



Interim report 1 January – 31 March 2021

27 April 2021

Summary of January–March

- The return on Veritas' investments was 3.3 per cent in the first quarter of 2021.
- The good investment result strengthened Veritas' solvency, which increased to 129.6 per cent during the first quarter.
- Veritas published its Corporate Responsibility Report on 19 April.



3.3%

Return on investments



4.0bn

Value of investments



129.6%

Solvency ratio



1.8

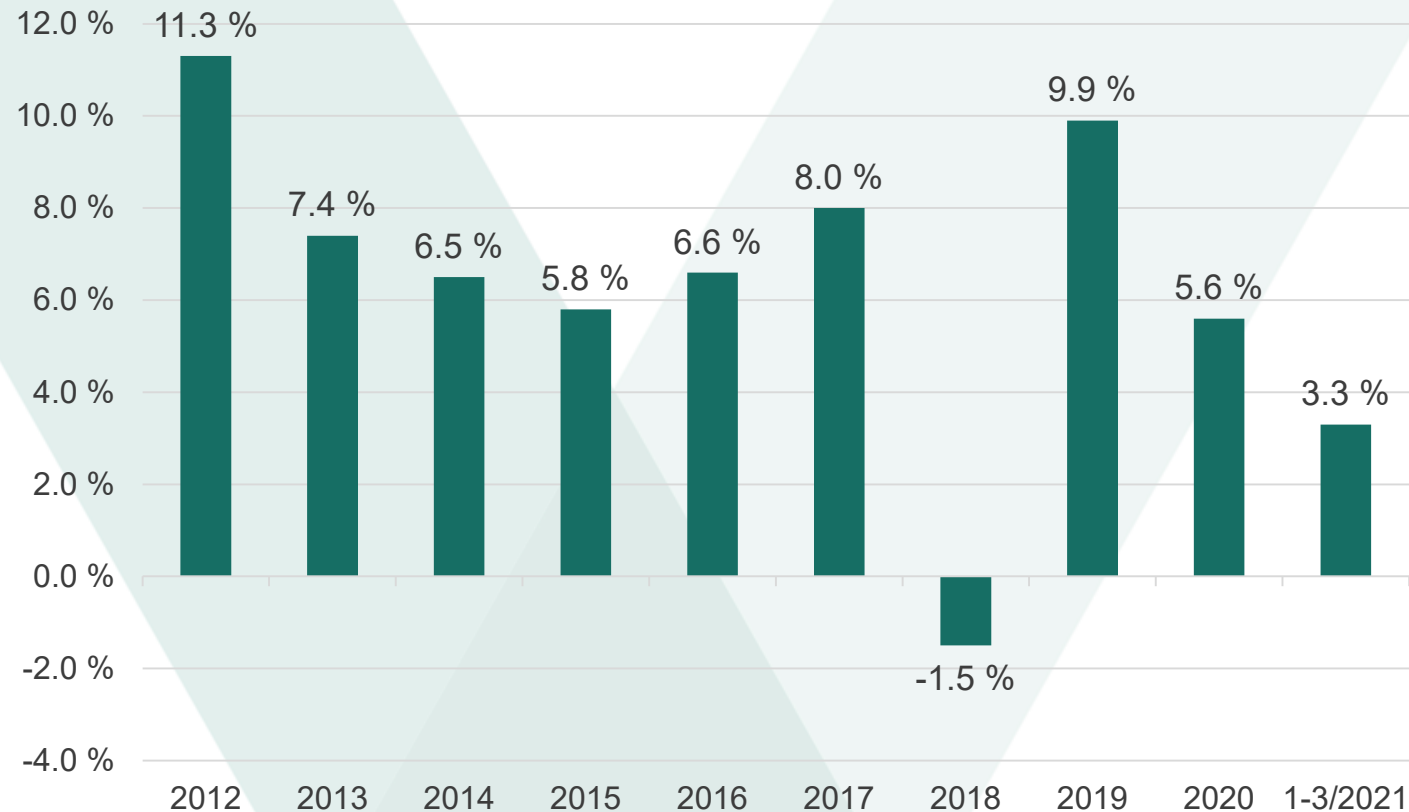
Solvency position



Investments

The investment return was 3.3% in the first quarter

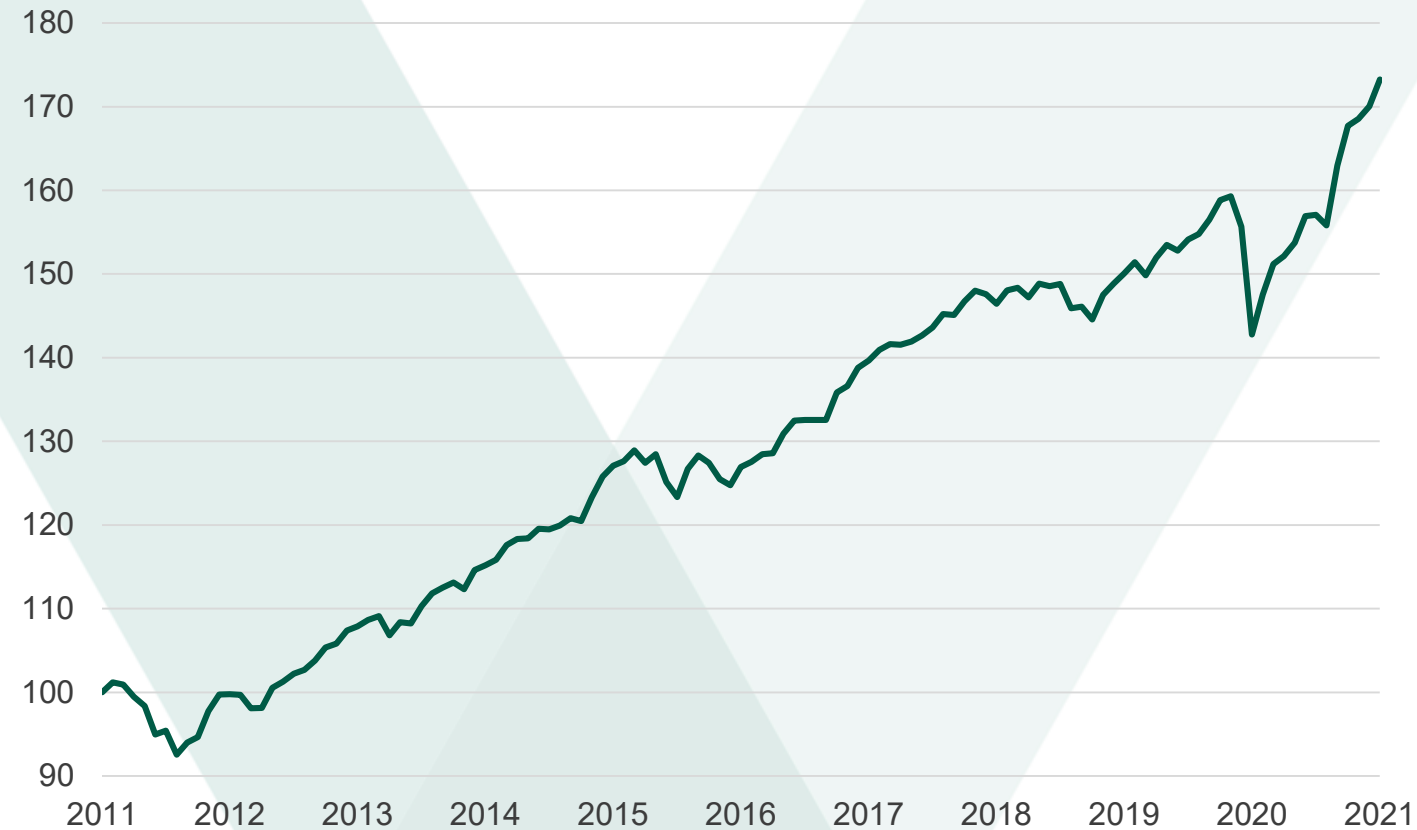
Investment returns



- The investment return was **3.3%** in the first quarter.
- The best return was achieved by equities, with a return of **7.6%**. The return on real estate investments was **1.0%** and other investments **3.6%**. The return on fixed-income investments was slightly negative at **-0.3%**.

Long-term return at a good level

The cumulative investment return for a 10-year period is 73.2%.



The return is calculated from 1 April 2011 to 31 March 2021 .

Nominal return

10 years
5.6 %

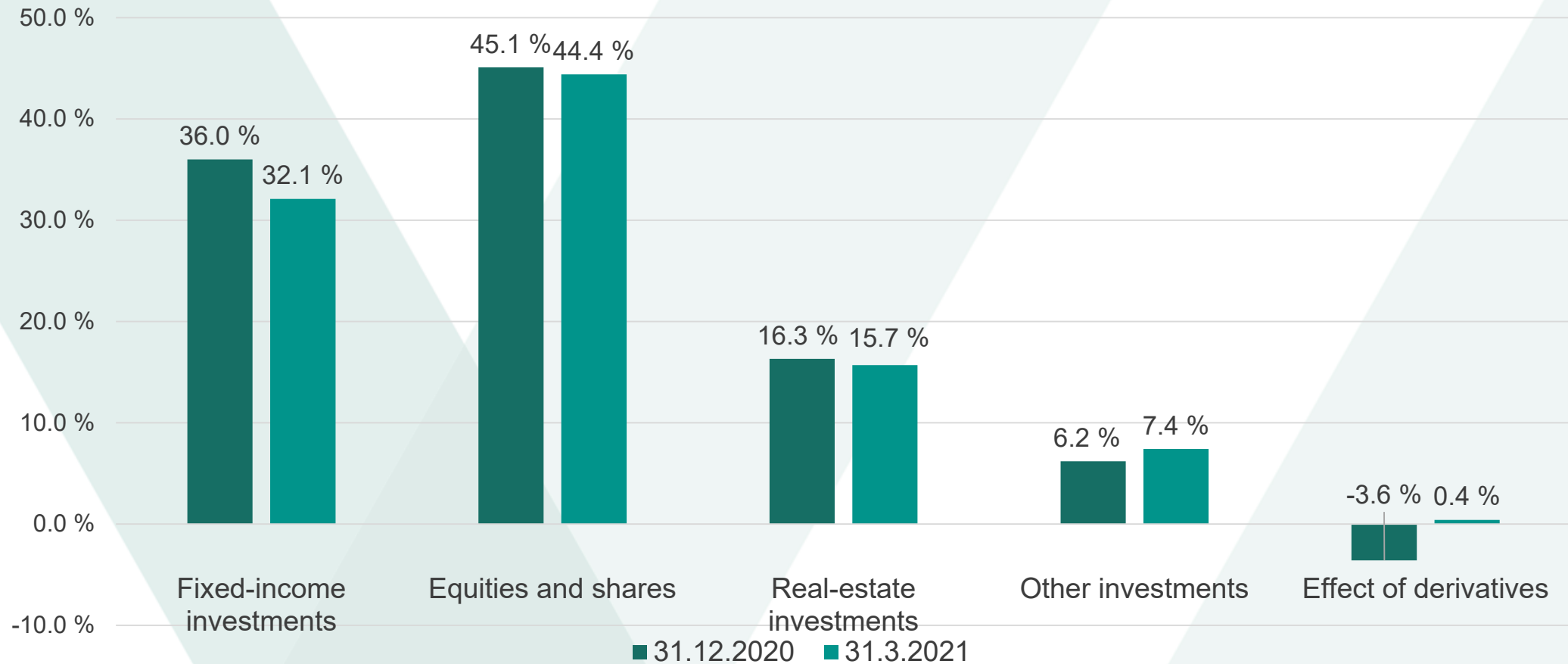
5 years
6.4 %

Real return

10 years
4.6 %

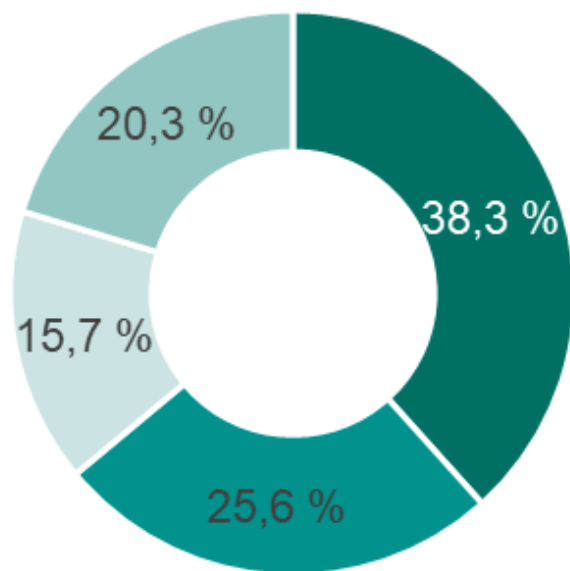
5 years
5.4 %

Changes in portfolio allocation



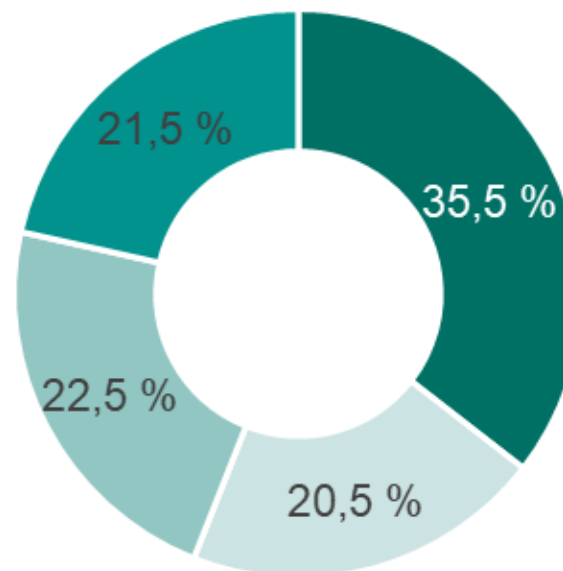
Geographical distribution of investments

All investments



■ Finland ■ Europe ■ North-America ■ Others

Listed equities



■ Finland ■ Europe ■ North-America ■ Others

Breakdown of investments at fair value

	Basic breakdown		Risk-adjusted breakdown		Return
	31 Mar 2021		31 Mar 2021		1-3/2021
	milj. €	%	milj. €	% ^a	%
Fixed-income investments	1 366,3	34,0	1 286,6	32,1	-0,3
Loan receivables ¹	53,9	1,3	53,9	1,3	0,3
Bonds ¹	1 088,4	27,1	1 005,8	25,1	-0,4
Government bonds	545,8	13,6	466,1	11,6	-1,7
Other bonds	542,6	13,5	539,7	13,4	0,9
Other money market instruments and deposits ^{1 2}	224,0	5,6	227,0	5,7	0,2
Equity investments	1 718,3	42,8	1 782,0	44,4	7,6
Listed equities	1 390,2	34,6	1 454,0	36,2	8,2
Private equity investments ³	296,0	7,4	296,0	7,4	5,5
Unlisted equities ⁴	32,0	0,8	32,0	0,8	2,3
Real estate investments	631,6	15,7	631,6	15,7	1,0
Direct real estate investments	526,1	13,1	526,1	13,1	1,2
Real estate funds	105,5	2,6	105,5	2,6	0,4
Other investments	296,6	7,4	296,6	7,4	3,6
Hedge fund investments ⁵	185,9	4,6	185,9	4,6	5,7
Other investments ⁶	110,7	2,8	110,7	2,8	-0,4
Total investments	4 012,8	100,0	3 996,8	99,6	3,3
Effect of derivatives ⁷			16,0	0,4	
Total investments at fair value			4 012,8	100,0	
Modified duration of the bond portfolio			3,9		
Open currency position, % of the market value of investments			24,0		

¹ Includes accrued interest.

² Includes cash and bank balance as well as settlement receivables and liabilities.

³ Includes private equity and mezzanine funds.

⁴ Includes unlisted real estate investment companies.

⁵ Includes all types of hedge fund shares, regardless of the fund's strategy.

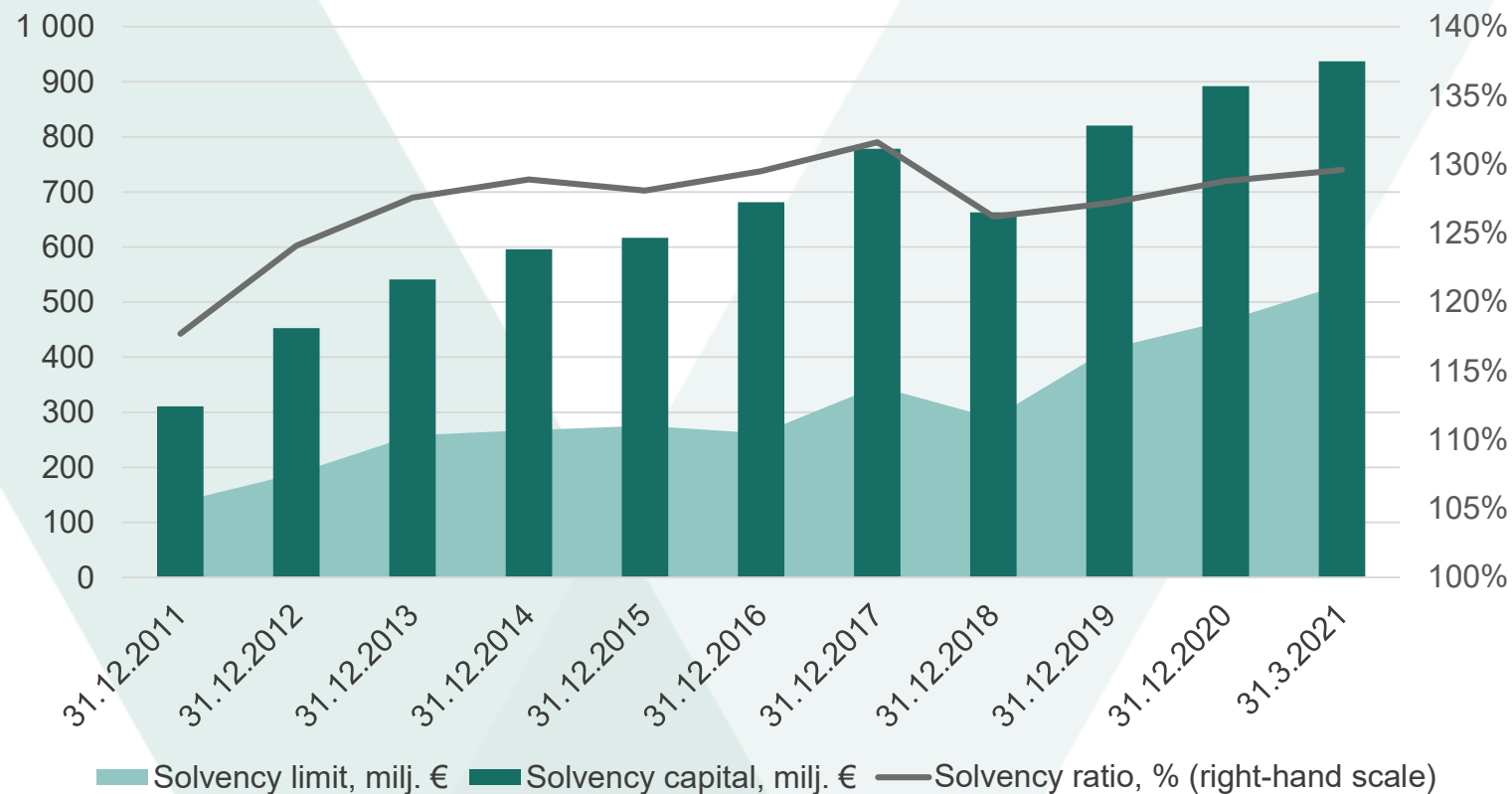
^a Includes items that cannot be allocated to other investment groups

⁷ Includes the effect of derivatives on the difference between risk-adjusted breakdown and basic breakdown. The effect may be positive or negative (+/-). When the effect is taken into account, the sums of the risk-adjusted breakdown and the basic breakdown are equal.

^a The relative proportion is calculated using the total of the line 'Total investments at fair value' as the divisor.

The table has been compiled according to the guidelines of the Finnish Pension Alliance Tela.

Good investment result strengthened solvency



- The solvency ratio increased to **129.6%** during the first quarter.
- The solvency position was **1.8** at the end of March.
- The solvency capital stood at EUR **937.4** million at the end of March 2021.

1) Veritas Pension Insurance and Pensions-Alandia merged on 1 January 2019. The figures for the previous years are Veritas figures before the merger.
2) The figures for 2011–2012 include the provision for pooled claims equated with solvency capital, which was EUR 73.3 million in 2011 and EUR 78.3 million in 2012.

Responsibility is a part of everything we do

Focal areas of corporate responsibility



Customers and beneficiaries

As part of the pension system, we take responsibility for our customers and beneficiaries.



Responsible investment

We invest pension funds in a profitable, secure and responsible way.



Good governance

Our operations are guided by our values and code of conduct.



Responsible employer

We work hard to ensure that every employee at Veritas feels good at work.

UN Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



11 SUSTAINABLE CITIES AND COMMUNITIES

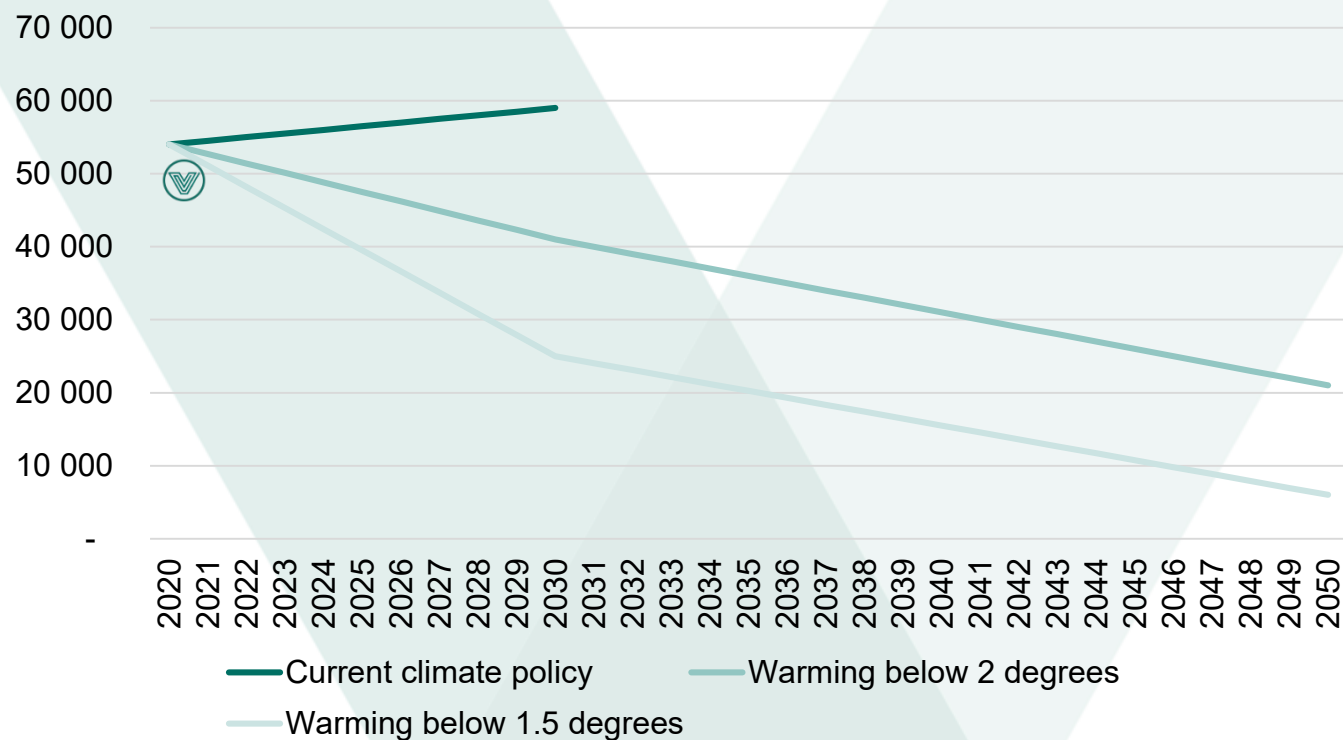


13 CLIMATE ACTION

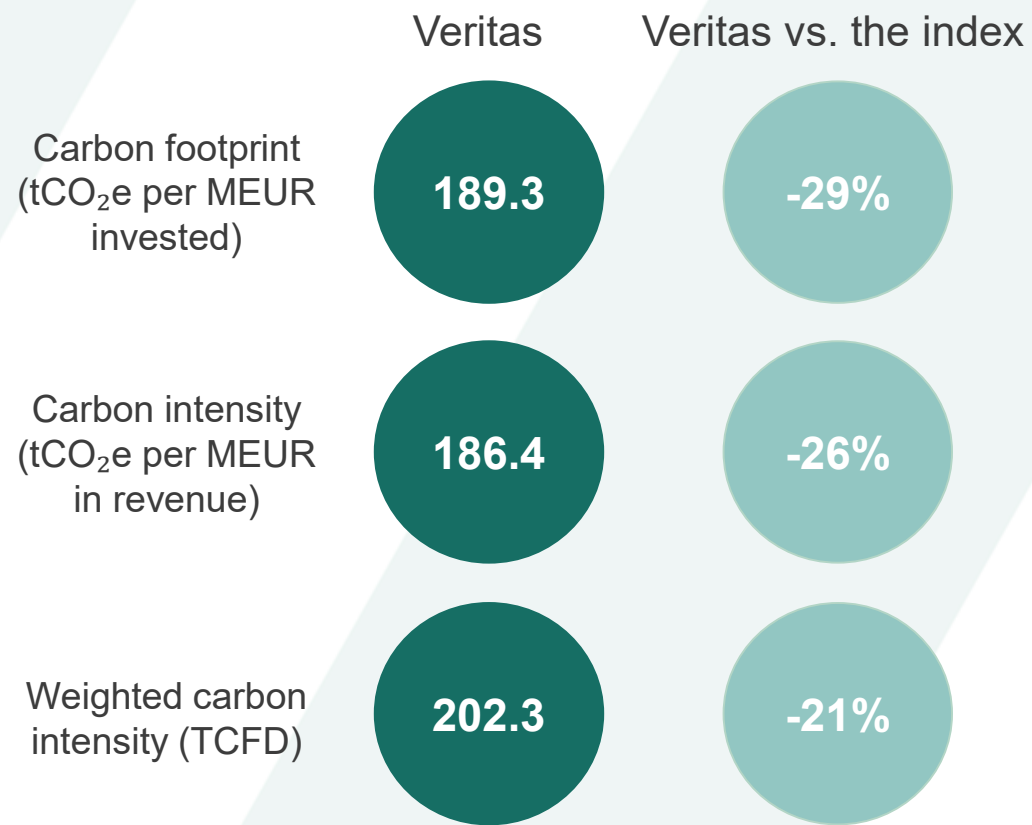


Carbon neutral investment portfolio by 2035

Listed equity investments and corporate bonds in different scenarios



Carbon footprint for listed equities and corporate bonds 2020





VERITAS
PENSION INSURANCE

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#meollaanveritas

#viärveritas