



## EIOPA Statistics - Accompanying note

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**Publication references:** Group/Quarterly/Published 20250415

**Published statistics:** [Balance sheet], [Premiums, claims and expenses], [Own funds and SCR]

**Disclaimer:** Data is drawn from the published statistics as of the extraction date (revision of historical series may occur). However, in order to produce the graphs and charts used in this note for illustrative or analytical purposes, certain calculations have been carried out. These are documented or available (as formulas) in the data source on EIOPA's website, unless they represent pure summation or aggregation. Any calculation or formula used for this report should not be interpreted to signify any official EIOPA methodology.

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### 1. Solvency II Balance sheet structure, main items - Groups<sup>1</sup>

#### Assets

The asset side of the Solvency II balance sheet reporting template is split into investments, assets held for unit-linked business and other assets. In this context, investments are held by insurers in order to be able to fulfil the obligations and to policy-holders on an on-going basis.<sup>2</sup> Figure 1 shows that the investment portfolio of groups (excluding unit-linked) is dominated by bonds on an EEA wide basis<sup>3</sup>. Direct holding of corporate and government bonds together account for around 60% of the portfolio.<sup>4</sup>

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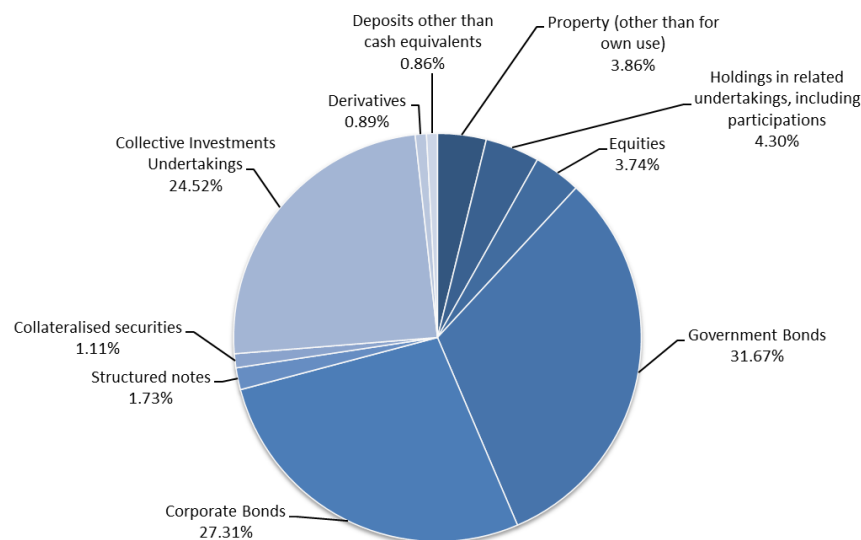
<sup>1</sup> Under the Solvency II Framework, a group means a group of undertakings that (SII Art. 212) (i) consists of a participating undertaking, its subsidiaries and the entities in which the participating undertaking or its subsidiaries hold a participation, as well as undertakings linked to each other by a relationship as set out in Article 12(1) of Directive 83/349/EEC; or (ii) is based on the establishment, contractually or otherwise, of strong and sustainable financial relationships among those undertakings, and that may include mutual or mutual-type associations, provided that: a) one of those undertakings effectively exercises, through centralised coordination, a dominant influence over the decisions, including financial decisions, of the other undertakings that are part of the group; and, b) the establishment and dissolution of such relationships for the purposes of this Title are subject to prior approval by the group supervisor, where the undertaking exercising the centralised coordination shall be considered as the parent undertaking, and the other undertakings shall be considered as subsidiaries.

<sup>2</sup> In the main reported Solvency II balance sheet (based on the S.02-template), assets held for unit-linked business is reported separately

<sup>3</sup> Data covers the EU plus Norway and Liechtenstein.

<sup>4</sup> Certain categories of investments, such as equity and bond investments are categorised and identified under Solvency II reporting of the balance sheet under "Investments (other than assets held for index-linked and unit-linked contracts)". However, where insurers hold such assets indirectly via "Collective Investment Undertakings" or where those investments represent "Holdings in related undertakings, including participations", they will be reported under those categories instead. In addition, insurers could hold additional investments of these asset classes under "Assets held for index-linked and unit-linked contracts" (where the Solvency II reported main balance sheet does not provide an asset breakdown).

**Figure 1: Investment mix by insurance groups based in the EEA following the Solvency II balance sheet template. Q3 2024. Values in per cent.**



Source: EIOPA [Group/Quarterly/Published 20250415]  
Note: Figure does not include unit-linked business.

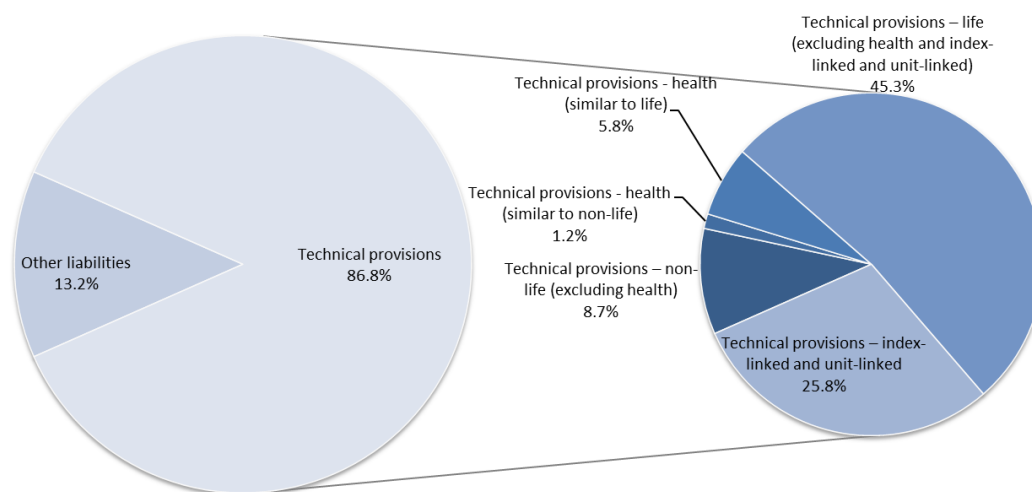
However, the investments shown in this figure represent only part of the balance sheet. There is also a considerable share of investments for unit-linked business.<sup>5</sup>

## Liabilities

Total liabilities consist of technical provisions and other liabilities. Technical provisions represent the amount of resources to be set aside to pay policyholder claims and are split into 5 main types of business. This is illustrated on an EEA level in the figure below. Other liabilities include debt such as subordinated liabilities and financial liabilities other than debts owed to credit institutions, but also other liabilities such as, for example, deposits from reinsurers.

<sup>5</sup> Reinsurance recoverable, cash and cash equivalents and loans and mortgages are the largest elements of “other assets”, together accounting for almost 2/3 of the value of these assets. For a complete overview and data, including the size of unit-linked business, please refer to the group balance sheet published on EIOPA’s website ([link](#)).

**Figure 2: Liability profile of insurance groups based in the EEA. 2024 Q3. Values in per cent**



Source: EIOPA [Group/Quarterly/Published 20250415]

## 2. Group Own Funds and SCR

The principles applicable to Group Solvency are comparable to those for solo undertakings. Groups should hold a certain amount of capital (eligible own funds) of sufficient quality to fulfil their obligations towards policyholders. Distinctive elements regarding the calculation of the group SCR and group own funds lies on the definition of the scope of the group and on the principle of avoiding double gearing of funds. Solvency II therefore requires the elimination of intra-group creation of capital<sup>6</sup>.

The participating insurance or reinsurance undertaking, the insurance holding company or the mixed financial holding company responsible for calculating the group solvency should ensure that they cover all risks and related undertakings belonging to the group<sup>7</sup>, unless otherwise excluded from the scope of group supervision<sup>8</sup>.

To reflect the total risk that an insurance group may face, the group SCR should reflect all quantifiable risks to which the group is exposed to applying a suitable method of calculation. Two methods are available for calculating the group SCR: the accounting consolidation-based method ("Method 1") and the deduction and aggregation method ("Method 2")<sup>9</sup>.

Method 1 is the default method and is based on a group's consolidated data<sup>10</sup>. The consolidated group SCR under Method 1 is the sum of four components:

$$\text{Consolidated group SCR} = \text{SCR}_{\text{DIVERSIFIED}} + \text{SCR}_{\text{NCP}} + \text{CR}_{\text{OFS}} + \text{SCR}_{\text{OT}}$$

<sup>6</sup> Article 223 of the Solvency II Directive.

<sup>7</sup> Article 213 of the Solvency II Directive.

<sup>8</sup> Under the conditions specified in Article 214(2) of the Solvency II Directive

<sup>9</sup> Article 220 of the Solvency II Directive, and Article 328 of the Delegated Regulations.

<sup>10</sup> Article 335 of the Delegated Regulations

The  $SCR_{DIVERSIFIED}$  is the result of a 'full' SCR calculation, similar to that at solo level, applied to the consolidated part of the data. The  $SCR_{NCP}$  and  $CR_{OFS}$  consist of the proportional share of existing capital requirements on Non-Controlled Participations and Other Financial Sector entities. The  $SCR_{OT}$  is the capital requirement calculated for undertakings not covered by the previous terms.

The consolidated group solvency capital requirement should have as a minimum the sum of the Minimum Capital Requirement (MCR) of the participating insurance or reinsurance undertaking, and the proportional share of the MCR of the related insurance and reinsurance undertakings<sup>11</sup>.

Under method 2, the group solvency is the difference between a) the aggregated group eligible own funds and b) the value in the participating insurance or reinsurance undertaking of the related insurance or reinsurance undertaking and the aggregated group solvency capital requirement<sup>12</sup>.

A combination of method 1 and method 2 may also be allowed<sup>13</sup> and is often used in practice.

Figure 3 shows the total group eligible own funds and the total group SCR (irrespective of method of calculation applied) and the ratio between these two elements.<sup>14</sup> In overall, groups based in the EEA have an SCR ratio around 212%. Similarly, Figure 4 shows the eligible own funds and the minimum consolidated group SCR.<sup>15</sup> This ratio is around 377%. Note that groups are not necessarily required to recalculate the SCR every quarter.

Figure 3: Group SCR. 2024 Q3. EEA

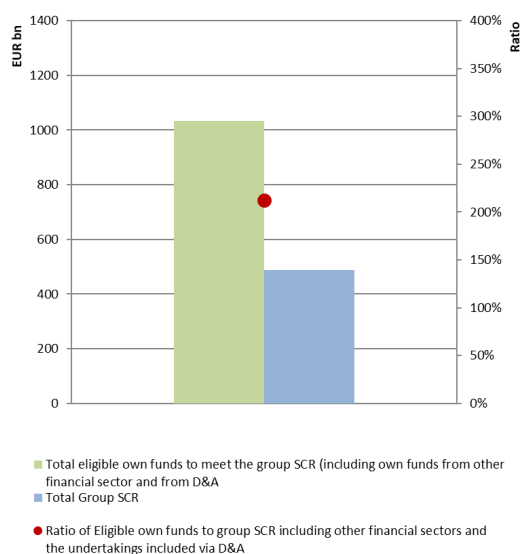
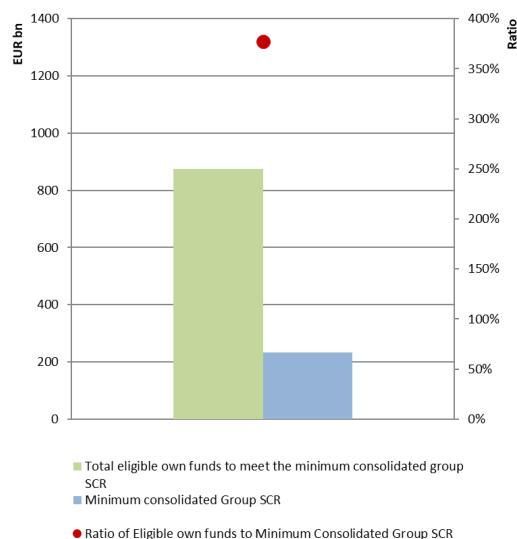


Figure 4: Minimum consolidated group SCR 2024 Q3. EEA



Source: EIOPA [Group/Quarterly/Published 20250415]

<sup>11</sup> Article 230(2) of the Solvency II Directive.

<sup>12</sup> Article 233 of the Solvency II Directive, and Article 328 of the Delegated Regulations.

<sup>13</sup> Article 220(2) of the Solvency II Directive

<sup>14</sup> Article 258 of the Solvency II Directive applies to cases of non-compliance with solvency requirements or deteriorating financial conditions or threats to the financial position and outlines that necessary actions are required to rectify the situation as soon as possible. Moreover, any risks of non-compliance with the group solvency capital requirements should be timely informed to the group supervisor (Article 218 (5) of the Solvency II Directive).

<sup>15</sup> Due to differences in eligibility criteria, the total eligible own funds to meet the group SCR and the total eligible own funds to meet the minimum consolidated group SCR are not identical.