

Costs and Past Performance Report

2026

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BACKGROUND

In accordance with Article 9 of the European Insurance and Occupational Pensions Authority (EIOPA) Funding Regulation¹, the Authority is required to 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 for the period 1 January 2020 to 31 December 2024.² Participating insurance undertakings were required to submit data via a standardised template, adhering to common principles that varied according to product type. Only products available on the market as of December 31, 2024, were considered for inclusion in the sample.

A total of 175 participating undertakings which account for more than 60% of the unit-linked and profit participation premium in the European Economic Area (EEA) participated in the exercise.³ These undertakings reported a sample of 5,906 products covering the most sold, most expensive and the cheapest products in their portfolios as well as different recommended holding periods, risks, and underlying assets to ensure a representative picture of the market.⁴

- ▶ The Costs and Past Performance (CPP) report is a sample-based exercise and uses PRIIPs Key Information Documents (KIDs) data to derive cost indicators, ensuring a standardised methodology and comparability across products and manufacturers in the EEA (see Appendix I).
- ▶ Although costs in the KIDs can be relatively higher than (actual) costs, this approach provides a consistent and comparable measure across products, enabling robust analysis of cost dispersion and differences across market segments. The reported averages represent an upper limit of actual average costs, and the analysis of net performance, based on realised performance data, offers a reliable complement to the cost indicator analysis.
- ▶ Moreover, not relying on KIDs data would entail additional significant reporting from insurance undertakings in the EEA, which would not align with the principle of reducing burden.

¹ [Regulation \(EU\) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority \(European Insurance and Occupational Pensions Authority\)](#)

² The report covers insurance-based investment products (IBIPs) as well as Personal Pension Products (PPP). Institutions for Occupational Retirement Provision (IORPs) are excluded from this year's report in view of EIOPA ongoing work to address recommendations to enhance reporting on IORP's costs and returns and the ongoing efforts to overcome existing data limitations.

³ All Member states except for CY, DK, IS, and NL.

⁴ See Appendix I – Methodology

SUMMARY

▶ What is the insurance-based investment product (IBIPs) market landscape?

Empirical Annex I

Over the reporting period (2024), financial markets showed a strong performance mirroring the previous year's trend, with equity markets posting substantial gains, interest rates remaining stable and inflation reaching 2.6%.⁵

Based on the sample collected, consumers typically buy products with low-to-medium risk rating, with approximately 80% of the premiums in the sample going into products with a Summary Risk Indicator⁶ (SRI) of three or less. The recommended holding period (RHP) varies significantly across Member States, with average holding periods ranging from below 7 years (e.g. Belgium, France, Ireland, Italy, and Portugal) to as long as 18-24 years (e.g. Czechia, Finland, and Germany).

Bancassurance remained the dominant distribution channel, accounting for 70% of total premiums in the sample. In contrast, online sales constituted a modest proportion, representing only 2.4% of the total premium, with Sweden as a notable exception to this trend.

▶ What were the key trends in product performance?

Empirical Annex II

Unit-linked products including similar hybrid products⁷ delivered positive net returns for consumers in 2024 averaging from 7.5% (SRI 1-3) to 16.9% (SRI 4-7) with notable dispersion of values and disparity across products highlighting the importance of granular assessment and informed purchasing decisions. In the more conservative unit-linked segment (SRI 1-3), returns ranged from approximately 3% to around 10% for the higher-performing ones.⁸ The higher-risk segment (SRI 4-7) exhibited a more pronounced dispersion, with around 7% and 25%, respectively.

Profit Participation products including similar hybrid products averaged 2.3% net returns. While delivering returns lower than other IBIPs in 2024, these products provide sustained returns over time and protect consumers from market shocks and fluctuations. Circa 75% of

⁵ Inflation is measured using the Harmonised Index of Consumer Prices (HICP) for the European Economic Area (Eurostat).

⁶ The Summary Risk Indicator (SRI) is a numerical value of risk that ranges from 1 (very low risk) to 7.

⁷ Unit-linked components of hybrid products, and hybrid products with pre-defined strategy where unit-linked components are predominant.

⁸ 25th and 75th percentiles representing the lower and upper quarters of the distribution, respectively.

the gross written premium (GWP) invested in profit participation products featured 90% or more capital guarantee at the recommended holding period.

Between 2020 and 2024, low-to-medium risk unit-linked investments (SRI 1-3) struggled to beat inflation, delivering nominal annual returns of approximately 2.1% to 2.3%, which translated into negative real returns amidst rising prices. In contrast, higher-risk products (SRI 4-7), representing a smaller proportion in the sample⁹, managed to outperform inflation with average nominal annual returns of 8%. Profit participation products recorded the lowest nominal annual returns on average (1.5%). However, they were the only product category to deliver positive returns in every year, highlighting their relative resilience during periods of market downturn.

A longer-term view is required to ascertain whether higher-risk products can maintain their considerable return advantage. While over the sample period, products with lower risk profiles generally did not manage to surpass inflation, their more stable returns and capacity for capital preservation, may appeal to risk-averse individuals by mitigating market downturns. The adequate targeting of both profit participation and unit-linked products is therefore essential, given the opportunity costs they can present.

► **How do costs vary between Member States, and what are the underlying trends?**

Empirical Annex III

The Reduction in Yield (RIY)¹⁰ of unit-linked products across the EEA shows a moderate decrease in average costs. There are substantial cross-country differences in the charges borne by consumers, pointing to structurally higher pricing in certain markets.

A decrease in costs amounting to 8 basis points on average is observed in unit-linked products in 2024, consistent with increased focus on Product Oversight and Governance and Value for Money activities at national and European level for these products. Nevertheless, costs are not falling evenly across insurers. For example, RIY for unit-linked products with medium-to-long RHP ranges from under 1% to over 5% depending on the undertakings.¹¹

Unit-linked and similar hybrid products with less than ten years Recommended Holding Period (RHP) have average annual charges of around 2.3% RIY. Medium-term¹² products show a higher level of costs with approximately 2.7% whereas those with longer RHPs have annual charges averaging around 1.5%. Profit Participation and similar hybrid show lower costs averaging 1.4%, 1.5% and 1.1% RIY for the short, medium and long period respectively.

⁹ Approximately 20% of the gross written premium of the total sample.

¹⁰ Reduction in yield indicates the impact that total costs have over the annual return of the investment. A high reduction in yield can indicate higher value for money risks and possible consumer detriment. RIY is a key metric for assessing the costs borne by consumers, offering a clear indicator of the impact of fees on returns over time. When comparing the RIY, it is essential to consider the Recommended Holding Period (RHP), as it influences the period over which costs are spread.

¹¹ Average RIY per undertaking and weighting by gross written premium.

¹² 10 to 20 years RHP.

Some Member States, such as Romania and Slovenia, exhibit average costs exceeding 3% RIY for unit-linked products, while Hungary has some of the highest costs for pure profit participation products. These costs do not necessarily imply poor value for money in those markets as value for money is a reflection of costs, benefits and returns.

Country-level cost indicators reflect the results from both domestic and cross-border business. As a result, the impact of National Competent Authorities' (NCA) initiatives to improve value for money may not be fully captured by the indicators as they are influenced by the interplay between domestic and cross-border values, particularly as the significance of cross-border increases within a Member State.¹³

Further analysis shows that a substantial share of cost dispersion is associated with undertaking-specific factors, indicating that costs vary strongly across providers beyond what can be explained by product design alone. In fact, differences in costs across IBIPs are only partly explained by observable product features or Member States.

▶ **To what extent do cross-border and Environmental, Social, and Governance (ESG) products differ in costs and returns?**

Empirical Annex IV

EIOPA's comparison of cross-border and domestic products with similar features, such as the RHP, showed mixed results. Cross-border products were found to be more expensive than their domestic counterparts in some cases (e.g. IT, DE), particularly with regards to RIY. More broadly, a clearer pattern emerged with respect to entry costs, with cross-border products generally charging higher fees.

For example, in certain Member States, foreign businesses were observed to charge higher entry costs than their domestic counterparts, suggesting a potential frontloading of costs. However, it is essential to interpret these findings with caution, as the limited sample size restricts the ability to conduct a more nuanced analysis, which may be necessary to fully understand the underlying trends and patterns.

EIOPA also analysed products' net performance and costs, differing between the Sustainable Finance Disclosure Regulation (SFDR) classification of the insurance wrapper¹⁴. No substantial differences were found, neither in terms of performance nor reduction in yield.

▶ **A closer look at the pensions landscape – with a focus on costs and past performance**

Empirical Annex V

While the pension market landscape within the EEA encompasses Personal Pension Products (PPPs), the Pan-European Personal Pension Product (PEPP), and Institutions for Occupational

¹³ See Statistical Tables no. 3 and 5 for comparison

¹⁴ The CPP is a sample-based exercise, and as such, it does not capture data on all possible underlying options available to consumers for a given product. For multi-option products offering multiple investment options, the following working assumption applied: products with 50% or more of their investment options being eligible under Article 8 are considered Article 8.

Retirement Provision (IORPs), this report focuses primarily on PPPs, which were part of the survey, and presents their performance and cost metrics. PEPP is not covered in the present analysis due to the very limited number of products available in the market over the coverage period of this report, while IORPs were not included due to data limitations.

In 2024, PPPs with unit-linked characteristics enjoyed favourable market conditions, yielding average returns of around 9.6%. Conversely, PPPs featuring profit participation reported more modest average returns of approximately 1.4%. Between 2020 and 2024, PPPs with unit-linked characteristics recorded annualised net returns of around 4.2% with considerable variation between Member States. PPPs with profit participation components, had lower annualised net returns amounting to 1% on average.

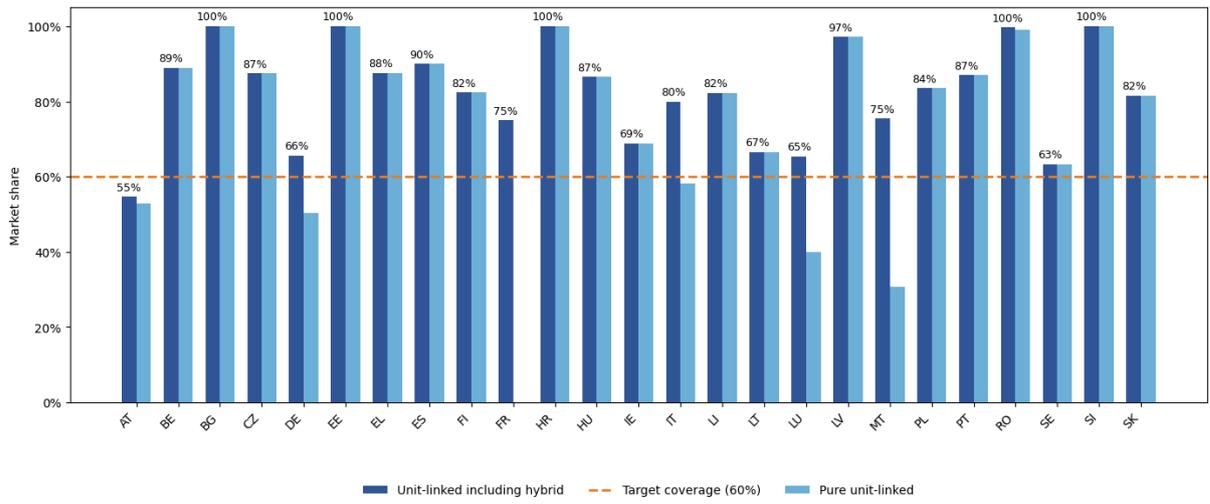
The costs associated with these products showed variability; compared to the 2025 Costs and Past Performance report, an increase in the Reduction in Yield (RIY) to 2.4% was noted for unit-linked PPPs, while those with profit participation saw a RIY decrease to 1.3%. The diversity of PPPs across Member States, sometimes classified as IBIPs, poses challenges to standardised comparison, mainly due to the absence of a harmonised European regulatory framework. The analysis, therefore, has been conducted on a best effort basis.

In contrast, IORPs, which form an essential part of the pension landscape, faced challenges in terms of detailed analysis due to current reporting standards focusing primarily on prudential aspects at the aggregate level. EIOPA has recognised the need for improved transparency and comparability in this sector. Following recommendations from the European Court of Auditors (ECA), steps are being taken to systematically collect and analyse data at the member and scheme level to enhance insights into IORP schemes.

EMPIRICAL RESULTS

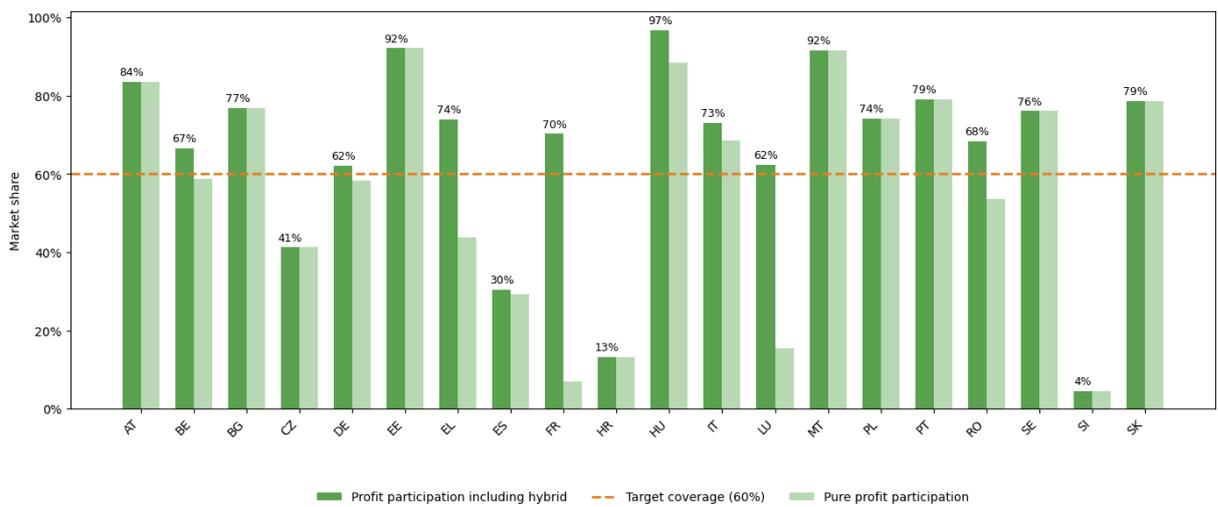
I. MARKET AND SAMPLE COMPOSITION

FIGURE 1 - MARKET COVERAGE BY COUNTRY (UNIT-LINKED)



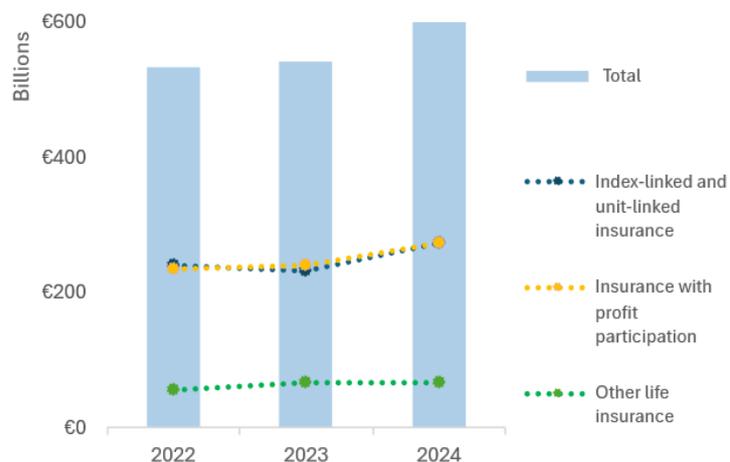
The figures show market coverage of unit-linked products by country. Coverage is measured as the share of Gross Written Premium (GWP) written by undertakings included in the CPP sample that report at least one unit-linked product. GWP totals are based on 2024 Solvency II S.05 data for the 'index-linked and unit-linked insurance' line of business.

FIGURE 2 - MARKET COVERAGE BY COUNTRY (PROFIT PARTICIPATION)



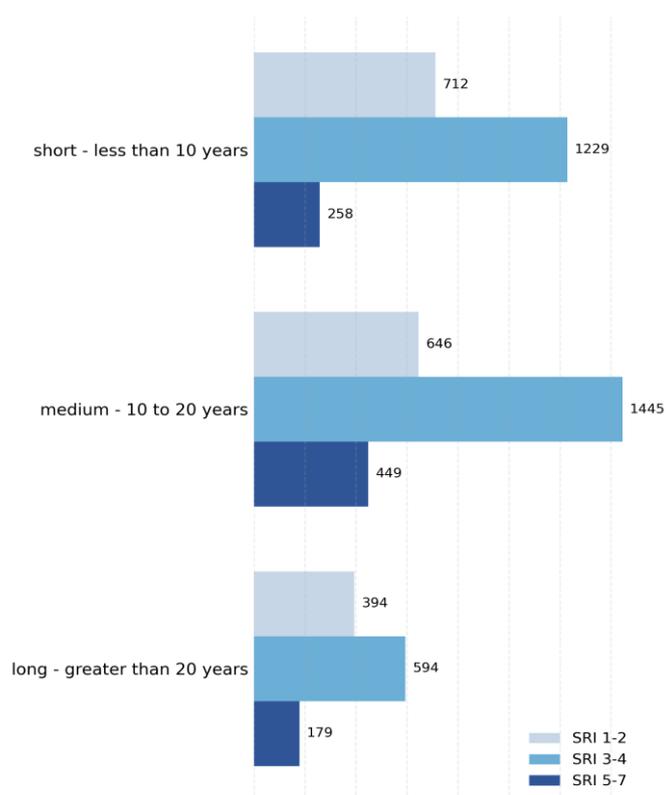
The figure shows market coverage of profit participation products by country. Coverage is measured as the share of Gross Written Premium (GWP) written by undertakings included in the CPP sample that report at least one profit participation product. GWP totals are based on 2024 Solvency II S.05 data for the 'insurance with profit participation' line of business.

FIGURE 3 – EVOLUTION OF GROSS WRITTEN PREMIUM BY LINE OF BUSINESS



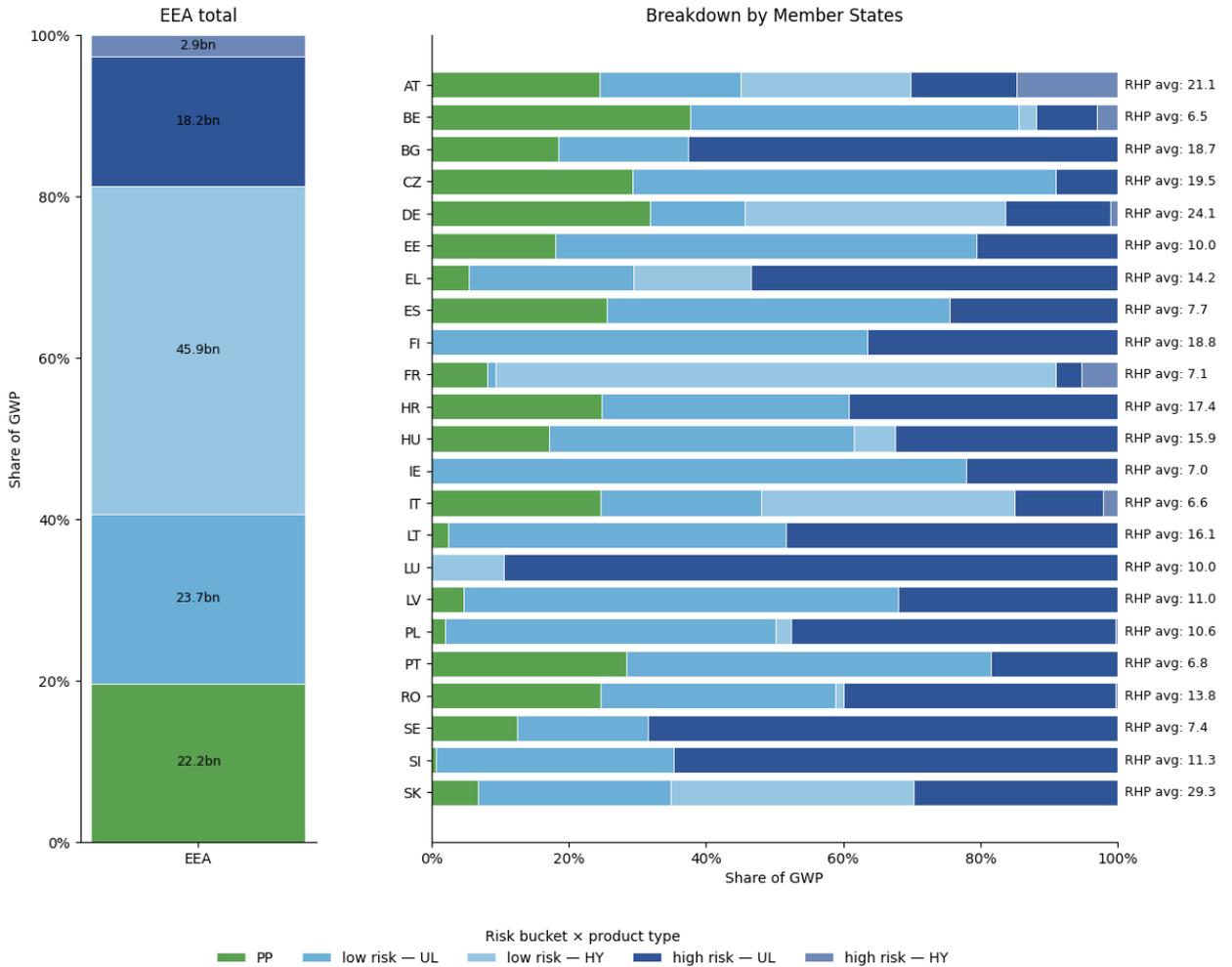
The figure illustrates the total amount and annual evolution of Gross Written Premium (GWP) across various lines of business based on Solvency II Quantitative Reporting Templates (QRTs - S05.01), spanning the years 2022 to 2024 for the European Economic Area.

FIGURE 4 - NUMBER OF PRODUCTS BY SRI AND RECOMMENDED HOLDING PERIOD



The figure shows the number of IBIPs by SRI cluster and RHP cluster. Each observation corresponds to a reported product–investment combination included in the CPP sample.

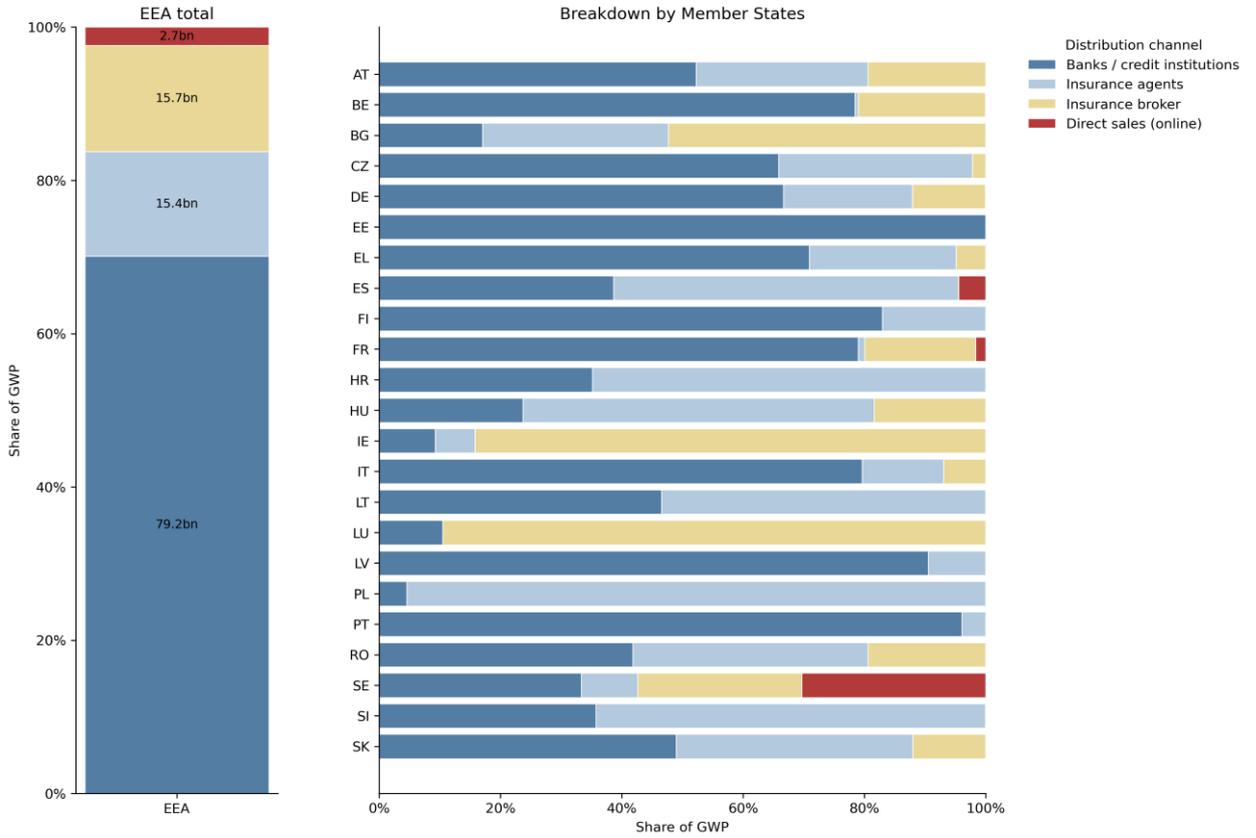
FIGURE 5 - GROSS WRITTEN PREMIUM BY PRODUCT CATEGORY AND RISK LEVEL — EEA TOTAL AND MEMBER STATE BREAKDOWN¹⁵



GWP shares for IBIPs by SRI bucket (SRI 1–3, SRI 4–7) and product category (UL, PP, HY). GWP refers to total gross written premium over the duration of the product and does not represent annual premium flows. The left panel shows EEA aggregates; the right panel shows MS-level breakdowns. MS with less than three undertakings in the sample are excluded from the right panel. Country labels report GWP-weighted average RHP. GWP includes domestic and cross-border business.

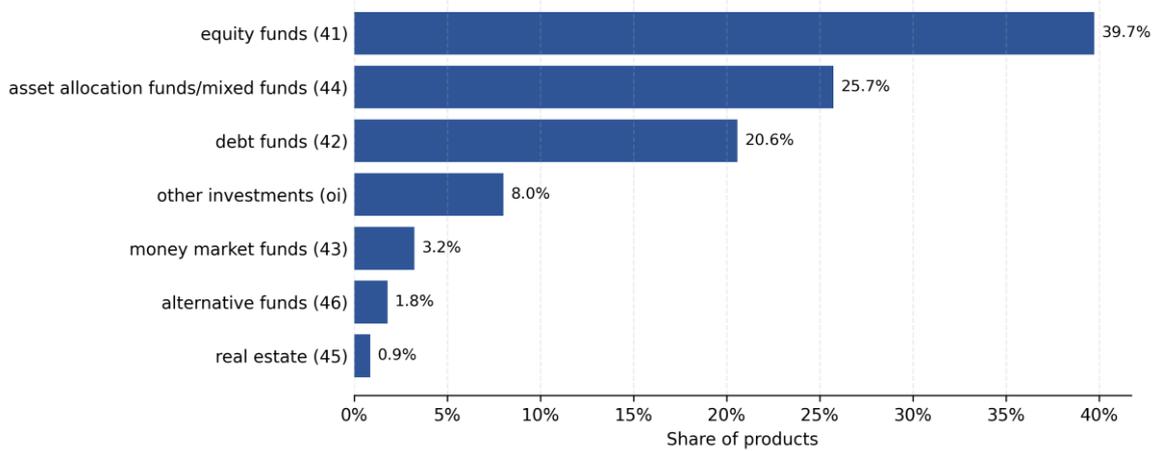
¹⁵ Member States with less than 3 undertakings (host perspective) are excluded from the breakdowns. This applies to figures and tables in the Empirical Results and Statistical Tables.

FIGURE 6 - DISTRIBUTION OF PRODUCTS BY DISTRIBUTION CHANNEL — EEA AND MEMBER STATES



GWP shares for IBIPs by distribution channel. GWP refers to total gross written premium over the duration of the product and does not represent annual premium flows. The left panel shows EEA aggregates; the right panel shows MS-level breakdowns. MS with less than three undertakings in the sample are excluded from the right panel. GWP includes domestic and cross-border business.

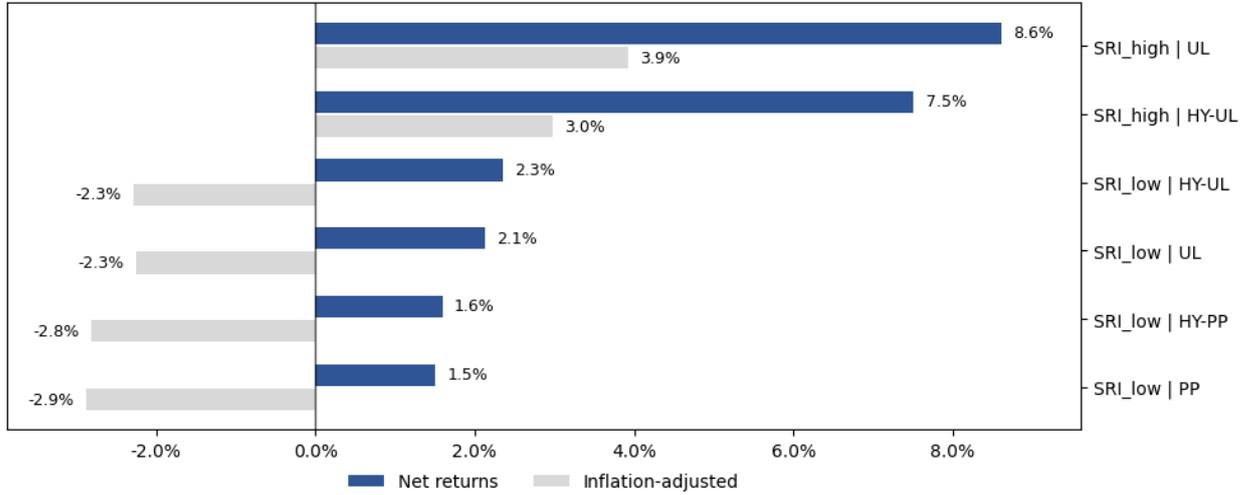
FIGURE 7 - DISTRIBUTION OF INVESTMENT CATEGORIES



The figure shows the distribution of IBIPs by underlying investment category, expressed as a share of products in the CPP sample. Each product corresponds to a reported product–investment combination.

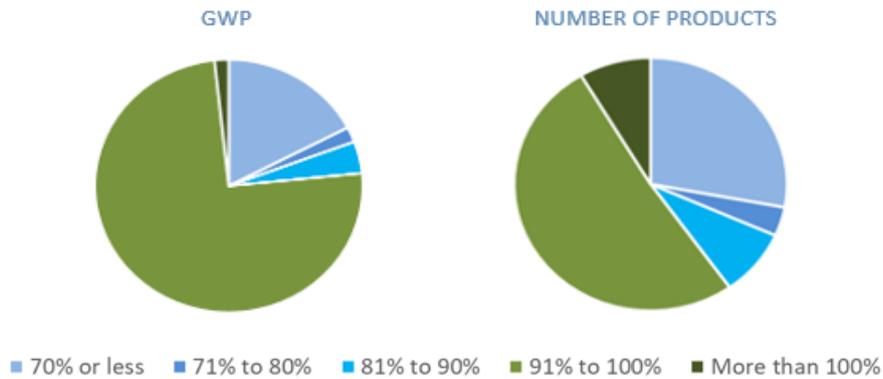
II. NET PERFORMANCE

FIGURE 8 - ANNUALISED NET AND INFLATION-ADJUSTED RETURNS



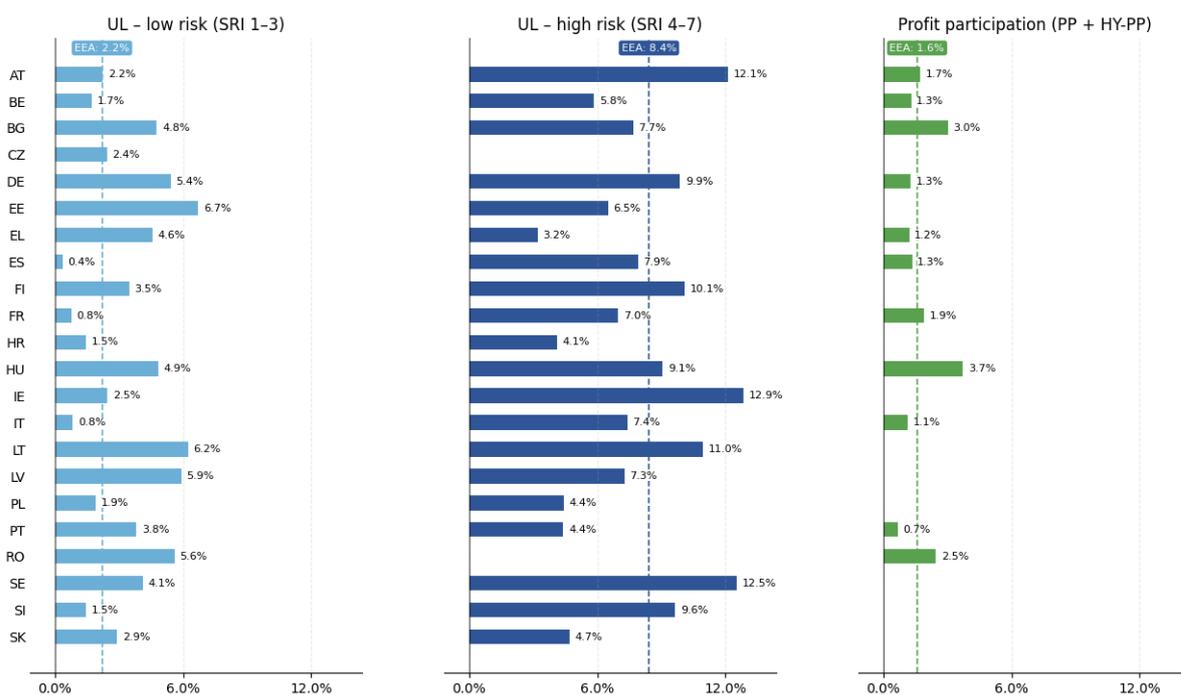
Annualised net and inflation-adjusted (real) returns for IBIPs by product category and SRI bucket (2020-2024). Both return measures are GWP-weighted and are based on products with at least three consecutive years of reported annual net returns. Annualised returns are computed using compounded net returns. Inflation-adjusted returns are obtained by deflating annual net returns using annual EEA inflation, measured as the year-on-year change in the Harmonised Index of Consumer Prices (HICP) for the European Economic Area (Eurostat)

FIGURE 9 - CAPITAL GUARANTEED AT RHP (PROFIT PARTICIPATION)



The figure illustrates the percentage capital guarantee at the recommended holding period for PP products and hybrid PP products in the sample. The pie chart at the left categorises the capital guarantee by gross written premium (GWP) whereas the pie chart at the right by the number of products.

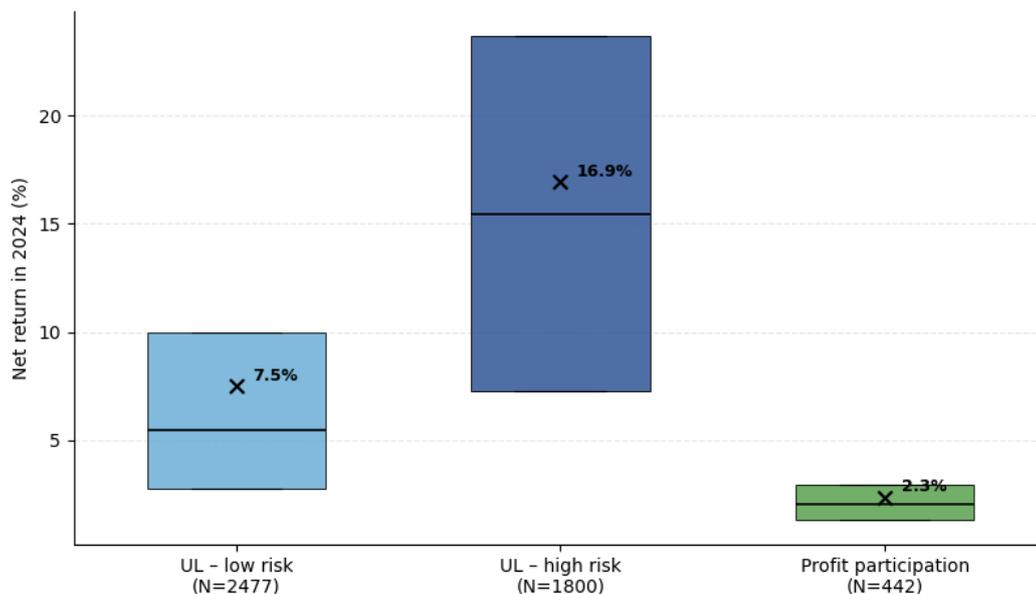
FIGURE 10 - ANNUALISED NET RETURNS BY COUNTRY AND PRODUCT TYPE¹⁶



The figure reports value-weighted annualised net returns of insurance-based investment products by host country. Returns are shown separately for unit-linked and hybrid unit-linked products (UL/HY-UL), split by SRI bucket (SRI 1–3 and SRI 4–7) and profit participation (PP) as well as hybrid profit-participation (HY-PP) products. Annualised net returns are computed from compounded net returns over the sample period 2020–2024 and do not correspond to a single calendar year. Only products with at least three consecutive years of reported annual net returns within the sample period are included. Returns are net of all costs and are aggregated using gross written premiums (GWP) as weights. Countries represented by fewer than three undertakings per panel are excluded. Dashed vertical lines indicate the EEA value-weighted average for the respective product segment.

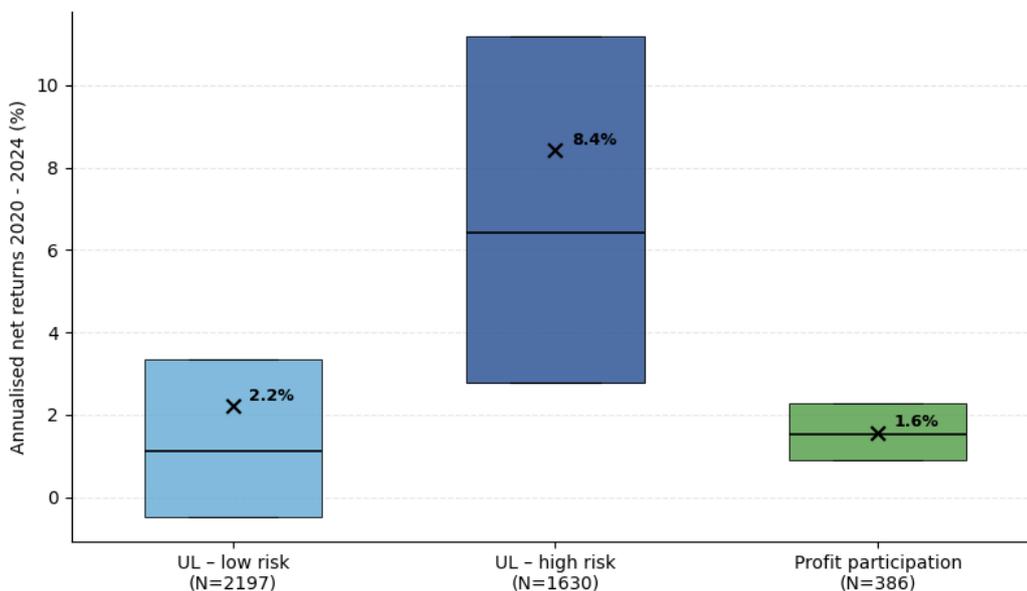
¹⁶ The indicators presented above are based on aggregated data grouped by SRI categories (1-3 and 4-7). These indicators should be analyzed with additional data such as the recommended holding period, premium frequency, or other product-specific characteristics that may affect costs and performance

FIGURE 11 - DISPERSION OF PRODUCT-LEVEL NET RETURNS IN 2024



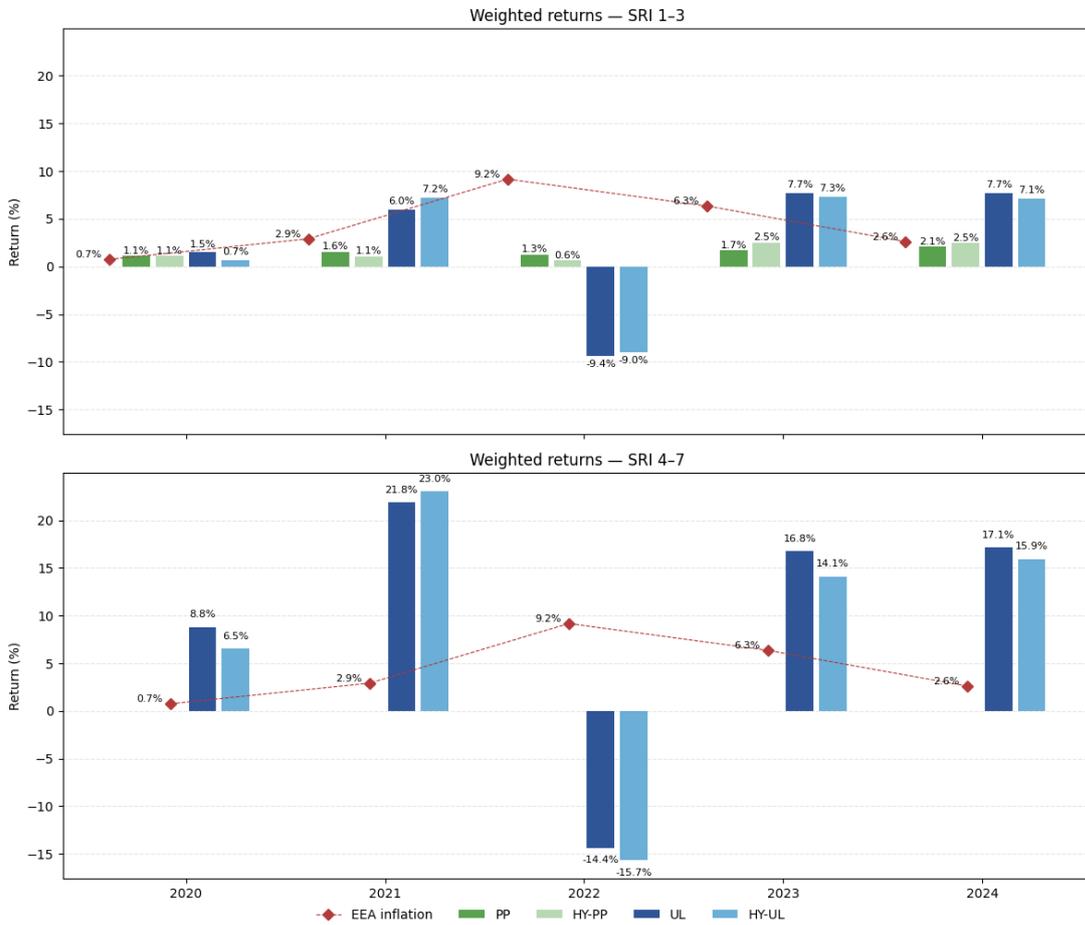
The figure shows the distribution of product-level net returns in 2024. Unit-linked products include hybrid UL products and are split by risk class based on SRI (low risk: SRI 1–3; high risk: SRI 4–7). Profit participation products include hybrid PP products. Boxes represent the interquartile range of unweighted product-level returns; outliers are suppressed. Crosses and value labels denote **gross written premium (GWP)-weighted average net returns**, reflecting the return experienced by the average euro of premium. Only products with non-missing returns and positive GWP are included; the number of products per group is shown below each box.

FIGURE 12 - DISPERSION OF PRODUCT-LEVEL NET RETURNS 2020-2024



The figure shows the distribution of annualised product-level net returns between 2020 and 2024. Unit-linked products include hybrid UL products and are split by risk class based on SRI (low risk: SRI 1–3; high risk: SRI 4–7). Profit participation products include hybrid PP products. Boxes represent the interquartile range of unweighted product-level returns; outliers are suppressed. Crosses and value labels denote **gross written premium (GWP)-weighted average net returns**, reflecting the return experienced by the average euro of premium. Only products with non-missing returns and positive GWP are included; the number of products per group is shown below each box.

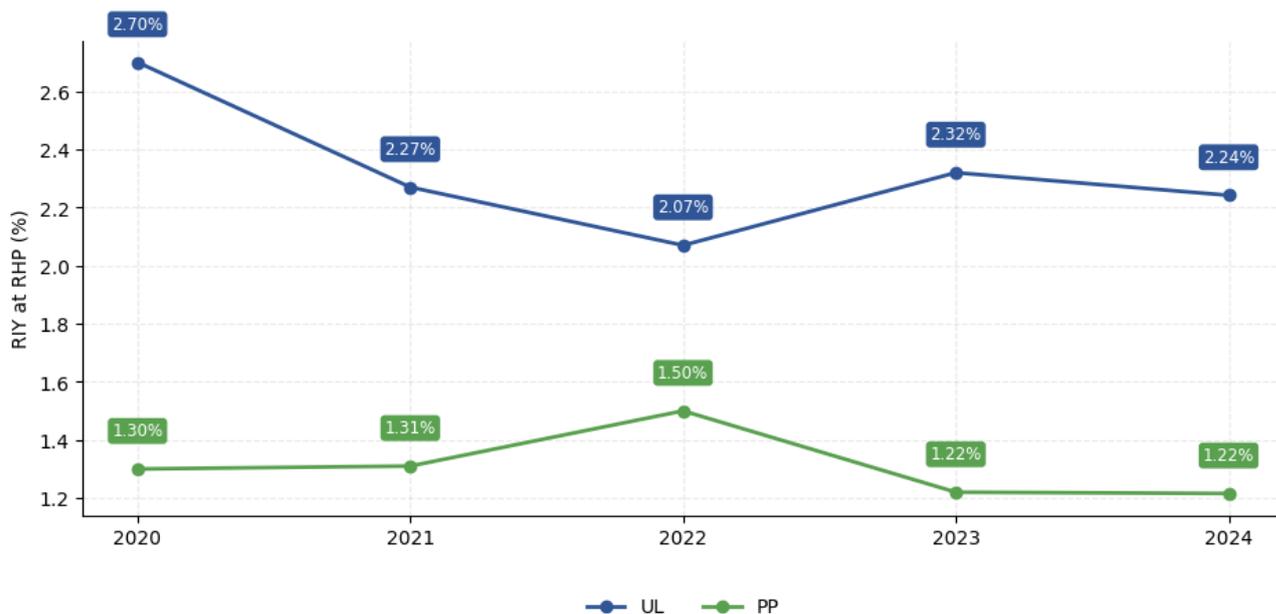
FIGURE 13 - VALUE-WEIGHTED ANNUAL NET RETURNS BY PRODUCT TYPE AND SRI



The figure shows value-weighted annual net returns for IBIPs by product type and SRI bucket. Returns are weighted by GWP and are net of all costs. Products are included if annual net return data are available for the respective year; annualised return calculations require at least three consecutive years of reported net returns. Connected markers indicate annual EEA inflation, measured as the year-on-year change in the Harmonised Index of Consumer Prices (HICP) for the European Economic Area, based on Eurostat data.

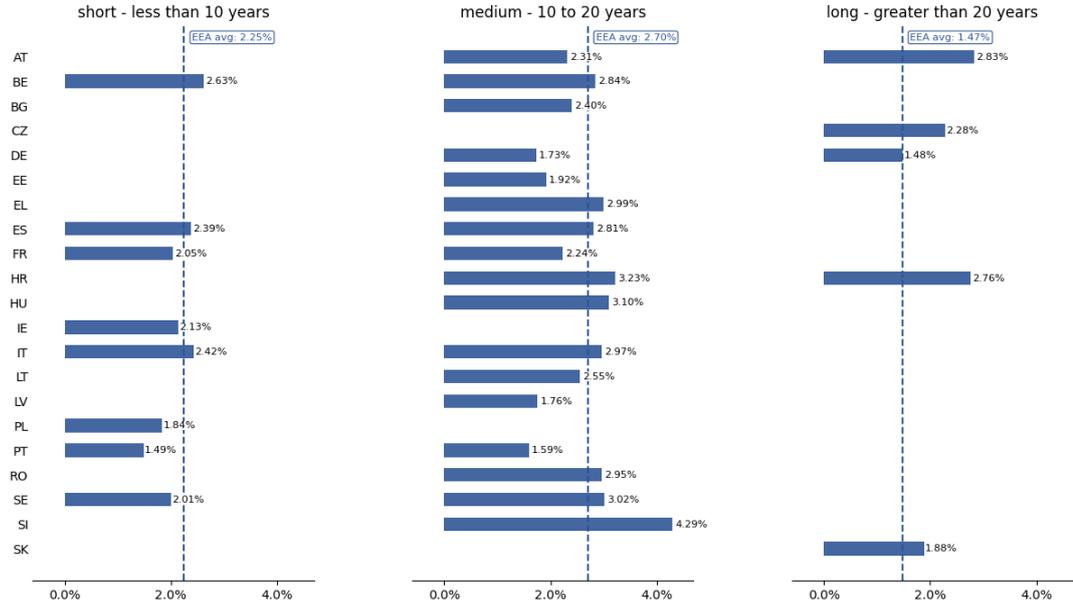
III. COSTS AND CHARGES

FIGURE 14 - TREND IN COSTS: WEIGHTED RIY OVER THE YEARS – UL AND PP



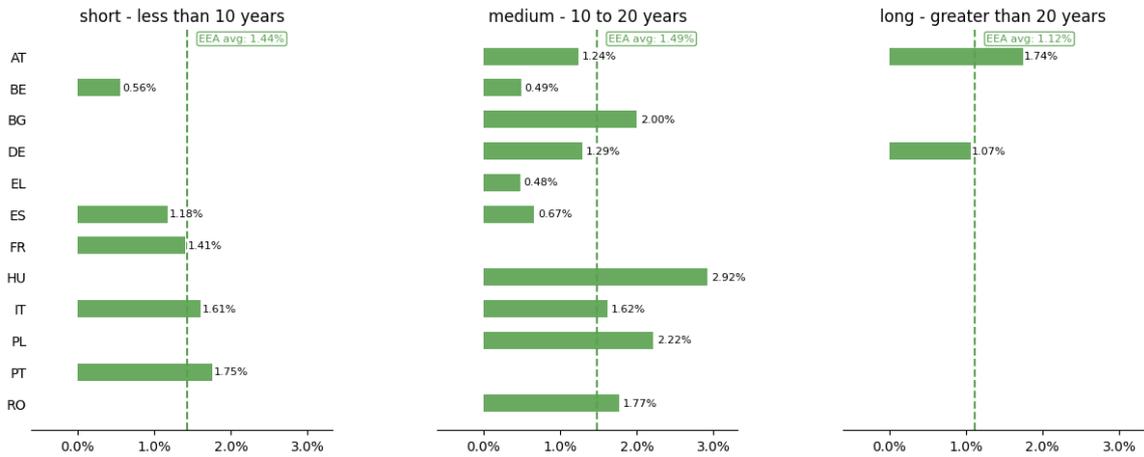
The figure shows the evolution of the Reduction in Yield (RIY) for UL and PP products. RIY measures the impact of total costs on annual returns over the recommended holding period and is shown as a GWP-weighted average. The figure combines historical estimates from earlier reporting exercises with the most recent estimate based on the current CPP dataset. Samples are not fully comparable across years, as the criteria used to define the analysis sample have been revised several times over successive CPP exercises, reflecting methodological improvements and changes in data availability. As a result, differences across years should be interpreted with caution. For the most recent period, RIY is computed using a restricted sample that focuses on the most sold products within comparable product groups. This approach provides a best estimate of cost developments over time by limiting the influence of changes in product coverage, but it does not eliminate all sources of non-comparability across years.

FIGURE 15 - REDUCTION IN YIELD (RIY) BY MEMBER STATE – UNIT-LINKED¹⁷



The figure shows GWP-weighted Reduction in Yield (RIY) at the recommended holding period for IBIPs by Member State. The sample comprises UL and HY-UL products. RIY measures the impact of total costs on annual returns over the product’s holding period. Only products with available RIY information are included. Member State × RHP cluster combinations represented by fewer than three undertakings are excluded from the chart but are considered in the EEA average.

FIGURE 16 - REDUCTION IN YIELD (RIY) BY MEMBER STATE – PROFIT PARTICIPATION¹⁷

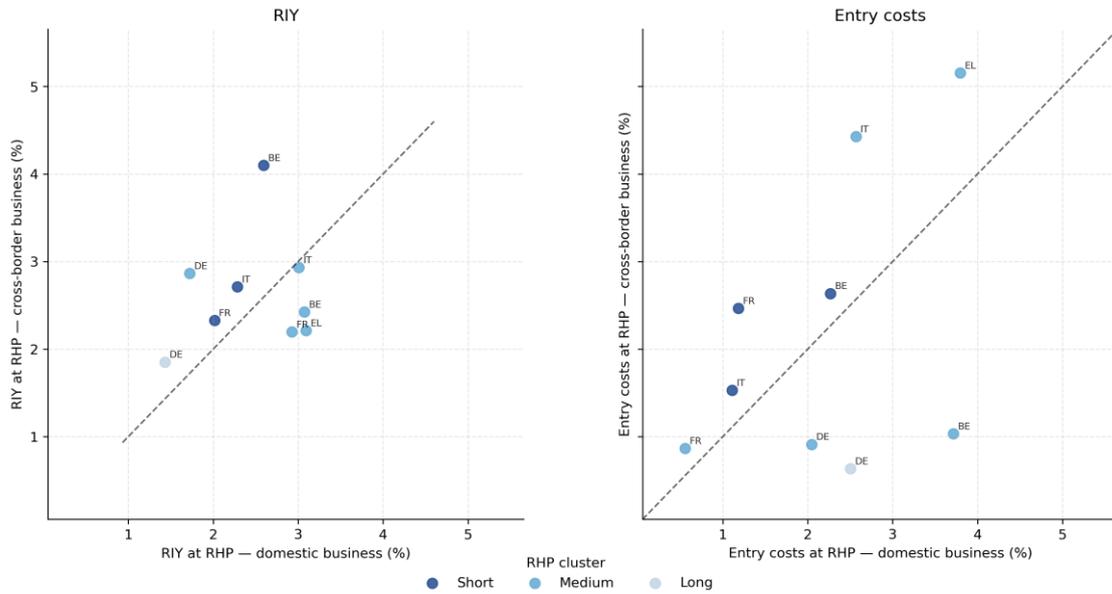


The figure shows GWP-weighted Reduction in Yield (RIY) at the recommended holding period for IBIPs by Member State. The sample comprises profit participation products and hybrid products’ profit participation components. RIY measures the impact of total costs on annual returns over the product’s holding period. Only products with available RIY information are included. Member State × RHP cluster combinations represented by fewer than three undertakings are excluded from the chart but are considered in the EEA average.

¹⁷ The indicators presented above are based on aggregated data grouped by RHP categories. Other product features such as the SRI, premium frequency, or other product-specific characteristics may affect costs and performance.

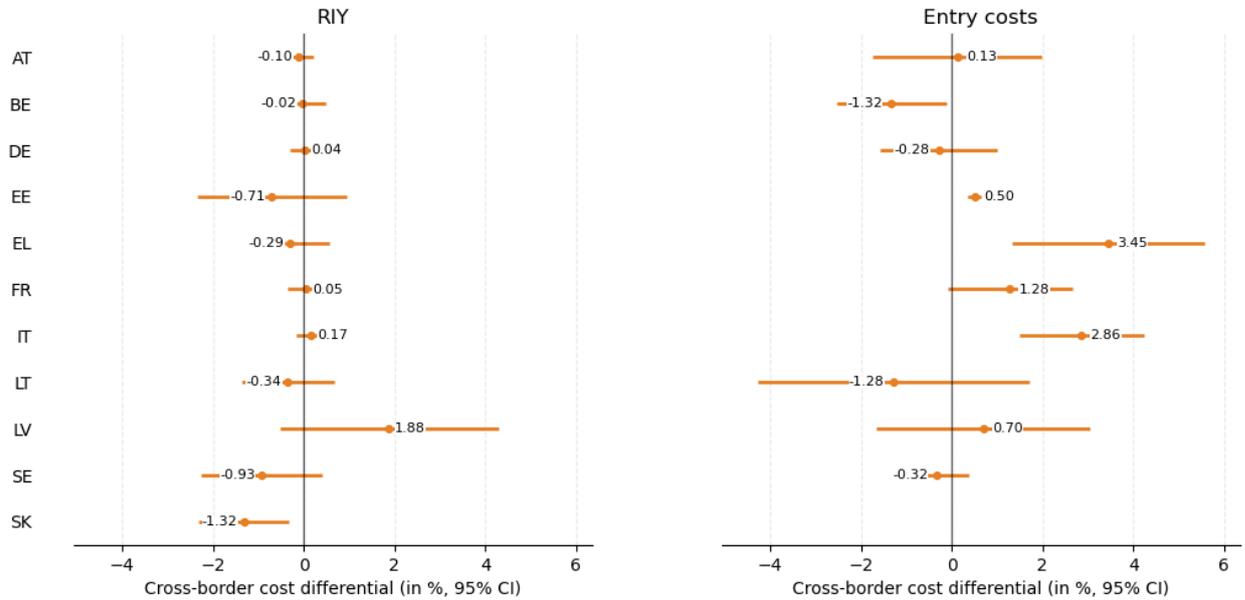
IV. CROSS BORDER AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

FIGURE 17 - COMPARISON OF DOMESTIC AND CROSS-BORDER COSTS FOR UNIT-LINKED IBIPS



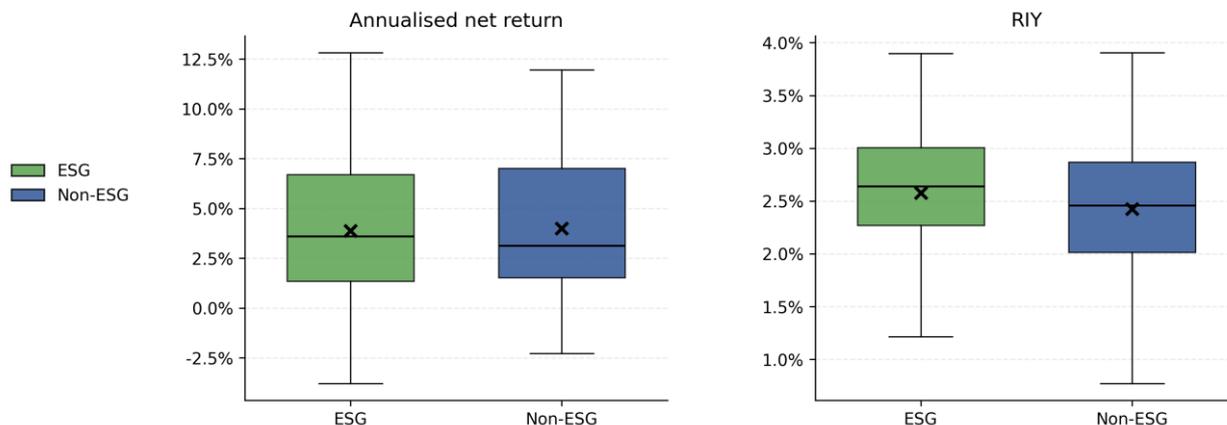
Each dot represents a Member State x RHP cluster (short, medium, long). The horizontal axis shows value-weighted costs for domestic business, and the vertical axis shows value-weighted costs for cross-border business. Costs are measured by the RIY at RHP (left panel) and entry costs at RHP (right panel), weighted by GWP. Only unit-linked and hybrid unit-linked products are included. Data points are shown only where both domestic and cross-border business are represented by at least three undertakings within the respective RHP cluster. The dashed line indicates parity between domestic and cross-border costs.

FIGURE 18 - COST DIFFERENTIALS FOR UNIT-LINKED INSURANCE PRODUCTS SOLD CROSS-BORDER (BY HOST COUNTRY)



The figure reports estimated country-specific cross-border pricing differentials for unit-linked and hybrid unit-linked insurance-based investment products. Each point represents the difference in costs between cross-border and domestic products sold in the same host country, conditional on product characteristics. Estimates are obtained from separate linear regressions for each cost measure, where the dependent variable is either the Reduction in Yield (RIY) or entry costs expressed as a percentage of total premium paid at RHP. The main explanatory variable is an interaction between a cross-border indicator and host country fixed effects. All specifications control for risk class (SRI cluster), recommended holding period cluster, and product type, and include only countries with a minimum number of domestic and cross-border observations to ensure reliable estimation. Horizontal lines denote 95% confidence intervals based on robust standard errors. A negative value indicates that cross-border products are, on average, cheaper than comparable domestic products in the respective host country, while a positive value indicates higher costs. Results reflect conditional pricing differences and may therefore differ from unconditional comparisons based on raw averages.

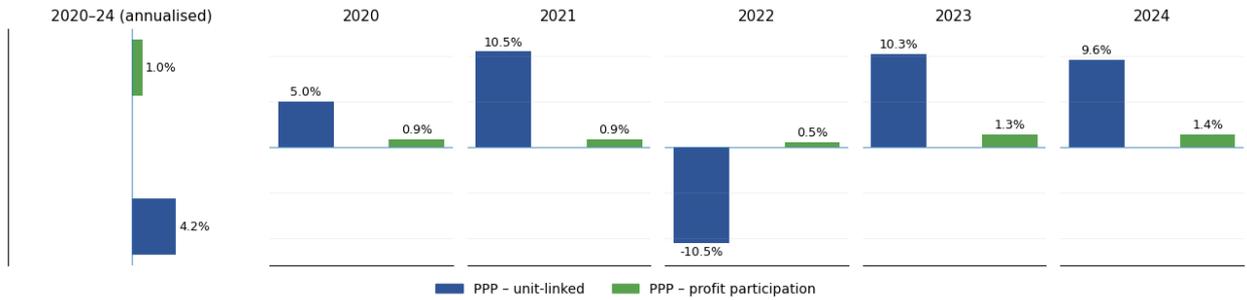
FIGURE 19 - ESG VS NON-ESG PRODUCTS — COSTS AND PERFORMANCE AFTER CONTROLLING PRODUCT FEATURES



The figure compares costs and performance between ESG and non-ESG IBIPs after controlling for key product characteristics. The classification is based on the SFDR classification, with Article 8 and Article 9 products classifying as ESG-IBIPs. Boxplots display fitted values obtained from multivariate regressions estimated at the product level. Separate regressions are estimated for annualised net returns and for costs measured by Reduction in Yield (RIY). The regressions control for product risk (SRI), recommended holding period (RHP), product category, and underlying investment type. Fitted values therefore represent the expected level of performance or costs for ESG and non-ESG products, holding these characteristics constant. The comparison isolates differences associated with ESG classification that are not explained by differences in risk profile, product design, or investment type. The analysis is descriptive and does not imply causality. Performance estimates are based on products with at least three consecutive years of reported net returns; cost estimates include all products with available RIY information.

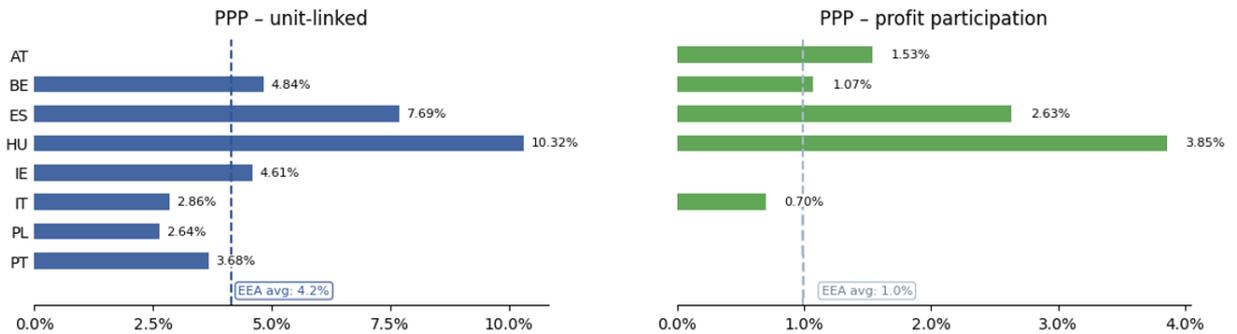
V. PERSONAL PENSION PRODUCTS¹⁸

FIGURE 20 - PPP PRODUCTS — ANNUAL NET RETURNS OVER TIME



The figure reports net returns for PPP products. The left panel shows annualised net returns, computed from compounded net returns over the available multi-year period and including only products with at least three consecutive years of reported annual net returns. The right panel shows annual net returns by calendar year, based on PPP products with reported net returns in that year. Returns are aggregated using GWP weights and are net of all costs.

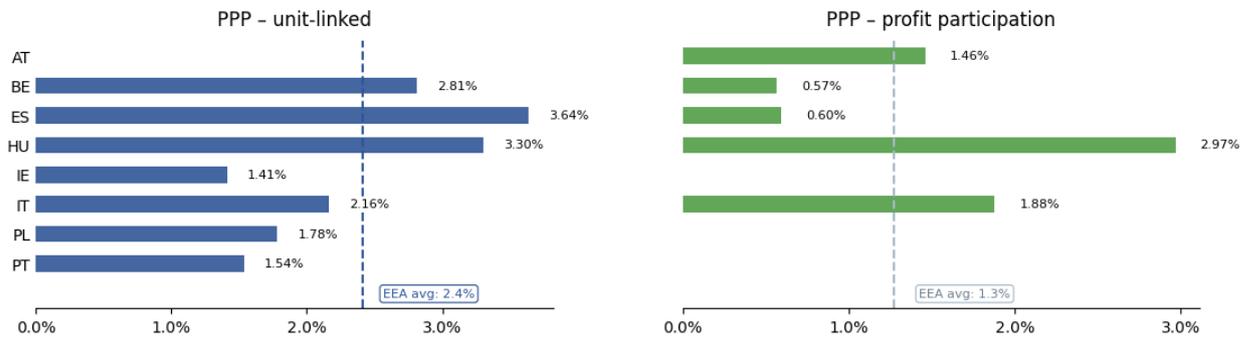
FIGURE 21 - PPP PRODUCTS — ANNUALISED NET RETURNS BY MEMBER STATE (2020–2024)



Annualised net returns are computed from compounded net returns over the sample period 2020–2024 and include only products with at least three consecutive years of reported annual net returns within this period. The reported values therefore do not correspond to a single calendar year but reflect average annual performance over the available multi-year observation window. Returns are aggregated using GWP weights and are net of all costs. The horizontal reference line indicates the EEA aggregate. Member States represented by fewer than three undertakings are excluded from the chart but considered in the EEA aggregate.

¹⁸ PPPs are highly diverse in the EEA and, depending on the Member State, some can be classified as IBIPs. Therefore, the reporting of figures for PPPs that are not IBIPs (e.g. ES, IT) is applied on a best effort basis. Due to absence of a harmonized regulatory framework at the European level applicable to all PPPs, comparability across different markets is limited.

FIGURE 22 - PPP PRODUCTS — REDUCTION IN YIELD BY MEMBER STATE



RIY values are computed at the recommended holding period and measure the impact of total costs on annual returns over the product's holding period. RIY values are aggregated using GWP weights. The horizontal reference line indicates the EEA aggregate. Member States represented by fewer than three undertakings are excluded from the chart but considered in the EEA aggregate.

STATISTICAL TABLES

TABLE 1 - NET RETURNS OF UNIT-LINKED AND HYBRID-UL

Member State	No. of products		Weighted net returns 2020		Weighted net returns 2021		Weighted net returns 2022		Weighted net returns 2023		Weighted net returns 2024		No. of products (>=3 yrs)		Weighted net returns 2020-2024	
	1 - 3	4 - 7	1 - 3	4 - 7	1 - 3	4 - 7	1 - 3	4 - 7	1 - 3	4 - 7	1 - 3	4 - 7	1 - 3	4 - 7	1 - 3	4 - 7
AT	236	222	0.9%	9.6%	7.6%	23.3%	-8.1%	-5.5%	5.1%	17.1%	6.8%	19.4%	161	109	2.2%	12.1%
BE	202	136	0.1%	10.1%	8.1%	15.9%	-15.2%	-15.2%	8.8%	12.1%	9.5%	13.4%	153	107	1.7%	5.8%
BG	37	27	2.1%	7.8%	18.2%	18.5%	-13.7%	-12.0%	11.1%	11.3%	13.1%	17.4%	30	25	4.8%	7.7%
CZ	16	5	0.9%	9.5%	2.2%	17.8%	-2.0%	-9.0%	7.7%	14.7%	3.9%	11.6%	12	4	2.4%	7.9%
DE	603	367	2.0%	7.0%	13.3%	24.4%	-8.7%	-12.1%	11.4%	16.0%	12.3%	20.7%	560	333	5.4%	9.9%
EE	35	51	7.3%	12.0%	19.1%	18.8%	-11.7%	-17.3%	12.3%	16.1%	13.5%	14.8%	32	49	6.7%	6.5%
EL	58	32	0.8%	-2.0%	18.6%	8.7%	-16.7%	-13.8%	13.0%	11.8%	12.2%	12.0%	38	23	4.6%	3.2%
ES	181	93	-1.2%	13.1%	2.4%	16.1%	10.1%	-12.3%	6.8%	20.9%	6.8%	18.0%	58	35	0.4%	7.9%
FI	70	46	3.4%	6.1%	9.3%	25.0%	-11.1%	-12.8%	8.9%	16.3%	9.6%	21.3%	65	45	3.5%	10.1%
FR	297	193	-0.7%	4.7%	1.3%	23.6%	-4.2%	-14.1%	4.1%	13.1%	4.1%	13.3%	178	129	0.8%	7.0%
HR	29	53	0.7%	0.7%	7.2%	16.8%	-16.5%	-18.5%	9.7%	11.2%	8.0%	15.4%	27	49	1.5%	4.1%
HU	150	131	3.5%	14.8%	6.2%	17.7%	-6.7%	-13.7%	13.3%	15.5%	9.4%	20.3%	95	89	4.9%	9.1%
IE	106	65	0.3%	14.3%	7.5%	31.4%	-9.0%	-19.6%	6.6%	23.0%	8.6%	25.5%	101	63	2.5%	12.9%
IT	610	434	1.7%	10.6%	2.9%	20.1%	-10.7%	-18.1%	5.9%	16.2%	5.9%	16.0%	464	324	0.8%	7.4%
LT	33	34	6.4%	14.4%	16.0%	25.3%	-11.3%	-19.9%	11.1%	21.5%	12.4%	22.8%	31	32	6.2%	11.0%
LU	14	9		11.8%		71.7%		-33.1%		13.1%		89.7%	1	2		
LV	26	27	6.2%	7.0%	14.8%	22.2%	-11.8%	-16.4%	11.5%	15.4%	12.2%	14.8%	24	27	5.9%	7.3%
PL	57	48	1.2%	2.1%	-0.9%	13.2%	-6.8%	-17.7%	12.6%	30.0%	3.5%	2.4%	52	42	1.9%	4.4%
PT	54	18	3.8%	1.7%	6.8%	6.7%	-3.9%	-0.6%	7.3%	7.1%	6.7%	8.2%	46	17	3.8%	4.4%
RO	37	51	3.7%	-1.4%	6.9%	27.1%	-3.5%	-13.7%	17.4%	17.2%	6.5%	10.1%	24	13	5.6%	5.9%
SE	94	119	2.0%	10.0%	11.1%	29.1%	-9.1%	-9.9%	9.3%	18.1%	9.4%	21.6%	77	92	4.1%	12.5%
SI	79	96	-1.0%	5.4%	7.9%	25.9%	-14.8%	-17.3%	7.5%	17.2%	8.3%	24.7%	79	96	1.5%	9.6%
SK	53	45	4.7%	6.0%	9.3%	21.7%	-14.2%	-19.9%	10.5%	12.5%	11.2%	10.0%	37	30	2.9%	4.7%
EEA	3,126	2,345	1.2%	8.4%	6.4%	22.1%	-9.2%	-14.6%	7.5%	16.3%	7.5%	16.9%	2394	1,777	2.2%	8.4%

This table reports weighted net returns for unit-linked (UL) and hybrid unit-linked (HY-UL) insurance-based investment products, split by SRI bucket (low SRI: 1–3; high SRI: 4–7). Net returns for individual years (2020–2024) are weighted by gross written premiums (GWP). The column “Weighted net returns 2020–2024” reports the weighted average annualised net return and only includes products with at least three consecutive years of net return observations, identified using a minimum block length of three years. The number of products meeting this criterion is reported separately. The EEA row aggregates all Member States using the same methodology. Member States represented by fewer than three undertakings are excluded from the Member State breakdown but remain included in the EEA aggregate.

TABLE 2 - NET RETURNS OF PROFIT-PARTICIPATION AND HYBRID-PP

Member State	No. of products	Weighted net returns 2020	Weighted net returns 2021	Weighted net returns 2022	Weighted net returns 2023	Weighted net returns 2024	No. of products (>=3 yrs)	Weighted net returns 2020-2024
AT	38	1.8%	1.7%	1.6%	1.7%	1.9%	37	1.7%
BE	33	0.5%	0.5%	0.7%	2.1%	2.1%	18	1.3%
BG	10	3.1%	3.3%	2.1%	3.4%	3.2%	10	3.0%
DE	59	1.4%	1.1%	0.5%	1.6%	1.9%	55	1.3%
EL	13	0.9%	1.1%	0.9%	1.4%	1.8%	13	1.2%
ES	69	0.9%	0.8%	1.1%	1.7%	2.2%	60	1.3%
FR	23	1.2%	1.1%	1.9%	2.7%	2.6%	19	1.9%
HU	52	3.8%	3.3%	-0.7%	6.6%	6.3%	50	3.7%
IT	77	0.9%	0.9%	-0.8%	2.1%	2.2%	53	1.1%
PL	20	1.1%	-0.6%	-3.0%	4.3%	2.2%	15	0.8%
PT	9	0.3%	0.0%	0.0%	1.2%	2.0%	8	0.7%
RO	16	1.8%	2.1%	2.4%	2.8%	3.2%	15	2.5%
EEA	469	1.1%	1.3%	0.8%	2.2%	2.4%	392	1.6%

This table reports weighted net returns for profit-participation (PP) and hybrid profit-participation (HY-PP) insurance-based investment products by Member State. Net returns for individual years (2020–2024) are weighted by gross written premiums (GWP). The column “Weighted net returns 2020–2024” reports the weighted average annualised net return and only includes products with at least three consecutive years of net return observations, identified using a minimum block length of three years. The number of products meeting this criterion is reported separately. The EEA row aggregates all Member States using the same methodology. Member States represented by fewer than three undertakings are excluded from the Member State breakdown but remain included in the EEA aggregate.

TABLE 3 - REDUCTION IN YIELD AT RHP FOR UNIT-LINKED AND HYBRID-UL

Member State	Short - less than 10 years		Medium - 10 to 20 years		Greater than 20 years	
	No. of products	RIY	No. of products	RIY	No. of products	RIY
AT			202	2.3%	256	2.8%
BE	200	2.6%	138	2.8%		
BG			20	2.4%		
CZ					14	2.3%
DE			410	1.7%	551	1.5%
EE			76	1.9%		
EL			78	3.0%		
ES	197	2.4%	72	2.8%		
FI			40	1.9%		
FR	442	2.0%	48	2.2%		
HR			56	3.2%	18	2.8%
HU			281	3.1%		
IE	171	2.1%				
IT	649	2.4%	395	3.0%		
LT			49	2.6%	14	1.3%
LV			44	1.8%	9	0.7%
PL	50	1.8%				
PT	67	1.5%	5	1.6%		
RO			52	3.0%		
SE	168	2.0%	45	3.0%		
SI			162	4.3%		
SK					94	1.9%
EEA	2,094	2.3%	2,299	2.7%	1,068	1.5%

This table reports the number of unit-linked (UL) and hybrid unit-linked (HY-UL) insurance-based investment products (IBIPs) and their weighted reduction in yield (RIY) at the recommended holding period (RHP), by Member State and RHP category (short, medium and long). RIY values are weighted by gross written premiums (GWP). Member States represented by fewer than three undertakings are excluded from the Member State breakdown but remain included in the EEA aggregate. The EEA row aggregates all Member States using the same methodology.

TABLE 4 - REDUCTION IN YIELD AT RHP FOR PROFIT-PARTICIPATION AND HYBRID-PP

Member State	Short less than 10 years		Medium 10 to 20 years		Greater than 20 years	
	No. of products	RIY	No. of products	RIY	No. of products	RIY
AT			10	1.2%	27	1.7%
BE	28	0.6%	5	0.5%		
BG			9	2.0%		
DE			31	1.3%	28	1.1%
EL			9	0.5%		
ES	13	1.2%	46	0.7%		
FR	22	1.4%				
HU			52	2.9%		
IT	57	1.6%	20	1.6%		
PL			18	2.2%		
PT	9	1.8%				
RO			10	1.8%		
EEA	132	1.4%	232	1.5%	93	1.1%

This table reports the number of profit-participation (PP) and hybrid profit-participation (HY-PP) insurance-based investment products (IBIPs) and their weighted reduction in yield (RIY) at the recommended holding period (RHP), by Member State and RHP category (short, medium and long). RIY values are weighted by gross written premiums (GWP). Member States represented by fewer than three undertakings are excluded from the Member State breakdown but remain included in the EEA aggregate. The EEA row aggregates all Member States using the same methodology.

TABLE 5 - CROSS-BORDER UNIT-LINKED AND HYBRID-UL – COSTS AND NET RETURNS

Member State	No. of products	RIY at RHP	Weighted net returns 2020	Weighted net returns 2021	Weighted net returns 2022	Weighted net returns 2023	Weighted net returns 2024	No. of products (>=3 yrs)	Weighted net returns 2020-2024
AT	46	2.2%	-5.9%	21.5%	7.3%	19.1%	17.9%	44	15.4%
BE	62	2.7%	1.1%	6.4%	-11.0%	7.0%	6.9%	34	1.7%
DE	313	2.0%	4.2%	4.3%	-9.1%	9.2%	10.8%	303	3.4%
EL	38	2.2%	-3.5%	7.2%	-19.5%	14.2%	12.7%	28	1.0%
FR	126	2.3%	-0.1%	6.2%	-6.6%	6.0%	5.4%	88	2.0%
IT	450	2.8%	4.8%	6.4%	-11.2%	8.3%	8.8%	293	2.5%
LT	49	2.4%	12.7%	22.9%	-15.5%	17.7%	18.8%	45	9.8%
PT	9	1.6%	6.2%	10.6%	-12.8%	10.0%	9.5%	9	4.1%
SE	12	1.5%	5.8%	8.6%	-6.2%	8.8%	2.9%	10	3.6%
EEA	1213	2.6%	4.1%	7.1%	-10.4%	8.6%	8.6%	956	2.9%

This table reports cross-border unit-linked (UL) and hybrid unit-linked (HY-UL) insurance-based investment products (IBIPs) by host Member State. Figures include the number of products, the weighted reduction in yield (RIY) at the recommended holding period (RHP), and weighted net returns for each year from 2020 to 2024. Annualised net returns for the period 2020–2024 are calculated using per-product annualised net returns and include only products with at least three consecutive years of performance data. All weighted averages are computed using gross written premiums (GWP) as weights. Cross-border products are defined as products marketed in a Member State by an insurance undertaking domiciled in another Member State. Member States represented by fewer than three undertakings are excluded from the Member State breakdown but remain included in the EEA aggregate. The EEA row aggregates all Member States using the same methodology.

APPENDIX I - METHODOLOGY

Sample Selection

During 2025, EIOPA undertook a data collection exercise gathering product information from a sample of insurance undertakings in each participating Member State, encompassing unit-linked (UL), profit participation (PP), hybrid (HY), and personal pension products (PPP) which can be either IBIPs or non-IBIPs.

Participating undertakings were required to submit data via a standardized template, adhering to common principles that varied according to product type. Only products available on the market as of December 31, 2024, were considered for inclusion in the sample. The sample selection covered:

- ▶ **Unit-linked:** the most sold, the most expensive, and the cheapest products¹⁹ covering diverse recommended holding periods (RHP), risks (SRI), and asset classes such equity funds, asset allocation funds, and debt funds. From a consumer perspective and for the purpose this report, a product is defined as a single entity comprising a wrapper plus a specific investment option. This might at times differ from the manufacturer's perspective to the extent that the manufacturer will consider the full universe of possible investment options while a policyholder may choose to invest into a single or a sub-set of the full range of investment options.
- ▶ **Hybrid:** products offering the combination of both unit-linked and profit participation components and/or allowing consumers to combine them. Depending on the investment options, the data collection differentiated between:
 - **Hybrid comprising individual investment option**²⁰: the most sold, the most expensive, and the cheapest product for diverse RHP, SRIs, and asset classes including reporting on the profit participation component.
 - **Hybrid comprising combined investment option:** the most sold product per simplified clusters covering different risk (SRI) and RHP.
- ▶ **Profit participation:** the most sold products for different risks (SRI)
- ▶ **Personal Pension Products:** due to the lack of a harmonized European definition and to ensure consistency with previous reports, the 3 most sold products.

¹⁹ The selection of the most sold was based on Gross Written Premium (GWP) from new business in 2024 (multiply by the RHP in case of regular premium product) - , while the most expensive and the cheapest consider RIY at RHP.

²⁰ Individual investment option does not refer only to cases where there is a single asset (i.e., equity fund with ISIN code 'YYYYY'), but also to combination of assets (i.e., equity fund and debt fund) where there is a pre-determined investment allocation/strategy

To provide a consistent framework for analysis and to enable comparability with previous years' report, which featured a more limited product sample, EIOPA limited the sample when analysing cost trends over time (i.e. *What is the trend in costs?*). Specifically, the comparison of cost with previous year figures was restricted to the most sold product per SRI. However, this approach did not apply to the analysis of net returns, as the current data collection exercise captured returns from previous years.

Data checks and winsorization

The reported data are subject to consistency checks conducted by EIOPA on a subsample basis. These checks resulted in revisions in a limited number of cases. In addition, to mitigate the influence of outliers and potential data errors, winsorisation was applied to annual return data, costs deducted from annual returns, the reduction in yield (RIY), and gross written premium (GWP).

Winsorisation replaces extreme values in the tails of a distribution with the values at selected percentile cut-offs. As costs and performance exhibit different distributions across product types, winsorisation was applied within homogeneous subgroups of products. Specifically, it was implemented separately by product group (PP, UL, Hybrid-UL, and Hybrid-PP, PPP) and by SRI bucket (low SRI < 4 and high SRI). The cut-offs were set at the 5th and 95th percentiles, in line with common practice in empirical financial research.

This approach is applied for the first time in this year's report and may therefore affect comparability with results from previous years. However, the direction of any potential bias is unclear. For example, the new approach reduces the influence of very large GWP products in value-weighted averages for both performance and costs. Whether such high-GWP products are associated with systematically higher or lower costs and performance is not evident. Consequently, the winsorised approach is not expected to materially affect the interpretation of results relative to previous reports.

Net returns and costs

Figures on returns throughout the report refer to net returns (actual return on investment that the policyholder receives after all deductions have been made for costs and fees) while costs cover the reduction in yield (RIY) at RHP and, on some occasions, entry costs as percentage of total premium paid at RHP.

Unless otherwise indicated, the displayed aggregated averages for net returns and costs are value-weighted averages. The applied weight is the GWP that the product accumulated over its lifetime, thereby reflecting the economic relevance of products in the market.

Annualised net returns

Annualised net returns measure the average yearly net performance of a product over a multi-year period, considering the compounding of returns over time. For each product, annualised net returns are computed as the geometric means of the yearly net returns observed over the available years, provided that at least three consecutive years of data are available. This approach ensures

comparability across products with different return profiles and avoids distortions that may arise from simple arithmetic averaging.

Cost indicators based on PRIIPs KIDs

The cost indicators in this report are derived from information disclosed in accordance with the PRIIPs Regulation and reported in PRIIPs Key Information Documents (KIDs). These disclosures follow a harmonised and standardised methodology designed to ensure comparability across products and manufacturers.

By construction, PRIIPs KID cost indicators reflect the costs disclosed to consumers and do not consider any investor-specific discounts, such as individually negotiated fee reductions or distribution-channel-specific rebates. As a result, the reported cost measures disclose be higher than the costs ultimately borne by some individual policyholders.

At the same time, collecting comprehensive and comparable information on actual costs paid by individual consumers across products, jurisdictions, and time would be considerably more burdensome. Against this background, the PRIIPs KID framework provides the most comprehensive and harmonised source of cost information available for cross-country and cross-product analysis.

- ▶ *Illustrative example: A PRIIPs KID may report annual costs of 2.0% for a given product. An individual policyholder benefiting from a distribution-related discount might effectively pay 1.8%. While the PRIIPs-based indicator overstates the cost faced by this policyholder, it remains a consistent and comparable measure across products.*

APPENDIX II - GLOSSARY

Term	Working definitions
Unit-linked (UL)	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 ²¹ .
Profit participation (PP)	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 guaranteed 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 (HY)	Product offering the combination of both unit-linked and profit participation components and/or allowing consumer the possibility to combine them. 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.
Hybrid-UL (HY-UL)	Unit-linked components of hybrid products, and hybrid products with pre-defined strategy where unit-linked components are predominant.
Hybrid-PP (HY-PP)	Profit participation components of hybrid products, and hybrid products with a pre-defined strategy where the profit participation component is predominant.

²¹ For the CPP report purposes, Depåförsäkring sold in the Swedish market, where policyholder bears the investment risk, are included in this category.

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