Internal Models

STUDY ON DIVERSIFICATION IN INTERNAL MODELS

Quantitative Data Request
Technical Specifications

16 July 2025

European Insurance and
Occupational Pensions Authority

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1 INTRODUCTION

The aim of this document is to provide instructions to the insurance and reinsurance undertakings participating in the EEA–wide comparative study on diversification in internal models. Please consider this document carefully before filling out the response templates of the Diversification in Internal Models data request (hereafter “this data request” or “the data request”).

2 REQUIRED PARTICIPANTS

Participants are all individual and group insurance and reinsurance undertakings of the EEA using an approved internal model.

Undertakings are not expected to fill in the Excel template if the aggregation between all the risks and sub-risks mentioned in the template follows the modular Standard Formula approach including its exact correlation settings.

3 DATA SUBMISSION MODALITIES

This data request consists of xlsx and CSV files comprising response templates (please refer to the two files: the general file in Excel format *DivIM2 - Quantitative reporting template – EN.xlsx* and the file containing the loss scenarios in CSV format *DivIM2_Loss_Scenario_File.CSV*) that should be thoroughly completed by the required participants.

Use the following naming convention:

- UTname_UTgroup_Country_yyyymmdd.xlsx, replacing "UTname" with the undertaking's name, "UTgroup" with the name of the undertaking's parent group, "Country" with the country in which the undertaking is licensed (using two letters as per ISO 3166-1 alpha-2 country codes) and "yyyymmdd" with the submission date.
- UTname_UTgroup_Country_data_yyyymmdd.csv

Please submit the files to your NCA via your usual transfer channel.

4 REFERENCES AND CONVENTIONS

4.1 REFERENCE DATE AND REPORTING CURRENCY

The data as at year end 2024 (i.e. 31 December 2024) are requested from the participants, using the internal model calibrated for year end 2024 in the reporting currency. Please use the reporting currency as defined in article 2 of the Commission Implementing Regulation (EU) 2023/894.

4.2 SIGN AND NUMBER CONVENTIONS

Monetary amounts should be reported as positive values if they refer to losses or negative if they refer to gains. The monetary amounts should be rounded and expressed in the unit of the currency considered excluding the numbers after the decimal separator (for example 1223363.57 euros should be reported as 1223364).

Numbers of other nature (not monetary amounts) should use the dot "." as the decimal separator and contain as many decimal places as the business deems necessary. Quantities should be reported in units, for example a correlation factor of 2% should be reported as 0.02.

Sensitivities should be reported as the obtained increase or decrease of applying the sensitivity compared to the base case.

4.3 LOSS ABSORBING CAPACITY CONVENTION

Undertakings should provide values that are gross the loss absorbing capacity of the deferred tax (LAC_DT) and net of loss absorbing capacity of the technical provisions (LAC_TP).

4.4 LEGAL REFERENCES

Throughout this document, please refer to the following legal texts:

- Directive 2009/138/EC of the European Parliament and of the Council (Solvency II Directive)
- Commission Delegated Regulation (EU) 2015/35 (Solvency II Delegated Acts)
- Commission Implementing Regulation (EU) 2023/894 (ITS)

5 TECHNICAL SPECIFICATIONS

5.1 OVERVIEW

This data request consists of an Excel quantitative submission template with the following tabs. Some of the requested splits between sub-risks in this template might not be available in the internal model. In this case, if a proxy is available that can perform the requested split then this proxy should be used, otherwise the user shall report these risks together (no split) and add a comment in the “General comments” tab to note that the split is not possible. If in doubt contact your NCA.

- **Company-group profile**

This tab contains:

— Economic values that define the risk profile of the undertaking or group;

— The modelled Value-at-Risk (mVaR – cell D9 in the excel file) is the equivalent of the BSCR defined in standard formula (99.5th percentile or average around this percentile if another estimator is used) with the exception of operational risk which should be included if evaluated in the internal model where a diversification with other risks is present. This amount is obtained by aggregating the distributions of market, credit, Non-Life, life, health, business, other risks and operational (if the latter is in the scope of the internal model). The sum of the mVaR, the operational risk if evaluated under the standard formula (Operational_SF), the diversified SCR of miscellaneous risks not included in the model (Misc), the Loss Absorbing Capacity for Technical Provisions nd Deferred Taxes (LAC_TP and LAC_DT), the diversified SCR of risks evaluated with the standard formula (RiskSF), the diversified SCR of entities using the Standard Formula (net of any integration term) (UTSFafter), the diversified SCR for other entities and other adjustments (OtherUT), should add up to the total entity SCR; If not, please explain why in the "General comments" tab of the template.

Modelled Value-at-Risk (VaR) Equivalent of BSCR (including operational risk if evaluated in IM)	*mVaR*	
Operational risk (if evaluated in SF)	*Operational_SF*	
Diversified SCR of miscellaneous risks (including Risk-sharing not modelled, Add-on etc.)	*Misc*	
Loss Absorbing Capacity of Technical Provision	*LAC_TP*	
Loss Absorbing Capacity of Deferred Taxes	*LAC_DT*	
Diversified SCR of risks evaluated with SF	*RiskSF*	
Sum of diversified SCR of entities evaluated with SF	*UTSFbefore*	
Diversified SCR of entities evaluated with SF after integration technique is applied	*UTSFafter*	
Diversified SCR contribution from other institutions	*OtherUT*	
Solvency Capital Requirement	*SCR*	mVaR + Operational_SF + Misc + Lac_TP + Lac_DT + RiskSF + UTSFafter + OtherUT

— The additional adjustments to the mVaR, needed to obtain the total capital requirement before tax of the individual undertaking or of the group in question.

SCR information

In this tab the undertaking or the group is expected to provide quantitative information regarding the risks at three different levels:

- Section 1 – total mVaR (for partial internal models it should include the IM and the SF part)
- Section 2 – top level risks
- Section 3 – sub-risks relating to the modules market, life, health, Non-Life

Top level correlation matrices/Sublevel correlation matrix

This tabs contains information on the linear (i.e. Pearson) correlation matrix between risks drivers at top level/sub-risk level. This information should be provided if:

- There are sections of the model where the aggregation is done by VaR-CoVaR aggregation method (for example between top risks or between market risk modules).

For the undertakings using other methods:

In cases where scenarios are provided information on correlations will be derived by the project group from the simulation data.

In addition to linear correlations, the analysis will also leverage the insights obtained via concentration metrics, rank correlations, tail dependences, joint quantile exceedances, landing quantiles and empirical copula analyses in order to have a more complete view on the underlying drivers for aggregation and diversification.

- **Sensitivities**

This tab requires the undertakings to fill in the exposure and sensitivity of their assets and liabilities to a 100 basis point up and down parallel interest rate shock. This parallel shock applies to all maturities, also after the extrapolation point. If the company is unable to provide a separate shock for assets and liabilities, only the aggregate column (C3) needs to be filled in. Note, the impact on the SCR does not need to be considered, only the impact on the balance sheet. For internal model users with a market risk module that have reported these sensitivities in QRT S.26.09.01.03 (solos) or S.26.09.04.03 (groups) these sensitivities will be extracted by the project group.

If these have not been submitted in S.26.09 or the standard formula is used, then please fill this data in according to the instructions of the S.26.09 QRT.

- **General comments**

This tab can be used to comment on aspects that should be known and taken into account, when working with the supplied data. This can e.g. include a description of the content of the column 'Other' or any approximations that were made.

5.2 COMMON TERMS USED

Below are summarised the common terms used throughout the Excel file:

- *Modelled Value-at-Risk (mVaR)*: Broadly speaking, undertakings are expected to apply their modelled 'SCR definition' to the total profit and loss distribution before consideration of Loss Absorbing Capacity of Deferred Taxes. Hence, the mVaR might differ from the 99.5% sample quantile on the simulated P&L values, owing to the statistical estimator for the 99.5% percentile (e.g. including any interpolation or smoothing scheme). Furthermore, some undertakings might allow for a centering of the distribution by deducting the expected result.
- *Scenario-by-scenario data*: directly taken from the simulated profit and losses but before consideration of Loss Absorbing Capacity of Deferred Taxes or by other means derived from the model, depending on the approaches. The number of scenarios should be in line with the number of scenarios used to perform the top-level aggregation. For example, if 100,000

scenarios are obtained for operational risk and then these simulations are resampled to 50,000 scenarios for aggregation with the rest of the top-level risks, then 50,000 scenarios should be submitted. This data should correspond to the unexpected losses so, in case the undertakings perform a centering on the mean or other kind of translation of the distribution, give the final figures after this translation. As such, the 99,5% quantile on the whole set of numbers should be equal to the SCR, without any subtraction term.

5.3 SCR INFORMATION

This tab contains three sections corresponding to the total risk, the top-level risks and second-level risks.

For each of the risk reports three columns need to be filled in:

a) if the risk is either evaluated in the internal model / in standard formula / partially internal model and partially standard formula or if it is not present (drop-down list in column E).

b) if simulation data are available (yes / no)

c) the amount in the local currency in use of the SCR associated to the risk

In the graph below a high-level overview of the requested risks can be found.

Standardised Market Risk	*Standardised Credit Risk*	*Standardised Life Underwriting Risk*	*Standardised Non-Life Underwriting Risk*	*Standardised Health Underwriting Risk*	*Standardised Operational Risk*	*Other Standardised Risks*
Interest rate risk		Mortality & Longevity risk combined aggregate	Non-Life Reserve risk	Health NSLT Reserve risk		
Interest rate volatility risk		Lapse risk aggregate	Non-Life Premium risk	Health NSLT Premium risk		
Inflation risk		Life expense risk	Total NL CAT risk	Health lapse risk		
Equity risk		Life catastrophe risk	Non-Life lapse risk	Life Underwriting risks Health Liabilities		
Equity volatility risk		Disability-morbidity risk aggregate	Overhead expense risk Non-Life Liabilities	Total Health CAT risk		
Property risk		Life revision risk	Other Non-Life Underwriting risks	Overhead expense risk Health NSLT Liabilities		
Currency risk		Other Life Underwriting risks including cross-terms		Other Health Underwriting risks		
Credit spread risk						
Other Market risks including cross-terms						

5.4 SUBMISSION OF LOSS SCENARIOS DATA

The loss scenario data need to be submitted using a CSV format data, a text file where individual fields are separated by a semicolon ";".

The file has the following structure:

- The first two columns are used for the progressive numbering of the scenarios; in the SCENARIO_ID field (column A) enter a progressive number and in the SCENARIO_ID_MARKET field enter a reference to the exact scenario of the market risk factor changes used, with the group market risk factor changes as reference. For group data, this column would be a copy of the SCENARIO_ID column with the simulation indices. For solo data, this column only needs to be filled in if the solo entity uses the exact same market risk factor changes as on group level. It may be left empty if this is not the case. When filled in, the provided index should reference the group market risk factor change used for this simulation line e.g., if simulation 1 on solo level uses the market risk factor changes corresponding to scenario 3 on group level, the column SCENARIO_ID_MARKET should contain '3' for this simulation.

a) The first row, from the third column onwards, reports the name of the risk. The following prefixes are used:
    1) TOTAL_RISK for the total entity SCR
    2) prefix T_ for top level risks (market, credit, life, health, Non-Life, operational, other top-level risks)
    3) prefix M_ for risks relating to market risk
    4) prefix L_ for risks relating to life risk
    5) prefix H_ for risks relating to health risk
    6) prefix N_ for risks relating to Non-Life risk

The following rules are in use:

a) As already indicated, positive values correspond to losses and negative values to gains.
b) The economic amounts are in the unit of the selected currency (for example 1234567 corresponds to 1,234,567 euros); round to the nearest integer value.
c) From the scenarios the value of the SCR is obtained by evaluating the quantile at 99.5%; in the case where the company subtracts the mean value of the distribution from the quantile. As such, we request to provide loss scenarios corresponding to the unexpected losses (i.e. report numerical values in which the value of the expected loss has already been subtracted).
d) If one of the risks is obtained with standard formula, indicate in each row (= each scenario) the same numerical value equal to the SCR value.

e) If one of the risks is not assessed the corresponding column must be left empty (for example if the "equity volatility" risk is not defined in the internal model, no data should be sent and the column remains in the file empty).
f) The names of the risks reported in the first line cannot be modified.
g) It is possible to provide data relating to residual losses (field T_OTHER at the top level and fields M_OTHER, L_OTHER, H_OTHER and N_OTHER for market, life, health and Non-Life risks respectively). In this case, provide a description of the nature and content of these risks by filling in the appropriate note fields in the "SCR information" template in the excel file. In case additional risks are defined in the internal model at the top level, not present in the standard formula, include the corresponding loss forecasts in the T_OTHER field. In particular, any cross terms at top level should be included in the T_OTHER field.

In the case where some risks are obtained from Monte Carlo simulations and others from a methodology (for example with a standard formula or other) that does not define a probability distribution, then insert in the file:

- The values of the loss scenarios in the first case (one row for each of the Monte Carlo simulations defined by the internal model)
- Always report the same value for the second.

The columns contain the profit and loss distribution on aggregate level and per sub-risk. An undertaking needs to fill in detailed data for each sub-risk, even if that sub-risk is modeled in a different top-level risk (marked in dark blue) for their internal model. The input of the information on the whole tab should be based on the same scenario or simulation generation but multiple runs with different settings for the underlying risk factors may be necessary to obtain all necessary information. For example, if a Monte Carlo method is used to generate scenarios, the same random number generator seed for the simulation, if any, should be used over all runs, even if certain risk factors will become deterministic instead of stochastic. The input for the different columns is explained in the following steps.

- **TOTAL_RISK**

The column 'TOTAL_RISK' refers to the total profit and loss distribution after aggregation of the sub- and top-level risks. For each scenario, it should therefore equal the sum of the same scenario over all sub-level risks, excluding the aggregate columns (e.g. for health and Non-Life risks). If the aggregation for the total risk is performed via standard formula, this risk is per definition modelled via standard formula.

- **Market risk**

Market risk is split into the following sub-risks: *Interest rate risk, Interest rate volatility risk, Inflation risk, Equity risk, Equity volatility risk, Property risk, Currency risk, Credit spread risk* and *Other Market risks including cross-terms*. The definition of each of these risks is given in Table 1.

All of the above Market sub-risks that are modelled in the internal model, should be filled in in these columns. This also holds for any of these sub-risks modelled outside of Market risk in the internal model (e.g. spread risk). The column *Other Market risks including cross-terms* should contain all modelled Market risks not covered by any of the sub-risks in any top-level risk (Market, Credit, Life, etc.). If the internal model includes cross-terms or non-linear effects on the sub-risk level within Market risk, they should also be included in this column. If cross-terms are only modelled on the level of the top-risks these should not be allocated to this column in order to avoid double counting with the column for *Cross-terms*. The undertakings are expected to explain the origin of the profits and losses reported in this bucket, other than cross-terms or non-linear effects, via the tab 'General comments' in the excel file.

If simulation data is not available on a certain split level (e.g. between credit spread sub-risks), the undertaking should provide an explanation on why this is the case via the tab 'General comments' in the excel file.

- **Credit risk**

Credit risk is a top level risk. Only credit spread risk is included in market risk.

All Credit sub-risks that are modelled in the internal model but are not covered by any of the sub-risks in any top-level risk (Market, Life, etc.), should be included in this column. This also holds for any of the sub-risks modelled outside of Credit risk in the internal model. If the internal model includes cross-terms or non-linear effects on the sub-risk level within Credit risk, they should also be included in this column.

- **Life risk**

Life underwriting risk is split into the following sub-risks: *Mortality & Longevity risk combined aggregate, lapse risk aggregate, life expense risk, life catastrophe risk, disability-morbidity risk, life revision risk, other life underwriting risks including cross terms.* The definition of these risks is given in Table 1.

All of the above Life sub-risks that are modeled in the internal model, should be filled in in these columns. If a risk is not modeled in the internal model, the column should be left empty. The column *Other life risks including cross terms* should contain all modelled Life risks, not covered by any of the sub-risks in any top-level risk (Market, Credit, Non-Life, Health etc.). If the internal model includes cross-terms or non-linear effects on the sub-risk level within Life risk, they should also be included in this column. If cross-terms are only modelled on the level of the top-risks these should not be allocated to this column in order to avoid double counting with the column for *Cross-terms*. The undertakings are expected to explain the origin of the profits and losses reported in this bucket, other than cross-terms or non-linear effects, via the tab 'General comments' in the excel file.

If simulation data is not available on a certain split level, the undertaking should provide an explanation on why this is the case via the tab 'General comments' in the excel file.

- **Health risk**

Health underwriting risk is split into: *health NSLT reserve risk, health NSLT premium risk, health lapse risk, life underwriting risks health liabilities, total health CAT risk, overhead expense risk Health NSLT Liabilities and other health underwriting risks.* The definition of these risks is given in Table 1.

All of the above Health sub-risk modules that are modeled in the internal model, should be filled in in these columns. If a risk is not modeled in the internal model, the column should be left empty. The column *Other health underwriting risks* should contain all modelled Health risks, not covered by any of the sub-risks in any top-level risk (Market, Credit, Non-Life, Life etc.). The undertakings are expected to explain the origin of the profits and losses reported in this bucket, other than cross-terms or non-linear effects via the tab 'General comments' in the excel file.

If simulation data is not available on a certain split level, the undertaking should provide an explanation on why this is the case via the tab 'General comments' in the excel file.

- **Non-Life risk**

Non-Life underwriting risk is split into: *Non-Life reserve risk, Non-Life premium risk, Total NL CAT risk, Non-Life lapse risk, overhead expense risk Non-Life liabilities and other Non-Life underwriting risks.* A definition of these risks is given in table 1. The undertakings are expected to explain the origin of the profits and losses reported in the bucket 'other Non-Life underwriting risks', other than cross-terms or non-linear effects via the tab 'General comments' in the excel file.

If simulation data is not available on a certain split level, the undertaking should provide an explanation on why this is the case via the tab 'General comments' in the excel file.

- **Operational risk**

The column 'Operational risks' contains the scenarios of the P&L distribution over the operational sub risk. A definition is given in table 1.

- **Other risks**

The 'T_OTHER' column comprises the risks that cannot be attributed to any of the other risks as described above. In the qualitative template an explanation shall be provided which risks are reflected under 'T_OTHER. In addition, the undertakings are expected to explain the origin of the profits and losses reported in this bucket, other than cross-terms or non-linear effects via the tab 'General comments' in the excel file.

5.5 DEFINITIONS

The requested risks have the following definition:

Market Risk	**Interest Rate Risk**	This risk comprises the sensitivity of the values of assets, liabilities and financial instruments to changes in the term structure of interest rates, but neither changes in the implied volatility of interest rates nor any facets of Credit risk.
	Interest rate Volatility risk	This risk comprises the sensitivity of the values of assets, liabilities and financial instruments to changes in the implied volatility of interest rates but no facets of Credit risk.
	Inflation risk excluding liabilities (related to assets and financial investments)	Within the Market & Credit risk, this risk comprises the sensitivity of the values of assets and financial instruments to changes in the inflation. Inflation related to liabilities will be captured within the Standardised Non-Life, Life and Health Underwriting Risks.
	Equity risk	Equity risk comprises the sensitivity of the values of assets, liabilities and financial instruments to changes in the level of market prices of equities.
	Equity Volatility risk	Equity implied volatility risk comprises the sensitivity of the values of assets, liabilities and financial instruments to changes in the implied volatility of market prices of equities.
	Property risk	Within the Market & Credit risk, the property risk comprises the sensitivity of the values of assets,

		liabilities and financial instruments to changes in the level, or in the volatility of market prices of real estate.
	Currency risk	Within the Market & Credit risk, the currency risk comprises the sensitivity of the values of assets, liabilities and financial instruments to changes in the level, or in the volatility of currency exchange rates.
	Credit spread risk	Credit spread risk comprises the sensitivity of the values of assets, liabilities and financial instruments to changes in the value of financial due to changes in spreads over the risk-free term structure which are not owed to migration or (partial) default.
	Other Market risks including cross-terms	This bucket should contain any modelled Market risk not mentioned above. If the internal model models cross-terms or non-linear effects within Market risk, they should be added to this bucket.
Life Underwriting Risk **(incl. inflation risk Life** **(excl. Non-Life annuities))**	**Mortality & Longevity risk combined aggregate**	Mortality and longevity risk represent the risk of loss, or of adverse change in the value of insurance liabilities, resulting from changes in the level, trend, or volatility of mortality rates.
	Lapse risk aggregate	Lapse risk represents the risk of loss, or of adverse change in the value of insurance liabilities, resulting from changes in the level or volatility of the rates of policy lapses, terminations, renewals and surrenders.
	Life expense risk	Life expense risk represents the risk of loss, or of adverse change in the value of life insurance liabilities, resulting from changes in the level, trend, or volatility

		of the expenses incurred in servicing insurance or reinsurance contracts.
	Life catastrophe risk	Life catastrophe risk represents the risk of loss, or of adverse change in the value of insurance liabilities, resulting from the significant uncertainty of pricing and provisioning assumptions related to extreme or irregular events
	Disability-morbidity risk aggregate	Disability and morbidity risk represents the risk of loss, or of adverse change in the value of insurance liabilities, resulting from changes in the level, trend or volatility of disability, sickness and morbidity rates.
	Life revision risk	Life revision risk represents the risk of loss, or of adverse change in the value of insurance liabilities, resulting from fluctuations in the level, trend, or volatility of the revision rates applied to annuities, due to changes in the legal environment or in the state of health of the person insured.
	Other Life Underwriting risks including cross-terms	This bucket contains any modelled life risk not mentioned above. If the internal model models cross-terms or non-linear effects within life risk, they should be added to this bucket.
Non-Life Underwriting Risk **(incl. inflation risk Non-Life** **(incl. Non-Life annuities))**	**Non-Life Reserve risk**	Reserve risk is the uncertainty related to past accident years. Inflation risks, expenses and life underwriting risks resulting from annuities should be captured here if they result from past claims (incl. IBNR). For undertakings which use a model based on underwriting years, only the earned reserve risk should be considered here.
	Non-Life Premium risk	Premium risk is the uncertainty related to future accident years.

		Inflation risks, expenses and life underwriting risks resulting from annuities should be captured here if they result from future claims (incl. UPR and BBNI). For undertakings which use a model based on underwriting years, the unearned reserve risk and underwriting risk should be considered here.
	Total NL CAT risk	Catastrophe risk refers to the risk of loss, or of adverse change in the value of insurance liabilities, resulting from significant uncertainty of pricing and provisioning assumptions related to extreme or exceptional events. "Total NL CAT" should include Nat CAT, Man made CAT and Other CAT. If Non-Life Man made CAT is modelled within "Premium risk" then try to separate it and include it here. List in the comments section of the Excel file whether this split is possible. If "Total NL CAT" contains elements which are simulated and others that are calculated using the standard formula the sum of the two should be reported. The difference between the sum and the total should be reported in "Other Non-Life Underwriting risks".
	Non-Life lapse risk	Non-Life lapse risk refers to the risk that a significant number of policyholders will discontinue their policies (lapse) earlier or later than assumed in the insurer's best estimate calculations, leading to a loss in the insurer's basic own funds.
	Overhead expense risk Non-Life Liabilities (including non linear effects)	Overhead expenses modelled on an aggregate level (across all S2LoBs) within the Non-Life underwriting risk which are not already captured within premium and reserve risk.

	Other Non-Life Underwriting risks	This bucket should contain any modelled Non-Life risk not mentioned above. If the internal model models cross-terms or non-linear effects within Non-Life risk, they should be added to this bucket.
Health Underwriting Risk (incl. Inflation risk Health)	**Health NSLT Reserve risk**	Reserve risk is the uncertainty related to past accident years. Inflation risks, expenses and life underwriting risks resulting from annuities should be captured here if they result from past claims (incl. IBNR). For undertakings which use a model based on underwriting years, only the earned reserve risk should be considered here.
	Health NSLT Premium risk	Premium risk is the uncertainty related to future accident years. Inflation risks, expenses and life underwriting risks resulting from annuities should be captured here if they result from future claims (incl. UPR and BBNI). For undertakings which use a model based on underwriting years, the unearned reserve risk and underwriting risk should be considered here.
	Health lapse risk	Health lapse risk refers to the possibility that policyholders will discontinue their health insurance coverage, leading to a loss of revenue for the insurer. This can occur through policy lapses (non-payment of premiums) or surrenders (voluntary termination of the policy).
	Life Underwriting risks Health Liabilities	Health life underwriting risk encompasses the risk of loss, or of adverse change in the value of health life insurance liabilities, resulting from fluctuations in the timing, frequency and severity of insured events, and

		in the timing and amount of claim settlements at the time of provisioning.
	Total Health CAT risk	Health catastrophe risk entails the risk of loss, or of adverse change in the value of insurance liabilities, resulting from the significant uncertainty of pricing and provisioning assumptions related to outbreaks of major epidemics, as well as the unusual accumulation of risks under such extreme circumstances. "Total Health CAT" should include Nat CAT, Man made CAT and Other CAT. If "Health Man made CAT" is modelled within "Premium risk" then try to separate it and include it here. List in the comments section of the Excel file whether this split is possible. If "Total Health CAT" contains elements which are simulated and others that are calculated using the standard formula the sum of the two should be reported. The difference between the sum and the total should be reported in "Other Health Underwriting risks".
	Overhead expense risk Health NSLT Liabilities	Overhead expenses modelled on an aggregate level (across all S2LoBs) within the Non-Life underwriting risk which are not already captured within premium and reserve risk.
	Other Health Underwriting risks	This bucket should contain any modelled health risk not mentioned above. If the internal model models cross-terms or non-linear effects within health risk, they should be added to this bucket.
Operational Risk	**Operational Risk**	Operational risk means the risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. It includes legal risks,

		and excludes risks arising from strategic decisions, as well as reputation risks.
Other Risks	**Other**	This bucket should contain any risk not mentioned above. This bucket could for example contain liquidity or pension risk or explicitly modelled non-linear effects between top-level risks. The undertakings are expected to explain the origin of the profits and losses reported in this bucket via the tab 'General comments'.

Table 1: Sub-risk definitions