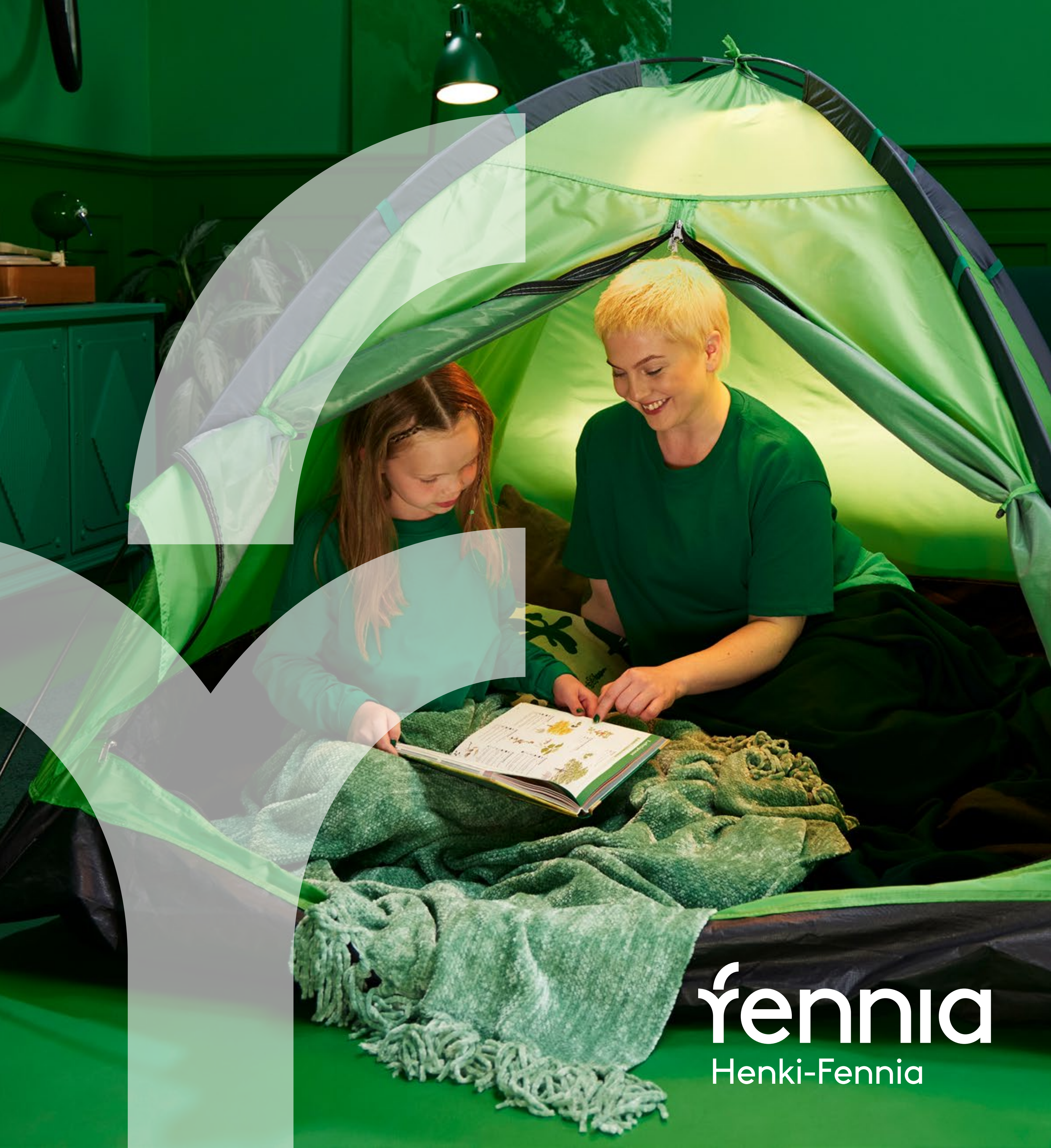
Annual Report and Financial Statements 2022



fennia
Henki-Fennia

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Managing Director's Review

The year 2022 was exceptional, in line with the last few years. The Russian invasion of Ukraine considerably weakened the economic outlook and had a negative impact on the operating environment throughout the year. The energy crisis triggered by the invasion, the steep inflation and the resulting increase of interest rates reflected in investing, in particular. The uncertain market situation also affected our customers' financial situation and willingness to invest, but despite the difficult market environment, our result was positive. Our solvency continues to be strong.

During the year of operation, we developed our life insurance products, systems and processes in order to improve competitiveness and streamline our operations. We also introduced a new product, the loan protection insurance, and the sales of the product started in October.

Strategy renewal throughout Fennia

Fennia renewed its strategy in the autumn of 2022. In accordance with our mission, we exist for entrepreneurship and life. Our vision is to be the most appealing, responsible player for customers, partners and our employees, who share our value basis.

We are creating one unified Fennia as part of our strategy implementation. That is why we renewed our organisation considerably at the beginning of the year and strengthened the role of life insurance business in Fennia. The reorganisation will enable us to achieve one and unified Fennia, since the new structure integrates Fennia Life functionally even more closely with the parent company. We want to strengthen the growth of the life insurance business and promote harmonised operating methods between the companies in customer experience, product management and sales, among other things.

Customer value is our focus when we are building the Fennia of the future. Our objectives also include creating a working environment that attracts the best talents and conducting profitable and responsible business operations.

Thank you

Fennia Life will turn 25 in the autumn. The company exists for its customers and their needs, and I would like to thank all of them for the past year. A heartfelt thanks also go to our personnel and partners, who help us serve our customers in the best possible way. Finally, I would also like to thank my predecessor Alexander Schoschkoff, who has taken on the position of Fennia's Account Director.

Johanna Ahvenainen
Managing Director

Report of the Board of Directors

Fennia Life Insurance Company

Fennia Life Insurance Company is a life insurance company that offers life Insurance, pension insurance, savings and investment insurance and capital redemption contracts to private persons and organisations.

Fennia Life's result weakened compared to last year. The weaker result is largely due to the weakened net investment income.

Fennia Life is a wholly owned subsidiary of Fennia Mutual Insurance Company. At the end of the financial year, the Fennia Life Group comprised two (5) real estate companies wholly owned by the company and one (1) real estate company in which the company's holding was 88 per cent.

In 2022, Fennia Life did not engage in ancillary activities referred to in the Insurance Companies Act.

Most significant events during the year

With the exception of unit-linked activities, the company's operations developed favourably. In investment activities, the year 2022 was challenging, which is also reflected in the company's result.

The total premiums written in group life insurance, individual pension insurance and risk life insurance grew by approximately 3% compared to the previous year. The premiums written in endowment assurances and capital redemption contracts decreased by approximately 6% from the 2021 level.

During 2022, Fennia Life's products, systems and processes were developed to improve competitiveness and streamline the operations.

The insurance claims amount increased slightly in relation to the previous year particularly due to customers' savings being withdrawn and expiring. The risk life insurance claims amount increased slightly from the previous year.

Insurance business

Fennia Life's total premium income, after the reinsurers' share, was EUR 162.6 million (EUR 168.3 million). Of the company's total premium income, life insurance accounted for EUR 129.3 million (EUR 135.8 million) and pension insurance for EUR 34.8 million (EUR 33.9 million).

Premiums written on unit-linked insurances amounted to EUR 126.6 million (EUR 132.4 million), accounting for 77.2 per cent (78.0%) of the company's total premium income. Premiums written on regular premium contracts stood at EUR 58.0 million (EUR 57.3 million), accounting for 35.4 per cent (33.8%) of total premiums written.

Claims paid totalled EUR 110.2 million (EUR 106.5 million). Surrenders amounted to EUR 47.7 million (EUR 49.7 million). The repayment of benefits amounted to EUR 5.4 million (EUR 3.3 million). Pensions were paid in the amount of EUR 42.5 million (EUR 41.2 million) and death and disability benefits in the amount of EUR 10.9 million (EUR 8.5 million).

Operating expenses totalled EUR 15.6 million (EUR 14.8 million). The company's expense ratio was 78.1 per cent (73.2%), taking into account the fee and commission income from funds which are investments in the unit-linked insurance.

The total return on with-profit insurance savings varied between 0.6 and 4.5 per cent in 2022, depending on the line of insurance. The client bonuses granted totalled EUR 1.4 million, of which EUR 1.4 million was funded from the provisions for future bonuses reserved earlier.

According to preliminary calculations, Fennia Life's solvency ratio was 173.5 per cent (193.6%). Fennia Life does not apply transitional provisions in calculating the technical provisions.

Key figures for the life insurance group

		2022	2021	2020
Premiums written	M€	164,0	169,3	159,9
Expense ratio (of expense loading)	%	88,9	85,0	93,9
Operating profit/loss	M€	9,9	29,0	19,7
Total result	M€	-107,7	-0,2	57,4
Average number of personnel		50	52	52

Investments

The life insurance company's net investment income at book value was EUR -139.4 million (EUR 226.7 million), of which unit-linked insurance products accounted for EUR -137.2 million (EUR 207.6 million) of the net result. Compared to last year, the net investment income is reduced by decreased sales gains, increased sales losses, higher value adjustments, as well as revaluation adjustments, among other things. The return on the investment balance was EUR 0.7 million, including the net investment income of EUR-118.3 million (EUR -12.0 million) and the market-consistent returns on technical provisions, amounting to EUR 119.0 million The return on both the investment assets and technical provisions is affected by the market's interest rate development, which has reduced the valuations of both interest rate investments and the fixed cash flows of technical provisions considerably. The objective of the investment activities is to generate a stable return on the investment balance, taking into account both sides of the balance. Net investment income on invested capital at fair value was -17.8 per cent (-1.5 per cent). The return on the technical provisions includes the technical provision parts that cause a considerable interest rate risk and that the company's Board of Directors has set as an objective of the investment activities for 2022.

At year-end, the current value of the investments was EUR 527.3 million (EUR 758.4 million). Bonds and long-term fund investments accounted for 77.1 per cent (71.2%) of the investment portfolio, and money market investments and deposits for 20.3 per cent (6.7%). Equities, equity fund investments and private equity funds accounted for 6.8 per cent (7.4%), real estate investments for 6.6 per cent (9.3%) and loan receivables and other investments for -10.8 per cent (5.3%). Assets covering unit-linked insurances decreased to EUR 1,541 million (EUR 1,634 million).

Fennia and Fennia Life have an asset-liability management (ALM) strategy in place. As a result, the companies actively hedge against changes in the value of their market-consistent technical provisions using interest rate derivatives. The objective of interest rate hedging is to ensure the achievement of the long-term return requirement on the technical provisions and to reduce the negative impact of a change in market rates on the company's market-consistent result and solvency position.

These interest rate hedges have been implemented as hedging instruments in accounting. Changes in the value of hedging derivatives are not entered through profit or loss when the hedge is within the limits defined by the efficiency calculation. The hedges were efficient throughout 2022. In 2022, the rate of interest rate hedges varied between 70 and 80 per cent based on a tactical view on interest rates in asset-liability management. Decreasing the hedge rate to a level below 80 per cent was achieved by means of contracts through profit or loss. Derivative contracts were implemented with counterparties with a good credit rating. In derivative contracts, variation margin is exchanged daily against changes in market value.

Key figures for life insurance

		2022	2021	2020
Return on assets	%	-14,4	0,4	7,1
Net investment income at current value	M€	-118,3	-12,0	48,6
Return on invested capital	%	-16,0	-1,5	6,0

Result

The Group's operating profit was EUR 9.9 million (EUR 28.9 million), and the company's operating profit was EUR 7.7 million (EUR 30.1 million). The company decreased the interest rate supplement reserved previously by EUR 8.3 million (EUR 9.0 million) and the reserve for future bonuses by EUR 1.4 million (EUR 1.3 million). At the end of 2022, the supplementary provision for the guaranteed interest rate stood at EUR 78.5 million (EUR 86.8 million).

Management and personnel

During the year under review, the members of Fennia Life's Board of Directors were Tomi Yli-Kyyny, Group CEO, (Chair), Simo Sarvamaa, Chief Actuary, (Vice Chair), Harri Pärssinen, M.Sc. (Econ.), and Juha-Pekka Kallunki, Professor.

The Board of Directors held a total of 11 meetings during the year under review. The attendance rate of the members was 95 per cent.

The new Board of Directors was appointed as of 1 January 2023. After that date, the members were Alexander Schoschkoff (Chair), Pasi Laaksonen (Vice Chair), Sanna Elg and Mika Manninen.

Alexander Schoschkoff served as the company's managing director until 31 December 2022. After that date, the company's managing director is Johanna Ahvenainen.

The company employed an average of 50 people (52).

Remuneration

At Fennia, the starting point for remuneration is to provide motivating, fair and reasonable remuneration to management and personnel, in line with the short- and long-term interests of the Group and the Group companies. The remuneration schemes are based on achieving pre-defined targets that are derived from the Group's strategic targets. In order to meet this objective, remuneration principles (including a pay policy) have been drawn up for the Group. Fennia Group's Remuneration principles document and the guidelines supplementing it define the principles related to the salary and rewards of Fennia's employees. At Fennia, the remuneration principles and the pay policy are viewed as a whole that is influenced not only by an interesting and sufficiently challenging field of tasks, but also by good leadership, personnel benefits, training and development opportunities, as well as monetary rewards. The remuneration principles and pay policy also define how each Fennia employee can influence the development of their salary by developing themselves and their work, as well as the responsibilities related to salary and rewards within the company.

In building and developing remuneration schemes, the Group's and the company's business strategy, targets and values are taken into account, as are the company's long-term interests and risk management. In addition, the company's business continuity and business practices that are professional and in line with healthy and prudent business principles are taken into account. The remuneration schemes include, among other things, pre-defined maximum amounts of remuneration and a force majeure clause, which gives the Board of Directors the right to amend the schemes during the period if the company's financial position is jeopardised or if the circumstances have otherwise changed considerably. Remuneration decisions are made according to the 'one above' principle, i.e. the person making the decision is the supervisor of the supervisor of the employee in question.

An aspect of remuneration that the Fennia Group also pays attention to is remuneration that attracts new employees and commits personnel, encourages personnel to act responsibly and in a manner that promotes good governance. Such factors include sustainable products, customer satisfaction, streamlined customer and service processes and regulatory compliance. Any action that violates the regulatory obligations, Fennia Group's principles or guidelines or the ethical code of conduct is excluded from remuneration.

Group structure

At the end of the financial year, the Fennia Life Group comprised two (5) real estate companies wholly owned by the company and one (1) real estate company in which the company's holding was 88 per cent. Three (1) real estate companies were sold during the year.

Risk and solvency management

The risk management and solvency management principles that are approved by the Boards of Directors of the Fennia Group companies serve as the foundation for Fennia Life's risk management. The steering of the risk management system is based on a three-defence-line model, which is described in greater detail in the note concerning risk management.

The preparation, steering and co-ordination of risk and solvency management and disseminating information at Fennia Life is carried out at the Group level in the parent company's risk management and compliance function. A group-level asset-liability committee (ALCO) manages the insurance companies' balance-sheet management.

Investment activities are based on the asset-liability management (ALM) plan, which is approved by the company's Board of Directors and which determines, among other things, the allocation of investments and the rights and responsibilities of those involved in investment activities. The company's risk-bearing capacity is taken into account in determining the allocation of investments.

A note to the financial statements concerning risks and the management of risks and solvency has been drawn up, detailing Fennia Life's most significant risks and general principles concerning risks and solvency management.

Solvency and Financial Condition Report

Fennia Life's Solvency and Financial Condition Report will be published, at the latest, on 6 April 2023 on Fennia's website.

Essential events after the end of the financial period

At the beginning of 2023, a considerable part of Fennia Life's employees were transferred to the Group's parent company Fennia in a transfer of a business. Personnel that were transferred to Fennia included employees working in sales and customer relationships, ICT development and insurance services. In future, Fennia Life will purchase the services related to these areas from Fennia. The objective of the reorganisation is to streamline the responsibility areas overall and to harmonise our management system. The intention is to create one unified Fennia, in accordance with our strategy.

Outlook for the current year

It is estimated that the result from operations of Fennia Life will develop steadily according to previous years. The outlook for economic development for 2023 is uncertain, this may affect the premiums written. Especially an uncertainty on the capital markets might negatively affect the company's net investment income and the fee and commission income that is tied to the value of the insurance savings.

Board of Directors' proposal on the disposal of profit

Fennia Life's distributable profits on 31 December 2022 were EUR 133,969,903.24, of which the profit for the financial year amounts to EUR 6,221,069.44. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 20,000,000 of the distributable profits be distributed as dividend and that EUR 113,969,903.24 be left in the distributable profits.

Financial Statements

Profit and Loss Account

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Technical Account				
Premiums written				
Premiums written	164 032 034,24	169 615 269,25	164 032 034,24	169 615 269,25
Reinsurers' share	-1 383 639,24	-1 311 608,56	-1 383 639,24	-1 311 608,56
	162 648 395,00	168 303 660,69	162 648 395,00	168 303 660,69
Investment income	59 716 664,94	97 861 190,58	63 170 800,50	98 400 485,06
Revaluations on investments	45 242 500,19	164 796 233,91	45 242 500,19	164 796 233,91
Claims incurred				
Claims paid	-110 959 908,34	-106 539 432,48	-110 959 908,34	-106 539 432,48
Reinsurers' share	-873,00	50 000,00	-873,00	50 000,00
Total	-110 960 781,34	-106 489 432,48	-110 960 781,34	-106 489 432,48
Change in the provision for outstanding claims				
Change in the provision for outstanding claims	1 655 230,51	-8 638 172,95	1 655 230,51	-8 638 172,95
	1 655 230,51	-8 638 172,95	1 655 230,51	-8 638 172,95
Claims incurred in total	-109 305 550,83	-115 127 605,43	-109 305 550,83	-115 127 605,43
Change in the provision for unearned premiums				
Total change in the provision for unearned premiums	108 527 389,86	-235 456 476,05	108 527 389,86	-235 456 476,05
	108 527 389,86	-235 456 476,05	108 527 389,86	-235 456 476,05
Net operating expenses	-15 569 132,09	-14 775 249,18	-15 569 132,09	-14 775 249,18
Investment charges	-127 978 209,41	-30 685 932,44	-129 281 087,33	-32 343 619,17
Revaluation adjustments on investments	-116 344 836,56	-5 270 578,93	-116 344 836,56	-5 270 578,93
Balance on technical account	6 937 221,10	29 645 243,15	9 088 478,74	28 526 850,90
Non-Technical Account				
Other income				
Income from investment services operations				
Other	24 906,38	117,76	24 906,38	117,76
Other income in total	24 906,38	117,76	24 906,38	117,76
Other charges				
Expenses from investment services operations				
Depreciation on goodwill	-240 663,00	-240 663,00	-240 663,00	-240 663,00
Other	-1 349,03	-11 563,22	-1 349,03	-11 563,22
Other charges in total	-242 012,03	-252 226,22	-242 012,03	-252 226,22
Profit on ordinary activities	6 720 115,45	29 393 134,69	8 871 373,09	28 274 742,44
Appropriations				
Change in depreciation difference	18 647,86	11 172,02		
Tax on profit				
Tax for the financial year	-996 927,61	-5 550 046,47	-996 927,61	-5 550 046,47
Tax from previous periods	479 233,74	-595 601,01	479 233,74	-595 601,01
Deferred tax			1 504 420,69	195 749,82
Tilikauden voitto	-517 693,87	-6 145 647,48	986 726,82	-5 949 897,66
Minority interests			10 183,98	9 379,98
Profit for the financial year	6 221 069,44	23 258 659,23	9 868 283,89	22 334 224,76

Balance Sheet

Assets

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Intangible assets				
Other long-term expenses	3 571 690,07	3 701 964,99	3 571 690,07	3 701 964,99
Goodwill	481 326,00	721 989,00	481 326,00	721 989,00
Advance payments	756 863,32	871 276,42	756 863,32	871 276,42
Intangible assets total	4 809 879,39	5 295 230,41	4 809 879,39	5 295 230,41
Investments				
Real estate investments				
Land and buildings and real estate shares	29 746 854,30	52 113 763,69	24 218 138,49	45 058 740,95
Real estate investment funds	0,00	9 219 416,48	0,00	9 219 416,48
Investment loans to affiliated undertakings	2 286 234,12	2 887 108,12		
Loans to associated undertakings	4 270 848,75	4 270 848,75	4 270 848,75	4 270 848,75
	36 303 937,17	68 491 137,04	28 488 987,24	58 549 006,18
Other investments				
Shares and participations	237 064 708,54	223 025 187,65	237 064 708,54	223 025 187,65
Debt securities	302 755 358,75	398 668 962,34	302 755 358,75	398 668 962,34
Loans guaranteed by mortgages	800 000,00	800 000,00	800 000,00	800 000,00
	540 620 067,29	622 494 149,99	540 620 067,29	622 494 149,99
Investments in total	576 924 004,46	690 985 287,03	569 109 054,53	681 043 156,17
Investments covering unit-linked insurances	1 538 621 864,45	1 631 277 258,68	1 538 621 864,45	1 631 277 258,68
Debtors				
Arising out of direct insurance operations				
Policyholders	877 988,29	1 497 694,15	877 988,29	1 497 694,15
Arising out of reinsurance operations	0,00	50 000,00	0,00	50 000,00
Other debtors	67 428 318,69	11 242 880,87	67 425 959,66	11 226 285,41
Debtors in total	68 306 306,98	12 790 575,02	68 303 947,95	12 773 979,56
Other assets				
Tangible assets				
Machinery and equipment	109 129,84	161 889,52	109 129,84	161 889,52
Other tangible assets	12 412,27	12 412,27	12 412,27	12 412,27
	121 542,11	174 301,79	121 542,11	174 301,79
Cash at bank and in hand	30 037 034,14	31 058 656,51	30 151 377,53	31 153 408,79
Other assets in total	30 158 576,25	31 232 958,30	30 272 919,64	31 327 710,58
Prepayments and accrued income				
Interest and rents	4 345 055,29	5 758 743,06	4 345 055,29	5 758 743,06
Other	2 866 203,43	8 388 103,67	2 867 370,52	8 391 194,48
Prepayments and accrued income in total	7 211 258,72	14 146 846,73	7 212 425,81	14 149 937,54
Assets in total	2 226 031 890,25	2 385 728 156,17	2 218 330 091,77	2 375 867 272,94

Liabilities

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Capital and reserves				
Subscribed capital	27 751 007,87	27 751 007,87	27 751 007,87	27 751 007,87
Premium fund	10 723 286,95	10 723 286,95	10 723 286,95	10 723 286,95
At the disposal of the Board	8 409,40	8 409,40	8 409,40	8 409,40
Profit brought forward	127 740 424,40	124 481 765,17	114 236 611,15	111 902 386,38
Profit for the financial year	6 221 069,44	23 258 659,23	9 868 283,89	22 334 224,76
Capital and reserves in total	172 444 198,06	186 223 128,62	162 587 599,26	172 719 315,36
Appropriations				
Accumulated depreciation difference	45 794,39	64 442,25		
Minority interests			340 524,50	350 708,48
Technical provisions				
Provision for unearned premiums	351 386 343,20	369 762 749,26	351 386 343,20	369 762 749,26
Claims outstanding	152 253 216,57	151 503 732,32	152 253 216,57	151 503 732,32
	503 639 559,77	521 266 481,58	503 639 559,77	521 266 481,58
Technical provisions for unit-linked insurances				
Technical provisions	1 539 598 500,12	1 632 154 198,68	1 539 598 500,12	1 632 154 198,68
Creditors				
Arising out of reinsurance operations	959 745,80	857 525,06	959 745,80	857 525,06
Deferred tax			1 879 655,95	3 384 076,64
Other creditors	5 070 241,29	41 873 479,98	5 048 658,48	41 817 065,29
Creditors in total	6 029 987,09	42 731 005,04	7 888 060,23	46 058 666,99
Accruals and deferred income	4 273 850,82	3 288 900,00	4 275 847,89	3 317 901,85
Liabilities in total	2 226 031 890,25	2 385 728 156,17	2 218 330 091,77	2 375 867 272,94

Parent Company Cash Flow Statement

Indirect cash flow statement

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Cash flow from business operations				
Profit on ordinary activities before extraordinary items	6 202 421,58	23 247 487,21	9 878 467,87	22 343 604,74
Adjustments:				
Change in technical provisions	-110 182 620,37	244 094 649,00	-110 182 620,37	244 094 649,00
Value adjustments and revaluations on investments	135 092 549,67	-158 943 503,86	134 376 321,44	-158 522 393,36
Depreciation according to plan	1 056 954,30	911 317,56	2 537 406,57	2 509 127,73
Other	37 102 434,53	-26 879 906,89	35 040 445,17	-27 506 789,50
Cash flow before change in net working capital	69 271 739,71	82 430 043,02	71 650 020,68	82 918 198,61
Change in net working capital				
Increase/decrease in non-interest-earning receivables	-54 150 395,11	2 768 880,56	-54 162 707,82	2 787 163,93
Increase in non-interest-earning payables	-35 035 020,96	-30 709 552,99	-36 389 286,20	-30 683 707,59
Cash flow from business operations before financial items and taxes	-19 913 676,36	54 489 370,59	-18 901 973,34	55 021 654,95
Interest paid on other financial expenses from operations	836 861,91	120 672,36	836 597,72	120 341,49
Taxes	4 199 087,12	-12 523 623,73	3 587 725,82	-12 523 677,44
Cash flow from business operations	-14 877 727,33	42 086 419,22	-14 477 649,80	42 618 319,00
Cash flow from capital expenditures				
Capital expenditure on investments (excl. funds)	71 796 551,13	-77 113 814,48	68 884 778,20	-78 234 262,83
Capital gain from investments (excl. funds)	-37 421 602,57	32 904 882,01	-34 890 316,06	33 336 345,67
Investments and income from the sale of tangible and intangible assets and other assets (net)	-518 843,60	-614 607,75	-518 843,60	-614 607,75
Cash flow from capital expenditures	33 856 104,96	-44 823 540,22	33 475 618,54	-45 512 524,91
Cash flow from financing				
Dividends paid	-20 000 000,00	-4 000 000,00	-20 000 000,00	-4 000 000,00
Cash flow from financing	-20 000 000,00	-4 000 000,00	-20 000 000,00	-4 000 000,00
Change in funds	-1 021 622,37	-6 737 121,00	-1 002 031,26	-6 894 205,91
Funds on 1 Jan.	31 058 656,51	37 795 777,51	31 153 408,79	38 047 614,70
Funds on 31 Dec.	30 037 034,14	31 058 656,51	30 151 377,53	31 153 408,79
Change in funds	-1 021 622,37	-6 737 121,00	-1 002 031,26	-6 894 205,91

Notes to the accounts

Accounting principles

The financial statements have been prepared in accordance with the Finnish Accounting Act, Limited Liability Companies Act, Insurance Companies Act and the decisions, regulations and guidelines of the authorities responsible for monitoring insurance companies.

Book value of investments

Buildings and structures are presented in the balance sheet at the lower of acquisition cost less the planned depreciation or current value. Real estate shares and land and water areas are presented at the lower of acquisition cost or current value.

Stocks and shares in the nature of investments are presented at the lower of acquisition cost or current value. Stocks and shares in the nature of fixed assets are entered at the lower of acquisition cost or current value if the value adjustment is considered permanent. The acquisition cost is calculated using the average price.

Debt securities are entered in the balance sheet at acquisition cost. The acquisition cost is calculated using the average price. The difference between their nominal value and acquisition cost is accrued as interest income, or interest payable, over the life of the debt security instrument, and entered as an increase or decrease in their acquisition cost. Changes in value arising from the variation in interest rates are not entered. Value adjustments relating to the issuer's creditworthiness are entered at profit or loss.

Loan receivables and deposits are presented in the balance sheet at nominal value or at a permanently lower likely realisable value.

Value adjustments that have been made earlier on investments are re-adjusted through profit or loss up to the original acquisition cost if the current value increases.

Interest rate derivatives (other than unit-linked) are used to hedge the interest rate risk of market-based technical provisions against future changes in value in accordance with the company's risk management. In accounting terms, these interest rate derivatives are treated as hedging instruments. When employing hedge accounting, the negative change in the value of derivatives is not entered as an expense insofar as it is covered by the change in the value of the position being hedged, and provided that the hedging is effective. However, if the negative change in the value of the hedging interest rate derivatives is greater than the positive change in the value of the market-consistent technical provisions to be hedged, the excess value is entered under value adjustments on investments. The interest for the financial period from the interest rate derivatives is entered as income or expenses for the financial year based on the contract. Profit or loss arising in connection with the closing of the interest rate derivatives treated as hedging instruments in accounting is periodised over the life of each derivative contract.

Derivative contracts are also used to hedge against the exchange rate risk and price risk in the investment portfolios by applying fair value hedging. In accounting terms, however, derivatives are mainly treated as non-hedging instruments, even though they serve as effective hedging instruments. The profits and losses resulting from the termination or expiry of contracts are entered as income or expenses for the financial year. The negative difference between the current value of the derivative contracts treated as non-hedging and a higher book value/contract rate is entered as an expense. Unrealised income is not entered.

Investments covering unit-linked insurances are valued at their fair value, and the change in fair value is entered in the profit and loss account as income or expense.

Book value of assets other than investments

Other long-term expenses, which have been capitalised, are basic renovation expenses for real estate and planning expenses for information systems and, in addition, goodwill have been capitalised in the balance sheet. Those expenses, as well as equipment, are entered in the balance sheet at acquisition cost less planned depreciation. Impairment write-offs are recorded on the capitalisation of information systems if the capitalisation can no longer be considered to produce income in the future.

Premium receivables are presented in the balance sheet at probable value and other receivables at their par value or at a probable value permanently lower than this.

Depreciation according to plan

Depreciation according to plan is calculated as a straight-line depreciation on the acquisition cost based on the estimated economic life of the asset. The average estimated depreciation times are as follows:

- Computer software ....3–7 years
- Planning expenses for information systems ....3–10 years
- Other long-term expenses ....3–10 years
- Goodwill...10 years
- Business and industrial premises and offices ....20–50 years
- Components in buildings ....10–20 years
- Vehicles and computer hardware...................................3–5 years
- Office machinery and equipment ....7 years

Revaluations on investments

Revaluations and revaluation adjustments on investments in the nature of investment assets and on investments covering unit-linked insurances are entered through profit or loss.

Current value of investments

The value of real estate and shares in real estate is entered at values not exceeding market-based current values. The investments are evaluated using the net present value rule based on cash flow. An external authorised real-estate appraiser and the company's own experts take part in setting the annual fair value of real estate investments.

Quoted securities and securities that are otherwise subject to public trading are valued at the last bid price in continuous trading on the balance sheet date or, if this is not available, at the latest trading price. Unlisted securities are valued at the estimated market price, the undepreciated portion of acquisition cost or a value based on net asset value. Private equity investment fund shares are valued at the estimated current value of the fund reported by the management company or, if this is not available, at acquisition cost.

Derivative contracts are valued according to their market quotation on the date of closing the accounts, or if this is not available, according to discount and forward contract curves based on swap market quotations on the date of closing the accounts as well as according to the exchange rates on the date of closing the accounts.

Receivables are valued at the lower of par value or probable value.

Foreign currency items

Transactions in foreign currency are entered at the exchange rate of the transaction date. In the annual closing of the accounts, currency-denominated receivables and liabilities and current values of investments have been translated into euro using the European Central Bank's benchmark rate on the date of closing the accounts. Exchange rate gains and losses arising during the financial period and in the closing of the accounts are entered as adjustments to the income and expenses concerned or as investment income and charges, if they are related to financing operations.

Staff pension schemes

Pension insurance cover has been arranged with Elo Mutual Pension Insurance. Pension expenditure during the financial year is entered on the accrual basis as an expense. Pension expenditure during the financial year is entered on the accrual basis as an expense.

Appropriations and handling of deferred tax

In the Group companies' financial statements and in the consolidated financial statements, deferred tax is entered in total, and receivables are entered up to an amount of probable taxable income in the future, against which they can be booked. Deferred tax is calculated according to the confirmed rate of tax on the date of closing the accounts.

Technical provisions in life insurance

The calculation of technical provisions complies with the regulations and guidelines of the Insurance Companies Act, the Ministry of Social Affairs and Health and the Financial Supervisory Authority.

The premium provisions include a provision for unearned premiums of risk insurance. The premium provisions of unit-linked insurances are the fair value of the investments, and no technical rate of interest is applied to these insurances. For other insurances, the technical provisions are calculated separately for each insurance and the technical rate of interest applied varies as follows:

- For individual life and pension insurance, the technical rate of interest applied is between 1 and 4.5 per cent, depending on the starting date of the insurance. For new pension insurance contracts, the technical rate of interest is 1 per cent.
- For capital redemption contracts, the technical rate of interest applied is between 0 and 1.5 per cent, depending on the starting date and the target group of the contract.
- The technical interest rate for group pension insurance is 0 to 3.5 per cent.

In order to fulfil the technical interest rate requirement, the technical provisions have been supplemented in previous financial statements. The supplementary provision for the guaranteed interest rate as of 31/12/2022 was approximately EUR 78.5 million. As a result of the supplementary provisions, the minimum annual return requirement for the investment activities regarding policies based on technical provisions is 1.0 per cent for an estimated period of 14 years.

Principle of fairness

According to Chapter 13, Section 2 of the Insurance Companies Act, a principle of fairness must be observed in life insurance with respect to such policies that, according to the insurance contract, entitle to bonuses and rebates granted on the basis of any surplus yielded by the policies. This principle requires that a reasonable part of the surplus be returned to these policies as bonuses, insofar as the solvency requirements do not prevent it.

Fennia Life aims at giving a long-term gross return on policyholders' with-profit insurance savings that for savings insurance equals the return of 12-month Euribor and for pension insurance equals the return of the 10-year bond of the state of Germany. The surrender right and the duration of the insurance are taken into account in distributing bonuses. The return to be distributed to clients is determined based on the company's long-term net income on investments.

The total interest rate consists of the technical interest rate and the total amount of bonuses and rebates on the insurance contract in question. The amount of bonuses and rebates is influenced by the level of technical interest on the contract. When the company's net income from investments is low, the level of distributed bonuses is reduced. In this case, the total interest rate on insurance contracts with a low technical rate of interest can remain lower than that on insurance contracts with a high technical rate of interest. When the net income on investments is high, insurance contracts with a low technical rate of interest may achieve a higher total interest rate than insurance contracts with a high technical rate of interest.

The aim is to retain continuity in the level of bonuses paid, as a result of which the surplus from returns on investments can be accrued as distributable bonuses for the insurance group in question for the coming years.

The level of bonuses is limited by the owner's requirements for return on capital, as well as the company's solvency target. The solvency target is set in such a way that all the solvency limits set by legislation are exceeded and so that the company is able to take risks in its investment operations to the extent required by solvency maintenance, by the return requirement on technical provisions and by the return requirement of the owner.

Fennia Life's Board of Directors decides on the distribution of bonuses to insurance contracts annually. The amount of bonuses confirmed in advance can, however, be changed during the course of a year if necessitated by the company's solvency or the general market situation.

In risk life insurance, the principle of fairness is applied in death cover and disability cover to specified insurance groups in the form of increased compensation.

The bonus targets are not binding and are not part of the insurance contract between the company and the policyholder. The bonus objectives are in force until further notice and the company reserves the right to alter the bonus objectives.

Realisation of the principle of fairness in 2022

Fennia Life's bonuses in 2022 correspond to the targets set by the company in its principle of fairness. The return to be distributed to insurance policies is determined based on the company's long-term net income on investments. The goal in the level of bonuses is continuity. The company's solvency position and the level of interest rates are taken into account when distributing bonuses.

In response to the extremely low interest rate level that has continued for some time, the company has in earlier years transferred part of its result to the supplementary provision for the guaranteed interest rate in order to cover the cost of the technical rate of interest in the coming years. At the closing of the accounts on 31/12/2022, no such transfer was made. The supplementary provision for the guaranteed interest rate was decreased according to plan.

The technical rate of interest for new pension insurance contracts has remained low (0–1 per cent) for several years. In order to ensure continuity in the level of bonuses paid, EUR 3.8 million was transferred from the result for 2017 to the provision for future bonuses to be used to cover the cost of the bonuses on pension insurance contracts with a technical rate of interest of 0 or 1 per cent. The bonuses paid in 2022 were funded from provisions for bonuses reserved earlier.

The interest rate level remained low for a prolonged period of time before the increase in 2022. In 2022, the total interest rate in insurance with a technical rate of interest at 0–1 per cent was below the return target, but in the long term, the total interest credited by Fennia Life has clearly exceeded the return target. When distributing bonuses, not only the contract's technical rate of interest, but also the surrender right and the duration of the insurance have been taken into account. For that reason, the total interest credited on pension insurance has been higher than the interest credited on savings insurance. The table below indicates the total interest credited by Fennia Life in 2022:

Total annual interest on with-profit policies in 2022

Technical rate of interest	Individual savings insurance	Individual pension insurance	Group pension insurance	Capital redemption contract
4,50 %	4,50 %	4,50 %		
3,50 %	3,50 %	3,50 %	3,50 %	
2,50 %	2,50 %	2,50 %	2,50 %	2,50 %
2,00 %			2,00 %	
1,50 %	1,50 %			1,50 %
1,00 %	1,00 %	1,20 %	1,20 %	1,00 %
0,00 %			1,20 %	0,60 %

The surplus from risk life insurance is paid out as extra sums to risk life insurance policies in connection with loss events. The extra sums paid in 2022, EUR 950,579, were funded from provisions for bonuses reserved in the previous financial statement. Further, the provisions for the extra sums were increased by EUR 990,451.

Consolidated financial statements

Fennia Life's consolidated financial statements include all the subsidiaries in which the parent company either directly or indirectly holds the voting rights.

The consolidated financial statements have been drawn up as combinations of the profit and loss accounts, balance sheets and notes of the parent company and the subsidiaries. Mutual share ownership is eliminated using the acquisition method. The consolidation difference is entered under the fixed asset items concerned and depreciated according to their depreciation plan. The unallocated part of goodwill on consolidation has been written off.

At the end of 2022, the Group comprised two (5) real estate companies wholly owned by the company and one (1) real estate company in which the company's holding was 88 per cent. Three (1) real estate companies were sold during the year.

Group companies 31.12.2022

The following subsidiaries are included in the consolidated financial statements:

- Kiinteistö Oy Espoon Niittyrinne 1
- Kiinteistö Oy Mikkelin Hallituskatu 1
- Munkinseudun Kiinteistö Oy
- Kiinteistö Oy Teohypo, myyty 1.7.2022
- Kiinteistö Oy Vasaraperän Liikekeskus, myyty 15.9.2022
- Kiinteistö Oy Koivuhaanportti 1-5, myyty 30.11.2022

Calculation methods for the key figures

Premiums written = premiums written before reinsurers' share

Expense ratio (% of expense loading) =

+ operating expenses before change in deferred acquisition costs
+ claims settlement expenses

expense loading

Expense ratio (% of balance sheet total) =

+ total operating expenses

opening balance sheet total

Total result =

operating profit (loss) +/- change in off-balance sheet valuation differences

Return on assets at current values (%) =

+/- operating profit or loss
+ financial expenses
+ unwinding of discount
+/- change in valuation differences on investments
+ balance sheet total
- technical provisions for unit-linked insurances
+/- valuation differences on investments

The divisor of the key figure is calculated as an average of values on the balance sheet for the current and previous financial period.

Unwinding of discount refers to the technical interest credited to insurances during the year plus/minus any changes in the supplementary liability of the interest.

Net investment income on invested capital at current values (%)

Net investment income at current values in relation to invested capital is calculated by line of investment and for the total amount of investments with reference to cash flows during the period.

Average number of employees = Average number of employees at the end of each calendar month.

Financial Statements’ Key Figures [1)]

The figures are in thousands of euros.	2022	2021	2020	2019	2018
Analysis of Results					
Premiums written	162 648	168 304	159 868	239 945	163 079
Investment income (net), revaluations and revaluation adjustments on investments	-137 213	225 559	78 399	182 032	-40 465
Claims paid	-110 961	-106 489	-105 648	-177 716	-95 551
Change in technical provisions before bonuses and rebates and change in equalisation provision	111 207	-243 423	-98 022	-179 771	11 038
Net operating expenses	-15 569	-14 752	-14 572	-15 566	-14 826
Technical underwriting result before bonuses and rebates and change in equalisation provision	10 113	29 198	20 025	48 924	23 276
Other income (net)	-217	-252	-253	-245	-133
Operating profit	9 896	28 946	19 772	48 679	23 143
Bonuses and rebates	-1 025	-671	-1 474	-481	0
Profit before untaxed reserves and tax	8 871	28 275	18 298	48 198	23 143
Taxes	987	-5 950	-3 463	-10 756	-1 283
Minority interests	10	9	8	16	6
Group's profit for the financial year	9 868	22 334	14 843	37 457	21 865
Gross premiums written	162 648	169 615	160 941	240 966	164 142
Expense ratio of expense loading	88,9 %	85,0 %	93,9 %	101,1 %	101,9 %
Expense ratio of Balance Sheet total	0,77 %	0,8 %	0,8 %	1,0 %	1,0 %
Total result	-107 690	-260	57 357	63 328	23 036
Return on assets	-14,4 %	0,4 %	7,1 %	8,3 %	3,5 %

[1)] The key figures have been calculated on the basis of the Parent Company’s figures, excluding the analysis results.

Investment portfolio at current values

	Basic distribution				Risk distribution		
	31.12.2022		31.12.2021		31.12.2022		2021
	EUR million	%	EUR million	%	EUR million	%	%
Fixed-income investments, total	**610,7**	**98,6**	**596,1**	**78,6**	**610,7**	**98,6**	**78,6**
Loans [1]	5,4	0,9	5,3	0,7	5,4	0,9	0,7
Bonds	406,3	65,6	540,2	71,2	406,3	65,6	71,2
Other money market instruments and deposits [2]	198,9	32,1	50,6	6,7	198,9	32,1	6,7
Equity investments, total	**35,7**	**5,8**	**56,4**	**7,4**	**35,7**	**5,8**	**7,4**
Listed equities [3]	20,9	3,4	38,9	5,1	20,9	3,4	5,1
Private equity [4]	2,1	0,3	4,9	0,6	2,1	0,3	0,6
Unlisted equities [5]	12,6	2,0	12,7	1,7	12,6	2,0	1,7
Real estate investments, total	**34,8**	**5,6**	**70,8**	**9,3**	**34,8**	**5,6**	**9,3**
Direct real estate	34,8	5,6	69,2	9,1	34,8	5,6	9,1
Real estate funds and UCITS	,0	0,0	1,6	0,2	,0	0,0	0,2
Other investments	-62,0	-10,0	35,0	4,6	-62,0	-10,0	4,6
Hedge funds [6]	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Commodities	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other investments [7]	-62,0	-10,0	35,0	4,6	-62,0	-10,0	4,6
Investments in total	**619,2**	**100,0**	**758,4**	**100,0**	**619,2**	**100,0**	**100,0**
Effect of derivatives [8]		-			0,0		
Total investments at fair value	**619,2**	**100,0**	**758,4**	**100,0**	**619,2**	**100,0**	**100,0**
Modified duration of the bond portfolio	**2,0**		**2,1**				

[1] Includes accrued interests

[2] Including accrued interests, cash at bank and in hand and settlement receivables and settlement liabilities

[3] Including mixed funds, if these cannot be allocated elsewhere

[4] Including private equity funds, mezzanine funds, and infrastructure investments

[5] Including unlisted real-estate investment companies

[6] Including all types of hedge fund shares, regardless of the fund's strategy

[7] Including derivatives and other items that cannot be allocated to other investments

[8] Includes the effect of derivatives on the difference between risk-adjusted breakdown and basic breakdown

Net investment income on invested capital

	Market value of net investment returns 8)	Invested capital 9)	Yield, % on invested capital				
	2022	2022	2022	2021	2020	2019	2018
	milj. €	milj. €	%	%	%	%	%
Fixed-income investments, total	**-22,7**	**603,2**	**-3,8**	**0,4**	**0,4**	**1,5**	**0,5**
Loans 1)	0,0	5,4	0,0	0,0	-34,6	2,7	3,7
Bonds	-22,3	458,4	-4,9	-0,3	0,8	1,7	0,5
Other money market instruments and deposits 2)	-0,4	139,4	-0,3	-1,6	-0,1	0,9	0,5
Equity investments, total	**-7,5**	**51,8**	**-14,4**	**30,6**	**16,3**	**25,2**	**7,6**
Listed equities 3)	-5,8	35,0	-16,5	27,0	2,0	41,2	-9,5
Private equity 4)	-1,9	4,3	-43,8	39,1	15,2	-14,7	19,9
Unlisted equities 5)	0,2	12,5	1,5	36,6	105,1	5,0	-
Real estate investments, total	**4,7**	**53,5**	**8,8**	**4,2**	**2,4**	**7,6**	**6,7**
Direct real estate	3,6	52,6	6,8	4,4	2,4	7,6	6,7
Real estate funds and UCITS	1,1	0,9	127,2	-13,4	8,8	4,9	7,1
Other investments	-91,7	30,7	-298,2	-43,2	120,5	4292,4	113,9
Hedge funds 6)	0,0	0,0	0,0	0,0	0,0	0,0	-99,3
Commodities	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other investments 7)	-91,7	30,7	-298,2	-43,2	120,5	4292,4	114,0
Investments in total	**-117,1**	**739,2**	**-15,8**	**-1,3**	**6,2**	**7,8**	**2,5**
Sundry income, charges and operating expenses	-1,1	0,0					
Net investment income at current value	-118,3	739,2	-16,0	-1,5	6,0	7,6	2,4

1) Includes accrued interests

2) Including accrued interests, cash at bank and in hand and settlement receivables and settlement liabilities

3) Including mixed funds, if these cannot be allocated elsewhere

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

5) Including unlisted real-estate investment companies

6) Including all types of hedge fund shares, regardless of the fund's strategy

7) Including derivatives and items that cannot be allocated to other investment types

8) Change in the market values between the end and beginning of the reporting period – cash flows during the period. Cash flows refers to the difference between sales/profits and purchases/costs.

9) Invested capital = Market value at the beginning of the reporting period + daily/monthly time-weighted cash flows

Risks and management of risks and solvency

Risk and solvency management in general

The Fennia Group's main companies are the parent company Fennia Mutual Insurance Company (hereinafter Fennia) and its subsidiary, Fennia Life Insurance Company (hereinafter Fennia Life). The risk and solvency management framework of Fennia is described in the policy documents approved by the Group companies' Boards of Directors. The most central of these documents is the Risk management principles, which describes the general principles of the management of risks, solvency and asset-liability.

In the Fennia Group, risk management refers to co-ordinated strategies, processes, principles and measures to identify, analyse, measure, manage, monitor and report risks faced by the Group and the Group companies.

The management of solvency and the asset-liability position, on the other hand, means strategies, processes, principles and measures that determine and steer the Group's and the Group companies' risk appetite, risk-bearing capacity, capital buffers and other key restrictions of risk-bearing.

Organisation of risk management

Fennia's Board of Directors, in its capacity as the Board of Directors of the Group's parent company, bears the responsibility for the management of risks, solvency and asset-liability position and for its integration into the Group's governance system. It is the responsibility of Fennia's Board of Directors to ensure that the special characteristics of the companies belonging to the Group and the intra-Group connections (including internal transactions, double capital, transferability of capital and use of capital in general) are taken into consideration appropriately.

The Boards of Directors of Fennia and Fennia Life are responsible for ensuring that the companies abide by the Group's risk management principles. In particular, they are responsible for ensuring that the companies have in place a governance system that is adequately organised with regard to the quality, scope and complexity of the operations, including internal control and a risk management system.

The other Group companies abide by the Fennia Group's risk management principles, where applicable. The other Group companies are mostly real estate companies.

The Group has a risk management executive group to prepare, steer and co-ordinate tasks related to risk management and to disseminate information. The group is chaired by the Group's Chief Financial Officer.

For management of the insurance companies' balance sheets, an Asset Liability Committee (ALCO) convenes on the Group level. The main tasks of this committee are to prepare a proposal for the insurance companies' Boards of Directors on an investment strategy (ALM plan), to amend the strategy, if necessary, within the limits set by the Boards of Directors, and to re-port balance sheet risks to the Boards of Directors. committee is chaired by the managing director of Fennia.

The steering of the risk management system is based on a three-defence-line model, whereby:

1. The first defence line, i.e. business and support functions, has the primary responsibility for daily risk management and reporting in accordance with the agreed policy.
2. The second defence line is responsible for, among other things, the interpretation, development and planning of and reporting on risk and solvency management, and supports, monitors and assesses the implementation of the first defence line's risk and solvency management processes.
3. The third defence line is in charge of ensuring the effectiveness and efficiency of internal control and risk and solvency management.

In the three-defence-line model, the responsibility for risk, solvency and asset-liability management is allocated as follows between the various operators:

- Managing director

  The managing director is responsible for creating the risk management system and implementing it appropriately in accordance with the Board of Directors' decisions.

- Operative management and business and support functions

  Each business and support function is primarily responsible for daily risk management and reporting in accordance with the agreed policy, monitors the overall risk profile of their own area (supported by the second defence line) and ensures that operations in their area comply with the Group's risk management documentation.

- Actuarial function

  The insurance company's responsible actuary is in charge of the actuarial function and sees to it that the actuarial methods applied in pricing and in calculating technical provisions are appropriate. The responsible actuary also determines the level of technical provisions. The actuarial function has a role in both the first and second defence lines. The actuarial function participates in the efficient implementation of the risk management system, in the creation of risk management methods in particular, but also in the implementation of the company's Own Risk and Solvency Assessment.

- Risk management, second defence line

  The risk management function bears the main responsibility for the second line of defence tasks, such as the interpretations, development, planning as well as guidelines and procedures of risk and solvency management. The function is tasked with maintaining an overall view of the risk profile of the Group companies and the Group and to report on it to the company's management. The function also supports the Board of Directors and the managing director as well as the business and support functions in their risk and solvency management work by participating in the development of the risk management system, assessing its operations and preparing analyses to support the decision-making concerning the risk position.

- Compliance

  The compliance function, which belongs to the second defence line, is organised under the risk management and compliance function. The compliance function is responsible for ensuring that the operations comply with regulations, financial sector self-regulation and the Group's internal guidelines, and that customer relationships are managed according to the appropriate procedures. The unit also identifies and assesses the impacts of regulatory changes and the risks related to regulatory non-compliance, as well as the sufficiency of measures taken to prevent and rectify possible shortcomings in regulatory compliance. In addition, the compliance function promotes compliance by providing proactive advice and develops internal procedures with which compliance can be monitored effectively and appropriately.

- Internal audit

  The internal audit supports the Group in achieving its goals by offering a systematic approach to the assessment and development of the efficiency of the organisation's risk management, control and leadership and administrative processes.

The task of the internal audit function is to monitor and assess the sufficiency and efficiency of the Group's internal control and other administration in the following areas, among others:

- achievement of the Group's strategy and goals
- scope and reliability of the solvency management process
- efficiency of risk management
- cost-effectiveness and appropriateness of the use of resources
- compliance with laws and regulations and internal operating principles, plans and instructions
- accuracy, sufficiency and appropriateness of information
- securing assets.

The risk management and compliance function have been integrated into the Fennia Group organisation in a manner that ensures their independence from the operational activities. The units are free from influences that might compromise the objective, equal and independent performance of their tasks. The internal audit is independent of both the first and second defence line operations.

Risk management

In the Fennia Group, a "risk" is defined as an event that, when realised, has impacts on the achievement of the company's strategy and business objectives. Thus, a risk event may have either a (i) positive or (ii) negative impact in relation to the expectations.

The Group's risk management strategies and processes are divided into the following sub-areas:

Identification and analysis of risks

The business and support functions of the first defence line identify and assess the risks that threaten the operations and objectives, in the context of both the annual planning process and the daily operational activities in accordance with Fennia's risk map.

The analysis stage includes assessing the impacts, probabilities and dependencies of individual risks in relation to the objectives of the operations. The objective of risk analysis is to create commensurable indicators for different risks and to improve the comparability of risks. Risk analysis and comparison are necessary as they allow the targeting of risk management measures on the risks that are most essential for the operations.

Risk management

The risks identified and analysed in the management stage are prioritised and management measures are planned for avoiding, reducing, transferring or bearing risks. The first defence line, as the risk owner, carries out appropriate risk management and plans the management measures.

Risk monitoring

Fennia carries out both quantitative risk monitoring, consisting of various risk indicators, and qualitative risk monitoring, which includes, among other things, monitoring, assessment and possible testing out of management measures that have been planned and decided upon. Risks are monitored consistently and their level is compared to the set risk appetite.

Risk reporting

The materialisation of risks and their effects as well as near-miss situations are re-ported within the Group in accordance with the agreed reporting process. The risk management and compliance function reports on the risks to the relevant Boards of Directors regularly.

The above-mentioned risk management strategies and processes are applied to all of the risk areas of the risk map drawn up to facilitate risk management, which are:

- business risks
- non-life insurance risks
- life insurance risks
- market risks
- Counterparty risks
- liquidity risks
- Operational risks
- Sustainability risks
- ALM risks
- Concentration risks
- reputation risks

Business risks

Business risks refer to risks that are related to the insurance company's strategy and which result from incorrect business decisions, incorrect or failed implementation of business decisions or from the inability to adjust business operations to changing conditions or so that they are in line with the targeted future state.

Strategy refers to a series of long-term plans and measures used by the insurance company to move from the current state into the desired future state.

Business risks entail many different dimensions, and they have been divided into the following groups:

- Changes in the operating environment
- Customers
- Technology
- Data
- Future personnel
- Use of capital
- Products and services
- Corporate responsibility

The basis for the management of business risks is to identify the risks affecting the future of the Group and each Group company, to observe various weak signals and to assess how different events, trends and scenarios will affect the sustainability of the business operations and the development of the solvency position in both short and long term.

Insurance risks

Insurance risks are related to the insurance company's core business, insurance.

The most significant insurance risks relate to risk selection, sales steering and risk pricing, i.e. they involve a loss risk resulting from the costs arising from future claims exceeding the insurance premiums received. Insurance risks also include major loss risks.

Insurance risks also include a loss risk arising from an unfavourable change in the value of the technical provisions. The technical provisions risk relates to the uncertainty of the assumptions made when calculating the technical provisions and to unfavourable deviations of the estimated claim amounts, operating expenses and their cash flows from the actual expenses.

The technical provisions risk relates to the uncertainty of the assumptions made when calculating the technical provisions and to unfavourable deviations of the estimated claim amounts, operating expenses and their cash flows from the actual expenses.

Certain financial market risks, such as inflation and the discount rate, also apply to the technical provisions.

Insurance operations are based on taking insurance risks, diversifying the risks within the insurance portfolio and managing the risks. The most important instruments for managing insurance risk are appropriate risk selection, pricing, insurance terms and conditions, and the acquisition of reinsurance cover.

Risk selection provides guidance to sales and ensures the profitability of insurance operations. Risk selection is managed by statistical study of previous losses, which also provide the basis for pricing. The risk selection guidelines specify the types of risks that can be insured, and the maximum permitted sums insured.

The objective of underwriting risk pricing is to achieve the desired risk matching: the bigger the risk, the higher the price and vice versa. Pricing requires accurate and adequate information as well as sufficient knowledge about the insured target. Only then can appropriate risk analyses be made and a sufficient level of insurance premiums be decided on.

Insurance terms and conditions play a significant role in limiting the underwriting risk. They determine, for example, the scope of the insurance cover and the restrictions on compensable damage. In managing underwriting risk, it is important to exclude undesired risks or to limit them by way of agreements to a desired level.

In calculating the technical provisions, different quantitative methods are used, which play a key role in the management of the technical provision risk. In addition to the methods used, the sufficiency and quality of the available information and its management essentially affect the nature of the technical provisions risk.

In life insurance, legislation restricts the right of a life insurance company to increase premiums or to alter the insurance terms and conditions. Thus, the duration of the contracts affects the biometric risks inherent in the technical provision risk. If the assumptions made turn out to be insufficient and the insurance premiums cannot be adjusted, the technical provisions must be supplemented by an amount equalling the expected loss.

Reinsurance is used to hedge against and manage major losses and claim events. In managing major loss risks, it is important for the structure of the outward reinsurance and the portion

of risks/losses remaining under the company's responsibility to be dimensioned according to

the solvency and the insurance liabilities to ensure efficient risk transfer.

The use of reinsurance involves ancillary risks, such as reinsurance availability, price and counterparty risks. In non-life insurance, the reinsurance risk and the related counterparty risk are reduced by only accepting companies with a sufficiently high financial strength rating as reinsurers. Moreover, limits are set on the maximum share of a single reinsurer in any reinsurance

programme. In life insurance operations, the use of outward reinsurance is minimal and therefore concentrated on a few counterparties.

Financial market risks

Financial market risk refers to a risk of loss resulting, either directly or indirectly, from fluctuations in the level and volatility of the values of financial market variables, such as interest rates, equities, real estate, exchange rates and interest rate margins.

Investment operations and asset-liability management play a special role in managing financial market risks. The most significant risks are related to a decline in the value of investments and the poor matching of the investments with the nature of the technical provisions (the ALM risk).

The asset-liability management strategy is based on the following principles:

- Operations are guided by the return on market-consistent equity.
- All balance sheet risks and the return for bearing the risks are actively monitored.
- The aim is to safeguard the interests of the insured and the continuity of operations to a high degree of probability.

To achieve the targets, the investment assets have been divided into three parts:

- Hedging portfolio

  The hedging portfolio is used to protect against the market risks (mainly interest rate risk) of the market-consistent technical provisions, limiting their movement to within a specified range, and to seek moderate additional returns through active credit risk selection and a tactical view on interest rates. The balance sheet protection that the hedging portfolio provides enables risk taking in the investment portfolio.

  The hedging portfolio's assets are invested mainly in short-term corporate bonds with a high credit rating, money market instruments and swap contracts. The hedging portfolio also includes the Group's cash management.

- Investment portfolio

  The investment portfolio includes all other investment assets that have not been allocated to the hedging or strategic portfolio. The aim of the investment portfolio is to offer a good risk/return ratio and a good long-term return level. The investment portfolio is further divided into liquid and illiquid parts.

  The liquid investment portfolio's assets mainly target the equity and fixed income markets. In the investment portfolio's liquid part, each asset class will have a set target weight in the portfolio and a benchmark index that describes the performance of the asset class. The neutral allocation is determined annually in the ALM plan, based on the risk/return view for the coming year and the company's risk-taking capacity and appetite.

  The illiquid part of the investment is mainly targeted at properties and unlisted equity and fixed income investments. The purpose of the illiquid part is to bring an absolute return and to improve the excess return/risk ratio.

- Strategic portfolio

  Strategic investments also have other objectives besides investment returns. These are, for example, holdings in partner and client companies, client and personnel loans and holdings in subsidiaries.

The main instruments for managing financial market risks are the appropriate selection of investment instruments, the diversification of investments and the limitation of risks. Derivative contracts may also be used to limit risks.

Interest rate derivatives are used to hedge the interest rate risk of (other than unit-linked) market-based technical provisions against future changes in value in accordance with the company's risk management. In accounting terms, these interest rate derivatives are treated as hedging instruments. When employing hedge accounting, the negative change in the value of derivatives is not entered as an expense insofar as it is covered by the change in the value of the position being hedged, and provided that the hedging is effective. However, if the negative change in the value of the hedging interest rate derivatives is greater than the positive change in the value of the market-consistent technical provisions to be hedged, the excess value is entered under value adjustments on investments. The interest for the financial period from the interest rate derivatives is entered as income or expenses for the financial year based on the contract. Profit or loss arising in connection with the closing of the interest rate derivatives treated as hedging instruments in accounting is periodised over the life of each derivative contract.

Investments covering the unit-linked insurances are valued at their current value, and the change in current value is entered in the income statement as income or expenses.

A prerequisite for managing financial market risks is to invest assets in property and instruments with risks that can be identified, measured, monitored, managed and reported. In addition, measures are taken concerning new assets and investment instruments prior to their acquisition to ensure that the new assets or investment instruments are manageable and suitable with regard to the business and to risk management.

Sufficient diversification of investments is used to achieve optimal diversification benefits, risk-adjusted returns and asset and liability matching.

A key instrument for managing financial market risks is the limitation of risk from a solvency perspective. Allocation restrictions are used to ensure that investment assets have been allocated sufficiently over different asset classes. In addition, restrictions that are more detailed are determined to ensure sufficient diversification also within asset classes.

Quantitative data on risk variables in Fennia Life's investment assets Impact of change on assets at fair values:

Fixed income investments	Interest rate +1 percentage point	EUR -37 million
Equity investments	Change in value -20%	EUR -5 million
Real estate investments	Change in value -10%	EUR -4 million

Counterparty risks

The counterparty risk takes into account possible losses resulting from the unexpected insolvency of the insurance company's counterparties.

As with financial market risks, a prerequisite for managing counterparty risks is to ensure that the counterparties and related risks can be identified, measured, managed, monitored and reported.

Counterparty risks are mainly caused by (the interest rate margin risk is treated as a financial market risk)

- derivative contract counterparties, in which case only the possible positive market value of the contracts is exposed to the risk
- the counterparty risk of investments
- outstanding reinsurance receivables and the reinsurers' portion of the claims outstanding
- receivables from insurance customers
- customer financing.

In managing the derivative contract counterparty risk, the counterparty risk is assessed prior to concluding a contract with the counterparty. The ratings given by credit rating agencies are the main tool used in assessing the creditworthiness of issuers and counterparties. To limit the counterparty risk, a minimum level has been determined for creditworthiness and limits have been set on maximum liability per counterparty.

In managing the counterparty risk in reinsurance operations, the counterparty risk has been limited by setting requirements on, among other things, the credit ratings of reinsurers and the maximum amount of liability per reinsurer. As with the derivative contract counterparty risk, the ratings given by credit rating agencies are used as a tool in assessing the creditworthiness of reinsurers.

Counterparty risks also arise from receivables from insurance customers. The counterparty risk arising from premium receivables from customers is usually small, because the non-payment of insurance premiums leads to the cancellation or reduction of the insurance cover.

The objective of managing the customer financing counterparty risk is to limit the negative impacts of counterparty risks arising from customer and other liabilities on profit or loss to an acceptable level. The credit process plays a key role in managing these counterparty risks. In managing the credit process, it is important to ensure the reliability of the counterparties by assessing risks and by categorising the counterparty thereafter according to the internally developed model. Customer financing counterparty risks are reduced by determining customer-specific security and covenant terms and conditions.

Operational risks

Operational risks within the Fennia Group refer to a risk resulting from

- inadequate or failed internal processes
- personnel
- systems
- external factors.

Legal risks are included in operational risks. Risks arising from strategic decisions have been excluded from operational risks.

The objective of managing operational risks at Fennia is to

- ensure processes that are simultaneously efficient and of high quality
- reduce, in a cost-effective manner, the likelihood that risks are realised and the impacts of the realised risks, i.e. to reduce the losses resulting from risks.
- support business and support functions to achieve the targets set for them using risk management.
- help ensure that the Group's operations meet the requirements set for them by authorities and legislation
- ensure the continuity of the business operations under exceptional circumstances, including outsourced operations

The management of operational risks is part of the management of business and support functions. When implemented carefully, the management of operational risks supports the development of operations and the targeting of resources and development efforts.

The management of operational risks is based on identifying operational risks and collecting data on them from various sources, which include, for example, regular risk mapping of business and support functions, internal data on occurrences and losses as well as internal audits. The data collected is also used later in the process to evaluate risks and carry out analyses of the risk position of the Group or parts of the Group.

Based on data collected from various sources, the risk management and compliance function develops an overall view of the Group's and Group companies' operational risks, also taking into account the interdependencies between the risks. The unit monitors the entire Group's risk profile and reports on it to executive management and the Boards of Directors.

Within the Fennia Group, operational risks are divided into the following risk classes:

- malfeasance risks
- personnel risks
- risks related to information, telecommunications and communication systems
- process risks
- model risks
- risks attributable to third parties
- project risks
- compliance risks.

Preparedness and contingency plans have been drawn up for the key business and support functions to support the management of and recovery from unlikely but severe disturbances.

Concentration risks

Concentration risks refer to all kinds of risk concentrations involving losses which may be high enough to jeopardise the insurance company's solvency or financial position. Concentration risks most often arise from investment operations, but they may also arise from insurance operations, and from the combined effect of these.

The management of investment, financial market and counterparty risks is based on diversification, which basically prevents any significant concentration risks An exception to this rule is the strategic holdings which may lead to major concentration risks. Holdings in subsidiaries belonging to the Group are treated as strategic holdings.

Insurance operations are based on risk diversification within the insurance portfolio, such that the impacts of a single insurance target under the company's responsibility can be limited. This risk is managed through, among other things, risk selection guidelines and reinsurance.

In customer financing, in particular, the investment and insurance operations are assessed from a holistic perspective prior to granting credit in order to be able to assess the joint risk concentrations.

Liquidity risk

Liquidity risk refers to a risk of not being able to meet future payment obligations or of only being able to meet them through special measures.

Liquidity risk is divided into short- and long-term risk. Short-term liquidity risk refers to risks that are related to asset and liability cash flows lasting less than four months (cash management risks). Long-term liquidity risk refers to asset and liability matching risks spanning several years, even decades, into the future.

Short-term liquidity risk is managed by maintaining a sufficient liquidity reserve and by liquidity planning. The liquidity reserve is managed by, among other things, the following principles:

- A minimum allocation is given to money market investments.
- Convertibility into cash is required of equity and fixed income investments.
- Money market investments are diversified and counterparty limits are set for them.
- The amount of illiquid investments in the portfolio is limited.
- Liquidity conditions are included in significant reinsurance contracts where necessary.

When planning liquidity, daily forecasts are created on outgoing payments for the next four months. The objective of short-term liquidity risk management is to ensure that there will be no need to realise investments other than money market investments and that there will be no need to use or realise the short-term liquidity reserve built up by asset managers.

Long-term liquidity risk is monitored and reported as a separate risk; however, it is not managed as a separate risk, but instead as part of interest rate risk management.

Reputation risk

Reputation risk refers to a risk of damage to the public image of the Fennia Group or of an individual company belonging to the Group. Reputation risk can also be caused by the actions of partners, if their values and/or operating principles differ from those of the Fennia Group.

Reputation risk is usually a consequence of other materialised risks or events, such as the materialisation of operational risks.

The starting point for the management of reputation risks is to identify the possible events that can negatively affect the Group's or a Group company's reputation. Reputation risk differs in nature from other risks in that risk events can be based on real events or on events that fully or partly have no basis in reality (for example, a baseless rumour). Reputation risks are often preventable or the effect of the events can usually be reduced.

The management of reputation risk is based on overall knowledge and understanding of the business and its restrictions. Reputation risk cannot be managed as a separate risk area; it is rather an extension of the management of operational risks. When the risks affecting reputation risk have been identified, various risk management measures can be implemented within the organisation. Successful reputation risk management is partly based on clear and well-thought-out external communications.

Reputation risk management also involves compliance with laws, regulations and provisions and operating in accordance with the requirements set by authorities. The public image and reliability of an insurance company may suffer if laws, regulations, provisions and requirements set by authorities are not complied with.

Group risks

Group risks refer to risks arising from Fennia and its subsidiaries operating in the form of a Group. Group risks can be divided into the following groups:

- transaction risks
- contagion risks
- conflict of interest risks
- concentration risks
- risks related to administration.

Transaction risks refer to risks that relate to intra-Group transactions, for example, appropriate pricing.

Contagion risks include situations in which the problems faced or the risks taken by one company spread to the other Group companies or to the whole Group. This group also includes moral hazard risks, referring to situations in which a risk intentionally and immorally taken by one company and the resulting loss are transferred to be borne by the parent company or other companies either in part or in full.

Conflict of interest risks arise when the interests of some Group companies or those of the entire Group collide.

Concentration risks arise if a single counterparty becomes too significant on the Group level, even though the risk remains within the permitted limits for single companies.

Risks related to administration result from the fact that some of the operations are organised on the Group level and some on the level of individual companies. The differences in the companies' administrative systems can lead to co-ordination challenges and additional risks.

The management of group risks is based on a clear Group structure. In complicated ownership patterns, group risks become more important. In addition, appropriate group risk management is based on planning and monitoring business on the level of both the individual companies and the Group. That is the only way to ensure and monitor the development of the group objectives and their achievement.

The management of group risks is also based on consistent and transparent definition and implementation of the entire Group's internal control system, particularly the risk management system and regulatory compliance monitoring as well as the related reporting procedures. The roles and responsibilities of the various bodies must also be clear and defined from the Group's perspective.

Sustainability risks

Sustainability risk refers to an event or circumstance related to the environment, society or governance (ESG) that may have a negative impact if realised. The identification and assessment of sustainability risks are part of the risk management system, and sustainability risks are taken into account in both investment and insurance operations.

Sustainability risks are managed in various business areas by assessing the impacts of ESG risks on the operations of the Fennia Group in both short and long term. In addition, various business areas actively monitor the development of the ESG regulation and trends to improve the capability to respond. Among other things, Fennia assesses the sustainability risks of its investment assets as well as the impacts of climate change, for example, on its portfolio.

Solvency management

The objective of risk and solvency management within the Group is to support the achievement of business goals and the continuity of business operations. This is carried out by ensuring that the risks taken are correctly proportioned to the risk appetite, risk-bearing capacity and the set capital buffers and by creating conditions for trouble-free operations even in the case of unexpected losses by identifying the threats and opportunities that affect the implementation of the business strategy and the achievement of other targets.

The general risk appetite and capital buffers are managed by setting indicators and target limits for the most significant risks and combined risks. The set risk-specific restrictions must efficiently limit the risk profile to keep solvency and risk-taking under control and within the permitted limits.

Notes to the Profit and Loss Account and Balance Sheet

Premiums written

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Direct insurance				
Finland	164 032 034,24	169 615 269,25	164 032 034,24	169 615 269,25
Gross premiums written before reinsurers' share	164 032 034,24	169 615 269,25	164 032 034,24	169 615 269,25
Items deducted from premiums written				
Credit loss on outstanding premiums	900,70	4 431,22	900,70	4 431,22

Direct insurance premiums written

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Life insurance				
Unit-linked individual life insurance	55 121 500,58	64 386 230,60	55 121 500,58	64 386 230,60
Other individual life insurance	2 164 032,79	1 892 384,43	2 164 032,79	1 892 384,43
Unit-linked capital redemption policy	51 072 727,26	48 587 145,82	51 072 727,26	48 587 145,82
Other capital redemption policy	93 788,00	93 788,00	93 788,00	93 788,00
Employees' group life insurance	6 006 557,64	6 241 016,85	6 006 577,64	6 241 016,85
Other group life insurance	14 817 065,86	14 552 290,24	14 817 065,86	14 552 290,24
Life Insurance total	129 275 672,13	135 752 855,94	129 275 692,13	135 752 855,94
Pension insurance				
Unit-linked individual pension insurance	4 164 882,54	4 402 524,67	4 164 882,54	4 402 524,67
Other individual pension insurance	3 168 413,11	3 578 195,16	3 168 413,11	3 578 195,16
Unit-linked group pension insurance	16 224 338,55	14 989 916,86	16 224 338,55	14 989 916,86
Other group pension insurance	11 198 727,91	10 891 776,62	11 198 727,91	10 891 776,62
Pension Insurance Total	34 756 362,11	33 862 413,31	34 756 362,11	33 862 413,31
Total	164 032 034,24	169 615 269,25	164 032 054,24	169 615 269,25
Regular premiums	57 977 524,06	57 276 482,74	57 977 524,06	57 276 482,74
Single premiums	106 054 510,18	112 338 786,51	106 054 510,18	112 338 786,51
Total	164 032 034,24	169 615 269,25	164 032 034,24	169 615 269,25
Premiums from with-profit policies	37 448 585,31	37 249 451,30	37 448 585,31	37 249 451,30
Premiums from unit-linked insurance	126 583 448,93	132 365 817,95	126 583 448,93	132 365 817,95
Total	164 032 034,24	169 615 269,25	164 032 034,24	169 615 269,25

Claims paid

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Direct insurance				
Life insurance	65 003 440,78	62 607 365,37	65 003 440,78	62 607 365,37
Pension insurance	45 225 180,64	43 932 057,11	45 225 180,64	43 932 057,11
	110 228 621,42	106 539 422,48	110 228 621,42	106 539 422,48
Reinsurance				
Claims paid in total	110 228 621,42	106 539 422,48	110 228 621,42	106 539 422,48
Of which:				
Surrenders	47 672 739,13	49 727 828,84	47 672 739,13	49 727 828,84
Repayment of benefits	5 353 935,75	3 281 061,39	5 353 935,75	3 281 061,39
Other	57 201 946,54	53 530 542,25	57 201 946,54	53 530 542,25
Claims paid in total	110 228 621,42	106 539 432,48	110 228 621,42	106 539 432,48
Share of unit-linked insurances of claims paid	77 481 566,86	73 053 583,54	77 481 566,86	73 053 583,54
Life insurance: bonuses and rebates				
Impact of bonuses and rebates attached to life insurance policies on the balance on technical account	993 864,07	671 235,00	993 864,07	671 235,00
Change in provisions for future bonuses for the financial year	-444 939,00	-412 132,00	-444 939,00	-412 132,00

Of the technical rate of interest for 2022, EUR 8,263,632 was funded from the supplementary provision for the guaranteed interest rate. Of the client bonuses in 2022, totalling EUR 448,352, EUR 444,939 was funded from provisions for bonuses reserved earlier. For risk life insurance, the extra sums paid amounted to EUR 950,579 and were funded entirely from the provision made for extra sums. Further, the provisions for the extra sums were increased by EUR 990,451. Client bonuses paid on insurance policies in 2022 corresponded to the bonus objectives for the financial year. In addition, at the closing of the accounts, an additional non-recurring extra bonus of EUR 30,848 was paid to certain group pension incurance policies, The bonus was fundedfrom supplementary provisions for guaranteed interest rate.

Of the technical rate of interest for 2021, EUR 8,788,422 was funded from the supplementary provision for the guaranteed interest rate. Of the client bonuses in 2020, totalling EUR 414,945, EUR 412,132 was funded from provisions for bonuses reserved earlier. For risk life insurance, the extra sums paid amounted to EUR 842,422 and were funded entirely from the provision made for extra sums. Further, the provisions for the extra sums were increased by EUR 668,422. Client bonuses paid on insurance policies in 2021 corresponded to the bonus objectives for the financial year. In addition, at the closing of the accounts, an additional non-recurring extra bonus of EUR 210,881 was paid to certain group pension incurance policies, The bonus was fundedfrom supplementary provisions for guaranteed interest rate.

Net Investment income

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Investment income				
Income from investments in associated undertakings				
Interest income				
From other undertakings	0,00	0,00	0,00	0,00
	0,00	0,00	0,00	0,00
Income from investments in land and buildings				
Dividend income	371 230,04	485 105,69	371 230,04	485 105,69
Interest income				
Affiliated undertakings	37 737,88	39 904,35		
From other undertakings	341 667,90	229 821,32	341 667,90	229 821,32
	379 405,78	269 725,67	341 667,90	229 821,32
Other income	5 526 273,82	6 715 187,03	5 726 438,30	6 924 156,96
	5 905 679,60	6 984 912,70	6 068 106,20	7 153 978,28
Income from other investments				
Dividend income	18 957 627,05	20 755 675,49	18 957 627,05	20 755 675,49
Interest income	11 749 948,09	11 638 061,76	11 749 948,09	11 638 061,76
Other income	2 173 955,66	2 376 131,68	2 173 955,66	2 376 131,68
	32 881 530,80	34 769 868,93	32 881 530,80	34 769 868,93
Total	39 158 440,44	42 239 887,32	39 320 867,04	42 408 952,90
Value readjustments	5 470 573,54	15 425 812,01	6 230 996,00	15 364 577,25
Gains on realisation of investments	15 087 650,96	40 195 491,25	17 618 937,46	40 626 954,91
Total	59 716 664,94	97 861 190,58	63 170 800,50	98 400 485,06
Investment charges				
Charges arising from investments in land and buildings				
To affiliated undertakings	-1 215 865,93	-1 453 210,17		
To other undertakings	-1 792 170,94	-1 831 215,18	-2 786 004,10	-2 984 095,30
	-3 008 036,87	-3 284 425,35	-2 786 004,10	-2 984 095,30
Charges arising from other investments	-3 836 994,08	-4 223 607,08	-3 836 994,08	-4 223 607,08
Interest and other expenses on liabilities	836 861,91	120 672,36	836 597,72	120 341,49
Total	-6 008 169,04	-7 387 360,07	-5 786 400,46	-7 087 360,89
Value adjustments and depreciations				
Value adjustments on investments	-69 460 786,84	-16 007 963,13	-69 504 981,07	-16 367 838,87
Rakennusten suunnitelmapoistot			-1 480 452,27	-1 597 810,17
	-69 460 786,84	-16 007 963,13	-70 985 433,34	-17 965 649,04
Losses on realisation of investments	-52 509 253,53	-7 290 609,24	-52 509 253,53	-7 290 609,24
Total	-127 978 209,41	-30 685 932,44	-129 281 087,33	-32 343 619,17
Net investment income before revaluations and revaluation adjustments	-68 261 544,47	67 175 258,14	-66 110 286,83	66 056 865,89
Revaluations on investments	45 242 500,19	164 796 233,91	45 242 500,19	164 796 233,91
Revaluation adjustments on investments	-116 344 836,56	-5 270 578,93	-116 344 836,56	-5 270 578,93
Total	-71 102 336,37	159 525 654,98	-71 102 336,37	159 525 654,98
Net investment income on the Profit and Loss Account	-139 363 880,84	226 700 913,12	-137 212 623,20	225 582 520,87

Share of unit-linked insurance of net investment income on the Profit and Loss Account

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Investment income	33 028 408,25	55 582 887,32	33 028 408,25	55 582 887,32
Investment charges	-47 828 482,93	-7 690 068,01	-47 828 482,93	-7 690 068,01
Net investment income before revaluations and revaluation adjustments and value adjustments and readjustments	-14 800 074,68	47 892 819,31	-14 800 074,68	47 892 819,31
Revaluations on investments	45 242 500,19	164 796 233,91	45 242 500,19	164 796 233,91
Revaluation adjustments on investments	-116 344 836,56	-5 270 578,93	-116 344 836,56	-5 270 578,93
Value adjustments on investments	-55 251 419,61	-13 495 188,00	-55 251 419,61	-13 495 188,00
Value readjustments	3 975 604,56	13 635 709,35	3 975 604,56	13 635 709,35
Net investment income on the Profit and Loss Account	-137 178 226,10	207 558 995,64	-137 178 226,10	207 558 995,64

Operating expenses

Operating expenses in the Profit and Loss Account

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Policy acquisition costs				
Direct insurance commissions	2 734 865,13	2 447 367,69	2 734 865,13	2 447 367,69
Other policy acquisition costs	4 697 216,62	4 740 660,22	4 697 216,62	4 740 660,22
Total policy acquisition costs	7 432 081,75	7 188 027,91	7 432 081,75	7 188 027,91
Policy management expenses	6 174 329,41	5 583 570,36	6 174 329,41	5 583 570,36
Administrative expenses	2 249 679,57	2 273 607,68	2 249 679,57	2 273 607,68
Commissions on reinsurance ceded	-286 958,64	-269 956,77	-286 958,64	-269 956,77
Total	15 569 132,09	14 775 249,18	15 569 132,09	14 775 249,18

Total operating expenses by activity

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Claims paid	731 286,92	606 776,03	731 286,92	606 776,03
Net operating expenses	15 569 132,09	14 775 249,18	15 569 132,09	14 775 249,18
Investment charges	1 386 511,17	1 701 890,49	1 386 511,17	1 701 890,49
Total	17 686 930,18	17 083 915,70	17 686 930,18	17 083 915,70

Depreciation according to plan by activity

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Claims paid	153 904,19	152 395,24	153 904,19	152 395,24
Net operating expenses	903 050,11	758 922,32	903 050,11	758 922,32
Investment charges	0,00	0,00	0,00	0,00
Total	1 056 954,30	911 317,56	1 056 954,30	911 317,56

Staff expenses, personnel and executives

	Parent company 2022	Parent company 2021	Konserni 2022	Konserni 2021
Staff expenses				
Salaries and commissions	4 300 617,98	4 289 051,55	4 300 617,98	4 289 051,55
Pension expenses	1 006 728,41	1 011 966,68	1 006 728,41	1 011 966,68
Other social expenses	232 839,16	233 717,13	232 839,16	233 717,13
Total	5 540 185,55	5 534 735,36	5 540 185,55	5 534 735,36
Executives' salaries and commissions				
Board of Directors and Managing Director	305 185,23	488 309,12	305 185,23	488 309,12
Average number of personnel during the financial year	50	52	50	52
Auditors' commissions				
Audit	49 318,68	37 334,56	51 488,68	38 733,12
Tax consulting				
Other	8 060,46	17 528,64	8 060,46	17 528,64
Total	57 379,14	54 863,20	59 549,14	56 261,76

The age of retirement of the Managing Director is defined according to TyEL

Current value and valuation difference on investments

	Investments 31 Dec. 2022			Investments 31 Dec. 2021		
	Remaining acquisition cost	Book value	Current value	Remaining acquisition cost	Book value	Current value
Real estate investments						
Real estate shares in affiliated undertakings	18 344 504,98	18 344 504,98	21 246 503,07	35 624 260,37	35 624 260,37	40 381 570,44
Real estate shares in associated undertakings	9 826 989,00	9 826 989,00	9 826 989,00	14 914 143,00	14 914 143,00	14 914 143,00
Real estate investment funds	1 575 360,32	1 575 360,32	1 575 360,32	1 575 360,32	1 575 360,32	1 575 360,32
Other real estate shares	0,00	0,00	0,00	9 219 416,48	9 219 416,48	9 848 433,24
Investment loans to affiliated undertakings	2 286 234,12	2 286 234,12	2 286 234,12	2 887 108,12	2 887 108,12	2 887 108,12
Loans to associated undertakings	4 270 848,75	4 270 848,75	4 270 848,75	4 270 848,75	4 270 848,75	4 270 848,75
Other investments						
Shares and participations	237 064 708,54	237 064 708,54	251 190 871,31	223 025 187,65	223 025 187,65	247 815 146,38
Debt securities	302 755 358,75	302 755 358,75	295 988 346,85	398 668 962,34	398 668 962,34	398 572 521,50
Loans guaranteed by mortgages	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00
	576 924 004,46	576 924 004,46	587 185 153,42	690 985 287,03	690 985 287,03	721 065 131,75
The remaining acquisition cost of debt securities comprises the difference between the amount payable at maturity and purchase price, which has been released to interest income (+) or charged to interest income (-)	-1 645 358,75			-5 211 962,34		
Valuation difference (difference between current value and book value)			10 261 148,96			30 079 844,72
Current value and valuation difference of derivatives						
Hedging derivatives	0,00	0,00	-66 019 142,58	0,00	0,00	31 582 974,61
Non-hedging derivatives	0,00	0,00	2 096 748,56	0,00	114 143,38	168 834,19
Valuation difference (difference between current value and book value)			-63 922 394,02			31 637 665,42
Valuation difference, total			-53 661 245,06			61 717 510,14

Current value and valuation difference on investments Group

	Investments 31 Dec. 2022			Investments 31 Dec. 2021		
	Remaining acquisition cost	Book value	Current value	Remaining acquisition cost	Book value	Current value
Real estate investments						
Real estate	12 815 789,17	12 815 789,17	23 400 000,00	28 569 237,63	28 569 237,63	42 900 000,00
Real estate shares in associated undertakings	9 826 989,00	9 826 989,00	9 826 989,00	14 914 143,00	14 914 143,00	14 914 143,00
Other real estate shares	1 575 360,32	1 575 360,32	1 575 360,32	1 575 360,32	1 575 360,32	1 575 360,32
Real estate investment funds	0,00	0,00	0,00	9 219 416,48	9 219 416,48	9 848 433,24
Loans to associated undertakings	4 270 848,75	4 270 848,75	4 270 848,75	4 270 848,75	4 270 848,75	4 270 848,75
Other investments						
Shares and participations	237 064 708,54	237 064 708,54	251 190 871,31	223 025 187,65	223 025 187,65	247 815 146,38
Debt securities	302 755 358,75	302 755 358,75	295 988 346,85	398 668 962,34	398 668 962,34	398 572 521,50
Loans guaranteed by mortgages	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00
Deposits						
	569 109 054,53	569 109 054,53	587 052 416,23	681 043 156,17	681 043 156,17	720 696 453,19
The remaining acquisition cost of debt securities comprises the difference between the amount repayable at maturity and purchase price, which has been released to interest income (+) or charged to interest income (-)	-1 645 358,75			-5 211 962,34		
Valuation difference (difference between current value and book value)			17 943 361,70			39 653 297,02
Current value and valuation difference of derivatives						
Hedging derivatives	0,00	0,00	-66 019 142,58	0,00	0,00	31 582 974,61
Non-hedging derivatives	0,00	0,00	2 096 748,56	0,00	114 143,38	168 834,19
Valuation difference (difference between current value and book value)			-63 922 394,02			31 637 665,42
Valuation difference, total			-45 979 032,32			71 290 962,44

Real estate investments

Changes in investments in land and buildings

	Parent company 1.1.2021-31.12.2022				Group 1.1.2021-31.12.2022		
	Land and buildings and real estate shares	Loan receivables in affiliated undertakings	Loan receivables in associated undertakings	Land and buildings and real estate shares	Loan receivables in associated undertakings	Real estate investment trusts	Loan receivables in associated undertakings
Acquisition cost, 1 Jan.	60 210 503,27	9 219 416,48	2 887 108,12	4 270 848,75	70 585 396,15	9 219 416,48	2 448 348,75
Increase	85 838,69	0,00	166 900,00	0,00	307 745,26	-9 219 416,48	1 822 500,00
Decrease	-25 234 385,62	-9 219 416,48	-767 774,00	0,00	-31 020 933,60	0,00	0,00
Transfers	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Acquisition cost, 31 Dec.	35 061 956,34	0,00	2 286 234,12	4 270 848,75	39 872 207,81	0,00	4 270 848,75
Accumulated depreciation, 1 Jan.					-19 538 761,53		
Accumulated depreciation related to decreases and transfers					9 195 009,35		
Depreciation for the financial year					-1 480 452,27		
Transfers					0,00		
Accumulated depreciation, 31 Dec.					-11 824 204,45		
Value adjustments, 1 Jan.	-8 096 739,58	0,00			-5 987 893,66	0,00	
Accumulated value adjustments related to decreases	4 629 214,00	0,00			0,00		
Value readjustments	0,00	0,00			-3 969 362,23	0,00	
Value adjustments during the financial year	-1 847 576,46	0,00			6 127 391,02		
Value adjustments, 31 Dec.	-5 315 102,04	0,00			-3 829 864,87	0,00	
Book value, 31 Dec.	29 746 854,30	0,00	2 286 234,12	4 270 848,75	24 218 138,49	0,00	4 270 848,75

Land and buildings and real estate shares occupied for own activities

Land and buildings and real estate shares occupied for own activities	
Remaining acquisition cost	280 000,00
Book value	280 000,00
Current value	280 000,00
Debtors	
Other debtors	
Affiliated undertakings	2 359,03

Investments covering unit-linked insurances

31 Dec. 2022, parent company

	Original acquisition cost 2022	Current value 2022	Original acquisition cost 2021	Current value 2021
Shares and participations	1 147 210 788,68	1 231 966 433,75	1 072 490 867,92	1 360 252 970,32
Debt securities	203 367 563,21	210 447 488,61	189 535 918,63	191 609 994,59
Cash at bank and in hand	96 207 942,11	96 207 942,11	79 414 293,77	79 414 293,77
Total	1 446 786 294,00	1 538 621 864,47	1 341 441 080,32	1 631 277 258,68
Investments covering unit-linked insurances corresponding to technical provisions	1 446 786 294,00	1 538 621 864,47	1 341 441 080,32	1 631 277 258,68
Cash at bank and in hand, and other debtors include net insurance premiums that have not yet been invested		2 853 496,63		2 984 039,51

The Group figures are consistent with the parent company

Investments in group companies and affiliated undertakings

	Holding, per cent
Subsidiaries	
Kiinteistö Oy Espoon Niittyrinne 1	100
Kiinteistö Oy Mikkelin Hallituskatu 1	88,19
Munkinseudun Kiinteistö Oy	100
Affiliated undertakings	
Tyvene Oy	25
Kiinteistö Oy Gigahertsi	33

Significant share holdings, other investments

Shares

	Holding per cent	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Domestic shares					
Amplus Holding Oy	19,97 %	130 376,50	10 189 998,01	130 376,50	10 189 998,01
Evli Bank PLC	0,53 %	70 949,58	850 572,97	70 949,58	850 572,97
Fingrid Oyj , sarja B	13,22 %	203 440,12	1 167 437,59	203 440,12	1 167 437,59
Pihlajalinna Oyj	1,17 %	2 249 280,00	2 249 280,00	2 249 280,00	2 249 280,00
Other		166 531,79	303 448,38	166 531,79	303 448,38
		2 820 577,99	14 760 736,95	2 820 577,99	14 760 736,95
Foreign shares					
Other		25 397,33	379 606,01	25 397,33	379 606,01
		25 397,33	379 606,01	25 397,33	379 606,01

Unit trusts

	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Unit trusts, domestic				
S-Bank Emerging Markets ESG Equity A	1 290 841,63	1 318 003,16	1 290 841,63	1 318 003,16
S-Bank Emerging Markets Yield A	1 262 813,40	1 262 813,40	1 262 813,40	1 262 813,40
S-Bank Euro Government Bond Yield A	2 556 144,78	2 556 144,78	2 556 144,78	2 556 144,78
S-Bank Europe Equity A	1 314 721,65	1 353 059,54	1 314 721,65	1 353 059,54
S-Bank Green Corporate Bond ESG Yield A	3 490 174,59	3 490 174,59	3 490 174,59	3 490 174,59
S-Bank High Yield Europe ESG Yield A	566 216,22	590 201,20	566 216,22	590 201,20
S-Bank Passive Europe ESG Equity A	944 325,89	954 147,03	944 325,89	954 147,03
S-Bank Passive USA ESG Equity A	1 030 375,98	1 189 986,88	1 030 375,98	1 189 986,88
S-Bank USA Equity A	2 374 978,28	2 431 881,84	2 374 978,28	2 431 881,84
Unit trusts, domestic, total	14 830 592,42	15 146 412,42	14 830 592,42	15 146 412,42
Unit trusts, foreign				
Ireland				
Barings Emerging Markets Sovereign Debt Fund	3 200 000,00	3 286 064,67	3 200 000,00	3 286 064,67
BlackRock ICS Euro Liquid Environmentally Aware	737 381,18	737 381,18	737 381,18	737 381,18
BlackRock ICS Euro Liquidity Fund Premier Acc	4 080 781,12	4 080 781,12	4 080 781,12	4 080 781,12
BlackRock ICS Ultra Short Bond Fund Premier Acc	5 702 343,65	5 705 055,04	5 702 343,65	5 705 055,04
db x-trackers MSCI USA Index UCITS ETF DR - 1C	1 480 701,29	1 512 396,58	1 480 701,29	1 512 396,58
iShares Core MSCI Emerging Markets IMI UCITS ETF	1 343 792,51	1 343 792,51	1 343 792,51	1 343 792,51
iShares Edge MSCI EM Minimum Volatility UCITS ETF	741 009,99	741 009,99	741 009,99	741 009,99
iShares MSCI Europe Minimum Volatility UCITS ETF	2 263 348,57	2 263 348,58	2 263 348,57	2 263 348,58
iShares S&P 500 Minimum Volatility UCITS ETF	2 133 237,96	2 133 237,96	2 133 237,96	2 133 237,96
M&G European Loan Fund Class C EUR Acc	956 939,88	999 322,88	956 939,88	999 322,88
Muzinich EM Short Duration HDGE EUR Acc F	2 142 379,36	2 142 379,36	2 142 379,36	2 142 379,36
Muzinich Emerging Market Corporate Debt Fund	4 322 053,01	4 322 053,01	4 322 053,01	4 322 053,01
Muzinich Funds - Europeyield Fund	2 000 000,00	2 002 410,20	2 000 000,00	2 002 410,20
Luxembourg				
Ashmore SICAV - EM LC Bond Fund Class I	4 049 158,52	4 049 158,52	4 049 158,52	4 049 158,52
BNP Paribas Funds - Euro High Yield Short Duration	778 401,73	790 610,61	778 401,73	790 610,61
BNP Paribas InstiCash EUR 1D Class I	23 071 073,71	23 112 625,46	23 071 073,71	23 112 625,46

	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
BNP Paribas InstiCash Money 3M EUR Class I	35 725 962,40	35 772 986,43	35 725 962,40	35 772 986,43
db x-trackers MSCI EUROPE UCITS ETF	2 881 839,46	3 001 940,89	2 881 839,46	3 001 940,89
Fidelity Funds - EM Corp Debt Fund Class X EUR HED	2 226 144,09	2 226 144,09	2 226 144,09	2 226 144,09
iShares EM Government Bond Index Fund	1 082 147,62	1 082 147,62	1 082 147,62	1 082 147,62
JPMorgan Funds - EU Government Bond	11 532 506,46	11 532 506,46	11 532 506,46	11 532 506,46
M&G European Credit Investment Fund Class E	47 425 264,34	47 425 264,34	47 425 264,34	47 425 264,34
M&G European High Yield Credit Investment Class E	3 387 706,65	3 387 706,65	3 387 706,65	3 387 706,65
NN L Liquid – EUR	7 575 798,75	7 597 242,98	7 575 798,75	7 597 242,98
NN L Liquid - Euribor 3M	27 495 984,54	27 525 719,22	27 495 984,54	27 525 719,22
ODDO BHF Sustainable Euro Corporate Bond Class X	10 519 709,45	10 519 709,45	10 519 709,45	10 519 709,45
Robeco Capital Growth Funds - Euro Government Bond	9 333 937,92	9 333 937,92	9 333 937,92	9 333 937,92
Other	182 161,79	182 161,79	182 161,79	182 161,79
Unit trusts, foreign, total	218 371 765,95	218 809 095,51	218 371 765,95	218 809 095,51

Capital trusts

Capital trusts, domestic				
Other	0,00	475 178,00	0,00	475 178,00
Capital trusts, domestic, total	0,00	475 178,00	0,00	475 178,00
Capital trusts, foreign				
Other	1 016 374,85	1 619 842,42	1 016 374,85	1 619 842,42
Capital trusts, foreign, total	1 016 374,85	1 619 842,42	1 016 374,85	1 619 842,42

Investments covering unit-linked insurances

	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Domestic shares				
Aiforia Technologies Oyj	546 327,18	546 327,18	546 327,18	546 327,18
Cargotec Oyj	5 610 776,40	5 610 776,40	5 610 776,40	5 610 776,40
Citycon OYJ	812 128,58	812 128,58	812 128,58	812 128,58
Consti Yhtiot Oyj	5 755 627,50	5 755 627,50	5 755 627,50	5 755 627,50
Elisa OYJ	1 089 539,91	1 089 539,91	1 089 539,91	1 089 539,91
Endomines Finland Oyj	971 962,18	971 962,18	971 962,18	971 962,18
Evli Plc-Class B	736 049,50	736 049,50	736 049,50	736 049,50
Fortum OYJ	1 827 731,45	1 827 731,45	1 827 731,45	1 827 731,45
Huhtamaki OYJ	1 198 819,58	1 198 819,58	1 198 819,58	1 198 819,58
Kemira OYJ	608 841,80	608 841,80	608 841,80	608 841,80
Kesko OYJ	1 408 165,08	1 408 165,08	1 408 165,08	1 408 165,08
Kone OYJ	2 656 524,70	2 656 524,70	2 656 524,70	2 656 524,70
Konecranes OYJ	744 786,32	744 786,32	744 786,32	744 786,32
Metsa Board OYJ	642 578,77	642 578,77	642 578,77	642 578,77
Neste Oyj	3 549 728,39	3 549 728,39	3 549 728,39	3 549 728,39
Nokia OYJ	9 974 220,05	9 974 220,05	9 974 220,05	9 974 220,05
Nokian Renkaat OYJ	513 985,46	513 985,46	513 985,46	513 985,46
Nordea Bank Abp	9 388 427,11	9 388 427,11	9 388 427,11	9 388 427,11
Oriola Oyj	7 362 754,86	7 362 754,86	7 362 754,86	7 362 754,86
Orion Oyj	1 390 658,08	1 390 658,08	1 390 658,08	1 390 658,08
Outokumpu OYJ	4 929 741,83	4 929 741,83	4 929 741,83	4 929 741,83
Outotec OYJ	1 316 620,34	1 316 620,34	1 316 620,34	1 316 620,34
Pihlajalinna Oyj	572 049,84	572 049,84	572 049,84	572 049,84
Revenio Group OYJ	580 557,64	580 557,64	580 557,64	580 557,64
Sampo Oyj	10 850 129,64	10 850 129,64	10 850 129,64	10 850 129,64
Sanoma OYJ	830 190,96	830 190,96	830 190,96	830 190,96
Stockmann OYJ Abp	661 853,02	661 853,02	661 853,02	661 853,02
Stora Enso OYJ	2 291 052,25	2 291 052,25	2 291 052,25	2 291 052,25
Taaleri Oyj	16 094 158,52	16 094 158,52	16 094 158,52	16 094 158,52
Terveystalo Oyj	1 012 725,00	1 012 725,00	1 012 725,00	1 012 725,00
Tieto OYJ	3 227 775,72	3 227 775,72	3 227 775,72	3 227 775,72
Tokmanni Group Corp	1 528 026,24	1 528 026,24	1 528 026,24	1 528 026,24
UPM-Kymmene OYJ	8 140 868,55	8 140 868,55	8 140 868,55	8 140 868,55
Uponor OYJ	6 056 557,94	6 056 557,94	6 056 557,94	6 056 557,94
Valmet OYJ	1 287 941,04	1 287 941,04	1 287 941,04	1 287 941,04
Wartsila OYJ Abp	1 093 051,61	1 093 051,61	1 093 051,61	1 093 051,61
Other	9 216 927,28	9 216 927,29	9 216 927,28	9 216 927,29
Domestic shares total	126 479 860,32	126 479 860,33	126 479 860,32	126 479 860,33

	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Foreign shares				
Netherlands				
Ing Groep Nv	890 757,97	890 757,97	890 757,97	890 757,97
Nn Group Nv	611 323,20	611 323,20	611 323,20	611 323,20
Randstad Holding Nv	806 839,80	806 839,80	806 839,80	806 839,80
Royal Dutch Shell Plc	565 930,56	565 930,56	565 930,56	565 930,56
United Kingdom				
National Grid Plc Usd - Adr	662 697,54	662 697,54	662 697,54	662 697,54
Rio Tinto Adr	995 218,97	995 218,97	995 218,97	995 218,97
Canada				
Teekay Tankers Ltd-Class A	817 935,50	817 935,50	817 935,50	817 935,50
Marshall Islands				
Star Bulk Carriers Corp	649 436,34	649 436,34	649 436,34	649 436,34
Norway				
Frontline Ltd	556 350,27	556 350,27	556 350,27	556 350,27
Sweden				
Cibus Nordic Real Estate Ab	844 558,32	844 558,32	844 558,32	844 558,32
Eltel Ab	4 814 553,42	4 814 553,42	4 814 553,42	4 814 553,42
Instalco Intressenter Ab	9 576 153,14	9 576 153,14	9 576 153,14	9 576 153,14
Ssab Ab - B Shares (Helsinki)	1 291 262,69	1 291 262,69	1 291 262,69	1 291 262,69
Teliasonera Ab Shs (Ruotsi)	1 040 985,93	1 040 985,93	1 040 985,93	1 040 985,93
Volvo Ab B-Shs	1 277 591,58	1 277 591,58	1 277 591,58	1 277 591,58
Denmark				
Novo Nordisk A/S-B	650 607,58	650 607,58	650 607,58	650 607,58
United States				
Abbvie Inc	783 449,37	783 449,37	783 449,37	783 449,37
Cisco Systems Inc.	707 989,54	707 989,54	707 989,54	707 989,54
Pfizer Inc	823 238,56	823 238,56	823 238,56	823 238,56
Realty Income Corp	651 978,53	651 978,53	651 978,53	651 978,53
Other	17 920 235,75	17 920 235,75	17 920 235,75	17 920 235,75
Foreign shares total	46 939 094,56	46 939 094,56	46 939 094,56	46 939 094,56

Unit trusts, domestic

Unit trusts, domestic	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Aj Eab Value Hedge A	830 015,97	830 015,97	830 015,97	830 015,97
Aktia America	1 413 974,89	1 413 974,89	1 413 974,89	1 413 974,89
Aktia Arvo Rein A	23 317 891,44	23 317 891,44	23 317 891,44	23 317 891,44
Aktia Asunnot+ (A)	1 440 649,22	1 440 649,22	1 440 649,22	1 440 649,22
Aktia Asunnot+ (E)	3 407 910,28	3 407 910,28	3 407 910,28	3 407 910,28
Aktia Asunnot+ Tuotto A Raha	743 756,33	743 756,33	743 756,33	743 756,33
Aktia Asunnot+ Tuotto E Raha	1 207 994,88	1 207 994,88	1 207 994,88	1 207 994,88
Aktia Asunnot+ Tuotto I Raha	510 405,64	510 405,64	510 405,64	510 405,64
Aktia Bond Allocation	1 884 426,08	1 884 426,08	1 884 426,08	1 884 426,08
Aktia Capital L	3 761 463,11	3 761 463,11	3 761 463,11	3 761 463,11
Aktia Corporate Bond+	5 082 968,62	5 082 968,62	5 082 968,62	5 082 968,62
Aktia Emerging Market Local Currency Bond+	1 462 120,07	1 462 120,07	1 462 120,07	1 462 120,07
Aktia Emerging Market Local Currency Frontier Bond	5 890 648,14	5 890 648,14	5 890 648,14	5 890 648,14
Aktia Equity Allocation (B)	6 379 457,58	6 379 457,58	6 379 457,58	6 379 457,58
Aktia Euroopan Kassakoneet (A)	8 799 605,11	8 799 605,11	8 799 605,11	8 799 605,11
Aktia Europe Small Cap	1 441 922,91	1 441 922,91	1 441 922,91	1 441 922,91
Aktia European High Yield Bond +	778 551,84	778 551,84	778 551,84	778 551,84
Aktia Impakti (A)	1 796 799,82	1 796 799,82	1 796 799,82	1 796 799,82
Aktia Korkosalkku X (Kasvu)	604 168,28	604 168,28	604 168,28	604 168,28
Aktia Likvida+ B	1 543 375,25	1 543 375,25	1 543 375,25	1 543 375,25
Aktia Maltillinen Omistaja (A)	3 707 998,81	3 707 998,81	3 707 998,81	3 707 998,81
Aktia Mikro Markka (A)	9 017 259,04	9 017 259,04	9 017 259,04	9 017 259,04
Aktia Mikro Rein (A)	5 575 088,60	5 575 088,60	5 575 088,60	5 575 088,60
Aktia Nordic High Yield (A)	14 529 270,40	14 529 270,40	14 529 270,40	14 529 270,40
Aktia Nordic Micro Cap Fund	3 308 213,15	3 308 213,15	3 308 213,15	3 308 213,15
Aktia Nordic/Finland	8 580 153,81	8 580 153,81	8 580 153,81	8 580 153,81
Aktia Osakesalkku X (Kasvu)	823 141,37	823 141,37	823 141,37	823 141,37
Aktia Rohkea Omistaja (A)	3 135 168,46	3 135 168,46	3 135 168,46	3 135 168,46
Aktia Short-Term Corporate Bond+	3 790 629,13	3 790 629,13	3 790 629,13	3 790 629,13
Aktia Vaihtoehtoiset (A)	2 903 353,15	2 903 353,15	2 903 353,15	2 903 353,15
Aktia Vakaa Korko (A)	1 912 236,83	1 912 236,83	1 912 236,83	1 912 236,83
Aktia Varovainen Omistaja (A)	3 122 390,75	3 122 390,75	3 122 390,75	3 122 390,75
Aktia Wealth Allocation 50 (B)	4 502 282,04	4 502 282,04	4 502 282,04	4 502 282,04
Danske Institutional Liquidity Fund	1 923 990,99	1 923 990,99	1 923 990,99	1 923 990,99
Eab Korko A	4 170 690,09	4 170 690,09	4 170 690,09	4 170 690,09
Eab Korko C	6 196 467,13	6 196 467,13	6 196 467,13	6 196 467,13
Eab Korko E	660 436,42	660 436,42	660 436,42	660 436,42
Eab Optimaalivarainhoito A Kasvu	2 565 149,17	2 565 149,17	2 565 149,17	2 565 149,17
Eab Osake A	5 460 693,18	5 460 693,18	5 460 693,18	5 460 693,18
Eab Osake C	13 404 808,21	13 404 808,21	13 404 808,21	13 404 808,21
Eab Pääomarahastot I Ky	658 499,89	658 499,89	658 499,89	658 499,89
Eab Value Added Fund Iii Sr Ii Ky	4 489 393,05	4 489 393,05	4 489 393,05	4 489 393,05

Unit trusts, domestic	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Eab Value Added Fund Iii Sr Iii Ky	872 645,00	872 645,00	872 645,00	872 645,00
Eab Value Added Fund Iii Sr Iv Ky	629 000,00	629 000,00	629 000,00	629 000,00
Eab Vuokratuotto A	29 235 964,40	29 235 964,40	29 235 964,40	29 235 964,40
Eab Vuokratuotto D	5 076 630,25	5 076 630,25	5 076 630,25	5 076 630,25
Elite Alf Kiinteistökehitys Ii Syöttörahasto Iv Ky	4 014 628,60	4 014 628,60	4 014 628,60	4 014 628,60
Elite Alfred Berg Logistiikkakiinteistot A	6 216 574,94	6 216 574,94	6 216 574,94	6 216 574,94
Elite Alfred Berg Logistiikkakiinteistot B	3 219 572,98	3 219 572,98	3 219 572,98	3 219 572,98
Elite Alfred Berg Logistiikkakiinteistot C	946 164,19	946 164,19	946 164,19	946 164,19
Elite Alfred Berg Optimaalivarainhoito A	5 570 270,26	5 570 270,26	5 570 270,26	5 570 270,26
Elite Alfred Berg Optimaalivarainhoito B	12 879 387,19	12 879 387,19	12 879 387,19	12 879 387,19
Elite Alfred Berg Uusiutuva Energia Ii Sr Ii Ky	607 200,00	607 200,00	607 200,00	607 200,00
Elite Alfred Berg Uusiutuva Energia Ii Sr V Ky	2 415 138,00	2 415 138,00	2 415 138,00	2 415 138,00
Elite Alfred Berg Uusiutuva Energia Ii Sr Vii	602 029,70	602 029,70	602 029,70	602 029,70
Elite Aurinkotuotto I Ky	5 391 768,09	5 391 768,09	5 391 768,09	5 391 768,09
Elite Aurinkotuotto Ii Ky	2 433 780,09	2 433 780,09	2 433 780,09	2 433 780,09
Elite Finland Value Added Fund Ii Syöttörahasto Ii	12 507 056,37	12 507 056,37	12 507 056,37	12 507 056,37
Elite Kiinteistökehitys Ii Syöttörahasto Iii Ky	15 652 890,63	15 652 890,63	15 652 890,63	15 652 890,63
Elite Osake Sijoitusrahasto	1 069 510,74	1 069 510,74	1 069 510,74	1 069 510,74
Elite Rental Yield Fund Non-Ucits	4 136 719,15	4 136 719,15	4 136 719,15	4 136 719,15
Elite Älyenergia I Ky	3 185 744,67	3 185 744,67	3 185 744,67	3 185 744,67
Eq Asunnot (Erikoissijoitusrahasto)	526 500,00	526 500,00	526 500,00	526 500,00
Eq Liikekiinteistöt 1 T	5 974 747,14	5 974 747,14	5 974 747,14	5 974 747,14
Eq Mandaatti	3 001 585,57	3 001 585,57	3 001 585,57	3 001 585,57
Eq Yhteiskuntakiinteistöt T	14 775 175,39	14 775 175,39	14 775 175,39	14 775 175,39
Evli - Emerging Frontier Fund	1 545 802,71	1 545 802,71	1 545 802,71	1 545 802,71
Evli Corporate Bond B	1 723 431,18	1 723 431,18	1 723 431,18	1 723 431,18
Evli Emerging Markets Credit Class B	4 264 925,02	4 264 925,02	4 264 925,02	4 264 925,02
Evli Equity Factor Usa Fund	12 815 819,56	12 815 819,56	12 815 819,56	12 815 819,56
Evli Euro Government Bond B	6 599 678,64	6 599 678,64	6 599 678,64	6 599 678,64
Evli Euro Likvidi	17 966 086,73	17 966 086,73	17 966 086,73	17 966 086,73
Evli Europe B	5 515 784,43	5 515 784,43	5 515 784,43	5 515 784,43
Evli European High Yield	12 875 496,48	12 875 496,48	12 875 496,48	12 875 496,48
Evli European Investment Grade Class B	17 747 392,00	17 747 392,00	17 747 392,00	17 747 392,00
Evli Finland Select B	13 155 962,05	13 155 962,05	13 155 962,05	13 155 962,05
Evli Finnish Small Cap	13 745 811,37	13 745 811,37	13 745 811,37	13 745 811,37
Evli Gem	8 177 630,18	8 177 630,18	8 177 630,18	8 177 630,18
Evli Global B	4 893 472,24	4 893 472,24	4 893 472,24	4 893 472,24
Evli Green Corporate Bond Fund	2 315 750,71	2 315 750,71	2 315 750,71	2 315 750,71
Evli Impact Forest Fund	1 660 846,72	1 660 846,72	1 660 846,72	1 660 846,72
Evli Infrastructure Fund I Ky Limited Partnership	1 391 915,32	1 391 915,32	1 391 915,32	1 391 915,32
Evli Japan B	10 716 400,43	10 716 400,43	10 716 400,43	10 716 400,43
Evli Nordic Corporate Bond Class B	11 874 215,63	11 874 215,63	11 874 215,63	11 874 215,63
Evli Nordic Dividend B	3 379 438,91	3 379 438,91	3 379 438,91	3 379 438,91
Evli North America B	4 680 647,25	4 680 647,25	4 680 647,25	4 680 647,25
Evli Osakefaktori B	1 886 899,95	1 886 899,95	1 886 899,95	1 886 899,95
Evli Private Debt Fund I Limited Partnership	980 805,65	980 805,65	980 805,65	980 805,65

Unit trusts, domestic	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Evli Private Equity Ii Limited Partnership	1 004 014,20	1 004 014,20	1 004 014,20	1 004 014,20
Evli Rental Yield Fund	2 374 072,34	2 374 072,34	2 374 072,34	2 374 072,34
Evli Short Corporate Bond	16 927 776,12	16 927 776,12	16 927 776,12	16 927 776,12
Evli Swedish Small Cap B	961 900,42	961 900,42	961 900,42	961 900,42
Evli Varainhoito 50 B	754 919,84	754 919,84	754 919,84	754 919,84
Evli Wealth Manager B	4 240 174,91	4 240 174,91	4 240 174,91	4 240 174,91
Innovestor Kasvurahasto Ii Ky	954 474,62	954 474,62	954 474,62	954 474,62
Innovestor Technology Fund Ky	1 205 717,31	1 205 717,31	1 205 717,31	1 205 717,31
Korkia Uusiutuva Energia Holding Ky	1 750 000,00	1 750 000,00	1 750 000,00	1 750 000,00
Korkia Uusiutuva Energia Holding Pb Ky	2 625 000,00	2 625 000,00	2 625 000,00	2 625 000,00
Nordea Eurooppalaiset Tähdet A	613 365,10	613 365,10	613 365,10	613 365,10
Nordea Global High Yield/Finland	2 194 579,50	2 194 579,50	2 194 579,50	2 194 579,50
Nordea Global Index Fund B Kasvu	1 413 388,48	1 413 388,48	1 413 388,48	1 413 388,48
Nordea Lyhyt Korko B Kasvu	10 398 944,11	10 398 944,11	10 398 944,11	10 398 944,11
Nordea Maailma Fund	998 478,17	998 478,17	998 478,17	998 478,17
Nordea Nordic Small Cap K/100	1 038 179,35	1 038 179,35	1 038 179,35	1 038 179,35
Nordea North America	1 014 038,70	1 014 038,70	1 014 038,70	1 014 038,70
Nordea Savings 30 Fund	2 316 474,23	2 316 474,23	2 316 474,23	2 316 474,23
Nordea Savings 50	6 723 254,60	6 723 254,60	6 723 254,60	6 723 254,60
Nordea Savings 75	5 848 354,47	5 848 354,47	5 848 354,47	5 848 354,47
Nordea Savings Fixed Income Fund	525 805,02	525 805,02	525 805,02	525 805,02
Nordea Suomi	997 688,59	997 688,59	997 688,59	997 688,59
Nordea Vakaa Tuotto Kasvu A	1 358 978,60	1 358 978,60	1 358 978,60	1 358 978,60
Open Ocean Fund 2015 Ky	2 365 434,55	2 365 434,55	2 365 434,55	2 365 434,55
Project First Ky	900 000,00	900 000,00	900 000,00	900 000,00
Project Second Ky	3 175 000,00	3 175 000,00	3 175 000,00	3 175 000,00
Project Third Ky	2 335 000,00	2 335 000,00	2 335 000,00	2 335 000,00
Pyn Elite A	1 103 551,09	1 103 551,09	1 103 551,09	1 103 551,09
S-Bank Asset Management 100 A	3 082 119,84	3 082 119,84	3 082 119,84	3 082 119,84
S-Bank Asset Management 30 A Growth	1 017 537,89	1 017 537,89	1 017 537,89	1 017 537,89
S-Bank Brands Equity A	5 448 735,95	5 448 735,95	5 448 735,95	5 448 735,95
S-Bank Emerging Markets Esg Equity A	14 703 939,73	14 703 939,73	14 703 939,73	14 703 939,73
S-Bank Emerging Markets Yield A	7 606 801,22	7 606 801,22	7 606 801,22	7 606 801,22
S-Bank Euro Government Bond Yield A	15 176 962,74	15 176 962,74	15 176 962,74	15 176 962,74
S-Bank Europe Equity A	5 187 255,84	5 187 255,84	5 187 255,84	5 187 255,84
S-Bank Fenno Equity A	6 731 655,33	6 731 655,33	6 731 655,33	6 731 655,33
S-Bank Fixed-Income Asset Management A Growth	3 017 077,65	3 017 077,65	3 017 077,65	3 017 077,65
S-Bank Forest A	5 759 085,87	5 759 085,87	5 759 085,87	5 759 085,87
S-Bank Forest C	9 504 280,02	9 504 280,02	9 504 280,02	9 504 280,02
S-Bank Fossil Free Europe Esg Equity Fund	3 303 950,38	3 303 950,38	3 303 950,38	3 303 950,38
S-Bank Frontier Markets Equity A	602 551,07	602 551,07	602 551,07	602 551,07
S-Bank Global Private Assets B	5 669 378,43	5 669 378,43	5 669 378,43	5 669 378,43
S-Bank Global Private Assets C	1 861 164,81	1 861 164,81	1 861 164,81	1 861 164,81
S-Bank Green Corporate Bond Esg Yield A	10 605 040,31	10 605 040,31	10 605 040,31	10 605 040,31
S-Bank High Yield Europe Esg Yield A	2 913 126,72	2 913 126,72	2 913 126,72	2 913 126,72
S-Bank Housing A	19 879 317,89	19 879 317,89	19 879 317,89	19 879 317,89
S-Bank Passive Europe Esg Equity A	4 111 239,84	4 111 239,84	4 111 239,84	4 111 239,84

Unit trusts, domestic	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
S-Bank Passive Usa Esg Equity A	15 265 937,46	15 265 937,46	15 265 937,46	15 265 937,46
S-Bank Short-Term Bond A	4 949 751,51	4 949 751,51	4 949 751,51	4 949 751,51
S-Bank Usa Equity A	14 140 417,47	14 140 417,47	14 140 417,47	14 140 417,47
Seligson & Co Asia Index Fund A	725 324,18	725 324,18	725 324,18	725 324,18
Seligson & Co Eurooppa-Indeksirahasto A	3 503 384,38	3 503 384,38	3 503 384,38	3 503 384,38
Seligson & Co Global Pharma A	655 289,28	655 289,28	655 289,28	655 289,28
Seligson & Co Global Top 25 Brands A	6 721 196,98	6 721 196,98	6 721 196,98	6 721 196,98
Seligson & Co Omx Helsinki 25-Indeksiosuus Etf	820 804,80	820 804,80	820 804,80	820 804,80
Seligson & Co Pohjois-Amerikka-Indeksirahasto A	6 535 159,59	6 535 159,59	6 535 159,59	6 535 159,59
Seligson & Co Suomi-Indeksirahasto A	3 463 454,23	3 463 454,23	3 463 454,23	3 463 454,23
Sijoitusrahasto Aktia Eurooppa	778 367,07	778 367,07	778 367,07	778 367,07
Sijoitusrahasto Evli Usa Kasvu	1 427 811,65	1 427 811,65	1 427 811,65	1 427 811,65
Sijoitusrahasto Titanium Kasvuosinko Esg	1 776 869,54	1 776 869,54	1 776 869,54	1 776 869,54
S-Pankki Asunto C	17 101 986,07	17 101 986,07	17 101 986,07	17 101 986,07
S-Pankki Toimitila A	40 842 478,67	40 842 478,67	40 842 478,67	40 842 478,67
S-Pankki Toimitila B	8 069 867,84	8 069 867,84	8 069 867,84	8 069 867,84
S-Pankki Tontti B	11 123 634,42	11 123 634,42	11 123 634,42	11 123 634,42
Säästöpankki Eurooppa B (Kasvu)	2 051 140,64	2 051 140,64	2 051 140,64	2 051 140,64
Säästöpankki Itämeri B (Kasvu)	1 756 594,37	1 756 594,37	1 756 594,37	1 756 594,37
Säästöpankki Kotimaa B (Kasvu)	3 024 819,64	3 024 819,64	3 024 819,64	3 024 819,64
Säästöpankki Ryhti B (Kasvu)	1 233 234,66	1 233 234,66	1 233 234,66	1 233 234,66
Taaleri Afrikka Rahasto I Ky	4 896 011,83	4 896 011,83	4 896 011,83	4 896 011,83
Taaleri Tonttirahasto Ky I B	2 638 236,60	2 638 236,60	2 638 236,60	2 638 236,60
Taaleri Tonttirahasto Ky Ii B 16.09.2015	601 117,20	601 117,20	601 117,20	601 117,20
Taaleri Tonttirahasto Ky Iii A 16.12.2015	668 983,00	668 983,00	668 983,00	668 983,00
Taaleri Tonttirahasto Ky Iii B 16.12.2015	534 326,40	534 326,40	534 326,40	534 326,40
Taaleri Tuulitehdas Ii Ky	9 264 654,00	9 264 654,00	9 264 654,00	9 264 654,00
Titanium Baltia Kiinteistö Erikoissijoitusrahasto	1 358 942,20	1 358 942,20	1 358 942,20	1 358 942,20
Ub American Equity	1 127 633,22	1 127 633,22	1 127 633,22	1 127 633,22
Ub Finnish Properties Aif	537 919,74	537 919,74	537 919,74	537 919,74
Ub High Yield	804 985,43	804 985,43	804 985,43	804 985,43
Ub Lyhyt Korko	1 307 934,83	1 307 934,83	1 307 934,83	1 307 934,83
Ub Nordic Proberty A-Sarja	3 524 435,84	3 524 435,84	3 524 435,84	3 524 435,84
Ub Nordic Property Aif	1 062 632,80	1 062 632,80	1 062 632,80	1 062 632,80
Ub Pohjoismaiset Liikekiinteistöt I	3 727 685,99	3 727 685,99	3 727 685,99	3 727 685,99
Ub Pohjoismaiset Liikekiinteistöt R	533 654,17	533 654,17	533 654,17	533 654,17
Ub Smart	2 094 586,52	2 094 586,52	2 094 586,52	2 094 586,52
Ub Timberland Fund Aif	3 411 052,73	3 411 052,73	3 411 052,73	3 411 052,73
Wip Technology Fund Aif	620 200,00	620 200,00	620 200,00	620 200,00
Other	26 608 161,44	26 608 161,44	26 608 161,44	26 608 161,44
Unit trusts, domestic, total	893 180 779,88	893 180 779,88	893 180 779,88	893 180 779,88

Unit trusts, foreign

Unit trusts, foreign	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Ireland				
Db X-Trackers Msci World Health Care Index Ucits E	3 367 969,45	3 367 969,45	3 367 969,45	3 367 969,45
Eaton Vance International Ireland - Emerging Marke	1 319 407,33	1 319 407,33	1 319 407,33	1 319 407,33
Fidelity Msci Japan Index Fund	890 186,90	890 186,90	890 186,90	890 186,90
Hermes Global Emerging Markets Fund	908 283,99	908 283,99	908 283,99	908 283,99
Ishares Core Euro Government Bond Ucits Etf	942 978,39	942 978,39	942 978,39	942 978,39
Ishares Core Msci Emerging Markets Imi Ucits Etf	878 654,11	878 654,11	878 654,11	878 654,11
Ishares Core Msci Japan Imi Ucits Etf	1 034 332,69	1 034 332,70	1 034 332,69	1 034 332,70
Ishares Core S&P 500 Ucits Etf	13 497 376,00	13 497 376,00	13 497 376,00	13 497 376,00
Ishares Edge Msci Europe Quality Factor Ucits Etf	2 194 055,59	2 194 055,59	2 194 055,59	2 194 055,59
Ishares Global Clean Energy Ucits Etf	693 762,34	693 762,34	693 762,34	693 762,34
Ishares Msci Em Esg Enhanced Ucits Etf	2 096 757,68	2 096 757,68	2 096 757,68	2 096 757,68
Ishares Msci Emu Mid Cap Ucits Etf	528 180,00	528 180,00	528 180,00	528 180,00
Ishares Msci Europe Esg Screened Ucits Etf	1 025 391,92	1 025 391,92	1 025 391,92	1 025 391,92
Ishares Msci Europe Sri Ucits Etf	1 883 450,40	1 883 450,40	1 883 450,40	1 883 450,40
Ishares Msci Usa Esg Enhanced Ucits Etf	885 091,87	885 091,87	885 091,87	885 091,87
Ishares Msci Usa Esg Screened Ucits Usd Etf	1 179 948,47	1 179 948,47	1 179 948,47	1 179 948,47
Ishares Msci Usa Small Cap Ucits Etf	854 599,55	854 599,55	854 599,55	854 599,55
Spdr Msci Em Asia Etf	1 059 066,96	1 059 066,96	1 059 066,96	1 059 066,96
Spdr S&P 500 Ucits Etf	750 242,92	750 242,92	750 242,92	750 242,92
Tabula Eur Hy Bond Paris-Aligned Climate Ucits Etf	501 831,30	501 831,30	501 831,30	501 831,30
Ubs Irl Etf Plc - S&P 500 Esg Ucits Etf	1 427 837,43	1 427 837,43	1 427 837,43	1 427 837,43
Xtrackers Esg Msci Japan Ucits Etf	2 243 239,86	2 243 239,86	2 243 239,86	2 243 239,86
Xtrackers Msci Emerging Markets Esg Ucits Etf	524 736,64	524 736,64	524 736,64	524 736,64
Xtrackers Msci World Energy Ucits Etf	2 951 550,00	2 951 550,00	2 951 550,00	2 951 550,00
Xtrackers Msci World Financials Ucits Etf	1 101 486,10	1 101 486,10	1 101 486,10	1 101 486,10
Luxembourg				
Accendo Capital	1 215 163,95	1 215 163,95	1 215 163,95	1 215 163,95
Agcm Fund - Asia Growth Sub-Fund	1 428 490,39	1 428 490,39	1 428 490,39	1 428 490,39
Amundi Etf Bbb Euro Corporate Investment Grade Uci	749 448,61	749 448,61	749 448,61	749 448,61
Amundi Etf Msci Nordic	830 796,80	830 796,80	830 796,80	830 796,80
Amundi Index Euro Agg Corporate Sri - Ucits Etf Dr	2 432 924,34	2 432 924,34	2 432 924,34	2 432 924,34
Amundi Msci Europe Quality Factor Ucits Etf	576 617,01	576 617,01	576 617,01	576 617,01
Amundi Msci Usa Minimum Volatility Factor Ucits Et	2 519 446,78	2 519 446,78	2 519 446,78	2 519 446,78
Bnp Asia Ex-Japan Eq-Cc Eur	1 162 630,92	1 162 630,92	1 162 630,92	1 162 630,92
Bnp China Equity-C-E	1 384 509,64	1 384 509,64	1 384 509,64	1 384 509,64
Bnp Eqt Us Growth-Clacc Eur	2 059 342,97	2 059 342,97	2 059 342,97	2 059 342,97
Bnp India Equity-Ccapeur	1 084 444,76	1 084 444,76	1 084 444,76	1 084 444,76

Unit trusts, foreign	Book value, 31 Dec. 2022, parent company	Current value, 31 Dec. 2022, parent company	Book value, 31 Dec. 2022, group	Current value, 31 Dec. 2022, group
Bnp Paribas Funds Climate Impact	1 811 200,58	1 811 200,58	1 811 200,58	1 811 200,58
Bnp Paribas Funds Us Value Multi-Factor Equity	18 737 648,40	18 737 648,40	18 737 648,40	18 737 648,40
Bnp Paribas Funds-Sustainable Europe Value	9 957 372,09	9 957 372,09	9 957 372,09	9 957 372,09
Carnegie Worldwide (Kasvu)	2 924 052,19	2 924 052,19	2 924 052,19	2 924 052,19
Carnegie Worldwide Emerging Mark.Eq Eur	796 520,80	796 520,80	796 520,80	796 520,80
Carnegie Worldwide Healthcare Select	3 448 575,16	3 448 575,16	3 448 575,16	3 448 575,16
Eleva Ucits Fund - Eleva European Selection Fund	1 940 146,03	1 940 146,03	1 940 146,03	1 940 146,03
Lyxor Core Stoxx Europe 600 Dr	1 213 732,60	1 213 732,60	1 213 732,60	1 213 732,60
Lyxor Msci Em Esg Trend Leaders Ucits Etf	636 558,11	636 558,11	636 558,11	636 558,11
Lyxor Msci Usa Esg Trend Leaders Dr Ucits Etf	899 102,92	899 102,92	899 102,92	899 102,92
Lyxor Stoxx Europe 600 Banks Ucits Etf	885 916,14	885 916,14	885 916,14	885 916,14
Nordea 1 Sicav - Climate And Environment Equity Fu	2 031 194,31	2 031 194,31	2 031 194,31	2 031 194,31
Nordea 1 Sicav - Global Stable Equity Fund - Euro	825 576,41	825 576,41	825 576,41	825 576,41
Parvest - Aqua	1 973 638,60	1 973 638,60	1 973 638,60	1 973 638,60
Parvest Bond Euro Government	6 068 334,40	6 068 334,40	6 068 334,40	6 068 334,40
Parvest Equity Energy World Classic Cap (Eur)	1 795 366,53	1 795 366,53	1 795 366,53	1 795 366,53
Parvest Equity Europe Small Cap	3 574 590,76	3 574 590,76	3 574 590,76	3 574 590,76
Threadneedle Lux - American Fund	3 345 317,47	3 345 317,47	3 345 317,47	3 345 317,47
Titanium Asunto Erikoissijoitusrahasto	1 559 644,00	1 559 644,00	1 559 644,00	1 559 644,00
Titanium Hoivakiinteistö Erikoissijoitusrahasto	8 513 606,14	8 513 606,14	8 513 606,14	8 513 606,14
Xtrackers Ii Eurozone Government Bond Ucits Etf	568 670,70	568 670,70	568 670,70	568 670,70
Xtrackers Ii Us Treasuries Ucits Etf	621 625,89	621 625,89	621 625,89	621 625,89
France				
Amundi Etf Nasdaq-100 Ucits Etf	1 686 666,96	1 686 666,96	1 686 666,96	1 686 666,96
Amundi Etf Stoxx Europe 50 Ucits Etf	1 113 145,28	1 113 145,28	1 113 145,28	1 113 145,28
Other	28 254 262,43	28 254 262,44	28 254 262,43	28 254 262,44
Unit trusts, foreign, total	165 366 698,96	165 366 698,98	165 366 698,96	165 366 698,98

Changes in intangible and tangible assets

Parent company

	Intangible rights and other long-term expenses	Goodwill	Advance payments	Equipment	Total
Acquisition cost, 1 Jan. 2022	**8 712 275,02**	**2 406 630,00**	**871 276,42**	**305 741,10**	**12 295 922,54**
Depreciation in full during the previous year					0,00
Increase	880 644,15		756 863,32		1 637 507,47
Decrease			-871 276,42	-36 166,60	-907 443,02
Acquisition cost, 31 Dec. 2022	9 592 919,17	2 406 630,00	756 863,32	269 574,50	13 025 986,99
Accumulated depreciation, 1 Jan. 2022	-3 850 411,29	-1 684 641,00		-143 851,58	-5 678 903,87
Depreciation in full during the previous year					0,00
Accumulated depreciation related to decreases and transfers				29 442,15	29 442,15
Depreciation for the financial year	-1 010 919,07	-240 663,00		-46 035,23	-1 297 617,30
Accumulated depreciation, 31 Dec. 2022	-4 861 330,36	-1 925 304,00		-160 444,66	-6 947 079,02
Value adjustments, 1 Jan. 2022	-1 159 898,74				-1 159 898,74
Value adjustments during the financial year					
Value adjustments, 31 Dec. 2022	-1 159 898,74				-1 159 898,74
Book value, 31 Dec. 2022	3 571 690,07	481 326,00	756 863,32	109 129,84	4 919 009,23

The Group figures are consistent with the parent company.

Capital and reserves

	Parent company 2022	Group 2022
Restricted		
Subscribed capital 1 Jan./31 Dec.	27 751 007,87	27 751 007,87
Premium Fund, 1 Jan./31 Dec.	10 723 286,95	10 723 286,95
Restricted in total	38 474 294,82	38 474 294,82
Non-restricted		
At the disposal of the Board 1 Jan./31 Dec.	8 409,40	8 409,40
Profit brought forward, 1 Jan.	124 481 765,17	111 902 386,38
Profit for the previous financial year	23 258 659,23	22 334 224,77
Dividend pay-out	-20 000 000,00	-20 000 000,00
Profit brought forward, 31 Dec.	127 740 424,40	114 236 611,15
Profit for the financial year	6 221 069,44	9 868 283,89
Non-restricted in total	133 969 903,24	124 113 304,44
Capital and reserves in total	172 444 198,06	162 587 599,26

Distributable profit, 31 Dec. 2022

	Parent company 2022
Profit for the financial year	6 221 069,44
At the disposal of the Board	8 409,40
Profit brought forward	127 740 424,40
Distributable profit	133 969 903,24

Creditors and solvency

Creditors

	Parent company 2022	Parent company 2021
Other creditors		
To affiliated undertakings	459 197,47	874 523,74

Technical provisions for unit-linked insurances

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Provision for unearned premiums	1 495 224 943,33	1 585 375 927,13	1 495 224 943,33	1 585 375 927,13
Claims outstanding	44 373 556,79	46 778 271,55	44 373 556,79	46 778 271,55
Total	1 539 598 500,12	1 632 154 198,68	1 539 598 500,12	1 632 154 198,68

Deferred tax liabilities

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Allocation of consolidation difference			1 540 340,24	3 017 845,91
Deferred tax resulting from the Group's depreciation difference			9 158,88	12 888,45
Difference resulting from the amortisation of derivatives			330 156,84	353 342,28
Deferred tax liabilities total			1 879 655,96	3 384 076,64

Guarantee and liability commitments

For the company itself

Liabilities from derivative contracts

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Non-hedging				
Currency derivatives				
Forward and futures contracts				
Open				
Value of underlying instrument	0,00	234 200,56	0,00	234 200,56
Current value	0,00	234 200,56	0,00	234 200,56
Sold put options				
Value of underlying instrument	0,00	-120 057,18	0,00	-120 057,18
Fair value	0,00	-65 366,37	0,00	-65 366,37
Hedging				
Interest rate derivative				
Interest rate swap				
Open				
Value of underlying instrument	505 880 000,00	452 880 000,00	505 880 000,00	452 880 000,00
Current value	-66 019 142,58	31 582 974,61	-66 019 142,58	31 582 974,61
Non-hedging				
Interest rate derivative				
Interest rate swap				
Open				
Value of underlying instrument	31 300 000,00	0,00	31 300 000,00	0,00
Fair value	2 096 748,56	0,00	2 096 748,56	0,00

The result of closed and matured non-hedging derivatives is entered in full with impact on the result.

The realised result of closed and matured hedging derivatives is accrued in the result over the original life of the derivative contract. The realised net result of matured hedging interest rate derivatives closed in the financial year was EU R 5,062,062.71, of which EUR 533,445.73 was allocated to the financial year. From the results of hedging interest rate derivatives closed in previous financial years, losses of EUR 654,267.22 were allocated to the financial year.

Negative valuation differences in non-hedging derivative contracts are charged against the profit.

Securities received in derivatives trading

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Danske Bank A/S	0,00	2 360 000,00	0,00	2 360 000,00
Nordea Bank Abp	0,00	33 020 000,00	0,00	33 020 000,00

Securities paid in derivatives trading

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Danske Bank A/S	6 711 462,13	0,00	6 711 462,13	0,00
Nordea Bank Abp	54 560 000,00	0,00	54 560 000,00	0,00

Securities and liabilities

	Parent company 2022	Parent company 2021	Group 2022	Group 2021
Leasehold commitments			1 776 829,68	957 663,45
Value-added tax liabilities				
As regards group registering for VAT taxation, the company is responsible for the value-added tax payable by the group jointly with the other members of the value-added tax liability group of Fennia Mutual Insurance Company.				
For the company itself	18 937,46	34 769,50	18 937,46	34 769,50
For other companies	598 580,08	720 138,85	598 580,08	720 138,85
Adjustment liability of real estate investments according to Section 120 of the Value Added Tax Act			45 112,87	36 337,62
Investment commitments				
Commitment to invest in equity funds	4 699 411,73	5 927 105,48	4 699 411,73	5 927 105,48
Commitment to invest in equity funds for unitlinked insurances	19 888 845,18	11 970 833,44	19 888 845,18	11 970 833,44
Contingencies for own commitments				
Mortgages				
Collateral security for rent payment				
Mortgages			155 405,00	206 405,00

Loans to related parties and related party transactions

The company has no loans, liabilities or contingent liabilities to related parties. The company has no related party transactions conducted according to other than standard business practices.

Notes concerning the Group

Fennia Life Insurance Company's parent company is Fennia Mutual Insurance Company. The domicile of the company is Helsinki. Copies of Fennia's Consolidated Financial Statements are available at the parent company's headquarters, Kyllikinportti 2, Helsinki.

Signatures for the Report by the Board of Directors and the Financial Statements

Helsinki, 28 March 2023

Alexander Schoschkoff
Chairman of the Board

Pasi Laaksonen

Sanna Elg

Mika Manninen

Johanna Ahvenainen
Managing Director

Auditor’s note

For the audit, an Auditor’s Report was submitted today.

Helsinki, 28 March 2023

KPMG OY AB

MIkko Haavisto
Authorised Public Accountant, KHT

Auditor's Report to the Annual General Meeting of Fennia Life Insurance Company Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fennia Life Insurance Company Ltd (business identity code 1496059-8) for the year ended 31 December, 2022. The financial statements comprise the balance sheets, profit and loss accounts, cash flow statements and notes for the group as well as for the parent company.

In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note Auditors' commissions to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

Most significant assessed risks of material misstatement

Below we have described our assessment of the most significant risks of material misstatement, including risks of material misstatement due to fraud, and presented a summary of our response to those risks.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

Valuation of investment assets

Most significant assessed risks of material misstatement

The investment assets of the Group including investments covering unit-linked insurance contracts constitute the most significant component of assets in the balance sheet.

In general, investment assets are valued at acquisition cost or as real estate properties at the lower of acquisition cost less depreciations according to plan or the lower fair value of the aforementioned. Investment assets covering unit-linked insurance contracts are measured at fair value. In addition, the fair values of the investments and the net income of the investments at fair value are disclosed in the notes to the financial statements.

Fair values of the investment assets are based either on market quotations or on estimates determined in accordance with the general fair value principles. For those assets for which market value is not available from public markets, the determination of fair value may require management judgement. Such investments include, for example, unlisted capital investments and real estate investments.

Auditor's response to the risks

We assessed the appropriateness of the accounting principles and valuation methods applied.

We tested the internal controls over posting and valuation process of securities, derivatives and real estate properties.

We compared the values used in measurement of investment assets to external quotations and to results generated by other valuation methods applied as well as assessed the appropriateness of the company's own valuation procedures.

In addition, we considered the appropriateness of the notes on investment assets.

Calculation of technical provisions

Most significant assessed risks of material misstatement

Technical provisions, as specified in the Chapter 9 of the Insurance Companies Act, form the most significant balance sheet liability item of both the parent company and the Group.

The company has a portfolio of savings and pension insurance policies that have a guaranteed interest rate (technical rate). The promised technical rate of interest involves risk of return on investments, which will be partly managed by the interest rate fulfillment in the technical provision. The discount rate applied in calculation of technical provisions shall be chosen conservatively.

Due to the significant book value, related assumptions involving management judgement and complexity of the actuarial models, technical provision has been identified as an item containing risk of material misstatement.

Auditor's response to the risks

Our audit procedures included the assessment of the recognition and calculation principles and processes in respect of the technical provisions.

We involved our own actuary who evaluated the appropriateness of the assumptions and methods used, by assessing the technical bases applied and considering the appropriateness of the calculation models to verify sufficiency of the technical provisions, among others.

In addition, we considered the accuracy of the technical provisions from the accounting perspective and assessed the accuracy of the notes concerning the technical provisions.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company’s or the group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the Board of Directors’ and the Managing Director’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company’s or the group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on the year 2007, and our appointment represents a total period of uninterrupted engagement of 16 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki 28 March 2023

KPMG OY AB

Mikko Haavisto
Authorised Public Accountant, KHT

Board of Directors and Management

Board of Directors

Chairman

Alexander Schoschkoff
Director, Customers,
Fennia

Vice Chairman

Pasi Laaksonen
Director, Insurance Services,
Fennia

Board Members

Sanna Elg
Director, Claims,
Fennia

Mika Manninen
CFO,
Fennia

Secretary to the Board

Veera Ilmonen
Head of Corporate Legal,
Fennia

Auditors

KPMG Oy Ab

Mikko Haavisto
Authorised Public Accountant, KHT

Management, Life Insurance Services

Johanna Ahvenainen
Managing Director
Henki-Fennia

Antti Romppainen
Director, Products,
Fennia Life

Anssi Puranen
Chief Actuary,
Fennia Life

Mikko Kokko
Director, Personal Insurance and
Claims Services,
Fennia

Ari Koskinen
Director, Development, Life Insurance,
Fennia

Kari Wilén
Director, Customers, Life Insurance,
Fennia

Physicians

Lauri Keso
Doctor of Medical Science
Specialist in Internal Medicine and Rheumatology
Special competence in insurance medicine