



8. The reporting requirements for structured product investments are also designed to help regulators identify and address any potential issues or risks associated with these investments. By requiring insurance companies to report on the composition and performance of their structured product portfolios, regulators can identify any trends or patterns that may indicate a problem, and they can take action to address any issues before they become more serious.

9. In summary, insurance companies should manage and report structured product investments in a way that is transparent, efficient, and in compliance with regulatory requirements. This includes having clear policies and procedures in place for the acquisition, holding, and disposal of these investments, and reporting on their status to regulatory authorities in a timely and accurate manner. The reporting requirements are designed to ensure that insurance companies are managing their investments in a responsible and transparent manner, and that they are complying with regulatory obligations and their fiduciary duties to policyholders.

Answer 2: Insurance companies are required to manage and report structured product investments with stringent oversight and precision as outlined in the FINMA Circular 2016/5. Here are the main points concerning the management and reporting of these investments:

**Compliance with Investment Categories:** Structured products must comply with the existing investment categories specified by FINMA. Each component of the structured product (like derivatives within the product) must meet the requirements of the corresponding investment category.

**Risk Management:** Insurance companies must have a robust system to manage the risks associated with structured products. This includes having qualified personnel and a sound investment strategy that incorporates the products appropriately within the overall portfolio.

