



EIOPA-BoS-17/078v2  
18 05 2017

## Qualitative/Quantitative Questionnaire - IORP Stress Test 2017 - DC IORPs

*Participants are requested to provide their responses in the word template, reporting spreadsheet and DC tool input spreadsheet included in the stress test package, as indicated in the questions below.*

### Section 1 - Identification of respondent

1. Please indicate the name and participant code (6-character code assigned by the NSA) of the IORP for which you are completing the exercise/questionnaire.  
**[spreadsheet + word template + DC tool input spreadsheet]**

Name and participant code:

### Section 2 – Nature of participation

2. Does the IORP participate in the DC-part of the stress test for only part of its activities (i.e. for ring-fenced/schemes/sub-funds of the IORP) (yes/no)?  
**[spreadsheet]**

### Section 3 - IORP's membership and corresponding assets

3. Please provide the number of DC members and beneficiaries covered by the IORP (or the part of the IORP that is covered by the exercise in case the answer to question 2 is "yes") broken down by active, deferred and retired persons at the end of 2016 (or the most recent earlier date for which data are available) and the assets held in respect of each group. **[DC tool input spreadsheet]**

	Number of persons (units)	Assets (reporting currency and unit)
Total number of members		
active members		
deferred members		

retired persons		
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4. Please provide the total number of DC members in the accumulation phase and amount of assets invested by the IORP for these members broken down by remaining years to the standard retirement age at the end of 2016 (or the most recent earlier date for which data are available). **[DC tool input spreadsheet]**

Years to standard retirement age	Members and beneficiaries (number of persons in units)	Assets (reporting currency and unit)
0-5 years		
5-10 years		
10-15 years		
15-20 years		
20-25 years		
25-30 years		
30-35 years		
35- 40 years		
> 40 years		
Total		

#### Section 4 - Decumulation phase

5. Does the IORP provide for retirement income (other than a lump sum payment at retirement) during the decumulation phase or do plan members have to approach a different provider? [mark X if appropriate] **[DC tool input spreadsheet]**

Responsible for pay-out phase	check
IORP	
Other provider	
Both possible	

6. Are there any (legal, fiscal or other) constraints to the type of pay-out method in the decumulation phase, such as constraints on lump-sum payments (yes/no)? If "yes", please briefly describe. **[DC tool input spreadsheet]**

Describe constraints pay-out methods
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7. Which pay-out method are plan members typically expected to use in the DC plan?  
 [mark X if appropriate] **[DC tool input spreadsheet]**

	check
Annuity	
Income drawdown	
Income drawdown + annuity	
Lump sum	
Lump sum + annuity	
Lump sum + income drawdown	
Other pay-out method	

8. If plan members are typically expected to use an "other pay-out method", please explain **[DC tool input spreadsheet]**

9. If plan members are typically expected to convert accumulated assets into an annuity, please indicate the typical type of annuity. [mark X if appropriate, multiple answers possible] **[DC tool input spreadsheet]**

	check
Temporary annuity	
Life annuity	
Nominal annuity	
Inflation-linked annuity	
Variable annuity	
Deferred annuity	

10. Are members allowed the flexibility to decide on the year of starting to receive their pension benefits in the DC IORP (yes/no)? **[DC tool input spreadsheet]**

11. If "yes", please explain what flexibility members have in deciding the starting year of receiving retirement benefits. **[DC tool input spreadsheet]**

Explain flexibility
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**Section 5 - Derivative hedging and dynamic asset allocation strategies**

A. Derivative hedging instruments in input template for second round effects on retirement income of three representative plan members

12. Did you provide your own calculations of the instantaneous impact of the adverse market scenario on the value of derivative instruments in the representative members' portfolio to hedge against equity, interest rate, credit spread and/or inflation risk (mark X if appropriate)? **[DC tool input spreadsheet]**

	35y member	20y member	5y member
Equity risk			
Interest rate risk			
Spread risk			
Inflation risk			

13. If you indicated in question 12 that you took into account the instantaneous effect on the value of derivative instruments to hedge against equity, interest rate, spread and/or inflation risk, please explain the aim of the derivative hedging strategy (e.g. to protect the value of assets, certain level of retirement income or replacement rate) and specify the derivative instrument(s) used distinguishing, if applicable, between the three representative plan members. **[DC tool input spreadsheet]**

Explain and specify derivative instruments to hedge equity risk

Explain and specify derivative instruments to hedge interest rate risk

Explain and specify derivative instruments to hedge spread risk

Explain and specify derivative instruments to hedge inflation risk

**B. Dynamic asset allocation strategies in input template for second round effects on retirement income of three representative plan members**

14. Did you provide a separate asset allocation over the life-cycle of the representative plan members in the adverse market scenario, i.e. overriding the default asset mix relating to the baseline scenario (mark X if appropriate)? **[DC tool input spreadsheet]**

	Check
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35y member	
20y member	
5y member	

15.If you responded in question 14 that you provided a separate asset allocation in the adverse market scenario, please indicate whether the adjustment is based on pre-defined rules (i.e. determined by change in financial market conditions), discretionary or a combination of both (mark X if appropriate). **[DC tool input spreadsheet]**

	Check
Pre-defined rules	
Discretionary	
Combination of above	

16.If you responded in question 14 that you provided a separate asset allocation in the adverse market scenario, please briefly explain the aim and nature of the adjustment distinguishing, if applicable, between the three representative plan members. **[DC tool input spreadsheet]**

Explain aim and nature of adjustment asset allocation
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## Section 6 - Impact on investment behaviour and other potential actions

### A. Plan member choice and responsibility for asset allocation

17.Please indicate the extent to which individual plan members are allowed to choose between the different investment options of their DC plan (mark X if appropriate). **[spreadsheet]** If "other", please specify. **[word template]**

	Check
No choice	
Choice of a limited number of investment options with a default option applicable in case of no active choice	
Choice of limited number of investment options with no applicable default option	
Choice of a wide range of investment options	
Other	

18. Please indicate who bears the responsibility for the asset allocation of the IORP or the default fund/investment options (mark X if appropriate, multiple answers possible). **[spreadsheet]** If "other", please specify. **[word template]**

	Check
Management board / board of trustees of IORP	
Management company of IORP	
Other	

IORPs may complete sections B and C below with respect to the largest investment option in terms of assets, which will in many cases be the default fund, if available. If you are completing these sections for the largest investment option only, please indicate here . **[spreadsheet]**

**B. Short-term effects of the adverse scenario**

19. Assuming the adverse scenario takes place, what would be the short-term effects within the first year following the shock?

1) Would selling (-) or buying (+) take place of the following asset classes or would selling/buying of the following asset classes not occur (=)? **[spreadsheet]**

Property (including for own use)	(+)/(-)/(=)
Equities listed	(+)/(-)/(=)
Equities non-listed	(+)/(-)/(=)
Government bonds	(+)/(-)/(=)
Corporate bonds	(+)/(-)/(=)
Structured notes	(+)/(-)/(=)
Collateralised securities	(+)/(-)/(=)
Loans and mortgages	(+)/(-)/(=)
Deposits other than cash equivalents	(+)/(-)/(=)
Residual investment funds	(+)/(-)/(=)
Other investments	(+)/(-)/(=)

Please specify "residual investment funds" and/or "other investments" if you selected "+" or "-". **[word template]**

Specification "residual investment funds"/"other investments" if "+"/"-"
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2) Do you have an automatic rebalancing approach (yes/no)?

If yes, how frequently does it take place? (daily, monthly, quarterly, annually)  
**[spreadsheet]**

3) Would you expect other actions to be taken by the IORP's management, the management company of the IORP and/or social partners and/or the members (e.g. increase contributions etc.) (yes/no)? **[spreadsheet]** If "yes", please specify these other actions. **[word template]**

Specification other actions
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20. Assuming the adverse scenario takes place, what would the expected asset allocation be at the end of 2017 after potential re-balancing and other reactions (in % total investments, excl. derivatives)? **[spreadsheet]** If you are completing this section for a life-cycle/target-date fund, please provide the aggregate asset allocation for all members.

	Pre-stress asset allocation end 2016	Post-stress asset allocation end 2016	Asset allocation end 2017
Property (including for own use)			
Equities listed			
Equities non-listed			
Government bonds			
Corporate bonds			
Structured notes			
Collateralised securities			
Loans and mortgages			
Deposits other than cash equivalents			
Residual investment funds			
Other investments			
Total investments (excl. derivatives)	100%	100%	100%

C. Longer term effects of the adverse scenario

21. Assuming the adverse scenario takes place and yields remain low for several years from now, what would be the longer term effects within, say, the next four years?

1) Would you expect that the investment strategy would be amended (yes; no; not allowed)? **[spreadsheet]**

If your answer is "yes", please specify how you expect the investment strategy would be amended. **[word template]**

Specification amendments investment strategy

2) Would you expect selling (-) or buying (+) of the following asset classes or would selling/buying of the following asset classes not occur (=)? **[spreadsheet]**

Property (including for own use)	(+)/(-)/(=)
Equities listed	(+)/(-)/(=)
Equities non-listed	(+)/(-)/(=)
Government bonds	(+)/(-)/(=)
Corporate bonds	(+)/(-)/(=)
Structured notes	(+)/(-)/(=)
Collateralised securities	(+)/(-)/(=)
Loans and mortgages	(+)/(-)/(=)
Deposits other than cash equivalents	(+)/(-)/(=)
Residual investment funds	(+)/(-)/(=)
Other investments	(+)/(-)/(=)

Please specify "residual investment funds" and/or "other investments" if you selected "+" or "-". **[word template]**

Specification "residual investment funds"/"other investments" if "+"/"-"

3) Would you expect an increase in the duration of assets in the portfolio (yes/no)? **[spreadsheet]**

4) Would you expect your IORP (or social partners/members) to take other actions (e.g. increase contributions etc.) (yes/no)? **[spreadsheet]** If "yes", please specify these other actions. **[word template]**

Specification other actions

#### D. Responses to shocks and adverse developments that took place in the past

22. Are there factors other than macroeconomic circumstances that influenced your IORP's investment allocation over the years 2007-2008 (yes/no)? **[spreadsheet]**



If "yes", please describe which factors influenced your IORP's investment decisions over the years 2007-2008. **[word template]**

Specify factors, if "yes"

23. Are there factors other than macroeconomic circumstances that influenced your IORP's investment allocation over the years 2008-2016 (yes/no)? **[spreadsheet]**  
 If "yes", please describe which factors influenced your IORP's investment decisions over the years 2008-2016. **[word template]**

Specify factors, if "yes"

24. Did you change the duration of your IORP's assets over the period 2007-2016 (yes/no)? **[spreadsheet]** If "yes", please provide the main reasons for changing the duration of the assets. **[word template]**

Provide main reasons, if "yes"

25. Please fill in the amounts for your IORP's past asset allocation in the template below (in reporting currency and unit). **[spreadsheet]**

	2007	2008	2012	2016
Property (incl. own use)				
Equities				
Equities listed				
Equities non-listed				
Bonds				
Government bonds				
Corporate bonds				
Structured notes				
Collateralised securities				
Loans and mortgages				
Derivatives				

Deposits other than cash equivalents				
Residual investment funds				
Other investments				
Total assets				

**Section 7 - Simplifications government bond, corporate bond and commercial/residential property stresses**

26. What approach did you take to implementing the government bond stresses in the adverse market scenario (mark X if appropriate)? **[spreadsheet]**

	check
Applied stresses for individual countries	
Applied aggregate Euro area/European stresses (simplification)	
Applied combination of individual & aggregate stresses (simplification)	
Other	

27. Please provide the value of the IORP's government bond portfolio end-2016 using the breakdown to assess the impact of the government bond stresses in the adverse scenario (in reporting currency and unit). I.e. if (part of) stresses were evaluated using the simplifications provided (Euro area/Europe aggregates) then IORPs do not have to provide the value for these government bonds broken down by individual countries, but only for the aggregates. **[spreadsheet]**

Austria (AT)	
Belgium (BE)	
Bulgaria (BG)	
Cyprus (CY)	
Czech Republic (CZ)	
Germany (DE)	
Denmark (DK)	
Spain (ES)	
Finland (FI)	
France (FR)	
Greece (GR)	
Croatia (HR)	
Hungary (HU)	
Ireland (IE)	
Iceland (IS)	

Italy (IT)	
Liechtenstein (LI)	
Lithuania (LT)	
Luxembourg (LU)	
Latvia (LV)	
Malta (MT)	
Netherlands (NL)	
Norway (NO)	
Poland (PL)	
Portugal (PT)	
Romania (RO)	
Sweden (SE)	
Slovenia (SI)	
Slovakia (SK)	
United Kingdom (UK)	
Other Europe/non-Europe	
Euro area aggregate	
Europe aggregate	
Total	

28. What approach did you take to implementing the corporate bond stresses in the adverse market scenario (mark X if appropriate)? **[spreadsheet]**

	check
Applied standard stresses	
Applied simplified stresses for broad corporate bond aggregates	
Applied combination of standard stresses and simplification	
Other	

29. Please provide the value of the IORP's corporate bond portfolio at the end of 2016 using the breakdown to assess the impact of the corporate bond stresses in the adverse scenario (in reporting currency and national currency) I.e. if (part of) stresses were evaluated using the simplifications provided (aggregates distinguishing total aggregate, investment grade and high yield) then IORPs do not have to provide the value for these corporate bonds broken down by rating, but only for the relevant aggregates. **[spreadsheet]**

Rating	All corporate bonds	Non-financial corporate bonds	Financial corporate bonds	Financial, covered bonds
AAA				
AA				
A				
BBB				
BB				
B				
<= CCC				
Total aggregate				
- Investment grade				
- High yield				
Total				

30. What approach did you take to implementing the commercial and residential property stresses in the adverse market scenario (mark X if appropriate)?  
**[spreadsheet]**

	check
Applied standard stresses corresponding to individual EEA-countries	
Applied simplified stresses for European aggregates	
Applied combination of standard stresses and simplification	
Other	

### Section 8 – Other

31. Please provide any other view that you wish to express. **[word template]**

Other view:
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