



# Interim report 1 January – 31 March 2023

27 April 2023



# Summary of January–March

- Veritas' investments returned **1.6 per cent** in the first quarter of 2023.
- Veritas' solvency remained at a secure level and was **1.7-fold** compared to the solvency limit at the end of March.
- Veritas published its Corporate Responsibility Report on 24 April.
- In real estate as well as in equity investments and corporate bonds, carbon dioxide emissions were reduced faster than targeted.



**1.6%**

Return on investments



**4.3bn**

Value of investments



**123.1%**

Solvency ratio



**1.7**

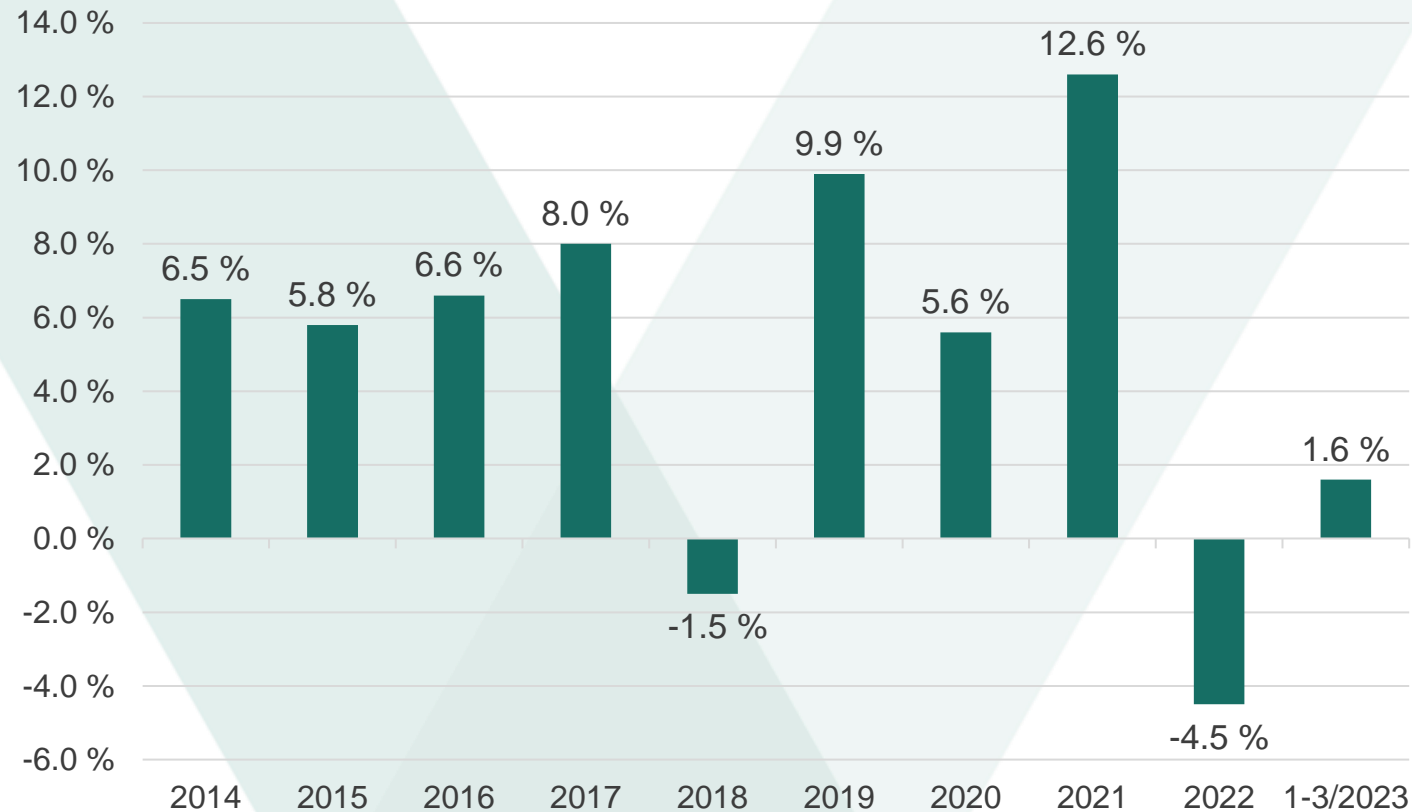
Solvency position



# Investments

# Positive return in the first quarter

## Investment returns



- The return on Veritas' investments was **1.6** per cent during the first quarter of 2023.
- The return on fixed-income instruments was **2.0** per cent, equity investments **2.4** per cent, real estate investments **1.1** per cent and other investments **-0.6** per cent.

# The cumulative investment return for a 10-year period is 69.8 per cent



The return is calculated from 1 April 2013 to 31 March 2023.

## Nominal return

10 years  
**5.4%**

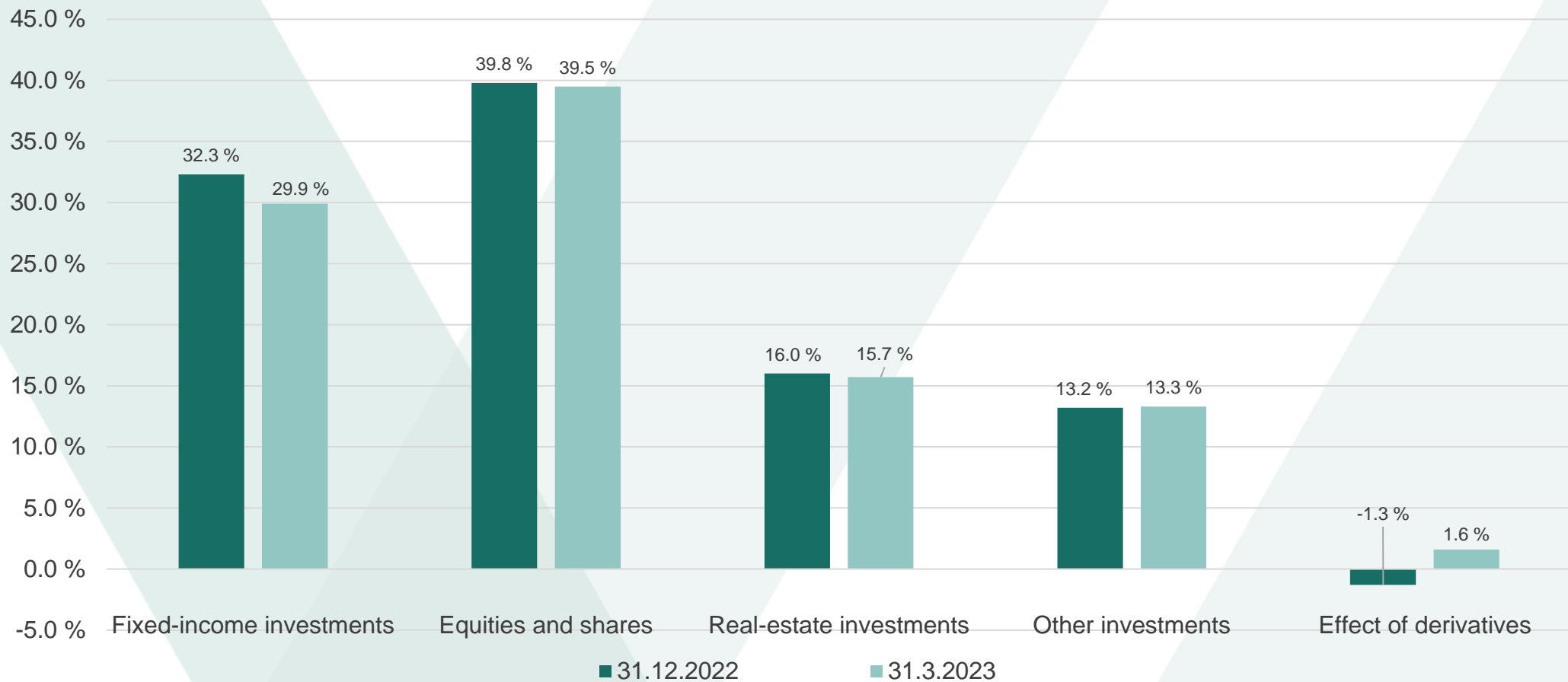
5 years  
**4.6%**

## Real return

10 years  
**3.5%**

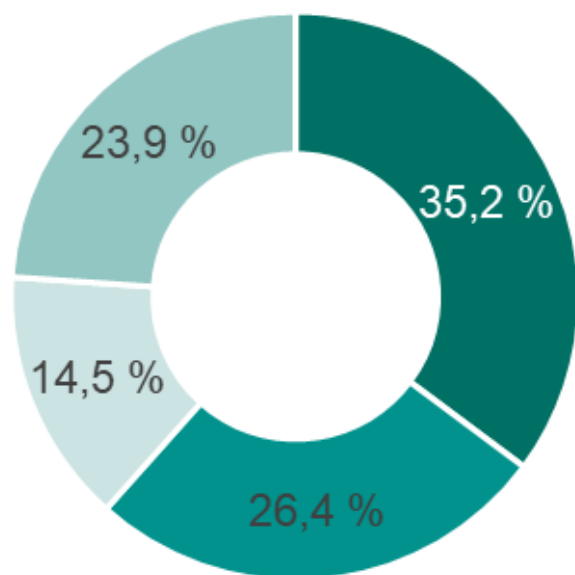
5 years  
**1.2%**

# Changes in portfolio allocation



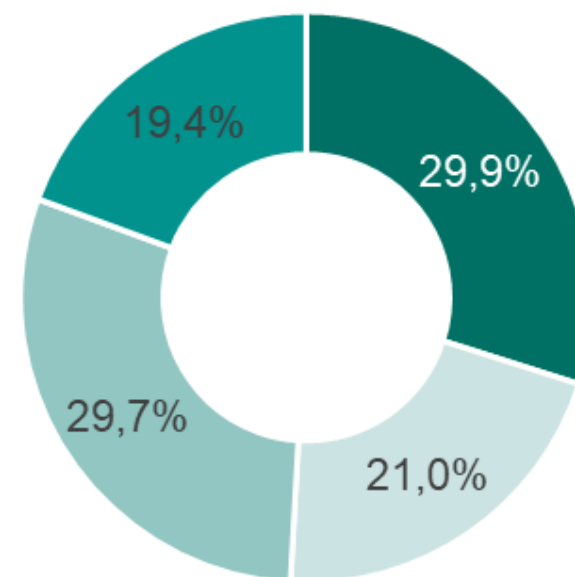
# Geographical distribution of investments

## 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 2023		31 Mar 2023		1-3/2023
	milj. €	%	milj. €	% <sup>8</sup>	%
<b>Fixed-income investments</b>	<b>1 250,7</b>	<b>29,3</b>	<b>1 278,3</b>	<b>29,9</b>	<b>2,0</b>
Loan receivables <sup>1</sup>	58,9	1,4	58,9	1,4	0,9
Bonds <sup>1</sup>	1 121,3	26,2	1 148,8	26,9	2,4
Government bonds	643,0	15,0	670,5	15,7	2,1
Other bonds	478,3	11,2	478,3	11,2	2,8
Other money market instruments and deposits <sup>1 2</sup>	70,5	1,7	70,5	1,7	0,3
<b>Equity investments</b>	<b>1 783,7</b>	<b>41,7</b>	<b>1 688,4</b>	<b>39,5</b>	<b>2,4</b>
Listed equities	1 349,7	31,6	1 254,4	29,4	2,6
Private equity investments <sup>3</sup>	372,3	8,7	372,3	8,7	1,7
Unlisted equities <sup>4</sup>	61,6	1,4	61,6	1,4	0,8
<b>Real estate investments</b>	<b>669,2</b>	<b>15,7</b>	<b>669,2</b>	<b>15,7</b>	<b>1,1</b>
Direct real estate investments	548,4	12,8	548,4	12,8	1,3
Real estate funds	120,8	2,8	120,8	2,8	0,0
<b>Other investments</b>	<b>568,9</b>	<b>13,3</b>	<b>568,9</b>	<b>13,3</b>	<b>-0,6</b>
Hedge fund investments <sup>5</sup>	439,4	10,3	439,4	10,3	-1,1
Other investments <sup>6</sup>	129,5	3,0	129,5	3,0	1,0
<b>Total investments</b>	<b>4 272,5</b>	<b>100,0</b>	<b>4 204,8</b>	<b>98,4</b>	<b>1,6</b>
Effect of derivatives <sup>7</sup>			67,7	1,6	
<b>Total investments at fair value</b>			<b>4 272,5</b>	<b>100,0</b>	
Modified duration of the bond portfolio			4,3		
Open currency position, % of the market value of investments			24,8		

<sup>1</sup> Includes accrued interest.

<sup>2</sup> Includes cash and bank balance as well as settlement receivables and liabilities.

<sup>3</sup> Includes private equity and mezzanine funds.

<sup>4</sup> Includes unlisted real estate investment companies.

<sup>5</sup> Includes all types of hedge fund shares, regardless of the fund's strategy.

<sup>8</sup> Includes items that cannot be allocated to other investment groups

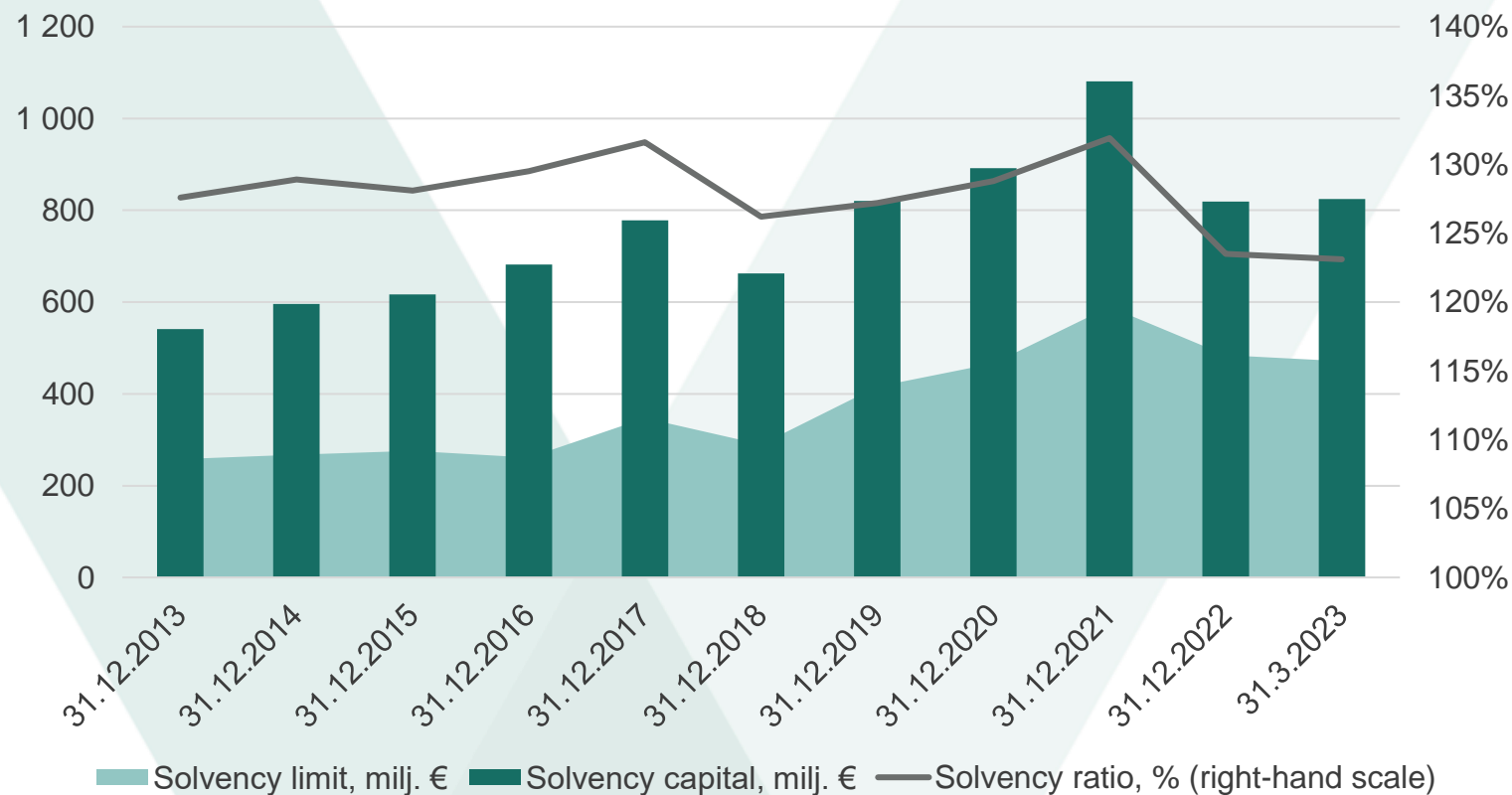
<sup>7</sup> Includes the effect of derivatives on the difference between risk-adjusted breakdown and basic breakdown. The effect may be positive or negative (+/-). When the effect is taken into account, the sums of the risk-adjusted breakdown and the basic breakdown are equal.

<sup>8</sup> 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.



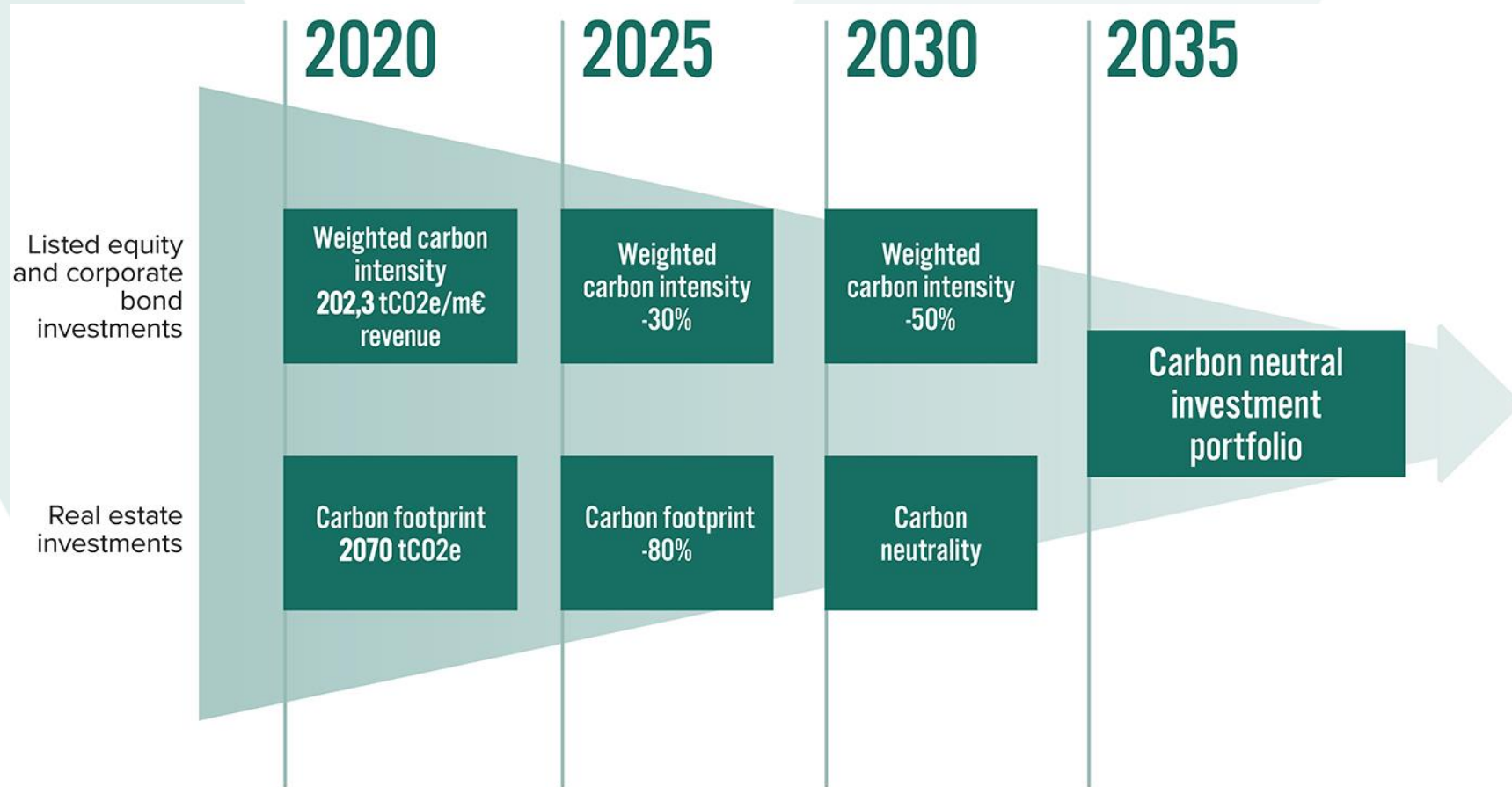
# Veritas' solvency stands at a secure level



- The solvency ratio was **123.1** per cent.
- The solvency position was **1.7**-fold compared to the solvency limit.
- The solvency capital stood at EUR **824.7** million at the end of March 2023.

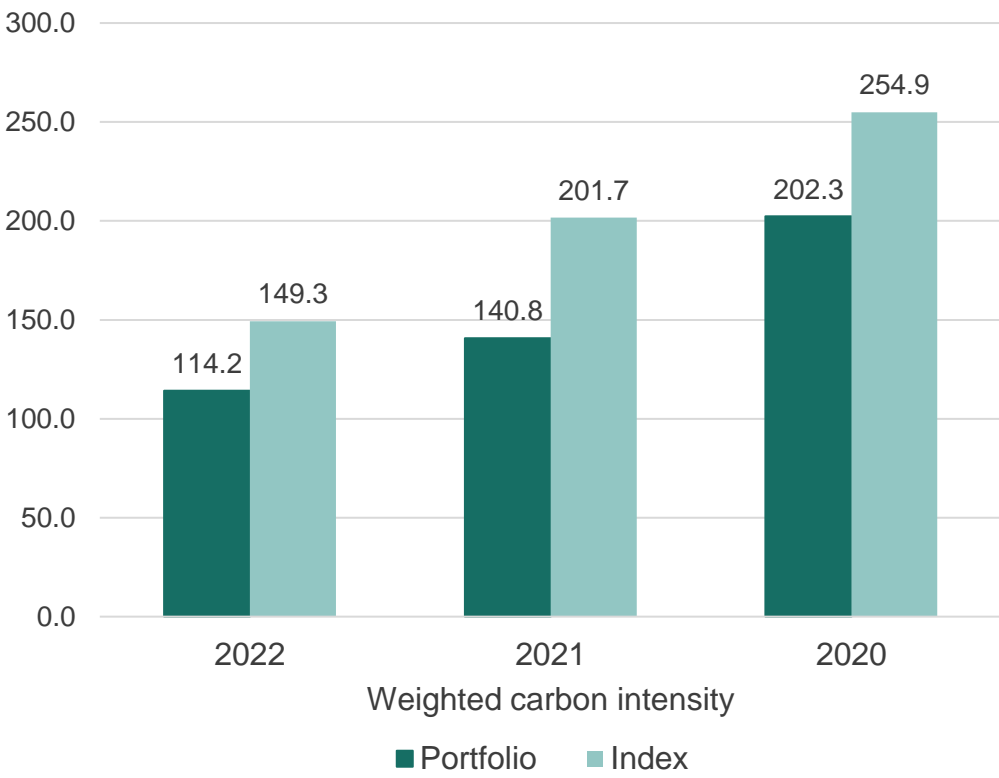
1) Veritas Pension Insurance and Pensions-Alandia merged on 1 January 2019. The figures for the previous years are Veritas figures before the merger.

# Veritas climate roadmap

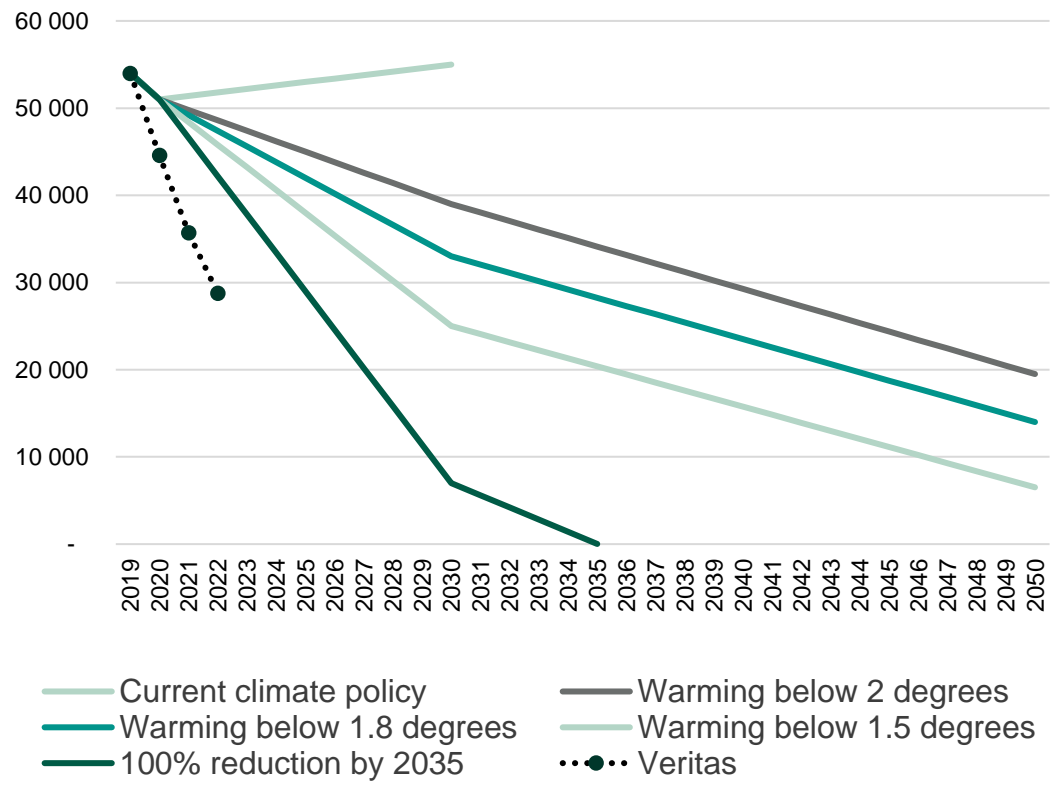


# Veritas' emission reductions are aligned with the Paris Agreement

Listed equity and corporate bonds



Listed equity investments and corporate bonds in different warming scenarios





#WeAreVeritas

#MeOllaanVeritas

#ViÄrVeritas