

ILMARINEN

Ilmarinen's interim report
1.1. - 30.9.2024


Well prepared for tomorrow.

Return on investments was 7.4 per cent, solvency strengthened and cost-effectiveness improved

January-September developments in brief:

- The return on Ilmarinen's investment portfolio was 7.4 (3.3) per cent, or EUR 4.4 billion. The market value of investments grew to EUR 62.9 (58.9) billion. The long-term average return on investments was 5.8 per cent as of 1997. This corresponds to an annual real return of 3.9 per cent.
- The total result rose to EUR 1.791 (233) million.
- Premiums written rose by 2 per cent to EUR 5.299 (5.209). Pensions paid rose by 7 per cent to EUR 5.776 (5.384) million.
- Net customer acquisition was EUR 150 (135) million and rolling customer retention for the previous 12 months was 96.5 (96.6) per cent.
- Operating expenses financed using loading income decreased 3 per cent to EUR 69 (72) million and were 0.32 (0.34) per cent of the TyEL payroll and YEL income of the insured.
- Solvency capital increased to EUR 14.0 (12.2) billion, and the solvency ratio strengthened to 128.1 (125.4) per cent.
- Future prospects: Ilmarinen's premiums written are expected to grow as the earnings level rises.

KEY FIGURES	1.1.- 30.9.2024	1.1.- 30.9.2023	1.1.- 31.12.2023
Premiums written, EUR mill.	5 299	5 209	6 822
Pension expenditure, EUR mill.	5 776	5 384	7 173
Activity-based operating expenses, EUR mill.	69	72	94
TyEL payroll and YEL income, EUR mill.	21 600	21 218	27 791
Operating expenses financed using loading income, % of payroll	0,32	0,34	0,34
Net investment return at current value, %	7,4	3,3	5,8
Total result at current value, EUR mill.	1 791	233	579
Value of investment assets, EUR mill.	62 936	57 712	58 923
Solvency capital, EUR mill.	14 027	12 024	12 226
Solvency ratio	128,1	125,5	125,4

 The interim report result comparison figures are the figures for the corresponding period of 2023. Unless otherwise indicated, the comparison figures for the balance sheet and other cross-sectional figures are the figures for the end of 2023

President and CEO Jouko Pölönen's review

Ilmarinen's return on investment rose to 7.4 per cent, investment assets increased to EUR 62.9 billion and solvency capital to EUR 14.0 billion. Cost-effectiveness continued to improve: premiums written grew 2 per cent and operating expenses financed using loading income fell 3 per cent. Our cost-effectiveness translates into lower premiums for our customers.

Global economic growth was slow but steady during the period. Growth is expected to be around 3.2 per cent this year and 3.3 per cent next year. The slowdown in inflation towards central bank target levels has continued globally, and central banks started to cut key interest

rates. Geopolitical tensions and the potential escalation of armed conflicts are, however, continuing to cast a shadow over growth prospects and are increasing uncertainty.

Finland's economy is in recession. According to the Bank of Finland, GDP will contract by 0.5 this year, but is forecast to return to growth next year.

Employment in Finland has weakened since last summer. The number of employees in the companies belonging to Ilmarinen's business cycle index fell by 2.8 per cent year-on-year during January–September. In September, the decline was 3.4 per cent. Among the sectors we follow, the largest decreases were recorded in labour hire services, construction and accommodation and food services.

Premiums written rose by 2 per cent to EUR 5,299 million in January–September. The growth in premiums written was due to the increase in customers' payroll. Measured in premiums written, net customer acquisition was EUR 150 million and customer retention was 96.5 per cent. Pensions paid rose by 7 per cent to EUR 5,776 million. Pensions were paid to 454,000 pensioners.

Our investments returned 7.4 per cent or EUR 4.4 billion. Investment assets rose to EUR 62.9 billion. Positive investment returns are particularly driven by the listed equity market and fixed-income investments. Equity investments returned 11.9 per cent and fixed-income investments 4.6 per cent. With the exception of July–August, stock markets have performed positively over the year. The weaker return on the Finnish equity market early in the year was the result of muted earnings performance. Interest rates on government bonds fell after the summer. Inflation slowed and central bank key interest rates started to fall.

The long-term average return on investments was 5.8 per cent as of 1997. This corresponds to an annual real return of 3.9 per cent. Our solvency capital increased to EUR 14.0 billion, and the solvency ratio strengthened to 128.1 per cent.

Our cost-effectiveness continued to improve. In January–September, operating expenses financed using loading income decreased by 3 per cent to EUR 69 million, which was 32 per cent of the payroll. The administrative cost of TyEL contributions for our customers fell by 20

per cent from the start of the year and will fall by a further 10 per cent on average from the start of next year.

According to T-Media's Reputation&Trust survey, our reputation is at a good level and improved from the previous year in all areas. We have the best reputation and recognition among pension companies.

Pension reform is being prepared in accordance with the Government Programme with key labour market organisations in negotiations by the end of January 2025. The goal is to prepare the changes in earnings-related pension legislation to ensure financial sustainability and the benefit level. The record low birthrate highlights the importance of return on investment for the financial sustainability of the pension system. The solvency framework should therefore be reformed to allow for better long-term returns.

Finns' confidence in the pension system has remained high. According to the Pension Barometer published in June by the Finnish Centre for Pensions, 70 per cent of respondents have confidence in the pension system and two out of three think that pension assets are managed reliably.

Current information about the pension system

The average pension of Finns rose to EUR 1,977 in 2023, compared to EUR 1,845 in the previous year, according to the statistics of the Finnish Centre for Pensions and the Social Insurance Institution of Finland. Men's average pension was EUR 2,216 per month while women's was EUR 1,779. All in all, more than 60 per cent of the approximately 1.6 million pension recipients received less than EUR 2,000 in monthly pension and some 2 per cent received more than EUR 5,000 in monthly pension. The contribution category model for disability pensions was reformed at the start of 2024. The reform will be implemented gradually and will be fully in force in 2029. The changes are aimed at improving, among other things, access to employment for older people and people who have difficulty finding employment. The reform encourages employers to anticipate work ability risks and take better care of their employees' work ability.

Reviews of self-employed persons' YEL income levels begun in 2023 in line with the new legislation are continuing. The review in 2024 will target entrepreneurs whose YEL income is

below EUR 25,000 per year and has not been adjusted in three years. On the earnings-related insurance provider's initiative, YEL income can be raised by a maximum of EUR 4,000 in a review to ensure that the rise in an entrepreneur's monthly insurance contribution remains reasonable, at no more than EUR 85. The YEL income may also remain unchanged or decrease. The objective of the amendment is to improve entrepreneurs' pension and social security and to support the implementation of the Self-Employed Persons Pensions Act. There is still a need for a more substantial renewal of the pension and social security system for the self-employed.

The application for actuarial principles for the 2025 earnings-related pension contributions has been submitted to the Ministry of Social Affairs and Health. Under the proposal, the TyEL contribution will be 24.85 (24.81) per cent of the wage on which the contribution is based. The contribution will include the fourth and final repayment instalment (0.45 per cent) of the temporary reduction in the employer's contribution that applied in 2020.

Pension reform is being prepared in accordance with the Government Programme with key

labour market organisations in negotiations by the end of January 2025. The goal is to prepare the changes in earnings-related pension legislation to ensure financial sustainability and the benefit level. Changes are needed due to the declining dependency ratio and the uncertainty related to economic development, returns on pension fund asset investments and future growth in contributions. The preparatory work must find, based on the assessment carried out jointly by the Ministry of Finance and the Finnish Centre for Pensions, methods for the long-term stabilisation of the pension insurance contribution level and significant reinforcing of public finances as a whole over a sustained period using a rule-based fiscal stabilisation system. The amendments must strengthen public finances in the long term by approximately 0.4 percentage points in relation to the GDP, representing some one billion euros. The Government Programme also states that an evaluation of the need to develop the Self-employed Persons' Pensions Act (YEL) system will be initiated. As part of the evaluation, the possibility of directing YEL contributions to the Farmers' Social Insurance Institution Mela will be investigated.

Finns' confidence in the pension system has remained high. According to the June 2024 Pension Barometer published by the Finnish Centre for Pensions, 70 per cent of respondents have confidence in the pension system and two out of three think that pension assets are managed reliably. Confidence has remained at the same level as in the corresponding survey a year ago.

The rise in prices and wages has levelled off from previous years. The employment pension index will rise by 1.3 per cent and the wage coefficient by around 2.2 per cent at the turn of the year, according to a proposal made by the Finnish Centre for Pensions to the Ministry of Social Affairs and Health. The employment pension index is used to increase pensions being paid and the wage coefficient is used to increase the career earnings of people retiring to the level of the year of retirement.

The Finnish pension system was ranked seventh in the Mercer CFA Institute Global Pension Index 2024. The comparison included 48 countries. For the 11th consecutive year, Finland received the highest ratings for the reliability and transparency of pension system governance.

Operating environment and investment market

Global economic growth was slow but steady during the period. Growth is expected to be 3.2 per cent next year. The slowing of inflation closer to the central banks' target levels has continued globally as supply bottlenecks are easing and as a result of a monetary policy designed to slow economic activity. Geopolitical tensions and the potential escalation of armed conflicts are continuing to cast a shadow over growth prospects and are increasing uncertainty.

The US Federal Reserve started to lower key interest rates towards neutral with a 0.5 percentage point cut at its September meeting. The International Monetary Fund (IMF) forecasts that the US economy will grow by 2.8 per cent in 2024. In the euro zone, inflation has fallen more or less in line with expectations, but core inflation indicators are still high compared to the ECB's price stability target. However, positive inflation developments allowed the ECB to cut its key interest rate by a total of 0.5 percentage points at its June and September meetings. The curbing of the energy shock in the euro zone and lower inflation support the growth of real income and the IMF forecasts real growth of 0.8

per cent for 2024. China's economic growth has been more subdued than expected, raising expectations of a monetary and financial policy supporting growth. In September, monetary policy measures to support the economy and financial conditions were published. However, the structural problems of the Chinese economy are severe, especially in the real estate sector, so it is too early to assess the longer-term impact of the stimulus.

The moderate strengthening of the growth outlook and the slowdown in inflation have reduced the risk of recession. The year-on-year change in consumer prices in September was 1.8 per cent in the euro zone, and core inflation, less energy and food prices, was 2.7 per cent. In the United States, the recovery of inflation towards the Fed's target level has been slower; the year-on-year change in consumer prices in September was 2.4 per cent and core inflation 3.3 per cent.

The path of short-term interest rates, priced by the market, foresees central banks continuing to cut rates steadily until autumn 2025. Both the Fed and the ECB are expected to cut interest

rates by around 1.5 per cent in total. On the basis of these expectations, the ECB deposit rate will settle at around 2 per cent.

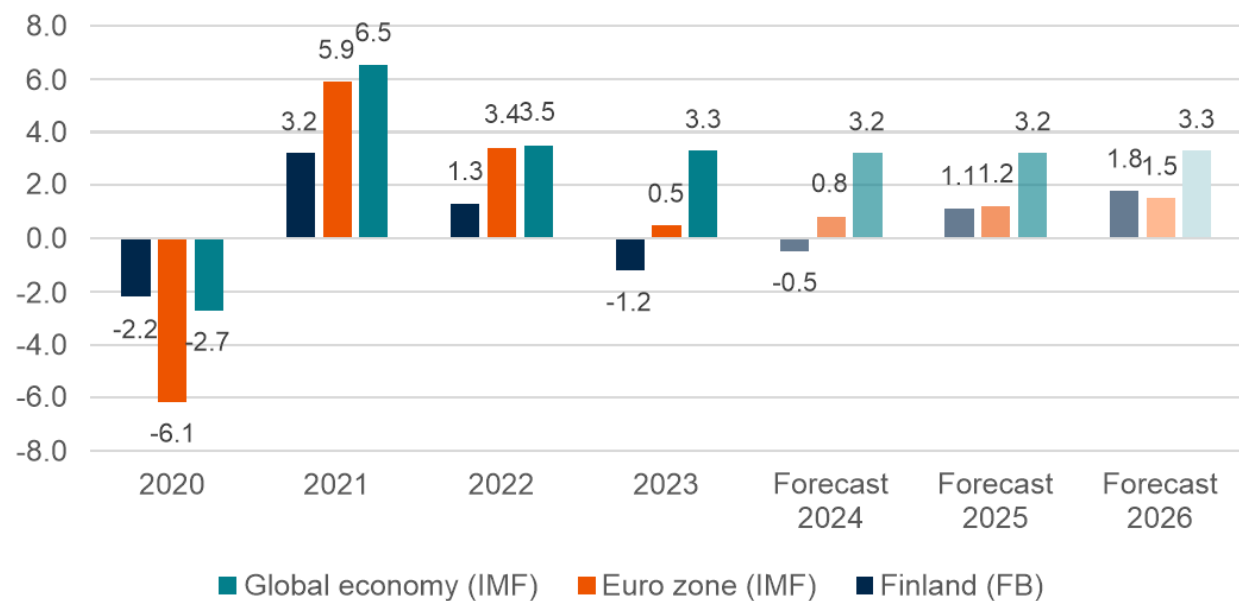
Finland's economy is in recession. According to the Bank of Finland, GDP will contract by 0.5 per cent in 2024, but is forecast to return to growth in 2025 (1.1 per cent). Higher interest rate and price levels have reduced consumption and investments, and weakened companies' and households' confidence in the general economic situation. Especially weakly positioned is the construction sector where new construction starts and new construction permits, which describe the sector's activity level, are at a lower level than in the financial crisis. Exports have contracted, due to, for example, the weak performance of Germany, a key export country for Finland. Inflation has slowed quickly, and the short reference rates widely used in Finland have fallen from last year's peak levels. The growth forecast for the economy will be driven by gradually recovering confidence and the improving purchasing power of consumers as real earnings grow.

Stock markets have increased steadily over the year, with the exception of July–August when fears of a recession and the tightening of

monetary policy by the Bank of Japan brought significant, temporary volatility to share prices. Returns on equity investments were positive globally at the end of September. However, there were large regional and sectoral differences in returns. The US stock market (S&P 500 index) returned 22.1 per cent in January–September. The positive performance focused on the technology sector. The strong performance of technology companies has further reinforced the optimism around AI. In Europe, where France's early parliamentary elections made share prices volatile during the summer, the STOXX 600 index's January–September return was 11.7 per cent. The Helsinki Stock Exchange's return on investments for January–September fell short of the main markets, returning 8.8 per cent. The weaker return on the Finnish equity market early in the year was the result of muted earnings performance.

Interest rates on government bonds have been falling since the summer. The slowdown in inflation has allowed central banks to lower their key interest rates, which has also supported the fall in longer-term interest rates. The 10-year German government rate stood at 2.1 per cent at the end of September, down 0.4 percentage

Economic growth and forecasts



points since the end of June. In the euro area, the interest rate differential between France and Germany widened to 80 basis points, the highest level since the euro crisis of the last decade, as a result of political risks generated by France's early elections. The US 10-year bond's interest rate was 3.8 per cent at the end of September, i.e. 0.6 percentage points lower than at the end of June.

Investor demand for securities with credit risk has remained strong. Credit risk premiums have remained reasonably low and stable during the first half of the year. Following the prolonged zero interest rate environment, companies will have significant needs in the coming years with regard to refinancing, especially when it comes to high credit risk. For now, problems related to refinancing and overindebtedness have remained

Equity market performance



company- and sector-specific, with a focus on the real estate sector.

The euro strengthened by just over 4 per cent against the US dollar in the third quarter. For the year as a whole, the currency pair has traded in a moderate range of 1.06–1.12. Differences in monetary policy expectations are a key driver of currency movements at the moment. The Japanese yen strengthened greatly (by more than 10

per cent) during the volatile period of July–August, bucking the weakening trend seen throughout the first half of the year.

Insurance operations

Premiums written in January–September rose by 2 per cent to EUR 5,299 (5,209). The growth in premiums written was due to the increase in customers’ payroll. The January–September payroll and work income for employees insured with Ilmarinen grew by 2 per cent to EUR 21,600 (21,218) million. The number of insurance policies fell and totalled 124,990 (132,656) at the

end of September. Measured in premiums written, net customer acquisition was EUR 150 (135) million and customer retention was 96.5 (96.6) per cent.

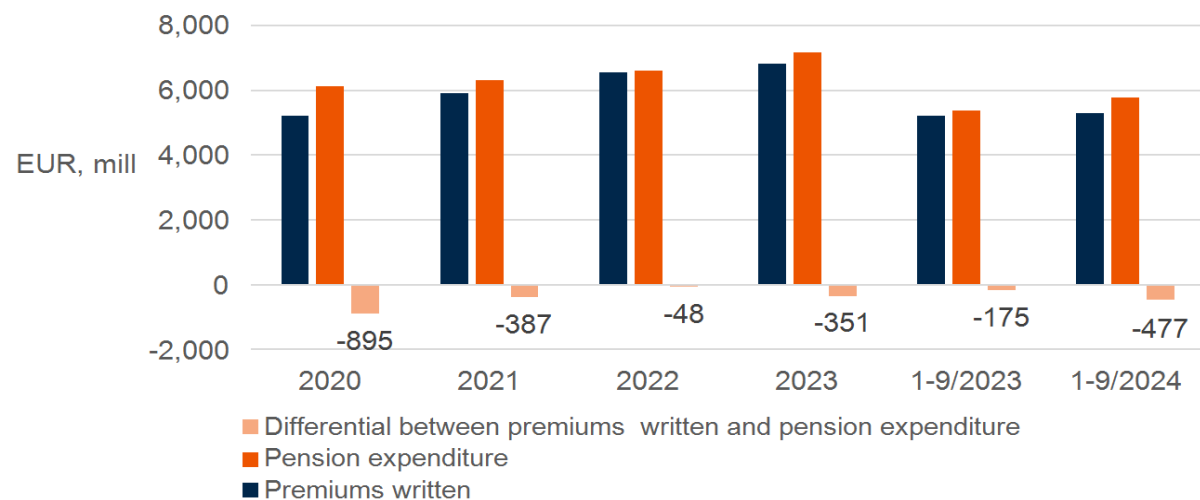
At the end of September, Ilmarinen had a total of 453,821 (454,601) pension recipients. From the beginning of the year, a total of EUR 5,776 (5,384) million in pensions were paid to them, an increase of 7 per cent on the previous year. In January–September, a total of 30,113 (25,814)

new pension decisions were made, which was 17 per cent more than in the previous year. There were 5,608 (3,161) new decisions made on partial early old-age pensions. The year-on-year increase was 77 per cent. The number of new disability pension decisions made was 7,609 (7,076), up 8 per cent year-on-year. There were 2,849 (2,496) new rehabilitation decisions, 55 per cent of which were positive. In January–September, 2,704 (2,613) persons were trans

ferred to disability pension or rehabilitation benefit, which is 3 per cent more than last year. The average processing time for old-age pension applications was 5 (5) days and for disability pension applications 43 (40) days.

Credit losses as a share of premiums written are slightly increasing. TyEL credit losses amounted to EUR 12.0 (11.4) million and accounted for 0.24 (0.23) per cent of premiums written.

Premiums written and pension expenditure, January–September 2024



Return on investments

At the end of September, Ilmarinen's total investments at current value were EUR 62,936 (58,923) million. The return on investments at current value was 7.4 (3.3) per cent. Calculated at current value, the average annual return over the last five years has been 6.3 per cent, which corresponds to an average annual real return of 2.8 per cent. Calculated from 1997, the average annual returns at current value for Ilmarinen's investments have been 5.8 per cent per annum. This corresponds to an annual real return of 3.9 per cent.

Fixed income investments accounted for a total of 33.3 (33.6) per cent of the investment portfolio and their return at current value was 4.6 (4.7) per cent. Their total market value was EUR 20,935 (19,803) million. Bonds accounted for a total of 30.0 (27.6) per cent of Ilmarinen's investment assets and their return was 4.6 (5.1) per cent. The modified duration of bonds was 4.4 (3.7) years.

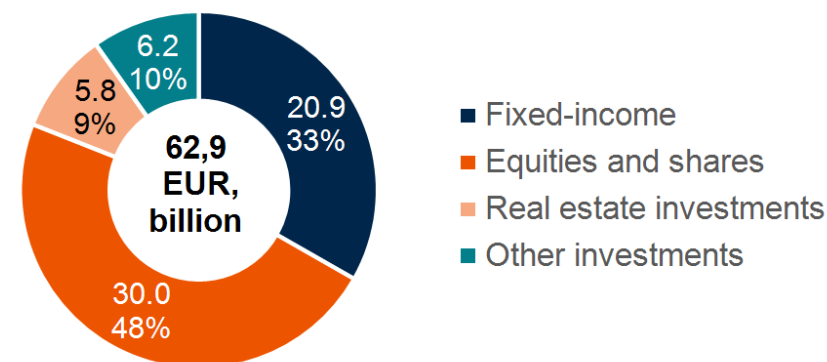
Listed and non-listed equities and shares as well as private equity investments made up 47.7 (46.0) per cent of all investments. Their value at the end of September stood at EUR 30,041

(27,113) million. In the risk breakdown, listed equities and shares accounted for 34.1 (31.1) per cent. Finnish equities made up 27.9 (29.0) per cent of listed equity investments. The return on equity investments at current value was 11.9 (5.9) per cent. The return on listed equity investments was 15.1 (5.5) per cent.

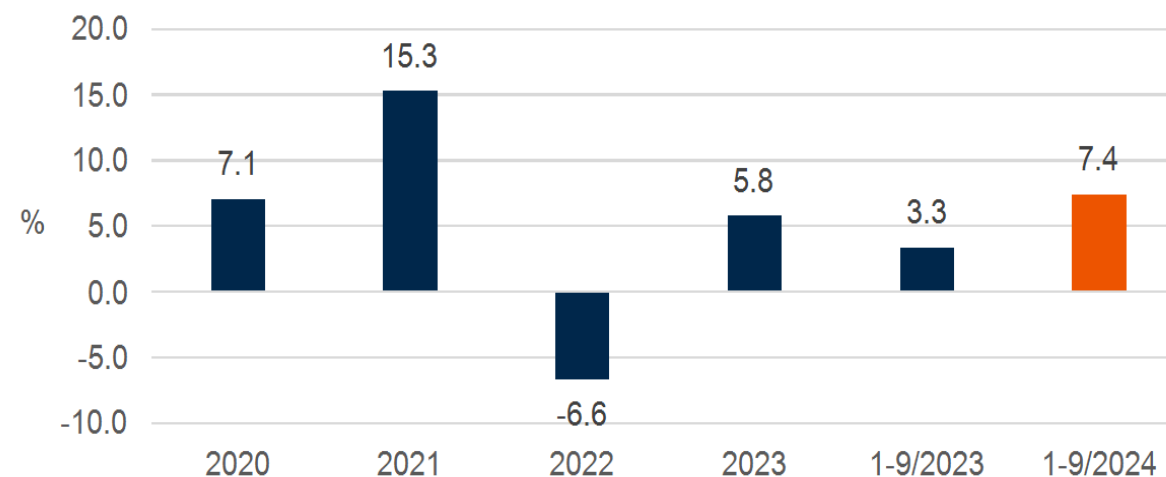
Real estate investments at the end of September stood at EUR 5,789 (5,816) million. They accounted for 9.2 (9.9) per cent of all investments, with the total return at -0.3 (-1.6) per cent.

Investments in hedge funds and commodities and other investments made up 9.8 (10.5) per cent of the market value of the investments at the end of September. Their combined return was 4.0 (-2.0) per cent and the value at the end of September was EUR 6,171 (6,192) million.

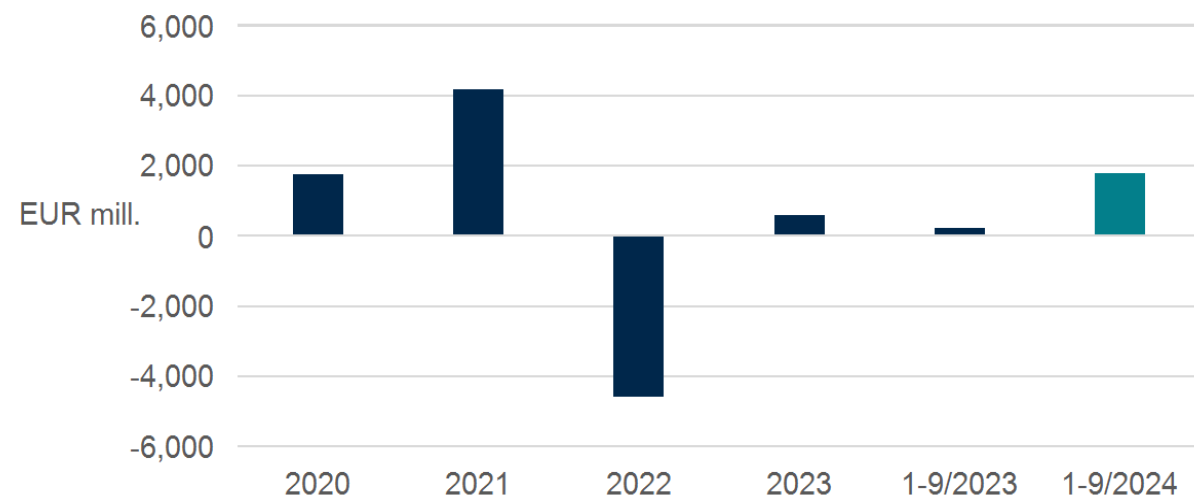
Breakdown of investments, 30 September 2024



Return on investments 2020–Q3/2024



Total result 2020–Q3/2024



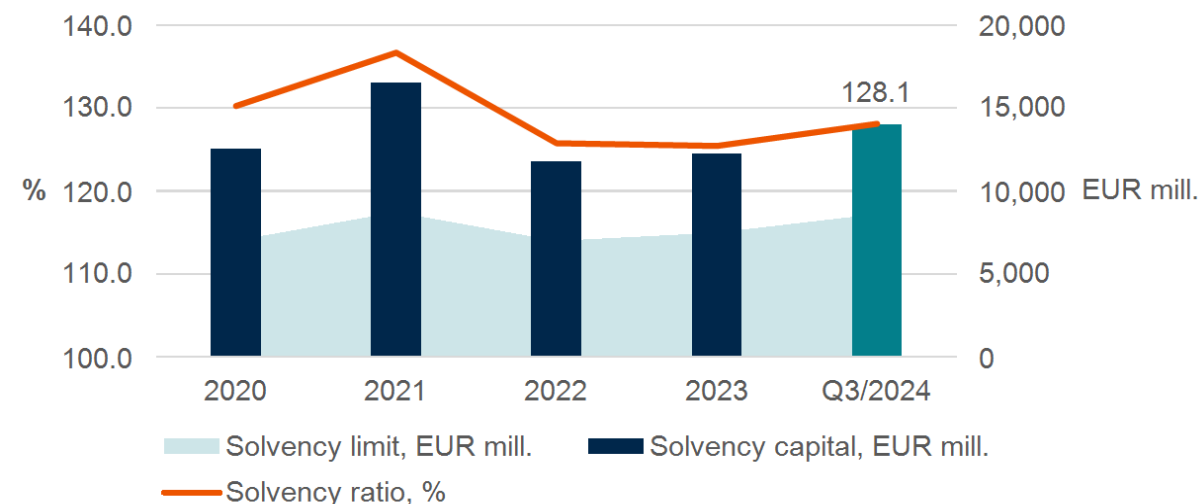
Result and solvency

Ilmarinen's total result at current value was EUR 1.791 (233) million. Investment income at current value was EUR 1.777 (194) million, the underwriting result was EUR 14 (31) million, and the loading profit was EUR 0 (7) million. Operating expenses financed using loading income decreased by 3 per cent to EUR 69.0 (72.0) million. The ratio of operating expenses to the pay-

roll and YEL income, a measure of cost-effectiveness, improved to 0.32 (0.34) per cent during the period, and operating expenses per pensioner and insured were EUR 61.0 (62.0). The administrative cost component of the TyEL contribution became company specific at the start of 2023. A surplus was formed in 2023, which is used to lower the level of the administrative cost component for the next years.

The solvency ratio strengthened to 128.1 (125.4) per cent. Solvency capital rose to EUR

Solvency 2020–Q3/2024



14,027 (12,226) million. Capital and reserves were EUR 232 (224) million, the valuation difference between current and book values was EUR 13.219 (10.862) million, and the provision for accumulated accounting profit was EUR 591 (1.157) million.

The technical provisions amounted to EUR 50.552 (49.267) million. The EUR 49.927 (48.080) million in solvency technical provisions does not include the provision for future bonuses or the earnings-related pension contributions

that remain open receivables in the basic insurance under YEL.

Personnel

The average number of personnel (person years) in January–September was 594 (591). The energy level of the personnel is excellent (4.3 on a scale of 1–5). The employee Net Promoter Score (eNPS) was +45 (on a scale of -100 to +100) on average year to date. Our sickness absence rate was 1.6 (1.5) per cent.

In the summer season 2024, Ilmarinen employed 52 summer workers. For several years now, we have been participating in Oikotie's Responsible Summer Job campaign, in which participating companies commit to a common set of responsibility principles for the hiring of summer workers. As part of the campaign, Ilmarinen also participated in a survey for summer workers. This year, we ranked seventh in the survey of large companies, with 49 organisations participating. Year-on-year, we have managed to improve our ranking and this year we were the only pension company to be ranked in the top 10.

Ilmarinen participated for the tenth time in the Reputation&Trust survey conducted by T-Media. Our reputation improved in all areas and is at a good level (3.53 on a scale of 1 to 5). The clearest increases are in the areas of responsibility, the workplace and management. The highest single reputation rating, near excellent, was again given to our finances: we are profitable and financially stable. We have the best reputation and recognition among pension companies.

At the beginning of the summer, we carried out a survey on equality and non-discrimination, which was answered by 394 Ilmarinen employees. On the whole, the responses indicate that

non-discrimination at Ilmarinen is excellent. Among the dimensions of equality, gender equality (4.15, on a scale of 1 to 5) and equality between different types of workers (4.13) and between different ages (4.06) are the best. In terms of non-discrimination, the main areas for improvement, according to the responses, are pay, career progression and the fair distribution of work.

Based on the results of Ilmarinen's own age management pilot project, which was completed at the beginning of the year, and the results of the Long Careers survey conducted by Ilmarinen for its customers, we created the Adaptive Working Life package for Ilmarinen in the summer. The package includes different forms of flexibility and supports the different stages of a career. It is designed to support entry into and smooth transition to work, as well as the ability to cope at work.

We again combined physical activity and the fight against climate change by participating in the Kilometre Race of the Network of Finnish Cycling Municipalities. Almost 100 active Ilmarinen employees pedalled nearly 69,000 km. We saved about 4800 litres of fuel and more than 12,000 kg of CO2 emissions as a result of

the race. At the same time, we raised funds for the Finnish Red Cross Chain Reaction where, for every 25 kilometres pedalled by the staff, EUR 1 is donated to the charity campaign. Assistance will be directed towards preparing for and adapting to the impacts of climate change, both at home and abroad.

Responsibility

In March, we released our last annual and sustainability report drawn up in line with the Global Reporting Initiative standard. In reporting climate issues, we used the international Task Force on Climate-related Financial Disclosures framework, and with regard to biodiversity, the Taskforce on Nature-related Financial Disclosures framework. We will report the sustainability data for 2024 in accordance with the European Sustainability Reporting Standards (ESRS) standard as part of our financial statements and Report on Operations.

As an active owner, we participated in person in the general meetings of more than fifty Finnish listed companies included in our investment portfolio during the first half of the year. We paid particular attention to the companies' remuneration policies and reports, i.e. the transparency of

remuneration. We voted in 152 foreign general meetings. At foreign general meetings, we made use of a service provider's voting service and principles that consider ESG aspects.

In October, we published a biodiversity plan for our Finnish real estate investments. It specifies the actions in the real estate business of Ilmarinen's biodiversity roadmap covering all its investment activities, published in October 2022. The plan sets out clear biodiversity operating principles for the whole life cycle of a building, from planning and land use to demolition. It also includes clear targets and indicators to monitor progress in biodiversity mainstreaming. We report on progress annually.

We strive to use all technically and economically feasible ways of ensuring local renewable energy production at our Finnish properties. In October, a 2-megawatt (MW) solar power plant was completed on the roof of a logistics centre owned by Ilmarinen in Tuusula. It will produce 1.6 gigawatt hours (GWh) of electricity per year. This is the 12th solar power plant that has been built at Ilmarinen properties

Future prospects and key uncertainties

Growth prospects are moderate and inflation has slowed. According to forecasts, the global economy will avoid recession. Global economic growth is expected to be around 3.2 per cent this year. Finland's economy is in a downturn and forecasts show that we will be back on a growth trajectory in 2025.

Ilmarinen's premiums written are expected to grow as the earnings level rises.

The speed at which inflation will slow and the pace at which central banks will ease their monetary policies are a source of uncertainty in the markets. Political uncertainty, in particular geopolitical risks, is a key factor of uncertainty.

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

Further information

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Appendix tables

KEY FIGURES IN BRIEF	1.1.- 30.9.2024	1.1.- 30.9.2023	1.1.- 31.12.2023
Premiums written, EUR mill.	5 299	5 209	6 822
Net return on investments at fair value, EUR mill.	4 362	1 882	3 272
ROCE, %	7,4	3,3	5,8
	30.9.2024	30.9.2023	31.12.2023
Technical provisions, EUR mill.	50 552	47 481	49 267
Solvency capital, EUR mill. 1)	14 027	12 024	12 226
in relation to solvency limit	1,6	1,6	1,6
Pension assets, EUR mill. 2)	63 955	59 123	60 307
Solvency capital (solvency ratio)	128,1	125,5	125,4
TyEL payroll, EUR mill. 3)	26 493	26 121	26 050
YEL payroll, EUR mill. 3)	1 813	1 734	1 740

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

2) Technical provisions + differences between current and book value

3) Estimated TyEL and YEL payroll for the whole year

Result analysis, EUR mill.	1.1.- 30.9.2024	1.1.- 30.9.2023	1.1.- 31.12.2023
Underwriting result	14	31	38
Return on investments at fair value	1 777	194	527
+ Net return on investments at fair value	4 362	1 882	3 272
- Return requirement on technical provisions	-2 585	-1 688	-2 744
Loading profit	0	7	11
Other profit	0	0	3
Total result	1 791	233	579

SOLVENCY	30.9.2024	30.9.2023	31.12.2023
Solvency limit, EUR mill.	8 612	7 670	7 487
Maximum solvency capital, EUR mill.	25 837	23 011	22 462
Solvency capital before equalisation provision, EUR	14 027	12 024	12 226
Solvency capital (solvency ratio) %1)	128,1	125,5	125,4
Solvency position2)	1,6	1,6	1,6

1) Pension assets in relation to technical provisions

2) Solvency capital in relation to solvency limit

	Net investment return market value 8)	Capital em- ployed 9)	ROCE, %	ROCE, %	ROCE, %
	30.9.2024	30.9.2024	30.9.2024	30.9.2023	31.12.2023
	EUR mill.	EUR mill.	%	%	%
Fixed-income investments total	928	20 037	4,6	4,7	8,4
Loan receivables 1)	67	1 246	5,4	4,3	5,3
Bonds	807	17 675	4,6	5,1	9,5
Other money market instruments and deposits 1) 2)	54	1 115	4,8	1,2	-0,3
Equities and shares total	3 209	27 008	11,9	5,0	10,1
Listed equities and shares 3)	2 655	17 602	15,1	5,5	13,5
Private equity investments 4)	486	7 836	6,2	4,3	2,8
Non-listed equities and shares 5)	67	1 570	4,3	3,4	7,2
Real estate investments total	-17	5 808	-0,3	-1,6	-13,5
Direct real estate investments	7	5 086	0,1	-1,8	-15,0
Real estate funds and joint investments	-24	722	-3,3	0,4	-0,7
Other investments total	244	6 056	4,0	-2,0	1,8
Hedge fund investments 6)	325	5 044	6,4	2,9	4,5
Other investments 7)	-81	1 012	-8,0	-17,9	-7,5
Investments total	4 363	58 909	7,4	3,4	5,8
Effect of derivatives	-1	0	0,0	0,0	0,0
Investment return at current value total	4 362	58 909	7,4	3,3	5,8

1) Includes accrued interest

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

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

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

5) Also includes unlisted real estate investment companies

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

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

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

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

Asset allocation	Basic breakdown		Basic breakdown		Basic breakdown		Risk breakdown		Risk breakdown	
	30.9.2024		30.9.2023		31.12.2023		30.9.2024		30.9.2023	31.12.2023
	EUR mill.	%	EUR mill.	%	EUR mill.	%	EUR mill.	%	%	%
Fixed-income investments total	20 935	33	17 261	30	19 803	34	22 624	36	32	35
Loan receivables 1)	1 093	2	1 691	3	1 422	2	1 093	2	3	2
Bonds	18 898	30	15 126	26	16 269	28	22 372	36	30	36
Other money market instruments and deposits 1) 2)	944	2	443	1	2 111	4	-841	-1	-1	-3
Equities and shares total	30 041	48	27 602	48	27 113	46	31 387	50	48	47
Listed equities and shares 3)	20 140	32	18 191	32	17 761	30	21 486	34	31	31
Private equity investments 4)	8 280	13	7 881	14	7 766	13	8 280	13	14	13
Non-listed equities and shares 5)	1 621	3	1 530	3	1 587	3	1 621	3	3	3
Real estate investments total	5 789	9	6 640	12	5 816	10	5 789	9	12	10
Direct real estate investments	5 042	8	5 931	10	5 122	9	5 042	8	10	9
Real estate funds and joint investments	747	1	709	1	694	1	747	1	1	1
Other investments total	6 171	10	6 209	11	6 192	11	6 193	10	11	10
Hedge fund investments 6)	5 312	8	5 060	9	5 092	9	5 312	8	9	9
Commodity investments	0	0	3	0	0	0	0	0	0	0
Other investments 7)	860	1	1 146	2	1 100	2	881	1	2	2
Investments total	62 936	100	57 712	100	58 923	100	65 992	105	102	103
Effect of derivatives							-3 056	-5	-2	-3
Investment return at current value total	62 936	100	57 712	100	58 923	100	62 936	100	100	100

The modified duration of bond investments was 4,4 years

1) Includes accrued interest

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

3) Also includes mixed funds unless they can be allocated else-

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

5) Also includes unlisted real estate investment companies

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

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

