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Ilmarinen’s Interim Report January–June 2026

Ilmarinen's interim report 1 January–30 June 2026: Investment return was 5.3 per cent, solvency ratio strengthened and the first half of the year was particularly good in terms of customer acquisition

January–June performance in brief:

- The return on Ilmarinen's investment portfolio was 5.3 (2.1) per cent, or EUR 3.5 billion. The market value of investments increased to EUR 70.4 (67.5) billion. The long-term average return on investments since 1997 was 6.0 per cent. This corresponds to a real return of 4.1 per cent.
- The total result was EUR 1,304 (112) million.
- Premiums written totalled EUR 3,682 (3,670) million, and pensions paid EUR 4,069 (4,021) million.
- Net client acquisition strengthened to EUR 124 (24) million, and rolling client retention for the previous 12 months was 96.3 (96.1) per cent.
- Operating expenses financed using loading income totalled EUR 46 (47) million, amounting to 0.31 (0.32) per cent of the Employees Pensions Act payroll and YEL income of the insured.
- Solvency capital increased to EUR 16.8 (15.5) billion, and the solvency ratio strengthened to 130.7 (129.2) per cent.
- Prospects: Ilmarinen's written premiums are expected to increase at a slightly slower rate than the increase in payrolls, as the TyEL contribution percentage decreased for 2026. The decrease in the contribution percentage was due to the fact that repayment of the temporary reduction of employers' social security contributions granted during the COVID-19 pandemic ended in 2025.

KEY FIGURES	1.1.–30.6.2026	1.1.–30.6.2025	1.1.-31.12.2025
Premiums written, EUR mill.	3,682	3,670	7,160
Pension expenditure, EUR mill.	4,069	4,021	7,950
Administrative cost-based operating expenses,	46	47	92
TyEL payroll and YEL income, EUR mill.	15,131	14,888	29,029
Operating expenses financed using loading in-	0.31	0.32	0.32
Investment return at current value, %	5.3	2.1	8.1
Total result at current value, EUR mill.	1,304	112	1,766
Value of investment assets, EUR mill.	70,428	64,024	67,537
Solvency capital, EUR mill.	16,828	14,018	15,519
Solvency ratio	130.7	127.3	129.2

The interim report result comparison figures are the figures for the corresponding period of 2025. Unless otherwise indicated, the comparison figures for the balance sheet and other cross-sectional figures are the figures for the end of 2025.

President and CEO Mikko Mursula's review

Ilmarinen's investments yielded 5.3 per cent in January–June. Solvency ratio strengthened and cost-effectiveness is at a good level. The first half of the year was particularly good in terms of customer acquisition.

Geopolitical uncertainty has influenced the economic operating environment in the first half of the year. Rising oil and energy prices have accelerated inflation and the uncertainty arising from it. Trade policy uncertainty is still elevated. Despite the uncertainty, the economies have shown more resilience than expected during the spring, and the profit-making ability of companies has been at an excellent level. The stock market has yielded excellent profits with the support of strong performance and the performance forecasts for the next few years.

The International Monetary Fund IMF forecasts the global economy to grow by 3.0 per cent this year and by 3.4 per cent next year. Finland's economic growth is forecast to be 0.7 per cent in 2026 and 1.2 per cent in 2027, if the Middle East conflict's impacts on growth and inflation remain short-term.

Ilmarinen's return on investments from January to March was 5.3 per cent, or EUR 3.5 billion. The market value of investments grew to EUR 70.4 billion. Ilmarinen's return on investments was boosted especially by listed equity investments. Long-term returns are at a good level. The long-term average return on investments since 1997 was 6.0 per cent, which corresponds to a real return of 4.1 per cent. Ilmarinen's investments have generated a total of EUR 32.0 billion since 2017.

Our solvency ratio strengthened. Solvency capital grew to EUR 16.8 billion, and the solvency ratio strengthened to 130.7 per cent. Cost-effectiveness was also at a good level. Operating expenses financed using loading income decreased to EUR 46 million, amounting to 0.31 per cent of the Employees Pensions Act payroll and YEL income of the insured.

The first half of the year was particularly strong in terms of customer acquisition. Net customer acquisition increased to EUR 124 million, and customer retention was 96.3 per cent. It is great that more and more people have entrusted us with their pension cover. In the sales of new insurance policies for entrepreneurs, we were the market leader in terms of the number of policies sold.

Premiums written were at the level of the preceding year, EUR 3.68 billion. We paid EUR 4.1 billion in pensions to 447,279 pension recipients.

In the spring, we gave our customers the possibility to view their pension records via the S-mobiili app. Employees and entrepreneurs insured by Ilmarinen can now access their pension records through both the S-mobiili and OP-mobile apps. The bank channels have inspired young people in particular to take an interest in their pension cover.

The legislative proposals concerning the pension reform were approved by Parliament and confirmed by the President in mid-June. The aim is to strengthen the financial sustainability of the earnings-related pension system and to secure an adequate level of coverage in the long term. The reform of the pension scheme for entrepreneurs is also progressing, and the preparation of the government proposal is under way.

A key part of the pension reform is the reform of investment regulation, the first phase of which entered into force at the beginning of July. It enables a higher proportion of shares and seeking higher investment returns, but it may increase the variation in returns. At Ilmarinen, we have carefully prepared for the investment regulation reform. We have increased the share of equity investments in our risk distribution from 54 per cent to 62 per cent during the first half of the year.

Nineteen per cent, or EUR 13.4 billion, of our investments are in Finland. Investing in Finnish companies is part of the work we do to build sustainable growth in Finland.

In June, Ilmarinen and OP Pohjola launched a EUR 300 million growth financing programme. The goal is to provide Finnish SMEs with better access to financing and support growth projects across the country. Cooperation is a key promoter of business growth in a tough economy. I believe that we can become even better at finding companies that are ready to grow and thrive. Let's revive growth in Finland.

Current information about the pension system

In March 2026, the Government submitted a bill to Parliament to implement the pension reform agreed in January 2025. The Parliament adopted the laws on the reform, and the President confirmed them in mid-June. The acts will enter into force in stages from 1 July 2026. The purpose of the reform is to ensure the financial sustainability of the earnings-related pension system and an adequate level of pensions in the long term. The measures are estimated to reduce the sustainability gap in public finances by approximately 0.8 percentage points relative to GDP.

The investment reform is at the centre of the pension reform. Its objective is to increase the return on investments of pension assets by increasing the opportunities for risk-taking for employment pension insurance providers and by expanding the possibilities for borrowing for the real estate investments of subsidiaries. The changes introduced by the investment reform will enter into force gradually. The first changes, which entered into force on 1 July 2026, expand the possibilities of employment pension institutions to invest a larger share of their assets in higher-return investments, such as shares. The possibilities will expand further in the later stages of the reform on 1 January 2027 and 1 July 2027. Although the earnings-related pension assets must continue to be invested in a productive and secure manner, increased risk-taking may increase the variation in returns on investments.

The pension reform will also strengthen the funding of old-age pensions. This will secure the financing of future pensions and improve intergenerational fairness, especially for the younger generations. An index limiter will be introduced for the index increments of pensions in payment from 2030 onwards. The index limiter will limit the annual index increments of pensions in payment to the increase of the wage coefficient over a two-year period. This way, earnings-related pensions will not increase significantly more than wages and salaries. The reform did not include any other changes related to pension benefits. In connection with the pension reform, the employee and employer organisations also agreed to consolidate the TyEL contribution rate to 24.4 per cent for the period 2026–2030.

The financial situation of earnings-related pensions will improve clearly as a result of the pension reform, according to the new long-term calculation by the Finnish Centre for Pensions (ETK). After the reform, the pension scheme is expected to be financially balanced. The outlook is stronger than before, but greater dependence on return on investments increases uncertainty about the future.

An agreement has been reached on the reform of the pension scheme for entrepreneurs. In June 2026, the Ministry of Social Affairs and Health sent the Government a draft proposal for an amendment to the Self-Employed Persons' Pensions Act (YEL) for comments. In the future, entrepreneurs could choose whether their pension contributions and pension benefits are based on actual earned income or on confirmed income based on an overall assessment as at present. Earned income would be determined on the basis of the last confirmed taxation. After the transition period, the confirmed income based on the overall assessment should be at least half of the earned income. Entrepreneurs could re-select the method of determining pension contributions every three years. The aim of the reform is to support entrepreneurship and economic growth; moderate the pension contributions of entrepreneurs, especially those with low income; and increase entrepreneurs' freedom of choice. The act is intended to enter into force on 1 January 2028, and the selection could be made from 1 November 2027 onwards.

Operating environment and investment market

The key drivers of the financial markets in the first half of the year were the negative effects of the crisis in the Middle East on inflation and growth and, on the other hand, the global technology-driven investment cycle. The positive effects of the investment cycle will maintain economic growth and support the profit-making ability of companies in an uncertain geopolitical environment. In January and February, economic growth and inflation prospects were still favourable for investors. However, the situational picture changed as the geopolitical situation in the Middle East became a crisis at the beginning of March. Rising oil and energy prices are accelerating inflation as well as the related uncertainty, which significantly increased monetary policy interest rate expectations. Trade policy uncertainty also remains elevated. The end of the military operations due to the ceasefire has, at least temporarily, calmed the financial markets. The risky markets have largely returned to the pre-war level. Despite the uncertainty, the economies have shown more resilience than expected during the spring, and the profit-making ability of companies has been at an excellent level. The still continuing strong investment cycle in the technology sector has been an important positive factor. The impacts of both the energy and technology shock are unevenly distributed globally.

The International Monetary Fund (IMF) forecasts the global economy to grow by 3 per cent this year and by 3.4 per cent next year. The International Monetary Fund forecasts the US economy to grow by 2.3 per cent this year. The rise in energy prices is a strong blow to the growth potential of an energy-dependent Europe. As a result, growth forecasts for the zone have been revised downwards, and the EU's economic growth is expected to be 0.9 per cent this year. Many Asian economies are also vulnerable to energy price shocks. China's growth is projected at 4.6 per cent. There were positive signs of growth in the Finnish economy towards the end of last year, and so far, the challenges related to trade policy have not exerted a major impact on Finnish exports. However, the impact of recent events on the emerging economic growth is so far unclear.

Geopolitical uncertainty is clearly present in the economic operating environment. Russia's war of aggression in Ukraine and the conflicts in the Middle East have made self-sufficiency in energy and defence as well as the security of supply of production chains key themes in economic policy and business operations. The massive investment needs associated with these needs on the one hand and the deployment of AI technologies on the other will continue to create conditions for favourable economic growth in the medium term. The scale of the investment plans also creates risks related to the potential increase in debt of both states and companies.

Inflation in the eurozone has already recovered to the European Central Bank's (ECB's) price stability objective. However, the energy price shock has significantly increased actual inflation. The year-on-year change in consumer prices in the eurozone in June was 2.8 per cent, and core inflation less energy and food prices was 2.4 per cent. The ECB Governing Council decided to raise the key interest rate by 25 basis points in June to 2.25 per cent. The markets are pricing in one more interest rate hike for the rest of the year. In the United States, the return of inflation towards the Federal Reserve's target level has been slower than in Europe and tariffs have made it more difficult to estimate the development of inflation. The year-on-year change in consumer prices in the United States in June was 3.5 per cent, while core inflation was 2.6 per cent. The expectations of a decline in interest rates at the beginning of the year were replaced by expectations of interest rate increases as a result of the rise in energy prices. At the end of June, the markets expected the Federal Reserve (Fed) to raise the key interest rate by 38 basis points by the end of the year. The situation is unusually difficult for monetary policy decision-making, and changes in market expectations in the spring were large and sudden.

In Finland, GDP growth is moderate. According to a forecast by the Bank of Finland, the economy will grow by 0.7 per cent this year and by 1.2 per cent next year. The economic forecasts are based on the assumption that the effects of the conflict in the Middle East on growth and inflation would remain temporary, so the forecasts are susceptible to prolongation of the conflict. The growth of household disposable income has supported economic growth in Finland, but the high savings rate has mitigated this effect. Unemployment remains high and consumer confidence relatively low. Public finances will remain in deficit and the increase of debt will continue. A potential energy price shock and higher interest rates would be extremely detrimental to the cautious growth outlook.

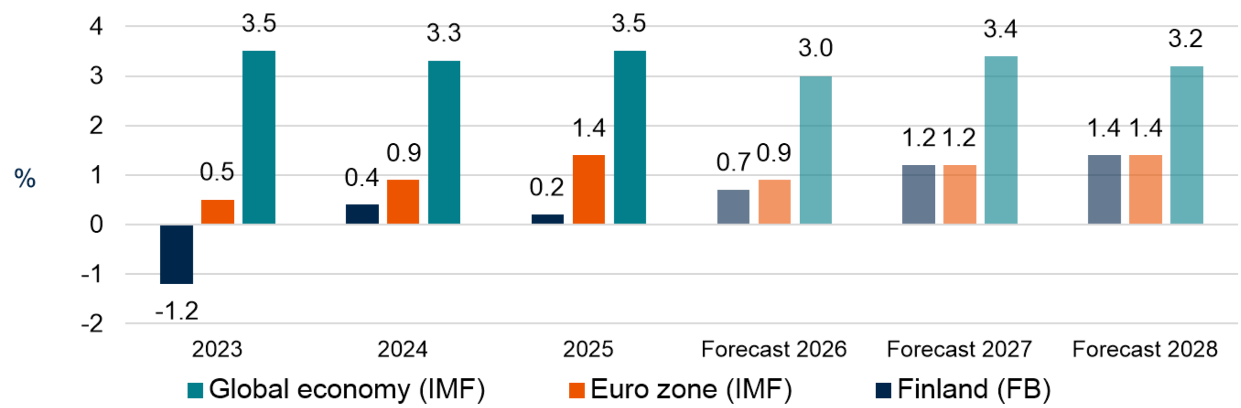
Despite the geopolitical uncertainty, the stock market has performed excellently with the support of strong earnings growth and rising earnings forecasts for the coming years. The business-friendly environment in the United States, AI-related growth opportunities, fiscal policy that supports growth, and the fall in oil prices from their peak have also laid the foundation for an increase in share prices. However, in March, the energy shock caused by the Iranian war created extensive downward pressure on stock markets. There have been very large differences in the development of returns by region, sector and item. By the end of June, the European stock market had produced a return of 10.3 per cent, while the Finnish market had produced a slightly weaker return of 8.8 per cent. The strengthening of the US dollar has increased the returns on US equity investments for investors in euros. The return in euros was 10.2 per cent. The exchange rate development in emerging economies has also been favourable at 24.0 per cent.

As interest rates have risen, the returns on fixed-income investments have been negligible during the first half of the year. The rise in short-term interest rates is based on the changed expectations of central banks as a result of the crisis in the Middle East. The energy shock is driving inflation, and its ultimate inflationary impacts will depend on the duration of the crisis and the long-term destruction of infrastructure and logistical links. The impacts on inflation expectations are also central to the price stability objective of central banks. Long-term interest rates have also been on the rise in the first half of the year, as public finances are vulnerable as debt continues to grow.

Some news has emerged on the challenges of the credit risk market in recent months. Many software companies are feared to suffer from the effects of AI development. Companies of this type are over-represented, especially in many debt structures investing in unlisted companies. There is more mistrust about the appreciation of these structures than usual. As the conflict in the Middle East escalated, the risk premiums for listed corporate loans widened from historically low levels, but have quickly returned to the pre-war level. The debt market is also increasingly used to finance large technology investments that revolve round artificial intelligence.

The US dollar has strengthened moderately during the first half of the year. The Middle East crisis restored confidence in the dollar's safe harbour status, which had been questioned over the past year due to the volatility of US policy. The first policies of Kevin Warsh, the new Chair of the Federal Reserve, have also helped to restore faith in the independence of the Fed and thus improve the credibility of monetary policy. In the early part of the year, the euro declined by 3.0 per cent against the US dollar, to 1.14.

Economic growth and forecasts



Equity market performance, %

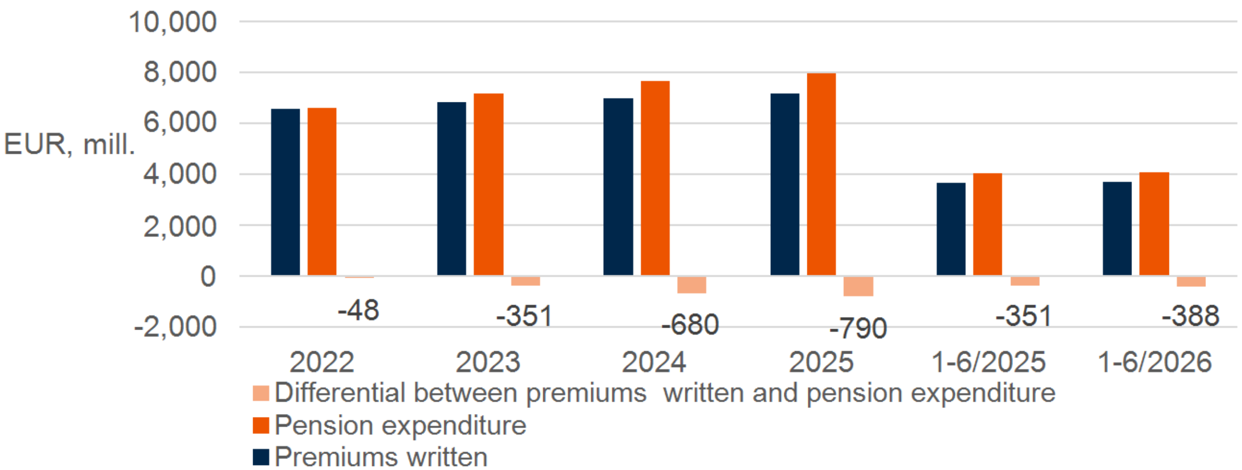
Insurance operations

Premiums written in January–June were at the level of the preceding year, EUR 3,682 (3,670) million. The premiums written were increased by the 2.2 per cent increase in clients' TyEL payroll, but weakened by the slight decrease in TyEL contribution rate as compared to the reference year. The decrease in the contribution percentage is due to the fact that repayment of the temporary reduction of employers' social security contributions granted during the COVID-19 pandemic ended in 2025.

At Ilmarinen, the salaries of insured employees in January–June amounted to EUR 14,222 (13,914) million. The number of insurance policies fell and totalled 116,747 (119,229) at the end of June. Measured in premiums written, net customer acquisition was EUR 124 (24) million and 12-month rolling customer retention rate was 96.3 (96.1) per cent.

At the end of June, Ilmarinen had a total of 447,279 (451,799) pension recipients. From the beginning of the year, a total of EUR 4,069 (4,021) million in pensions was paid to them.

Premious written and pension expenditure 2022-Q2/2026



This was an increase of 1 per cent on the previous year. In January–June, a total of 18,692 (23.367) new pension decisions were made, which was 20 per cent less than in the previous year.

The number of new old-age pension decisions was 7,449 (12,559), which was 41 per cent less than in the previous year. The number of decisions made this year is clearly lower than in the previous year. Last year, the number of old-age pension decisions was explained by the fact that working during retirement has become more common, and people applied for the pension accrued from this work more often than earlier. The upper age limit for the insurance obligation was now raised to 69 years, which postponed the application for pension accrued from work done alongside one's pension. However, the number of new old-age pension recipients was higher than in the previous year.

There were 2,825 (1,774) new decisions made on partial early old-age pensions, which was 59 per cent more than in the preceding year. The number of decisions is increased by a new age group eligible for partial old-age pension; in 2025, there was no corresponding new age group. The number of new disability pension decisions made was 4,389 (4,983), down 12 per cent year-on-year. There were 1,555 (1,627) new rehabilitation decisions, 54 per cent of which were positive. From January to June, 1,600 (1,789) persons transitioned to a disability pension or cash rehabilitation benefit, which is 11 per cent less than last year.

The average processing time for old-age pension applications was 2 (3) days and for disability pension applications 33 (38) days.

TyEL credit losses were EUR 7.5 (7.5) million and amounted to 0.22 (0.22) per cent of premiums written.

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Return on investments

At the end of June, Ilmarinen's total investments at the current value were EUR 70,428 (67,537) million. The return on investments at current value was 5.3 (2.1) per cent. Calculated at the current value, the average annual return over the last five years was 5.3 per cent, which corresponds to an average annual real return of 1.7 per cent. Calculated from 1997, the average annual return at the current value for Ilmarinen's investments has been 6.0 per cent per annum. This corresponds to an annual real return of 4.1 per cent.

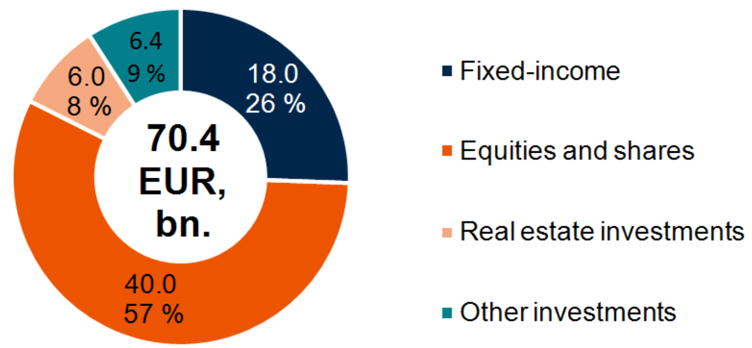
Fixed income investments accounted for a total of 25.6 (26.7) per cent of the investment portfolio and their return at the current value was 1.2 (2.9) per cent. Their total market value was EUR 18,007 (18,001) million. Bonds accounted for a total of 23.0 (24.4) per cent of Ilmarinen's investment assets and their return was 1.7 (2.3) per cent. The modified duration of bonds was 5.0 (3.8) years.

Listed and non-listed equities and shares as well as private equity investments made up 56.8 (55.5) per cent of all investments. Their value at the end of June stood at EUR 40,028 (37,459) million. In the risk breakdown, listed equities and shares accounted for 47.8 (40.0) per cent. Finnish equities made up 25.6 (26.8) per cent of listed equity investments. The return on equity investments at the current value was 8.3 (1.5) per cent. The return on listed equity investments was 11.3 (2.5) per cent.

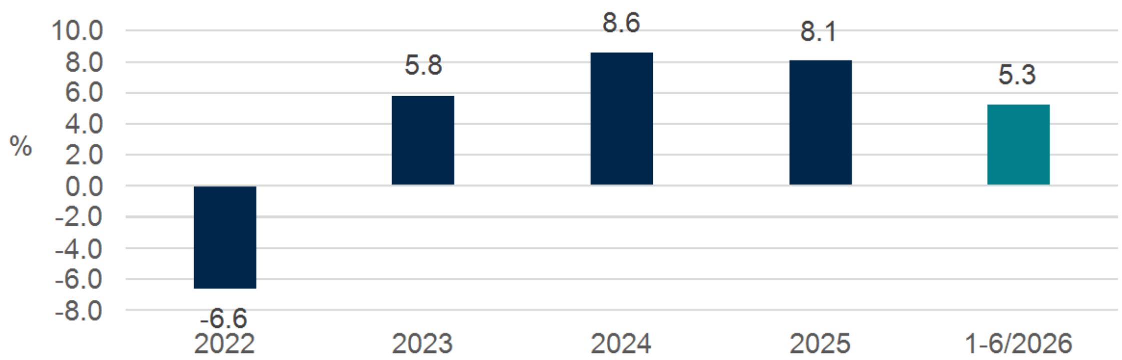
Real estate investments at the end of June stood at EUR 5,970 (5,840) million. They accounted for 8.5 (8.6) per cent of all investments, with the total return being 0.3 (0.4) per cent.

Investments in hedge funds and commodities and other investments made up 9.1 (9.2) per cent of the market value of the investments at the end of June. Their combined return was 3.4 (4.4) per cent and the value at the end of September was EUR 6,423 (6,237) million.

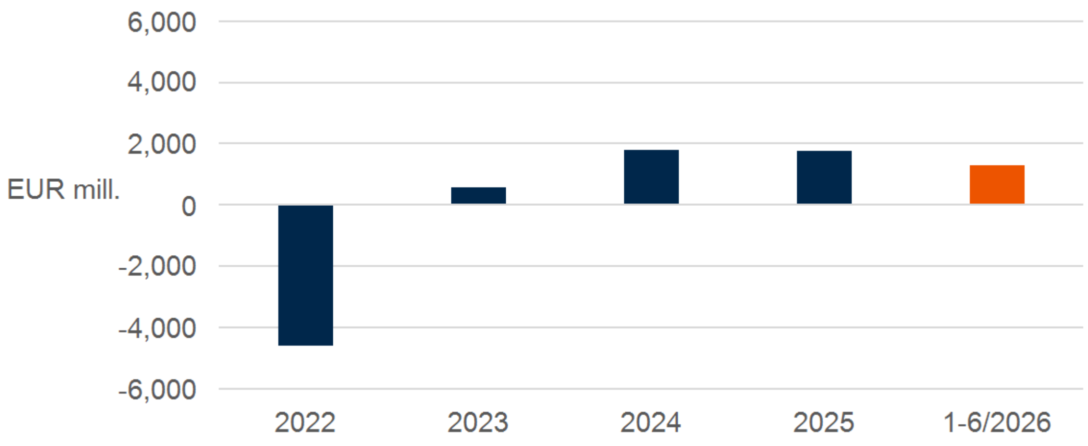
Breakdown of investments 30.6.2026



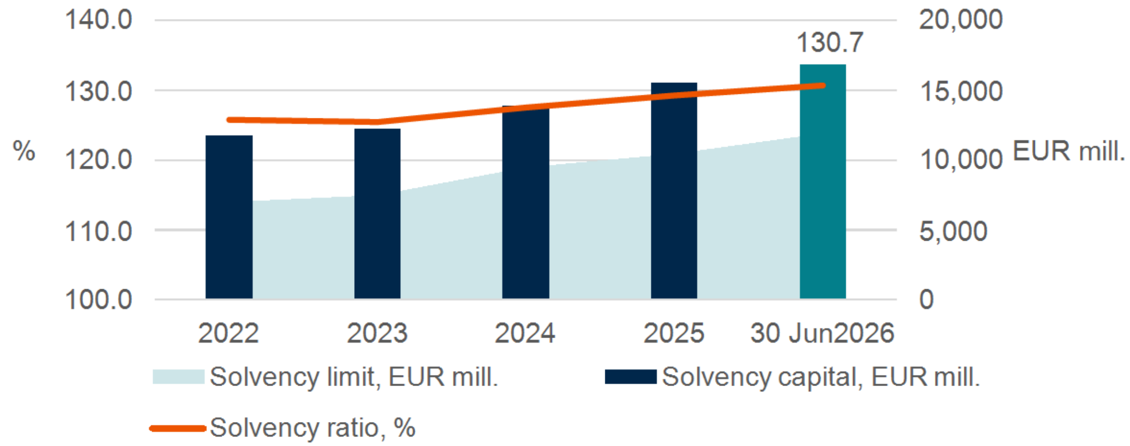
Net investment return 2022-Q2/2026



Total result 2022-Q2/2026



Solvency 2022-30 Jun2026



Result and solvency

Ilmarinen's total result at the current value was EUR 1,304 (112) million. Investment income at current value was EUR 1,299 (130) million, the underwriting result was EUR 9 (-14) million, and the loading profit was EUR -4 (-4) million. Operating expenses financed using loading income accounted for EUR 46 (47) million. 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 coming years.

The ratio of operating expenses to the payroll and YEL income, a measure of cost-effectiveness, improved to 0.31 (0.32) per cent during the period, and operating expenses per pensioner and insured were EUR 41 (41).

The solvency ratio was 130.7 (129.2) per cent and solvency capital was EUR16,828 (15,519) million. Capital and reserves were EUR 253 (246) million, the valuation difference between current and book values was EUR 15,394 (14,251) million, and the provision for accumulated accounting profit was EUR 1,182 (1,025) million.

The technical provisions amounted to EUR 56,098 (54,152) million. The EUR 54,880 (53,092) 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.

Personnel

The average number of personnel (person years) in January–June was 573 (595). The energy level of the personnel is an excellent 4.2 on a scale of 1–5 (4.3). The average employee Net Promoter Score (eNPS) was +37 (on a scale of -

100 to +100). The eNPS decreased as a result of the change negotiations held in early 2026 and was +32 in March but increased by ten points in the June survey.

In April, Ilmarinen once again carried out an extensive equality and non-discrimination survey among its personnel. This survey is conducted every two years. It helps Ilmarinen monitor the state of equality and non-discrimination and find key areas for improvement.

Equality and non-discrimination are realised well at Ilmarinen and have developed in a positive direction over the past two years. Positive development can be seen in the overall scores of all the different areas. Those who identify as a minority group member feel that the realisation of the issues asked about is slightly worse than all respondents on average, but a good level was also noted in their responses. There is still room for improvement when it comes to appreciating and accepting diversity. The realisation of equality and non-discrimination requires active measures in addition to long-term and continuous efforts.

In the summer season 2026, Ilmarinen will employ 46 summer workers. We want to offer the opportunity to gain work experience to as many young people as possible and, through this, find their way into working life. Ilmarinen's summer workers are also supported by a network of volunteer mentors. In addition to their own responsibilities, the mentors provide easily approachable support for new summer workers and provide additional support during the orientation period of summer workers.

June marked the eleventh time that Ilmarinen gave its employees the opportunity to bring their children to the workplace for the duration of the work day. Many families may find it challenging to manage a hectic schedule in June. Primary school children have long summer holidays, and few parents have the opportunity to take the entire summer off. The aim of the crèche is to provide temporary assistance to staff in reconciling work and family life during the summer holiday season.

Ilmarinen has been awarded the 'feel-good workplace' (Hyvän mielen työpaikka®) certificate for the fourth time in a row. The certificate is granted by MIELI ry on the basis of application, and the certificate serves both as recognition and as a development tool. Ilmarinen received positive feedback for its work in accordance with the objectives of the previous period, the development plans for the new certification period and the fact that systematic, joint and practical measures are taken to promote mental health.

Changes in Ilmarinen's administration

At the meeting of Ilmarinen's Supervisory Board on 16 June 2026, Minna Helle, CEO of the Confederation of Finnish Industries, was elected as a new member of the Board of Directors. At the organisational meeting of the Board of Directors on 16 June 2026, Minna Helle was also elected as Vice Chair of Ilmarinen's Board of Directors and a member of the Board's Appointment and Remuneration Committee. Minna Helle succeeds Jyri Häkämies, who started as the Vice Chairman of Ilmarinen's Board of Directors in 2012.

There were no other changes in the composition of the Board, its Chairs or the committees. The Board of Directors is chaired by Jorma Rauhala, CEO of Kesko Oyj, and the Second Vice-Chair is Jarkko Eloranta, President of SAK (the Primary Deputy for the Chair). In addition to Minna Helle, the Board's Appointment and Remuneration Committee consists of Jorma Rauhala (Chair) and Jarkko Eloranta. The members of the Audit and Risk Management Committee of Ilmarinen's Board of Directors are Tomi Hyryläinen, CFO of Tieto Oyj (Chair), Katri Hokkanen, CFO of Valmet Oyj, Pia Kalsta, CEO of Sanoma Media Finland Oy, and Jyrki Ojanen, Vice Chairman of the Finnish Construction Trade Union.

There were no changes to the composition or the chairs of Ilmarinen's Supervisory Board.

Mikko Lantto, Ilmarinen's Executive Vice President of Technology and Development and member of the Executive Group, resigned in May to assume a new role outside the company. The recruitment of a new Executive Vice President of Technology and Development is under way.

Responsibility

In February, Ilmarinen published its second statutory sustainability report as part of its 2025 Annual Report. Ilmarinen reports in accordance with the European Sustainability Reporting Standards (ESRS). We committed to the science-based short-term climate goals in line with the Science Based Targets (SBTi) initiative. The targets were submitted for evaluation to the

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SBTi organisation. The commitment is part of Ilmarinen's climate plan for 2026–2030.

In March, we published the results of our 2021–2025 climate roadmap. We achieved all of our emission reduction targets.

In May, we reported for the fourth time on biodiversity in our investment operations in line with the Taskforce on Nature-related Financial Disclosures (TNFD) framework. Based on the analysis, approximately 37 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 are related to the semiconductor industry, energy and water supply, the paper and forest industry, and the pharmaceutical industry. According to our analysis, water is a key ecosystem service for our investment targets.

During the AGM season, Ilmarinen participated in the general meetings of a total of 115 Finnish listed companies. We paid particular attention to the diversity of the board and the transparency of remuneration reporting. In the first half of the year, we attended the general meetings of 776 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.

Events after the reporting period

The legislative amendments concerning the pension reform will enter into force in stages on 1 July 2026. As a result of the reform, Ilmarinen's solvency position improved considerably as the solvency limit decreased on 1 July 2026. This means more opportunities for risk-taking. In addition, the credit opportunities of the subsidiaries' real estate investments expanded.

Future prospects and key uncertainties

Growth and inflation prospects are blurred by both the uncertainties surrounding the wars in Iran and Ukraine and the tensions related to international trade as a result of US customs policy. The rise in energy prices will accelerate inflation, at least temporarily, and slow down economic growth.

Despite the slowdown, economic growth is expected to continue. The global economic growth forecast was revised to 3.0 per cent for 2026. The increase in uncertainty will also reduce the projected growth rate of the Finnish economy to 0.7 per cent in 2026.

Political uncertainty, including geopolitical and trade policy risks, is a key source of uncertainty.

Ilmarinen's written premiums are expected to increase at a slightly slower rate than the increase in payrolls, as the TyEL contribution percentage decreased for 2026. The decrease in the contribution percentage was due to the fact that repayment of the temporary reduction of employers' social security contributions granted during the COVID-19 pandemic ended in 2025.

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 birth rate. The birth rate has been exceptionally low in recent years.

Further information

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Appendix tables

KEY FIGURES IN BRIEF	1.1.–30.6.2026	1.1.–30.6.2025	1.1.-31.12.2025
Premiums written, EUR mill.	3,682	3,670	7,160
Pensions and other payments made, EUR mill.	4,069	4,021	7,950
Net return on investments at fair value, EUR mill.	3,540	1,300	5,107
ROCE,%	5.3	2.1	8.1
	30 June 2026	30 June 2025	31 December
Technical provisions, EUR mill.	56,098	52,318	54,152
Solvency capital, EUR mill. [1)]	16,828	14,018	15,519
in relation to solvency limit	1.4	1.5	1.5
Pension assets, EUR mill. [2)]	71,708	65,306	68,611
Solvency capital (solvency ratio)	130.7	127.3	129.2
TyEL payroll, EUR mill. [3)]	28,046	27,280	27,229
YEL payroll, EUR mill. [3)]	1,835	1,796	1,800

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.	1.1.–30.6.2026	1.1.–30.6.2025	1.1.-31.12.2025
Underwriting result	9	-14	-39
Return on investments at fair value	1,299	130	1,807
+ Net return on investments at fair value	3,540	1,300	5,107
- Return requirement on technical provisions	-2,241	-1,170	-3,300
Loading profit	-4	-4	-6
Other profit	0	0	4
Total result	1,304	112	1,766

SOLVENCY	1.1.–30.6.2026	1.1.–30.6.2025	1.1.-31.12.2025
Solvency limit, EUR mill.	11,903	9,175	10,442
Maximum solvency capital, EUR mill.	35,708	27,524	31,325
Solvency capital before equalisation provision, EUR mill.	16,828	14,018	15,519
Solvency capital (solvency ratio) %1)	130.7	127.3	129.2
Solvency position2)	1.4	1.5	1.5

1) Pension assets in relation to technical provisions

2) Solvency capital in relation to solvency limit

	Net investment return market value 8) 30 June 2026 EUR mill.	Capital employed 9) 30 June 2026 EUR mill.	ROCE,% 30 June 2026 %	ROCE,% 30 June 2025 %	ROCE,% 31 December 2025 %
Fixed-income investments total	**218**	**18,162**	**1.2**	**2.9**	**6.3**
Loan receivables 1)	34	1,026	3.3	0.9	7.6
Bonds	284	16,718	1.7	2.3	5.7
Other money market instruments and deposits 1) 2)	-100	418	-24.1	-29.6	38.5
Equities and shares total	**3,101**	**37,141**	**8.3**	**1.5**	**10.4**
Listed equities and shares 3)	3,031	26,755	11.3	2.5	13.0
Private equity investments 4)	29	8,802	0.3	-1.9	2.6
Non-listed equities and shares 5)	41	1,584	2.6	5.9	16.5
Real estate investments total	**19**	**5,885**	**0.3**	**0.4**	**1.1**
Direct real estate investments	-50	2,866	-1.8	0.6	0.7
Real estate funds and joint investments	69	3,018	2.3	0.1	1.6
Other investments total	**209**	**6,178**	**3.4**	**4.4**	**8.4**
Hedge fund investments 6)	263	6,082	4.3	2.1	7.2
Commodity investments	-16	10	-	-	-
Other investments 7)	-38	85	-	-	-
Investments total	**3,545**	**67,366**	**5.3**	**2.1**	**8.1**
Unallocated income, costs and operating expenses	-5	0	0.0	0.0	0.0
Investment return at current value total	**3,540**	**67,366**	**5.3**	**2.1**	**8.1**

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 June 2026		Basic breakdown 30 June 2025		Basic breakdown 31 December 2025		Risk breakdown 30 June 2026		Risk breakdown 30 June 2025	Risk breakdown 31 December 2025
	EUR mill.	%	EUR mill.	%	EUR mill.	%	EUR mill.	%	%	%
Fixed-income investments total	**18,007**	**26**	**18,978**	**30**	**18,001**	**27**	**25,745**	**37**	**36**	**32**
Loan receivables 1)	913	1	854	1	886	1	913	1	1	1
Bonds	16,211	23	18,345	29	16,503	24	23,608	34	35	33
Other money market instruments and deposits 1) 2)	883	1	-220	0	612	1	1,225	2	0	-2
Equities and shares total	**40,028**	**57**	**33,104**	**52**	**37,459**	**55**	**43,748**	**62**	**52**	**56**
Listed equities and shares 3)	29,954	43	22,902	36	26,821	40	33,674	48	36	40
Private equity investments 4)	8,756	12	8,526	13	8,812	13	8,756	12	13	13
Non-listed equities and shares 5)	1,318	2	1,676	3	1,825	3	1,318	2	3	3
Real estate investments total	**5,970**	**8**	**5,779**	**9**	**5,840**	**9**	**5,970**	**8**	**9**	**9**
Direct real estate investments	2,798	4	3,090	5	3,024	4	2,798	4	5	4
Real estate funds and joint investments	3,171	5	2,689	4	2,816	4	3,171	5	4	4
Other investments total	**6,423**	**9**	**6,162**	**10**	**6,237**	**9**	**6,461**	**9**	**10**	**10**
Hedge fund investments 6)	6,364	9	6,006	9	6,136	9	6,364	9	9	9
Commodity investments	0	0	0	0	2	0	10	0	0	0
Other investments 7)	58	0	157	0	99	0	87	0	0	0
Investments total	**70,428**	**100**	**64,024**	**100**	**67,537**	**100**	**81,924**	**116**	**107**	**106**
Effect of derivatives							-11,496	-16	-7	-6
Investment return at current value total	**70,428**	**100**	**64,024**	**100**	**67,537**	**100**	**70,428**	**100**	**100**	**100**

The modified duration of bond investments was 5.0 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