

ILMARINEN

# Ilmarinen's Interim Report Q2 2025




# Ilmarinen's Interim Report 1 January to 30 June 2025: Return on investments 2.1 per cent, solvency is strong and cost-effectiveness at a good level

## Summary

### January–June performance in brief:

- The return on Ilmarinen's investment portfolio was 2.1 (4.9) per cent, or EUR 1.3 billion. The market value of investments grew to EUR 64.0 (63.3) billion. The long-term average return on investments was 5.8 per cent as of 1997. This corresponds to a real return of 3.9 per cent.
- The total result was EUR 112 (995) million.
- Premiums written increased by 3 per cent to EUR 3.670 (3.551) million. Pensions paid increased by 5 per cent to EUR 4.021 (3.845) million.
- Net customer acquisition was EUR 24 (51) million and rolling customer retention for the previous 12 months was 96.1 (96.6) per cent.
- Operating expenses financed using loading income were EUR 47 (47) million, amounting to 0.32 (0.33) per cent of the Employees Pensions Act payroll and YEL income of the insured.
- The solvency capital was EUR 14.0 (13.9) billion, and the solvency ratio was 127.3 (127.5) per cent.
- Mikko Mursula will assume the role of CEO on 1 September 2025. Prospects: Ilmarinen's premiums written are expected to increase as payrolls increase.

KEY FIGURES	1 Jan- 30 Jun2025	1 Jan- 30 Jun2024	1 Jan - 31 Dec2024
Premiums written, EUR mill.	3.670	3.551	6.956
Pension expenditure, EUR mill.	4.021	3.845	7.636
Administrative cost-based operating expenses, EUR mill.	47	47	92
TyEL payroll and YEL income, EUR mill.	14.888	14.489	28.354
Operating expenses financed using loading income, % of	0.32	0.33	0.33
Investment return at current value, %	2.1	4.9	8.6
Total result at current value, EUR mill.	112	995	1.804
Value of investment assets, EUR mill.	64.024	61.144	63.313
Solvency capital, EUR mill.	14.018	13.225	13.895
Solvency ratio	127.3	126.7	127.5

 The interim report result comparison figures are the figures for the corresponding period of 2024. Unless otherwise indicated, the comparison figures for the balance sheet and other cross-sectional figures are the figures for the end of 2024.

## President and CEO Jouko Pölönen's review

The return on Ilmarinen's investments was 2.1 per cent in January–June, or EUR 1.3 billion. Investment assets increased to EUR 64.0 billion and solvency capital to EUR 14.0 billion. Our cost-effectiveness translates into lower premiums for our customers.

Major changes in the US trade policy are continuing to cast a shadow over global growth prospects. The uncertainty related to power and trade policy reached a historic high at the beginning of the year. It is undermining the confidence of economic operators and delaying decision-making and investment. After the preliminary trade agreements made with the USA, the IMF revised the growth forecasts for 2025 to 3.0 per cent and for 2026 to 3.1 per cent. The slowdown in global economic growth is also hindering Finland's recovery from the recession.

The return on Ilmarinen's investments was 2.1 per cent in January–June, or EUR 1.3 billion. The market

value of investments grew to EUR 64.0 billion. Return on investments was increased especially by fixed income and equity investments. The return on fixed income investments was 2.9 per cent and the return on equity investments was 1.5 per cent. Despite the uncertain operating environment, the equity markets yielded good returns and recovered fairly quickly from the decline in early April and the rise in volatility. The yields of equity and interest rate market were mainly positive. The effects of uncertainties related to the US trade policy were very noticeable in the currency market, weakening the US dollar.

The long-term average return on our investments since 1997 was 5.8 per cent. This corresponds to a real return of 3.9 per cent. Solvency capital increased to EUR 14.0 billion, and the solvency ratio was 127.3 per cent. Strong solvency enables the long-term investment of pension assets in an unstable market situation.

In Finland, employment has been on the decline for over two years. The number of employees in the companies belonging to Ilmarinen's business cycle

index fell by 1.9 per cent during January–June year-on-year.

Our premiums written rose by 3 per cent to EUR 3,670 million. The growth in premiums written was due to the increase in our customers' payroll. Pensions paid rose by 5 per cent to EUR 4,021 million. We paid pensions to 452,000 pensioners.

We have improved our productivity in the long term, and our cost-effectiveness is at a good level. Our operating expenses financed using loading income were EUR 47 million, or 0.32 per cent of the payroll. The administrative cost of TyEL contributions for our customers fell by an average of 10 per cent from the start of the year.

The legislative drafting of the pension reform is currently under way. The aim of the reform is to ensure the sustainability of the earnings-related pension scheme and an adequate level of benefits. Higher returns on investments are being sought for pension assets in the long term. The level of earnings-related pension contributions will be fixed at 24.4 per cent for the period 2026–2030. We hope that the amendments will enter into force as soon as possible.

Reforming the pension scheme for entrepreneurs is also being examined in a project by the Ministry of Social Affairs and Health. According to the Pension Barometer of the Finnish Centre for Pensions, more than half of Finns consider the pension reform to be good, and around half of the respondents trust the pension scheme.

It has been a privilege to lead Ilmarinen for the last seven years. Ilmarinen has become Finland's largest employment pension insurance company. Our premiums written have increased by 36 per cent while our insurance operating expenses financed using loading income have decreased by 36 per cent. Our investment assets have also reached record levels. I am particularly pleased that our personnel and customer experiences have reached an excellent level. I will start as CEO of eQ Oyj at the beginning of September, and my successor, Mikko Mursula, will assume Ilmarinen's leadership. I offer my sincerest thanks for great cooperation to our customers, and the entire personnel, administration and stakeholders of Ilmarinen!

## Current information about the pension system

The goal of the pension reform is to ensure the sustainability of the earnings-related pension scheme and an adequate level of benefits. The legislative drafting was launched in February 2025 led by the Ministry of Social Affairs and Health, based on the outcome of negotiations with labour market organisations in January. According to the agreement, the TyEL contribution level will be stabilised at 24.4 per cent for 2026–2030, funding will be improved and higher returns on investments will be sought by increasing the chances to take risks to ensure the funding of earnings-related pensions in the long term.

A key part of the pension reform is a change in the regulation of investment operations. Risk-taking opportunities will be increased by relaxing the solvency rules and allowing for a higher equity weighting by increasing the link to the equity yield of technical provisions from 20 to 30 per cent. In addition, the leveraging possibility for real estate investments will be extended and the maximum amount of employer's premium lending will be limited to EUR 10 million.

The agreement also includes an inflation stabiliser to be introduced in 2030 that will limit the annual index increments of pensions under payment to an increase in the wage coefficient over a two-year period. This change is designed to manage the effects of exceptional inflation. The reform will not include any further changes related to pension benefits or the age of retirement.

According to the newest Pension Barometer of the Finnish Centre for Pensions, most Finns consider the pension reform to be at least somewhat good overall, and around half of the respondents trust the pension scheme.

In December 2024, the Ministry of Social Affairs and Health launched a project to reform the pension scheme for entrepreneurs. The aim of the project is to examine the options for determining entrepreneurs' confirmed income and initiating funding by the end of November.

According to an estimate by the Finnish Centre for Pensions, entrepreneurs' income reviews launched in 2023 will increase premiums written by around EUR 100–200 million in the next few years and reduce the State's share by the same amount, also increasing entrepreneurs' pension levels in the coming years. The review in 2025

will target entrepreneurs whose confirmed income has not been adjusted in three years and whose income has not changed during this period. In practice, the reviews will mainly concern annual income exceeding EUR 25,000, as lower incomes were reviewed in the previous years. On the earnings-related insurance provider's initiative, YEL income can be raised by a maximum of EUR 4,000 in a review to ensure that the rise in an entrepreneur's monthly insurance contribution remains reasonable and is more than EUR 85. The confirmed income may also remain unchanged or decrease.

Finns are working longer than before at the end of their careers. The goal set for the expected retirement age for 2025 was already exceeded by 0.7 years in 2024. According to the statistics of the Finnish Centre for Pensions, the average retirement age was 63.1 years, and the expectation increased by 0.3 years from the previous year.

Finns' average monthly pension continued to increase in 2024, amounting to EUR 2,100. It was EUR 1,977 in the previous year according to the statistics of the Finnish Centre for Pensions and Kela. Men's average pension was EUR 2,349 and women's EUR 1,893 per month.

Approximately one in three pensioners received less than EUR 1,500 and 15 per cent more than EUR 3,000 per month last year. One third of the Finnish population aged 16 or over, totalling 1.6 million people, received a pension in 2024.

The popularity of partial early old-age pension has increased significantly in recent years. One third of 61–68-year-olds received a partial pension last year. According to the statistics of the Finnish Centre for Pensions, it is drawn by up to 40 per cent of the age group before retirement age. For those born in 1964, the age limit for partial early old-age pension is 62 years, whereas for those born earlier it is 61 years.

In an international comparison of returns on investments made by the Finnish Centre for Pensions, the average real return rose above the long-term figures in 2024. Finnish pension investors were at the top of the list of solvency-regulated investors.

More than half of the working-age population saves for retirement, and saving has become more popular, especially among young people. The most common reason for not saving was the personal financial situation. This information can be found in the survey by the Finnish Centre for Pensions.

## Operating environment and investment market

Uncertainty related to trade and power politics is undermining growth prospects for the global economy. The International Monetary Fund (IMF) revised its global economic growth forecast for the current year to 3 per cent and to 3.1 per cent for 2026. The changes brought about by the United States' trade policy that have been more extensive and continuous, are making it more difficult to assess the operating environment, which undermines investments globally. Overall, the uncertainty related to power and trade politics reached a historical level at the beginning of the year and is undermining the confidence of economic operators and delaying decision-making. The probability of recession in the US economy, which has long been the driver of the growth in developed countries, has increased since the beginning of the year, and uncertainty is dampening the outlook for economic recovery in Europe and emerging economies. The Finnish economy is only slowly recovering from the recession, and expectations for stronger growth have again had to be postponed.

Inflation is recovering towards central banks' target levels in the medium term, but tariffs and uncertainty are hindering recovery and increasing uncertainty related to inflation. The year-on-year change in consumer prices in June was 2.0 per cent in the eurozone, and core inflation, less energy and food prices, was 2.3 per cent. Inflation has slowed almost as expected in the euro zone, allowing the European Central Bank (ECB) to cut its key interest rate twice by a total of one percentage point in the first half of the year. In the United States, the recovery of inflation towards the Federal Reserve's target level has been significantly slower: inflation was 2.7 per cent in June, and core inflation was 2.9 per cent. The US Federal Reserve, Fed, has kept the desired range of the key interest rate unchanged at 4.25–4.5 per cent.

Political uncertainty was exceptionally high at the beginning of the year, affecting market development, especially in early April. The new US administration's efforts in power and trade politics have been considerable and extensive. Imposing larger-than-expected tariffs and using other measures that restrict free trade and the potential response to these increases the risk of a trade war. Europeans have noticed the

urgency of investing in an independent economy with good security of supply and that investment in European defence is urgently needed. In Germany, for example, a political agreement has been reached on significant investments in defence and infrastructure, which required a relaxation of the budgetary discipline of the public sector enshrined in the Constitution. Russia's war of aggression in Ukraine, acts of war in the Middle East and the trade war continue to cast a shadow over the growth and inflation outlook, adding to the overall uncertainty.

The International Monetary Fund (IMF) forecasts that the US economy will grow by 1.9 per cent this year. Economic growth in the EU is projected at 1.0 per cent. In China, the positivity associated with the technology sector has increased confidence, but structural problems in the real estate sector and productivity remain unresolved. China's growth is projected at 4.8 per cent. The uncertainty surrounding economic forecasts is currently unusually high.

Finland's economy is recovering from the recession, but economic growth is weak. Once again, a more certain forecast of economic growth has had to be postponed. According to the Bank of Finland's forecast, the economy will

grow by 0.5 per cent this year and by 1.5 per cent next year. Private consumption and investments are forecast to recover only in 2026 and 2027. The prolonged weak business cycle continues to put pressure on the labour market: the unemployment rate remains high, demand for labour is poor and the number of vacancies is low. The fall in short reference rates is supporting the development of purchasing power and the stabilisation of the housing market. Public finances will remain in deficit and indebtedness will continue. A further escalation of the trade war would be detrimental to economic recovery.

In spite of the uncertain operating environment, the equity market yielded good returns in the first half of the year and recovered fairly quickly from the decline in early April and the rise in volatility. In contrast to previous years and expectations, share price development was the weakest in the United States (6.2 per cent) and the strongest in Europe (8.8 per cent) and the emerging markets in the first half of the year. Returns from the Finnish equity market were better than the European and US markets at 14.4 per cent. This development was based on several factors, including a higher initial valuation of US shares, a reminder of global

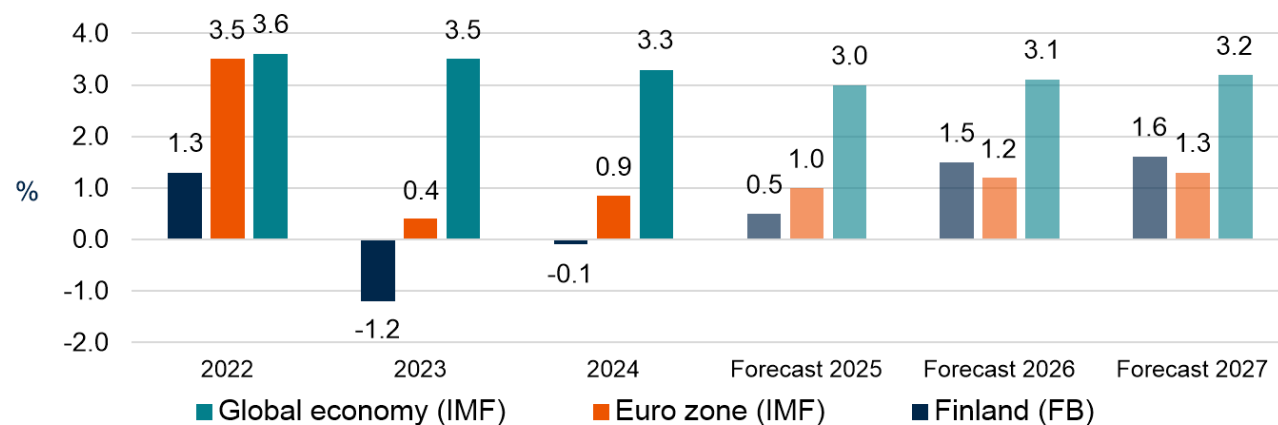
competition in the artificial intelligence sector driven by the Chinese DeepSeek company's innovation and, above all, increased uncertainty related to the US trade policy. In Europe, the share prices of defence and infrastructure companies in particular have been rising considerably as purposeful decisions are expected to cover significant and long-term investment debt. The euro strengthened by around 12 per cent in relation to the US dollar in the first half of the year.

The markets are expecting moderate key interest rate cuts by the ECB and the Fed in the latter half of the year. In Europe, the key interest rate is expected to settle at around 1.75 per cent in 2025. In the United States, the Federal Reserve is expected to reduce the key interest rates by 50 basis points during the rest of the year. Long-term 10-year bond's interest rates have fluctuated heavily on both sides of the Atlantic. In the United States, interest rates rose to 4.8 per cent at the beginning of the year, falling

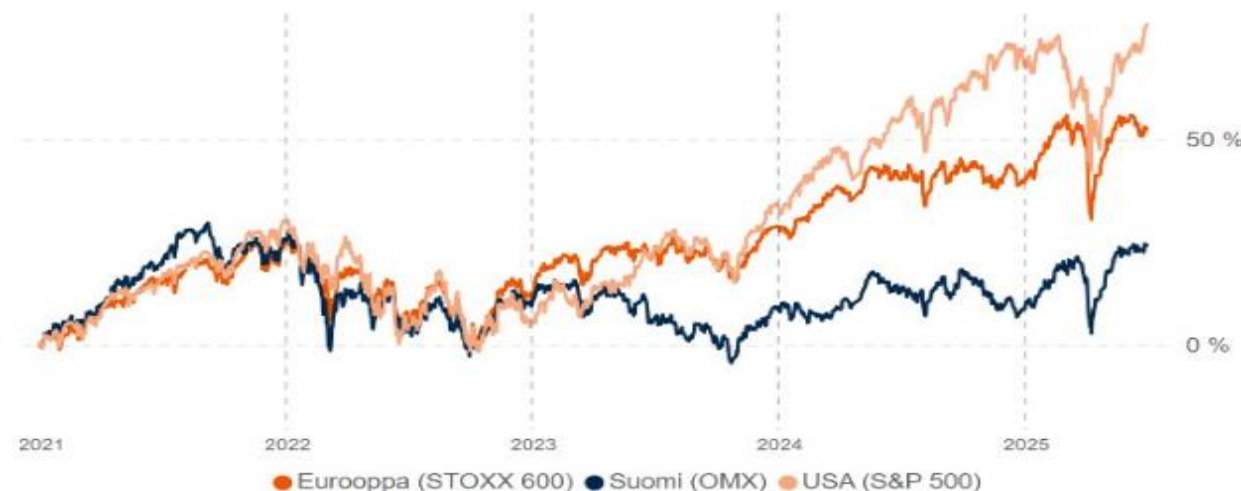
later to 4.2 per cent as the economic picture deteriorated. The sustainability deficit-based fiscal policy financing has become a common discussion topic in the market. In Germany, relaxing the budgetary rule enshrined in the Constitution will increase defence and infrastructure expenditure by hundreds of billions of euros in the coming years. In the interest rate market, the news was received with a strong increase in interest rates on German government bonds, around 50 basis points. Since then, Germany's 10-year

government bond has settled at around 2.5 per cent. Investor demand for securities with credit risk issued by companies remained strong early in the year. At the beginning of April, risk aversion and the increase in uncertainty also affected credit risk premiums and created temporary volatility. The risk premium for instruments with credit risk is historically low and in no way compatible with the recession scenario, for instance.

## Economic growth and forecasts



## Equity market performance, %



The effects of uncertainties related to US trade policy have been very visible in the currency market, weakening the US dollar. Over the past few years, US dollar-denominated investments by foreign investors have grown strongly as a result of increased value and capital outflows. Foreign exchange hedging rates have also been lowered as a result of the good portfolio characteristics of the US dollar. Typically, the US dollar has had a tendency to strengthen as share prices fall. Elevated uncertainty, particularly with regard to US politics, has altered the course of development. It is also noteworthy that the

diversification benefits of the US dollar were not available as share prices fell.

### Insurance operations

Premiums written in January–June rose by 3 per cent to EUR 3,670 (3,551) million. The growth in premiums written was due to the increase in customers' payroll. The January–June payroll and confirmed income for employees insured with Ilmarinen grew by 3.0 per cent to EUR 14,888 (14,489) million. The number of insurance policies fell and totalled 119,229 (126,700) at the end of June. Measured in premiums

written, net customer acquisition was EUR 24 (51) million and customer retention was 96.1 (96.6) per cent.

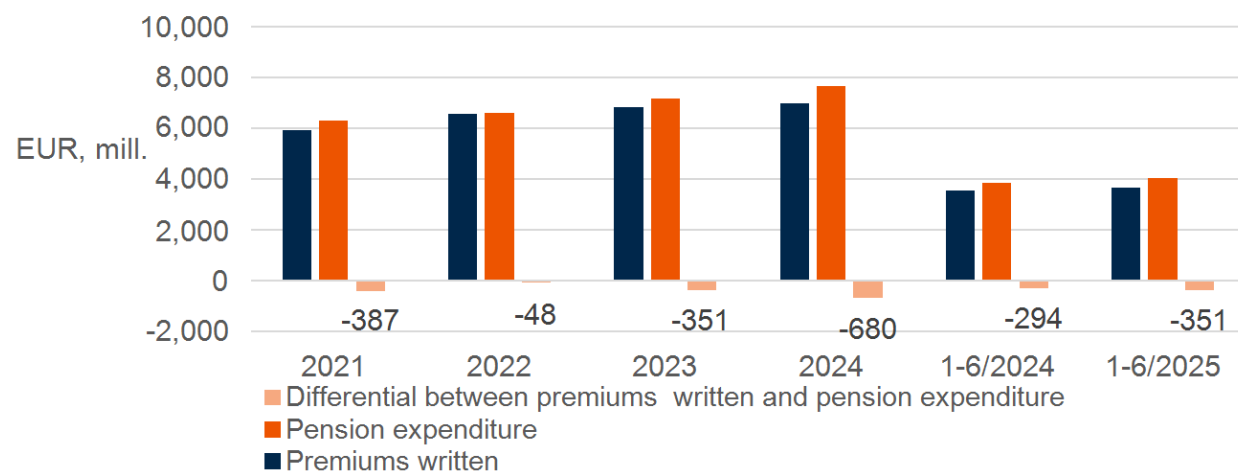
At the end of June, Ilmarinen had a total of 451,799 (453,559) pension recipients. From the beginning of the year, a total of EUR 4,021 (3,845) million in pensions were paid to them. This was an increase of 5 per cent on the previous year. In January–June, a total of 23,367 (19,641) new pension decisions were made, which was 19 per cent more than in the previous year. A total of 12,559 (6,165) new decisions on old-age pensions were made, an increase of

104 per cent year-on-year. The increase in the number of decisions on old-age pensions is mostly affected by the fact that working while receiving an old-age pension has become more common, and people are applying for the pension accrued from this. There were 1,774 (3,637) new decisions made on partial early old-age pensions, which was 51 per cent less than in the previous year due to the increased age limit. The number of new disability pension decisions made was 4,983 (5,179), down 4 per cent year-on-year. There were 1,627 (1,752) new rehabilitation decisions, 57 per cent of which were positive. In January–March, 1,789 (1,889) persons transitioned on a disability pension or cash rehabilitation benefit, which is 5 per cent less than last year.

The average processing time for old-age pension applications was 3 (7) days and for disability pension applications 39 (44) days.

TyEL credit losses were EUR 7.5 (9.7) million and accounted for 0.22 (0.29) per cent of premiums written.

### Premiums written and pension expenditure 2021-Q2/2025



## Return on investments

At the end of June, Ilmarinen's total investments at current value were EUR 64,024 (63,313) million. The return on investments at current value was 2.1 (4.9) per cent. Calculated at current value, the average annual return over the last five years was 6.7 per cent, which corresponds to an average annual real return of 3.1 per cent. Calculated from 1997, the average annual return at current value for Ilmarinen's investments has been 5.8 per cent per annum. This corresponds to an annual real return of 3.9 per cent.

Fixed income investments accounted for a total of 29.6 (29.7) per cent of the investment portfolio and their return at current value was 2.9 (1.4) per cent. Their total market value was EUR 18,978 (18,775) million. Bonds accounted for a total of 28.7 (27.9) per cent of Ilmarinen's investment assets and their return was 2.3 (1.2) per cent. The modified duration of bonds was 3.8 (4.8) years.

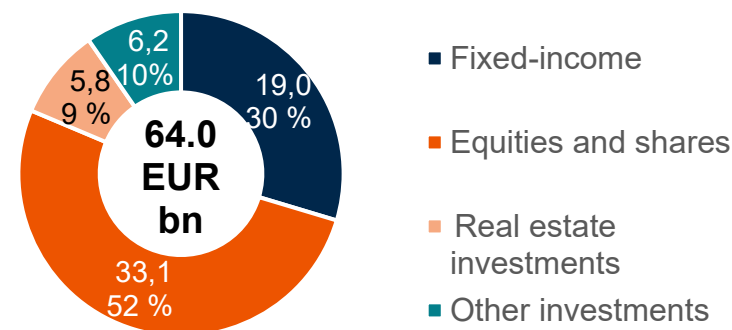
Listed and non-listed equities and shares as well as private equity investments made up 51.7 (51.6) per cent of all investments. Their value at the end of June stood at EUR 33,104 (32,689) million. In the risk breakdown, listed equities and shares accounted for 35.9 (37.2) per cent.

Finnish equities made up 26.9 (24.3) per cent of listed equity investments. The return on equity investments at current value was 1.5 (9.3) per cent. The return on listed equity investments was 2.5 (11.4) per cent.

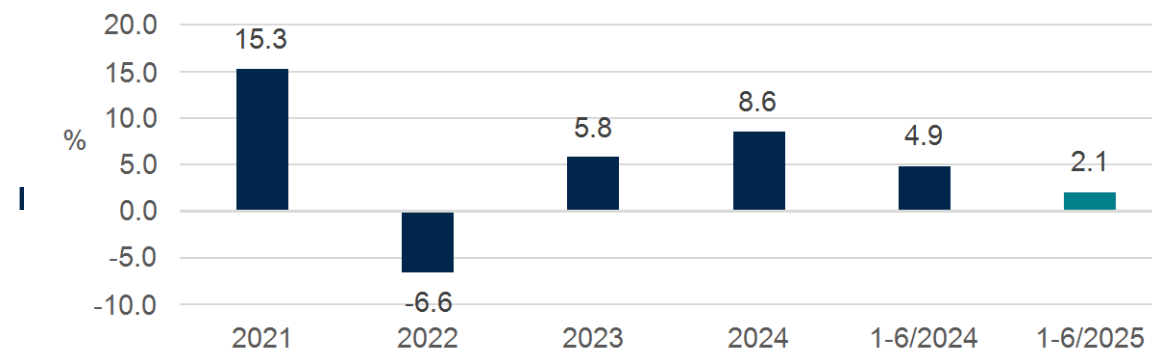
Real estate investments at the end of June stood at EUR 5,779 (5,825) million. Real estate investments accounted for 9.0 (9.2) per cent of all investments, with the total return at 0.4 (-0.6) per cent.

Investments in hedge funds and commodities and other investments made up 9.6 (9.5) per cent of the market value of the investments at the end of June. Their combined return was 4.4 (1.4) per cent and the value at the end of June was EUR 6,162 (6,023) million.

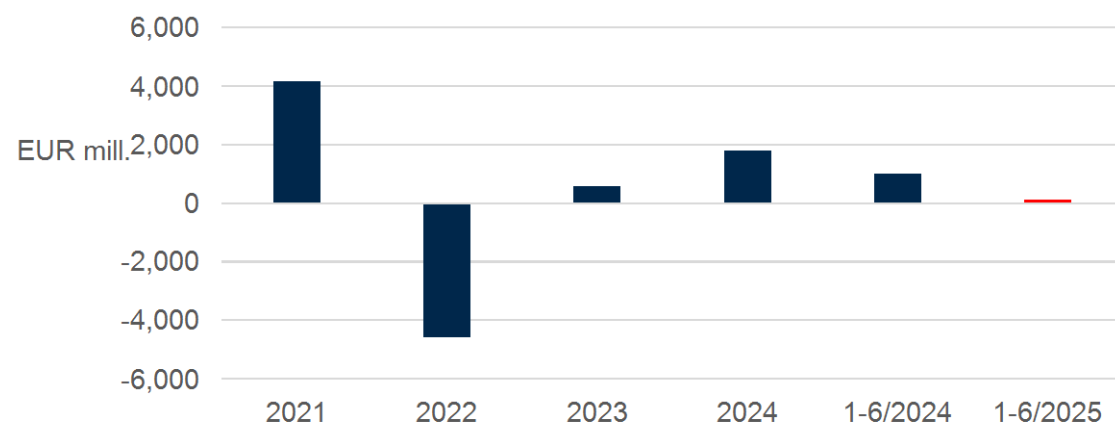
## Breakdown of investments 30.6.2025



## Net investment return 2021-Q2/2025



### Total result 2021-Q2/2025



### Result and solvency

Ilmarinen's total result at current value was EUR 112 (995) million. Investment income at current value was EUR 130 (988) million, the underwriting result was EUR -14 (8) million, and the loading profit was EUR -4 (-1) million. Operating expenses financed using loading income accounted for EUR 47 (47) million. The ratio of operating expenses to the payroll and YEL income, a measure of cost-effectiveness, improved to 0.32 (0.33) per cent during the period, and operating expenses per pensioner and insured were

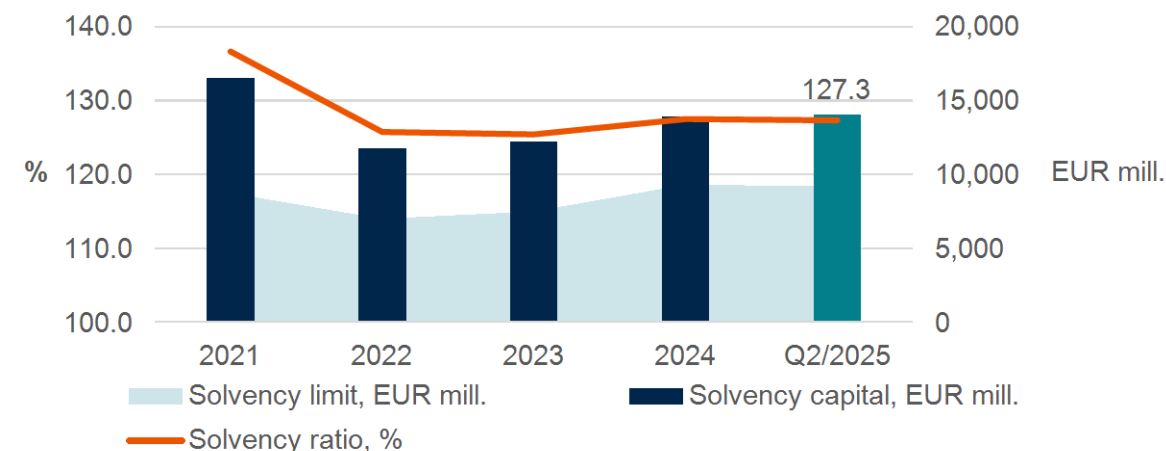
EUR 41 (41). The administrative cost component of the TyEL contribution became company-specific at the start of 2023. A surplus was formed in 2023, which has been used to lower the level of the administrative cost component for the next years.

The solvency ratio was 127.3 (127.5) per cent and solvency capital EUR 14,018 (13,895) million. Capital and reserves were EUR 240 (234) million, the valuation difference between current and book values was EUR 12,785 (13,573)

million, and the provision for accumulated accounting profit was EUR 997 (96) million.

The technical provisions amounted to EUR 52,318 (50,642) million. The EUR 51,288 (50,515) million in solvency technical provisions does not include the provision for future bonuses or the earnings-related pension contributions that remain open receivables in the basic insurance under YEL.

### Solvency 2021-Q2/2025



### Personnel

The average number of personnel (person years) in January–June was 595 (587). The energy level of the personnel is excellent (4.3 on a scale of 1–5). The employee Net Promoter Score (eNPS) was +46 (on a scale of -100 to +100) on average year to date. Our sick leave percentage was 1.5 (1.5) per cent.

In the summer season 2025, Ilmarinen employed a record-breaking number of summer workers: 62. We want to offer as many young people as possible an opportunity to gain work

experience and get a foothold in employment. This year, a network of voluntary tutors is also supporting the journey of our summer workers at Ilmarinen. The tutors offer low-threshold support to new summer workers alongside their own work. The tutor network does not replace orientation but provides additional support for special-interest work and working at Ilmarinen.

We are continuously expanding our personnel's expertise in artificial intelligence. In addition to the coaching programmes, we have established a group where people interested in using artificial intelligence can share their skills and experiences. All Ilmarinen's employees have AI tools at their disposal, and using AI has been tested at different work stages. Ilmarinen already published its corporate responsibility principles on artificial intelligence back in 2023. The principles are available on our website, and they are applied to all uses of artificial intelligence.

In June 2025, Ilmarinen opened a nursery for the eighth time. The purpose is to bring some relief to the employees from the challenges of summer childcare. The nursery in Ilmarinen's office building is a temporary place for the children of Ilmarinen personnel to be cared for on an occasional basis.

In the summer season 2025, we will again participate in the Kilometre Race cycling challenge between companies and organisations and the Finnish Red Cross Chain Reaction charity event.

Ilmarinen's CEO will change. The CEO of Ilmarinen Jouko Pölönen has decided to leave the company after seven years in office. Pölönen will leave his position on 31 August 2025 and assume the role of CEO of eQ Oyj. The Board of Directors of Ilmarinen has appointed Mikko Mursula, M.Sc.(Econ.), as the new CEO of Ilmarinen. Mursula has previously served as Ilmarinen's Chief Investment Officer and Deputy CEO. Mikko Mursula will assume the role of Ilmarinen's CEO on 1 September 2025.

## Responsibility

In February, we published our first statutory sustainability report as part of the 2024 annual report. We report on sustainability in accordance with the European Sustainability Reporting Standards (ESRS).

We are also now reporting for the third time on biodiversity in our investment operations in line with the Taskforce on Nature-related Financial Disclosures (TNFD) framework. Based on

an analysis, approximately 38 per cent of our direct equity and corporate bond investments have been invested in sectors where nature impacts and dependencies on nature play a significant role. Our greatest exposures relate to the pharmaceutical industry, the semiconductor industry and the paper and forest industry. They account for around one third of our exposure. According to our portfolio analysis, water is a key ecosystem service for our investment targets.

In accordance with the biodiversity plan for Finnish properties, we carry out nature surveys on our current property portfolio. Based on these, we determine the most suitable measures for each site. In the first half of 2025, a nature survey was completed at 66 sites. A small act that increases biodiversity is two beehives on the roof of our office building. They were installed in May.

As an active owner, we attended the general meetings of 107 companies listed in Finland during the general meeting period of the first half of the year. We attended almost all meetings in person and voted in advance if possible. We were able to express our position by means of an advance vote at 83 meetings. We focused on

shortcomings in remuneration reports and policies. In the first half of the year, we attended the general meetings of 191 international listed companies via a service provider. We participate in the general meetings of international listed companies using a power of attorney voting service that takes sustainability issues into consideration.

## Future prospects and key uncertainties

Uncertainty related to power and trade politics has been increasing since the beginning of the year. Russia's war of aggression in Ukraine, geopolitical tensions, acts of war in the Middle East and extensive changes in trade politics cast a shadow over the growth and inflation outlook, adding to the overall uncertainty in the economy and investment market.

Increased uncertainty dampens the outlook for global economic growth. The global economic growth forecast was revised to 3 per cent for 2025. Uncertainty also slows the rate at which the Finnish economy can recover from the recession.

Ilmarinen's premiums written are expected to increase as payrolls increase.

The key risks affecting Ilmarinen's operations and the earnings-related pension scheme are related to the development of employment and the payroll, changes in disability pension incidence, uncertainty in the investment markets, demographic development and the exceptionally low birth rate.

## Further information

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- Sami Ärilä, Executive Vice President, People and Communications, tel. +358 400 271 066

## Appendix tables

KEY FIGURES IN BRIEF	1 Jan- 30 Jun2025	1 Jan- 30 Jun2024	1 Jan - 31 Dec2024
Premiums written, EUR mill.	3,670	3,551	6,956
Pensions and other payments made, EUR mill.	4,021	3,845	7,636
Net return on investments at fair value, EUR mill.	1,300	2,864	5,044
Net investment return on capital employed, %	2.1	4.9	8.6
	30 Jun2025	30 Jun2024	31 Dec2024
Technical provisions, EUR mill.	52,318	49,705	50,642
Solvency capital, EUR mill. <sup>1)</sup>	14,018	13,225	13,895
in relation to solvency limit	1.5	1.6	1.5
Pension assets, EUR mill. <sup>2)</sup>	65,306	62,672	64,410
Solvency capital (solvency ratio)	127.3	126.7	127.5
TyEL payroll, EUR mill. <sup>3)</sup>	27,280	26,623	26,537
YEL payroll, EUR mill. <sup>3)</sup>	1,796	1,813	1,817

1) The ratio was computed as a percentage of the technical provisions used in calculating the solvency limit

2) Technical provisions + differences between current and book value

3) Estimated TyEL and YEL payroll for the whole year

Result analysis, EUR mill.	1 Jan- 30 Jun2025	1 Jan- 30 Jun2024	1 Jan - 31 Dec2024
Underwriting result	-14	8	6
Return on investments at fair value	130	988	1,797
+ Net return on investments at fair value	1,300	2,864	5,044
- Return requirement on technical provisions	-1,170	-1,876	-3,247
Loading profit	-4	-1	-1
Other profit	0	0	3
Total result	112	995	1,804

SOLVENCY	30 Jun2025	30 Jun2024	31 Dec2024
Solvency limit, EUR mill.	9,175	8,528	9,304
Maximum solvency capital, EUR mill,	27,524	25,583	27,911
Solvency capital before equalisation provision, EUR mill,	14,018	13,225	13,895
Solvency capital (solvency ratio) % <sup>1)</sup>	127.3	126.7	127.5
Solvency position <sup>2)</sup>	1.5	1.6	1.5

1) Pension assets in relation to technical provisions

2) Solvency capital in relation to solvency limit,

	Net investment return market value 8)	Capital employed 9)	Net investment return on capital employed,%	Net investment return on capital employed,%	Net investment return on capital employed,%
	30 Jun2025 EUR mill,	30 Jun2025 EUR mill,	30 Jun2025 %	30 Jun2024 %	31 Dec2024 %
<b>Fixed-income investments total</b>	<b>537</b>	<b>18,602</b>	<b>2.9</b>	<b>1.4</b>	<b>4.4</b>
Loan receivables 1)	8	933	0.9	3.8	6.3
Bonds	418	18,042	2.3	1.2	4.4
Other money market instruments and deposits 1) 2)	110	-373	-	2.4	3.2
<b>Equities and shares total</b>	<b>480</b>	<b>32,675</b>	<b>1.5</b>	<b>9.3</b>	<b>14.1</b>
Listed equities and shares 3)	547	22,299	2.5	11.4	15.8
Private equity investments 4)	-165	8,704	-1.9	5.7	10.4
Non-listed equities and shares 5)	98	1,671	5.9	4.2	12.4
<b>Real estate investments total</b>	<b>22</b>	<b>5,821</b>	<b>0.4</b>	<b>-0.6</b>	<b>-0.9</b>
Direct real estate investments	19	3,095	0.6	-0.2	0.1
Real estate funds and joint investments	3	2,727	0.1	-3.0	-2.0
<b>Other investments total</b>	<b>266</b>	<b>6,002</b>	<b>4.4</b>	<b>1.4</b>	<b>6.7</b>
Hedge fund investments 6)	125	5,936	2.1	4.7	9.8
Commodity investments	1	0	-	-	-
Other investments 7)	141	66	-	-	-
<b>Investments total</b>	<b>1,305</b>	<b>63,100</b>	<b>2.1</b>	<b>4.9</b>	<b>8.6</b>
Unallocated income, costs and operating expenses	-5	0	0.0	0.0	0.0
<b>Investment return at current value total</b>	<b>1,300</b>	<b>63,100</b>	<b>2.1</b>	<b>4.9</b>	<b>8.6</b>

1) Includes accrued interest

2) Includes cash at bank and in hand and consideration receivables and debt

3) Also includes mixed funds unless they can be allocated elsewhere

4) Includes private equity funds, mezzanine funds and infrastructure investments

5) Also includes unlisted real estate investment companies

6) Includes all types of hedge fund units regardless of the fund's strategy

7) Includes items that cannot be allocated to other investment classes

8) Change in market value between the beginning and end of the reporting period less cash flows during the period, Cash flow means the difference between purchases/costs and sales/revenues

9) Capital employed = market value at the beginning of the reporting period + daily/monthly time-weighted cash flows

Asset allocation	Basic breakdown 30 Jun2025		Basic breakdown 30 Jun2024		Basic breakdown 31 Dec2024		Risk breakdown 30 Jun2025		Risk breakdown 30 Jun2024 31 Dec2024	
	EUR mill,	%	EUR mill,	%	EUR mill,	%	EUR mill,	%	%	%
<b>Fixed-income investments total</b>	<b>18,978</b>	<b>30</b>	<b>19,797</b>	<b>32</b>	<b>18,775</b>	<b>30</b>	<b>22,964</b>	<b>36</b>	<b>34</b>	<b>32</b>
Loan receivables <sup>1)</sup>	854	1	1,057	2	1,056	2	854	1	2	2
Bonds	18,345	29	18,140	30	17,652	28	22,351	35	39	31
Other money market instruments and deposits <sup>1) 2)</sup>	-220	0	599	1	68	0	-240	0	-7	-1
<b>Equities and shares total</b>	<b>33,104</b>	<b>52</b>	<b>29,422</b>	<b>48</b>	<b>32,689</b>	<b>52</b>	<b>33,197</b>	<b>52</b>	<b>50</b>	<b>54</b>
Listed equities and shares <sup>3)</sup>	22,902	36	19,529	32	22,240	35	22,995	36	34	37
Private equity investments <sup>4)</sup>	8,526	13	8,265	14	8,709	14	8,526	13	14	14
Non-listed equities and shares <sup>5)</sup>	1,676	3	1,628	3	1,740	3	1,676	3	3	3
<b>Real estate investments total</b>	<b>5,779</b>	<b>9</b>	<b>5,767</b>	<b>9</b>	<b>5,825</b>	<b>9</b>	<b>5,779</b>	<b>9</b>	<b>9</b>	<b>9</b>
Direct real estate investments	3,090	5	5,047	8	3,083	5	3,090	5	8	5
Real estate funds and joint investments	2,689	4	719	1	2,742	4	2,689	4	1	4
<b>Other investments total</b>	<b>6,162</b>	<b>10</b>	<b>6,159</b>	<b>10</b>	<b>6,023</b>	<b>10</b>	<b>6,451</b>	<b>10</b>	<b>10</b>	<b>10</b>
Hedge fund investments <sup>6)</sup>	6,006	9	5,330	9	5,911	9	6,006	9	9	9
Commodity investments	0	0	0	0	0	0	189	0	0	0
Other investments <sup>7)</sup>	157	0	828	1	112	0	256	0	1	0
<b>Investments total</b>	<b>64,024</b>	<b>100</b>	<b>61,144</b>	<b>100</b>	<b>63,313</b>	<b>100</b>	<b>68,392</b>	<b>107</b>	<b>103</b>	<b>105</b>
Effect of derivatives							-4,368	-7	-3	-5
<b>Investment return at current value total</b>	<b>64,024</b>	<b>100</b>	<b>61,144</b>	<b>100</b>	<b>63,313</b>	<b>100</b>	<b>64,024</b>	<b>100</b>	<b>100</b>	<b>100</b>

The modified duration of bond investments was 3,8 years

1) Includes accrued interest

2) Includes cash at bank and in hand and consideration receivables and debt

3) Also includes mixed funds unless they can be allocated elsewhere

4) Includes private equity funds, mezzanine funds and infrastructure investments

5) Also includes unlisted real estate investment companies

6) Includes all types of hedge fund units regardless of the fund's strategy

7) Includes items that cannot be allocated to other investment classes