive")² as well as to Article 357 of Commission Delegated Regulation (EU) 2015/35³, EIOPA developed guidelines on exchange of information on a systematic basis within the colleges of supervisors (hereinafter colleges). These guidelines address the practical needs of colleges for regular exchange of information, identified by EIOPA in comprehensive reviews of their work through action plans for colleges, EIOPA's college reports and peer reviews. Based on these elements EIOPA assessed the level of convergence needed and identified the areas and content to be covered by these guidelines.
- 1.2. These guidelines aim at facilitating activities of colleges in the field of exchange of information on a systematic basis. By developing common practices in this area, the guidelines ensure a consistent approach in deciding upon the scope of information to be exchanged within colleges on a regular basis. These guidelines also aim at enhancing the single market level playing field through a proportionate approach in their practical application.
- 1.3. These guidelines address a particular aspect of supervisory cooperation within colleges by supplementing the Guidelines on operational functioning of colleges.
- 1.4. These guidelines are addressed to supervisory authorities within the colleges of EEA groups.
- 1.5. If not defined in these Guidelines, the terms have the meaning defined in the legal acts referred to in the introduction.
- 1.6. The Guidelines shall apply from 1 January 2016.

¹ 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 (OJ L 331, 15.12.2010, p. 48)

² Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p.1)

³ Commission Delegated Regulation (EU) No 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 12, 17.01.2015, p. 1)

Guideline 1 – Assessment of the scope of the information exchanged on a systematic basis

- 1.7. When determining whether part of information to be exchanged on a systematic basis pursuant to Article 357 of Delegated Regulation (EU) 2015/35 is not needed for the activities of the college, supervisory authorities within the college should consider at least the following elements:
- the significance of the information considering the nature, scale and complexity of the risks of the group and individual related undertakings which are part of the group;
 - the significance of the related undertakings within the group and their materiality in the local market;
 - supervisory authorities' specific needs in terms of the supervisory review process at both individual and group level;
 - the group supervisor's tasks of planning and coordinating the supervisory activities;
 - the avoidance of duplication of tasks and reporting;
 - supervisory authorities' limitations to a timely exchange of additional information;
 - the existence and relevance of cross-border intra-group transactions that could possibly raise contagion risk within the group.

Guideline 2 – Information provided by the other supervisory authorities to the group supervisor

- 1.8. When deciding in the coordination arrangements on the scope of information to be exchanged within colleges pursuant to Article 357(2) of Delegated Regulation (EU) 2015/35, the group supervisor and the other supervisory authorities within the college should take into account the information listed in Technical Annex 1 in the light of the elements provided in Guideline 1.

Guideline 3 – Information provided by the group supervisor to the other supervisory authorities

- 1.9. When deciding in the coordination arrangements on the scope of information to be exchanged within colleges pursuant to Article 357(3)(a) of Delegated Regulation (EU) 2015/35, the group supervisor and the other supervisory authorities within the college should take into account the information listed in Technical Annex 2 in the light of the elements provided in Guideline 1.

Guideline 4 – Exchange of selected data

- 1.10. The group supervisor and the other supervisory authorities within the college should agree on a list of selected data to be exchanged as part of the systematic exchange of information. When deciding in the coordination arrangements on the list of selected data, the group supervisor and the other supervisory authorities should take into account the information listed in Technical Annex 3 in the light of the elements provided in Guideline 1.

Compliance and Reporting Rules

- 1.11. This document contains Guidelines issued under Article 16 of the EIOPA Regulation. In accordance with Article 16(3) of the EIOPA Regulation, competent authorities and financial institutions shall make every effort to comply with guidelines and recommendations.
- 1.12. Competent authorities that comply or intend to comply with these Guidelines should incorporate them into their regulatory or supervisory framework in an appropriate manner.
- 1.13. Competent authorities shall confirm to EIOPA whether they comply or intend to comply with these Guidelines, with reasons for non-compliance, within two months after the issuance of the translated versions.
- 1.14. In the absence of a response by this deadline, competent authorities will be considered as non-compliant to the reporting and reported as such.

Final Provision on Reviews

- 1.15. The present Guidelines shall be subject to a review by EIOPA.

Technical Annexes

Technical Annex I – Information provided by the other supervisory authorities to the group supervisor

1. Material extracted from the solvency and financial condition report of the insurance or reinsurance undertaking, covering the following areas:
 - 1.1. Concerning the business and performance of the undertaking (Article 293 of Delegated Regulation (EU) 2015/35):
 - 1.1.1. name and legal form of the undertaking;
 - 1.1.2. any significant business or other events that have occurred over the reporting period that have had a material impact on the undertaking.
 - 1.2. Concerning the system of governance (Article 294 of Delegated Regulation (EU) 2015/35):
 - 1.2.1. any material changes in the system of governance that have taken place over the reporting period.
 - 1.3. Concerning capital management (Article 297 of Delegated Regulation (EU) 2015/35):
 - 1.3.1. indication if the undertaking is using an internal model or a partial internal model for the calculation of its Solvency Capital Requirement;
 - 1.3.2. a description of any item deducted from own funds and a brief description of any significant restriction affecting the availability and transferability of own funds within the undertaking;
 - 1.3.3. the amounts of the undertaking's Solvency Capital Requirement and the Minimum Capital Requirement at the end of the reporting period, accompanied, where applicable, by an indication that the final amount of the Solvency Capital Requirement is still subject to supervisory assessment;
 - 1.3.4. any material change to the Solvency Capital Requirement and to the Minimum Capital Requirement over the reporting period, and the reasons for any such change;
 - 1.3.5. regarding any non-compliance with the undertaking's Minimum Capital Requirement: the period and maximum amount of each non-compliance during the reporting period, an explanation of its origin and consequences, any remedial measures taken, as provided for under Article 51(1)(e)(v) of Directive 2009/138/EC and an explanation of the effects of such remedial measures;
 - 1.3.6. where non-compliance with the undertaking's Minimum Capital Requirement has not been subsequently resolved: the amount of the non-compliance at the reporting date;
 - 1.3.7. regarding any significant non-compliance with the undertaking's Solvency Capital Requirement during the reporting period: the period and

maximum amount of each significant non-compliance and, in addition to the explanation of its origin and consequences as well as any remedial measures taken, as provided for under Article 51(1)(e)(v) of Directive 2009/138/EC and an explanation of the effects of such remedial measures;

1.3.8. where a significant non-compliance with the undertaking's Solvency Capital Requirement has not been subsequently resolved: the amount of the non-compliance at the reporting date.

2. Material extracted from the regular supervisory reporting of the undertaking, covering the following areas:

2.1. Summary highlighting any material changes that have occurred in the undertaking's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period, with a concise explanation of the causes and effects of such changes, following Article 304(2) of Delegated Regulation (EU) 2015/35.

2.2. Concerning business and performance (Guideline 20 of EIOPA Guidelines on reporting and public disclosure):

2.2.1. qualitative and quantitative information regarding significant transactions within the group including information on:

- the amount of the transactions;
- the amount of outstanding balances, if any;
- relevant terms and conditions of the transactions.

2.3. Concerning risk profile (Article 309 of Delegated Regulation (EU) 2015/35):

2.3.1. with respect to risk concentration, information on the material risk concentrations to which the undertaking is exposed to and an overview of any future risk concentrations anticipated over the business planning time period given the undertaking's business strategy, and how these risk concentrations will be managed.

3. The following quantitative templates:

3.1. S.23.01.b

3.2. S.23.02.b

3.3. S.23.03.b

3.4. S.23.04.b

3.5. S.04.01.b

4. The outcome of the risk assessment framework from the supervisory review process.

Technical Annex II – Information provided by the group supervisor to the other supervisory authorities

1. Material extracted from the group solvency and financial condition report, covering the following areas:
 - 1.1. Concerning business and performance (Article 359 of Delegated Regulation (EU) 2015/35):
 - 1.1.1. any significant business or other events that have occurred over the reporting period that have had a material impact on the group.
 - 1.2. Concerning the system of governance (Article 359 of Delegated Regulation (EU) 2015/35):
 - 1.2.1. any material changes in the system of governance that have taken place over the reporting period.
 - 1.3. Concerning capital management (Article 359 of Delegated Regulation (EU) 2015/35):
 - 1.3.1. indication if the group is using an internal model or a partial internal model for the calculation of its Solvency Capital Requirement;
 - 1.3.2. information on the objectives, policies and processes employed by the group for managing its own funds and on any material changes over the reporting period;
 - 1.3.3. a description of any item deducted from own funds and a brief description of any significant restriction affecting the availability and transferability of own funds within the group;
 - 1.3.4. the amount of the group's Solvency Capital Requirement at the end of the reporting period, accompanied, where applicable, by an indication that the final amount of the Solvency Capital Requirement is still subject to supervisory assessment;
 - 1.3.5. any material change to the Solvency Capital Requirement over the reporting period, and the reasons for any such change;
 - 1.3.6. regarding any non-compliance with the minimum consolidated group Solvency Capital Requirement during the reporting period: the period and maximum amount of each non-compliance, an explanation of its origin and consequences, any remedial measures taken, as provided for under Article 51(1)(e)(v) of the Directive 2009/138/EC and an explanation of the effects of such remedial measures;
 - 1.3.7. regarding any significant non-compliance with the group Solvency Capital Requirement during the reporting period: the period and maximum amount of each non-compliance, an explanation of its origin and consequences, any remedial measures taken, as provided for under Article 51(1)(e)(v) of the Directive 2009/138/EC and an explanation of the effects of such remedial measures;

- 1.3.8. where a significant non-compliance with the group Solvency Capital Requirement, has not been subsequently resolved: the amount of the non-compliance at the reporting date.
2. Material extracted from the group regular supervisory reporting, covering the following areas:
 - 2.1. Summary highlighting any material changes that have occurred in the group's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period, with a concise explanation about the causes and effects of such changes, following Article 304(2) of Delegated Regulation (EU) 2015/35.
 - 2.2. Concerning business and performance (Article 372 of Delegated Regulation (EU) 2015/35):
 - 2.2.1. an analysis of the group's overall underwriting performance during the reporting period;
 - 2.2.2. information on the group's underwriting performance by line of business during the reporting period against projections, and significant factors affecting deviations from these projections;
 - 2.2.3. projections of the group's underwriting performance, with information on significant factors that might affect such underwriting performance, over its business planning time period;
 - 2.2.4. an analysis of the group's overall investment performance during the reporting period and also by relevant asset class;
 - 2.2.5. projections of the group's expected investment performance, with information on significant factors that might affect such investment performance, over its business planning time period;
 - 2.2.6. information on any material income and expenses, other than underwriting or investment income and expenses, over the undertaking's business planning time period;
 - 2.2.7. a description of activities and sources of profits or losses for each material related undertaking within the meaning of Article 256a of Directive 2009/138/EC;
 - 2.2.8. description of the contribution of each subsidiary to the achievement of the group strategy;
 - 2.2.9. qualitative and quantitative information on significant intra-group transactions by insurance and reinsurance undertakings within the group and the amount of the transactions over the reporting period and their outstanding balances at the end of the reporting period (Article 372 of Delegated Regulation (EU) 2015/35); including information on the terms and conditions of the intra-group operations and transactions including information on (Guideline 27 of EIOPA Guidelines on reporting and public disclosure):
 - commercial rationale for the operation or transaction;

- risks borne by, and rewards available to, each party to the operation or transaction;
- any particular aspects of the operation or transaction that are (or may become) disadvantageous to either party;
- any conflicts of interest that may have arisen in negotiating and executing the operation or transaction, and any potential conflicts of interest that may arise in the future;
- if the transaction is linked to other operations or transactions in terms of timing, function and planning, the individual effect of each operation or transaction and the overall net impact of the linked operations and transactions on each party to the operation or transaction and on the group; and
- extent to which the operation or transaction is depending on a winding-up and circumstances in which the operation or transaction can be executed.

2.3. Concerning risk profile (Article 372 of Delegated Regulation (EU) 2015/35):

2.3.1. with respect to risk concentration, information on the material risk concentrations to which the group is exposed to and an overview of any future risk concentrations anticipated over the business planning time period given the group's business strategy, and how these risk concentrations will be managed. If the group regular supervisory report is submitted less frequently than annually, the group supervisor should provide the other supervisory authorities with the template S.37.01.04.

3. The following quantitative templates:

- 3.1. S.23.01.04
- 3.2. S.23.02.04
- 3.3. S.23.03.04
- 3.4. S.23.04.04
- 3.5. S.25.01.04
- 3.6. S.25.02.04
- 3.7. S.25.03.04
- 3.8. S.32.01.04
- 3.9. S.36.01.04
- 3.10. S.36.02.04
- 3.11. S.36.03.04
- 3.12. S.36.04.04

4. The outcome of the group risk assessment framework from the group supervisory review process.

Technical Annex III – List of selected data

No	Selected data	At individual level	At group level
1	Government bonds	X	X
2	Corporate Bonds – Financial and insurance activities	X	X
3	Corporate Bonds – Non-Financial and insurance activities	X	X
4	Cash & Deposits	X	X
5	Equity	X	X
6	Participations		X
7	Property	X	X
8	Gross written premium life	X	X
9	Gross written premium non-life	X	X
10	Non-life technical provisions	X	X
11	Change in life technical provisions	X	X
12	Investment returns	X	X
13	Net combined ratio	X	X
14	Reinsurance part of premiums	X	X

1) Investments in Government Bonds as a percentage of total investments and cash

This ratio is the percentage of government bonds held by the undertaking or group within the total amount of investments and cash held by the undertaking or group.

The amount of government bonds (the numerator) is divided by the amount of total investments and cash (the denominator). This number will be a percentage between 0 and 100%.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the numerator is calculated by screening the first category of the Complementary Identification Code which corresponds to the category of government bonds.

The denominator corresponds to the sum of the amount listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

2) Investments in Corporate Bonds – Financial and insurance activities as a percentage of total investments and cash

This ratio is the percentage of financial and insurance related corporate bonds held by the undertaking or group within the total amount of investments and cash held by the undertaking or group.

The amount of financial and insurance related corporate bonds (the numerator) is divided by the amount of total investments and cash (the denominator). This number will be a percentage between 0 and 100%.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the numerator is calculated by screening the second category of the Complementary Identification Code which corresponds to the category of corporate bonds. An additional screening is needed to identify the issuer's economic sector in order to figure out the corporate bonds issued by the companies classified as financial and insurance activities (financial service activities, insurance, reinsurance, pension funding, activities auxiliary to financial services and insurance activities). The issuer's economic sector is identified based on the NACE code (acronym used to designate the various statistical classifications of economic activities developed since 1970 in the European Union).

The denominator corresponds to the sum of the amount listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

3) Investments in Corporate Bonds - Non-Financial and Insurance activities as a percentage of total investments and cash

This ratio is the percentage of non-financial and insurance related corporate bonds held by the undertaking or group within the total amount of investments and cash held by the undertaking or group.

The amount of non-financial and insurance related corporate bonds (the numerator) is divided by the amount of total investments and cash (the denominator). This number will be a percentage between 0 and 100%.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the numerator is calculated by screening the second category of the Complementary Identification Code which corresponds to the category of corporate bonds. An additional screening is needed to identify the issuer economic sector in order to figure out the corporate bonds issued by the companies classified as other than financial and insurance activities. The issuer economic sector is identified based on the NACE code (acronym used to designate the various

statistical classifications of economic activities developed since 1970 in the European Union).

The denominator corresponds to the sum of the amount listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

4) Cash and Deposits as a percentage of total investments and cash

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in cash and other similarly short term investments that could be considered more liquid than other types of investments.

The amount of cash and deposits (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof the amount listed in the assets category under 'Cash and Cash Equivalents' is summed with the amount listed in the assets category under 'Deposits other than cash equivalents' and is then divided by the sum of the item listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

5) Equity investments as a percentage of total investments and cash

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in equity investments (which generally have uncertain income streams).

The amount of equity investments (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the amount listed in the assets category under 'Equities' is divided by the sum of the item listed in the assets category as 'Investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

6) Participations as a percentage of total investments and cash

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in participations of other undertakings.

The amount of participations (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the amount listed in the assets category under

'Participations' is divided by the sum of the item listed in the assets category as 'Investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

7) Property as a percentage of total investments and cash

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in property.

The amount of property (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the amount listed in the assets category under 'Property (other than for own use)' is divided by the sum of the item listed in the assets category as 'Investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

8) Gross written premiums life - percentage change year-to-date

This ratio demonstrates the year-to-date percentage change of gross written life insurance premiums including index-linked and unit-linked business, health similar to life insurance and life and health reinsurance business.

The amount of total gross life insurance written premiums (incl. index-linked and unit-linked business and health similar to life), life and health reinsurance written premiums of the current year (t) (numerator), is divided by the amount of total gross life insurance written premiums (incl. index-linked and unit-linked business and health similar to life), life and health reinsurance written premiums of the previous year (t-1) (denominator). Then the result is converted into a percentage by deducting 1 and multiplying by 100.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC, the sum of the amounts related to gross written premiums under the various lines of business for life obligations and life reinsurance obligations of the current year (t) is divided by the sum of the amounts related to gross written premiums under the various lines for life obligations and life reinsurance obligations of the previous year (t-1). Then the result is converted into a percentage by deducting 1 and multiplying by 100.

9) Gross written premiums non-life - percentage change year-to-date

This ratio demonstrates the year-to-date percentage change of gross non-life insurance and reinsurance written premiums including direct, proportional and non-proportional reinsurance business accepted.

The amount of total gross non-life insurance written premiums (incl. direct business, proportional and non-proportional reinsurance accepted) for the current year (t) (numerator) is divided by the amount of total gross premiums written non-life

insurance (incl. incl. direct business, proportional and non-proportional reinsurance accepted) of the previous year (t-1) (denominator). Then the result is converted into a percentage by deducting 1 and multiplying by 100.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC, the sum of the amounts related to gross written premiums under the various lines of business for non-life obligations and non-life non-proportional reinsurance accepted of the current period (t) is divided by the sum of the amounts related to gross written premiums under the various lines for non-life obligations and non-life non-proportional reinsurance accepted. Then the result is converted into a percentage by deducting 1 and multiplying by 100.

10) Non-life technical provisions - percentage of gross non-life insurance written premiums

This ratio measures the amount of non-life technical provisions compared to the amount of gross written premiums non-life insurance and reinsurance.

The sum (numerator) of total non-life technical provisions (excl. health) and total health technical provisions (similar to non-life) is divided by the sum of total gross written premiums non-life (denominator), i.e. the amount of total gross written premiums non-life insurance (incl. direct business, proportional and non-proportional reinsurance accepted).

The ratio shall be calculated on annualised basis, where:

- the numerator is calculated as average of the values at the end of the actual quarter and each of the three preceding quarters;
- the denominator shall reflect the value of a full reporting year or, for quarterly reporting, the sum of the values of the actual quarter and the preceding quarters needed to cover a full year period.

Using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the four quarter average of the sum of total gross non-life technical provisions (excl. health) in the balance-sheet is divided by the sum of the amounts related to gross written premiums under the various lines of business for non-life obligations and non-life non-proportional reinsurance accepted in the relevant template for the period (t), covering the four quarters preceding the current year's reporting date. Then the result is multiplied by 100 to convert the final result into 'percentage' format.

11) Change in life technical provisions (incl. health, excl. index-linked and unit-linked business) - % change year-over year

This ratio measures the change in life technical provisions by comparing the current year's amount of technical provisions with the previous year's gross technical provisions.

The current year's life technical provisions (numerator) is divided by the previous year's life technical provisions (denominator) and then converted into a percentage by deducting 1 and multiplying by 100.

Using the template to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the sum of total life technical provisions (excluding health, index-linked and unit-linked,) and total health technical provisions (similar to life business) of the current period (t) in the balance sheet by the sum of total life technical provisions (excluding health, index-linked and unit-linked) and total health technical provisions (similar to life business) in the balance sheet of the previous period (t-1). Subtract 1 from the result and convert the final result into percentage format.

12) Investment returns ratio

This ratio is a measure of assets investment returns compared to the total amount of investments. The ratio can also be used to measure the undertaking's investment returns over time by comparing it to previous versions.

The sum of investment returns (the numerator) is divided by the total investments (other than assets held for index-linked and unit-linked funds) (the denominator).

The numerator, Investment returns, measures the value of all returns on investments other than assets held for index and unit linked funds such as dividends, interests, rent, net gains and losses.

The denominator, Total Investments (other than assets held for index-linked and unit-linked funds), measures the value of all investments other than assets held for index and unit linked funds (property, participations, equities, bonds, investment funds, derivatives, deposits other than cash equivalents, other investments).

The ratio can be calculated on the basis of the template to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof. The numerator value can be taken from the relevant template that provides information about the investment performance by asset category defined in the Complementary Identification Code as the sum of all dividends, interests, rent and net gains and losses for all asset categories listed in the profitability section.

The denominator value can be taken from the relevant template that represents the value of all investments other than assets held for index-linked and unit-linked funds in the balance sheet.

The ratio shall be calculated on annualised basis, where:

- the numerator shall represent the value of a full reporting year, or, for quarterly reporting the sum of the values of the actual quarter and the preceding quarters needed to cover the full year period;
- the denominator shall be calculated as an average of the values at the end of the actual quarter and each of the three preceding quarters.

13) Gross combined Ratio

This ratio is a measure of the underwriting performance of a non-life insurance or reinsurance undertaking or group. The result is expressed as a percentage and a value below 100% indicates that the company is making underwriting profit while a

ratio above 100% means that it is paying out more money in claims and expenses than it is receiving from premiums. The gross combined ratio is comprised of the loss ratio and the expense ratio.

The sum of incurred losses and expenses (the numerator) is divided by the amount of premiums earned (the denominator).

The ratio can be calculated using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC. The value of the numerator can be obtained from the relevant template where non-life undertakings and groups report claims paid under the various lines of business and total Expenses.

The value of the denominator can be obtained from the relevant template where undertakings and groups report gross premiums earned under the various lines of business.

14) Reinsurance Part of Premiums

The ratio is used to measure the amount of reliance on reinsurance the group or undertaking has.

The amount of premiums ceded to a reinsurer (the numerator) is divided by the total amount of premiums earned (the denominator).

The ratio can be calculated using the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC.

The numerator can be computed, annually and quarterly, on the basis of the relevant template where undertakings and groups report the reinsurers' share of premium earned for non-life and for life and the denominator can be computed on the basis of the relevant template where undertakings and groups report the total amount of premiums earned for non-life and for life.