



Interim report 1 January – 30 June 2023

24 August 2023



Summary of January–June

- The return on Veritas' investments was **0.8 per cent** in April-June and **2.4 per cent** in the first half of 2023.
- Veritas' solvency remained at a secure level and was **1.6 times** the solvency limit at the end of June.
- Premiums written are expected to grow by **7.3 per cent** in 2023.
- The TyEL payroll is estimated to increase by approximately the same percentage.



2.4%

Return on investments



4.3bn

Value of investments



122.3%

Solvency ratio



1.6

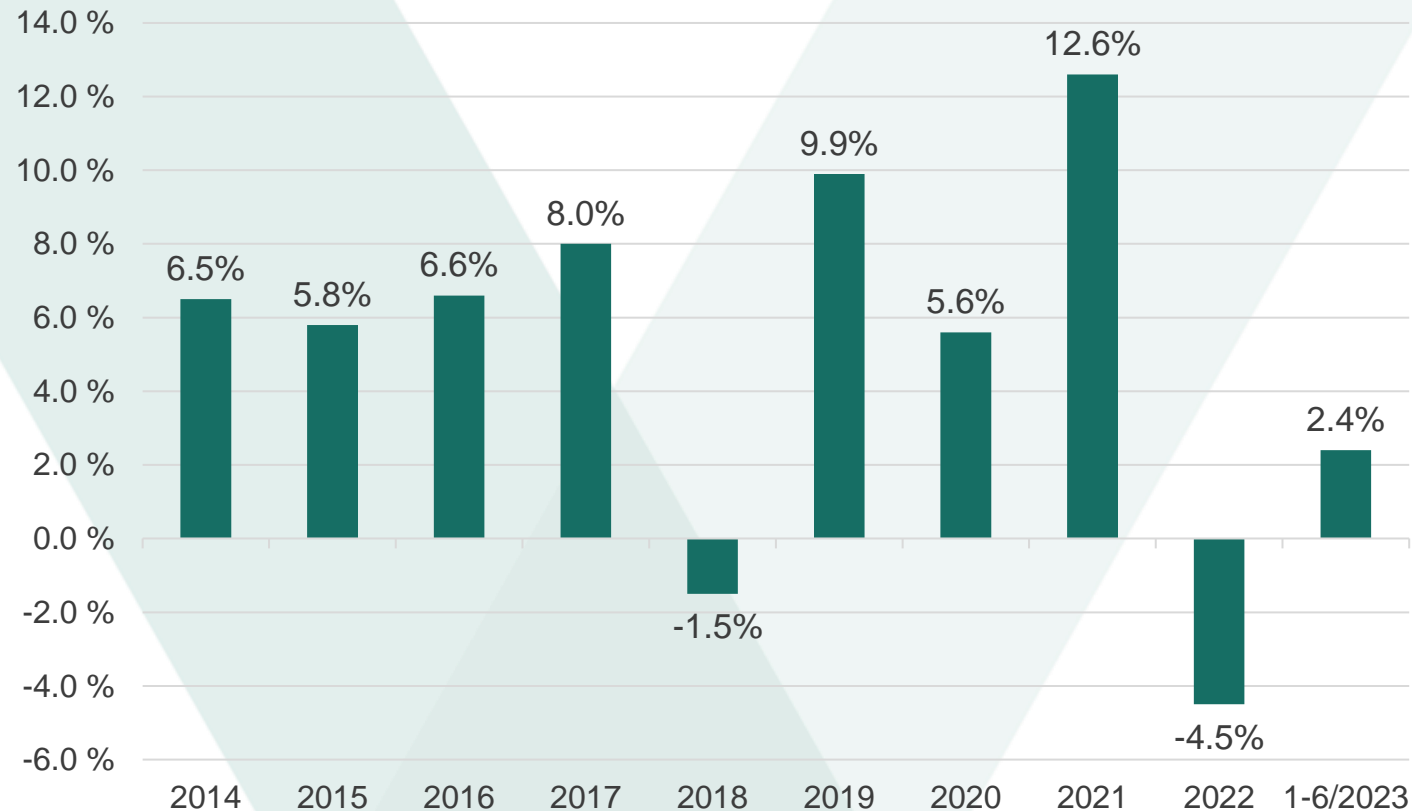
Solvency position



Investments

Investments returned 2.4 per cent

Investment returns



- The return on Veritas' investments was **0.8** per cent in the second quarter of 2023.
- In January-June, the return on investments was **2.4** per cent.
- The return on fixed-income instruments was **3.5** per cent, equity investments **4.8** per cent, real estate investments **-3.3** per cent and other investments **0.6** per cent.

The cumulative investment return for a 10-year period is 72.9 per cent



The return is calculated from 1 July 2013 to 30 June 2023.

Nominal return

10 years
5.6%

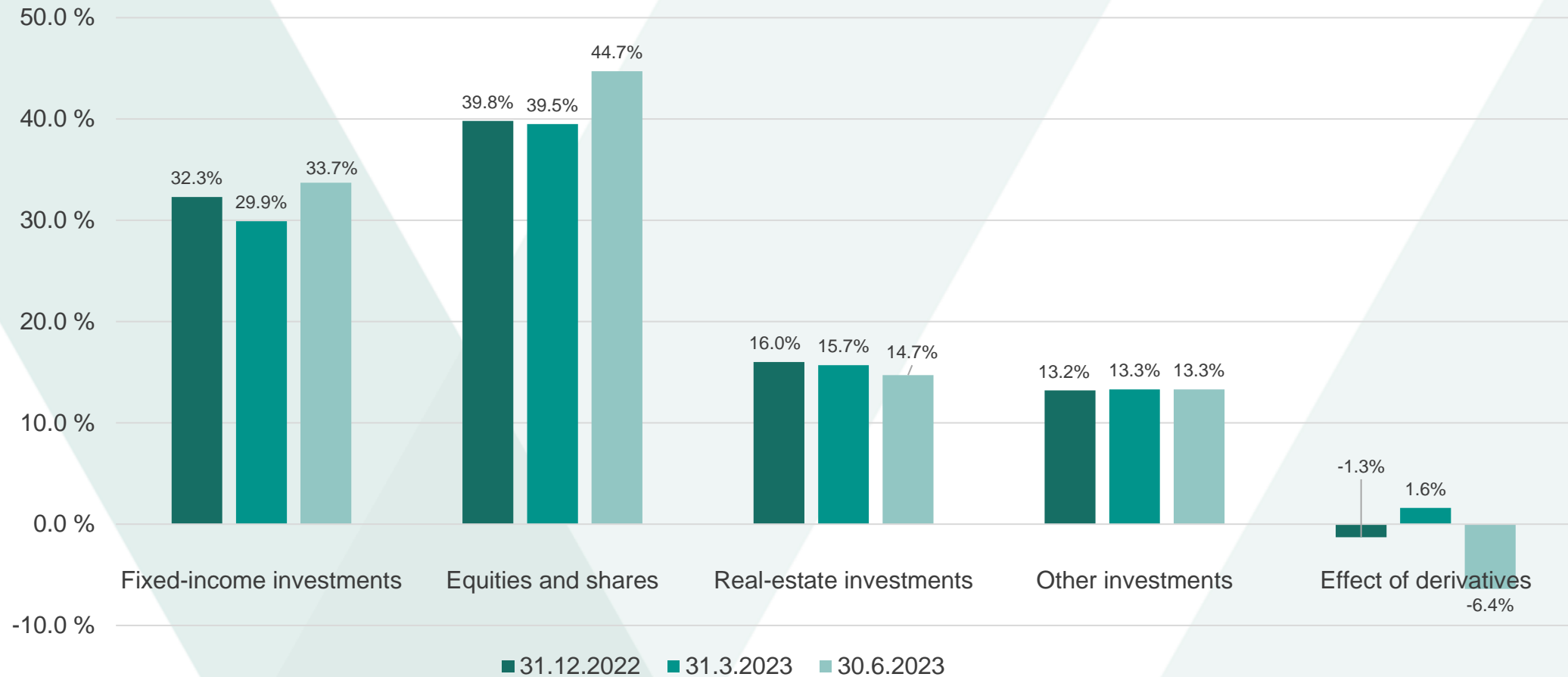
5 years
4.6%

Real return

10 years
3.6%

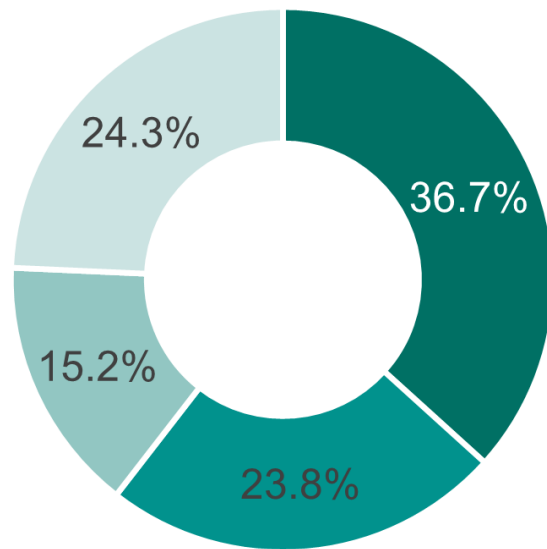
5 years
1.2%

The share of equity investments was increased



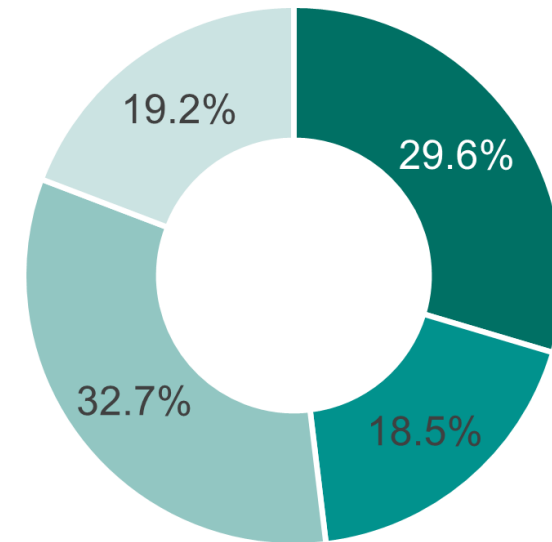
Geographical distribution of investments

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
	30 Jun 2023		30 Jun 2023		1-6/2023
	milj. €	%	milj. €	% ⁸	%
Fixed-income investments	1 321,9	30,8	1 447,4	33,7	3,5
Loan receivables ¹	57,4	1,3	57,4	1,3	1,8
Bonds ¹	1 098,1	25,5	1 223,6	28,5	4,0
Government bonds	687,6	16,0	813,1	18,9	3,4
Other bonds	410,5	9,5	410,5	9,5	4,9
Other money market instruments and deposits ^{1 2}	166,4	3,9	166,4	3,9	0,7
Equity investments	1 770,6	41,2	1 920,9	44,7	4,8
Listed equities	1 312,1	30,5	1 462,4	34,0	4,7
Private equity investments ³	394,8	9,2	394,8	9,2	5,1
Unlisted equities ⁴	63,7	1,5	63,7	1,5	4,7
Real estate investments	633,3	14,7	633,3	14,7	-3,3
Direct real estate investments	509,3	11,8	509,3	11,8	-4,6
Real estate funds	124,0	2,9	124,0	2,9	2,6
Other investments	572,8	13,3	572,8	13,3	0,6
Hedge fund investments ⁵	440,7	10,3	440,7	10,3	-0,3
Other investments ⁶	132,0	3,1	132,0	3,1	3,8
Total investments	4 298,5	100,0	4 574,3	106,4	2,4
Effect of derivatives ⁷			-275,8	-6,4	
Total investments at fair value			4 298,5	100,0	
Modified duration of the bond portfolio			4,6		
Open currency position, % of the market value of investments			25,2		

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.

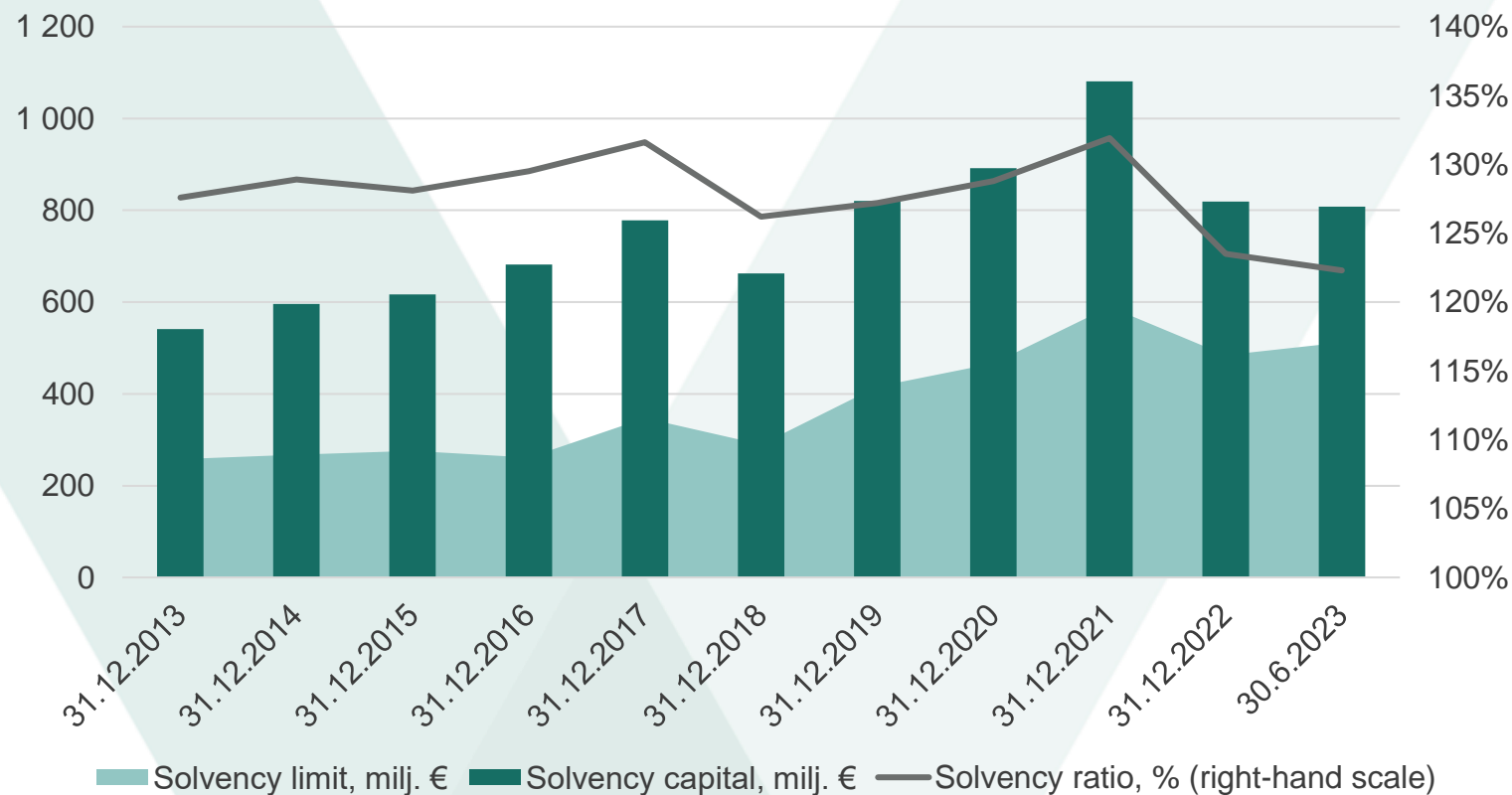
⁸ Includes items that cannot be allocated to other investment groups

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.

⁶ 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



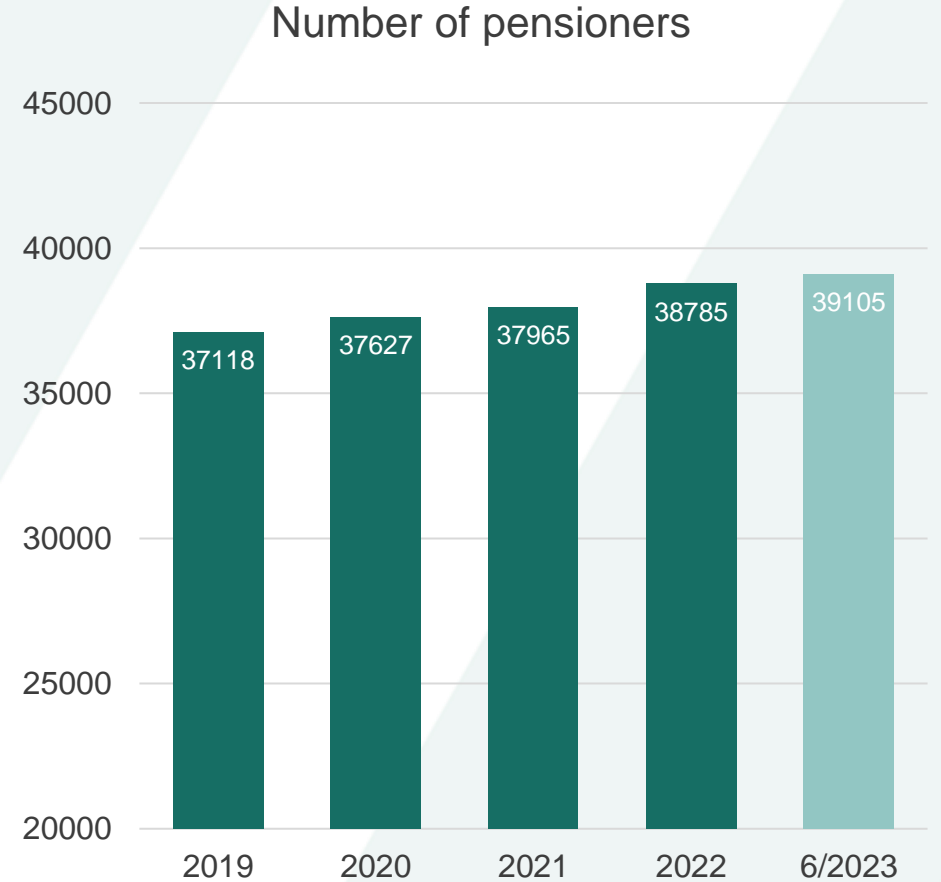
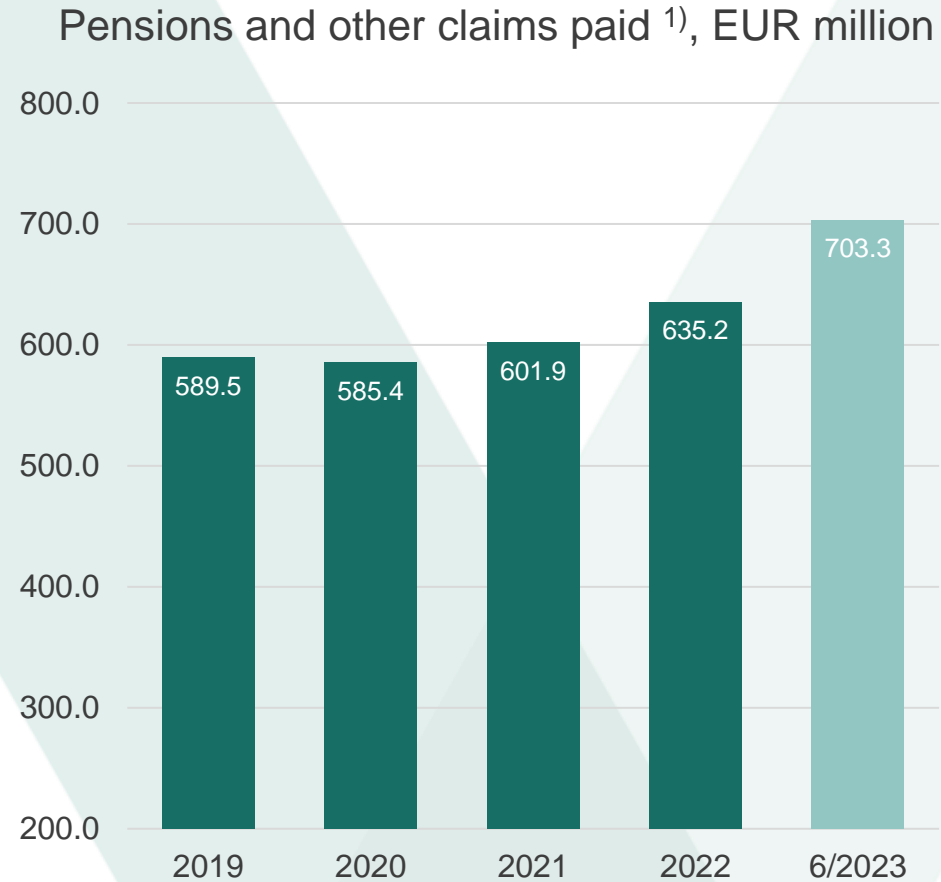
- The solvency ratio was **122.3** per cent.
- The solvency position was **1.6** times the solvency limit.
- The solvency capital stood at EUR **808.2** million at the end of June 2023.

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



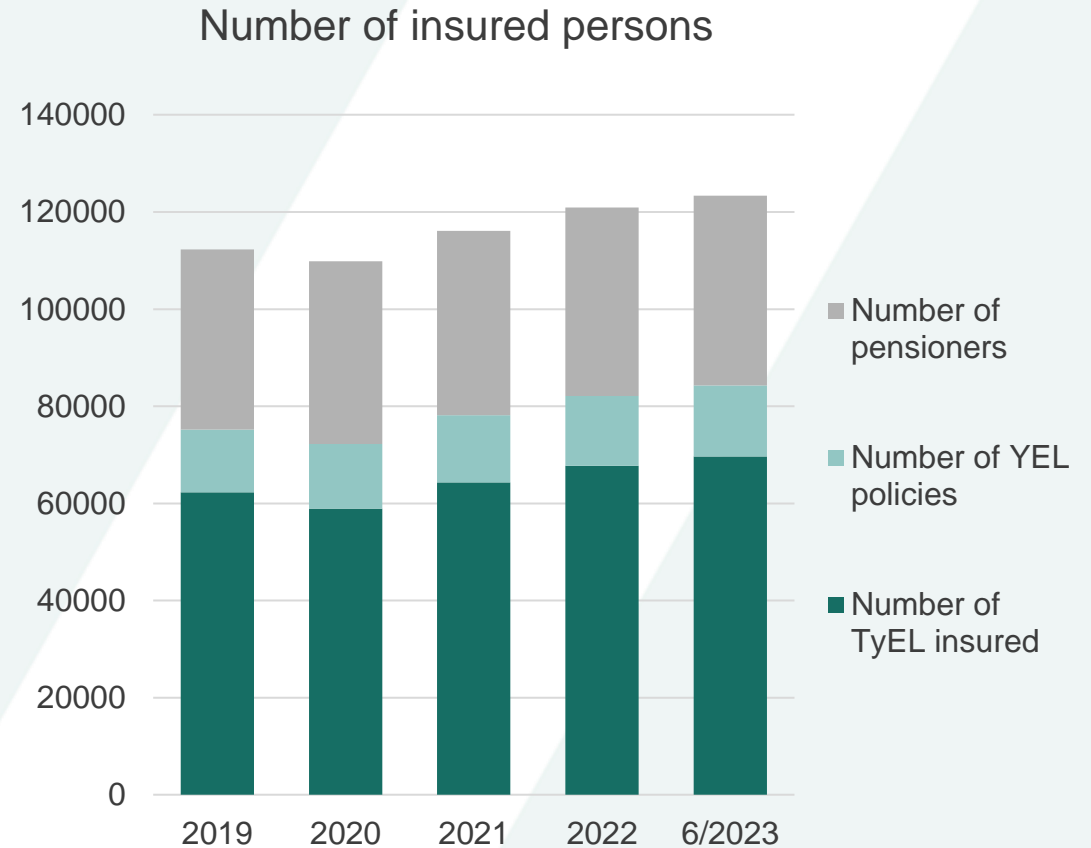
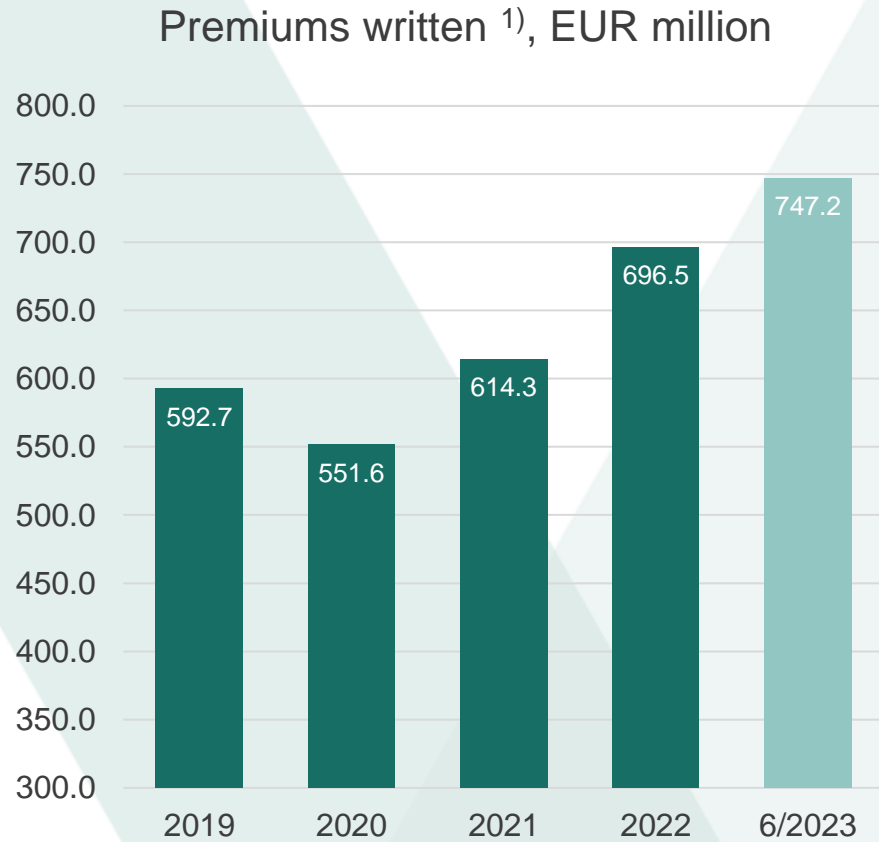
Pensions and insurance

Veritas pays out pensions to over 39 000 recipients



1) Pensions and other claims paid 6/2023 is an estimate for the whole year 2023.

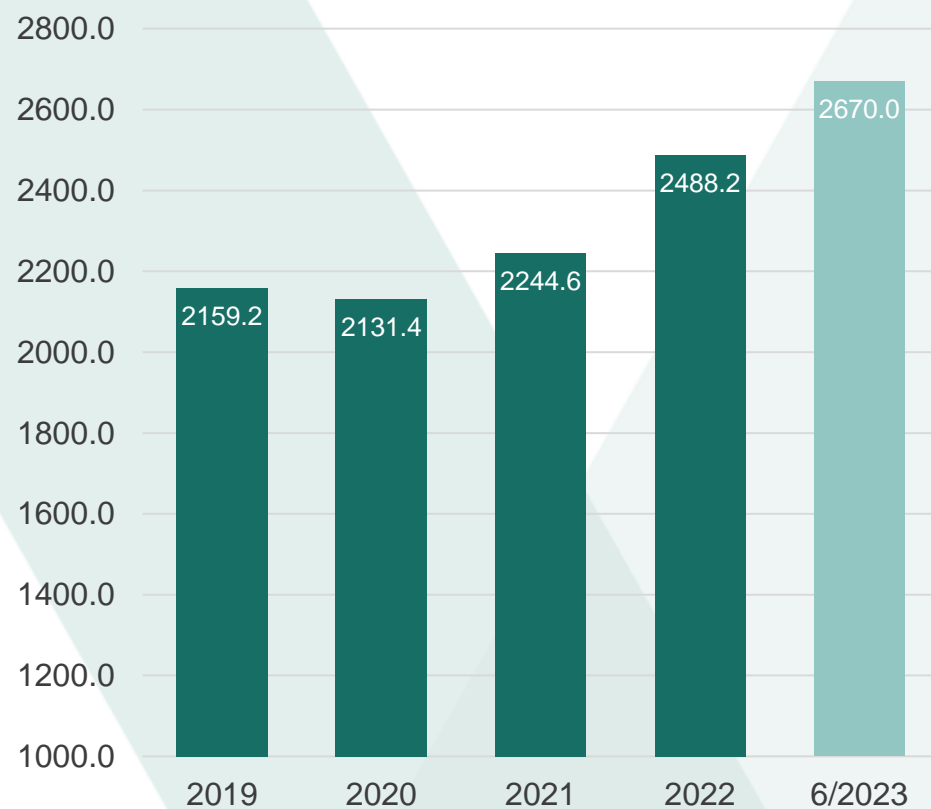
Premiums written are expected to grow by 7.3 per cent



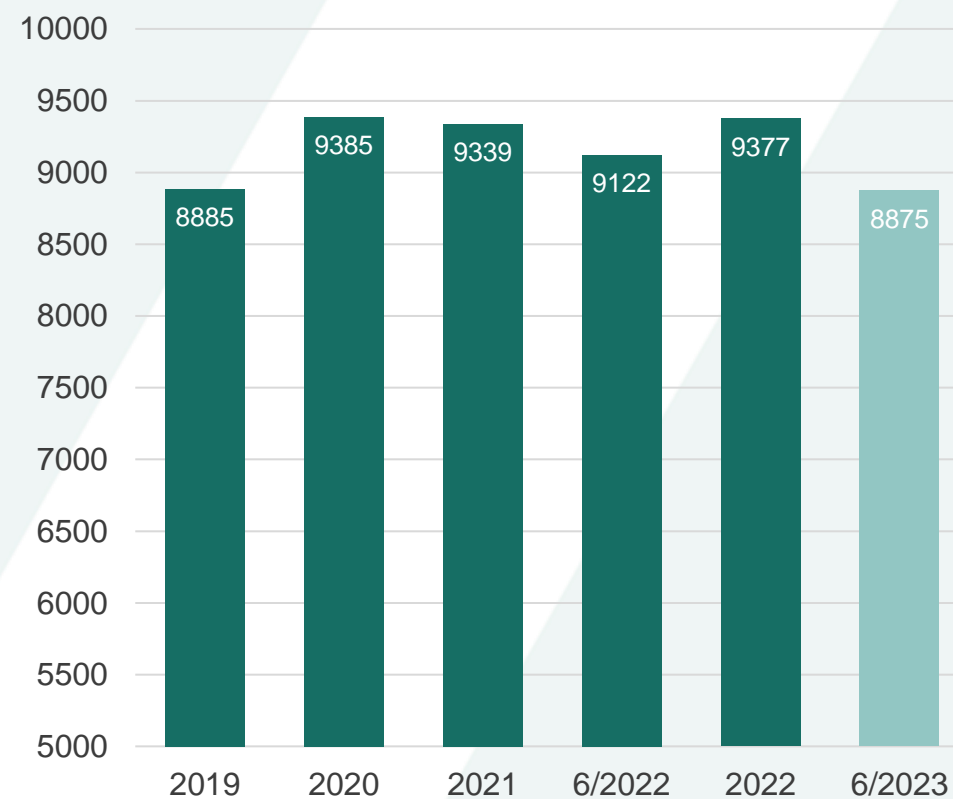
1) Premiums written 6/2023 is an estimate of the whole year 2023.

Customers' payroll is expected to grow significantly

TyEL payroll ¹⁾, EUR million

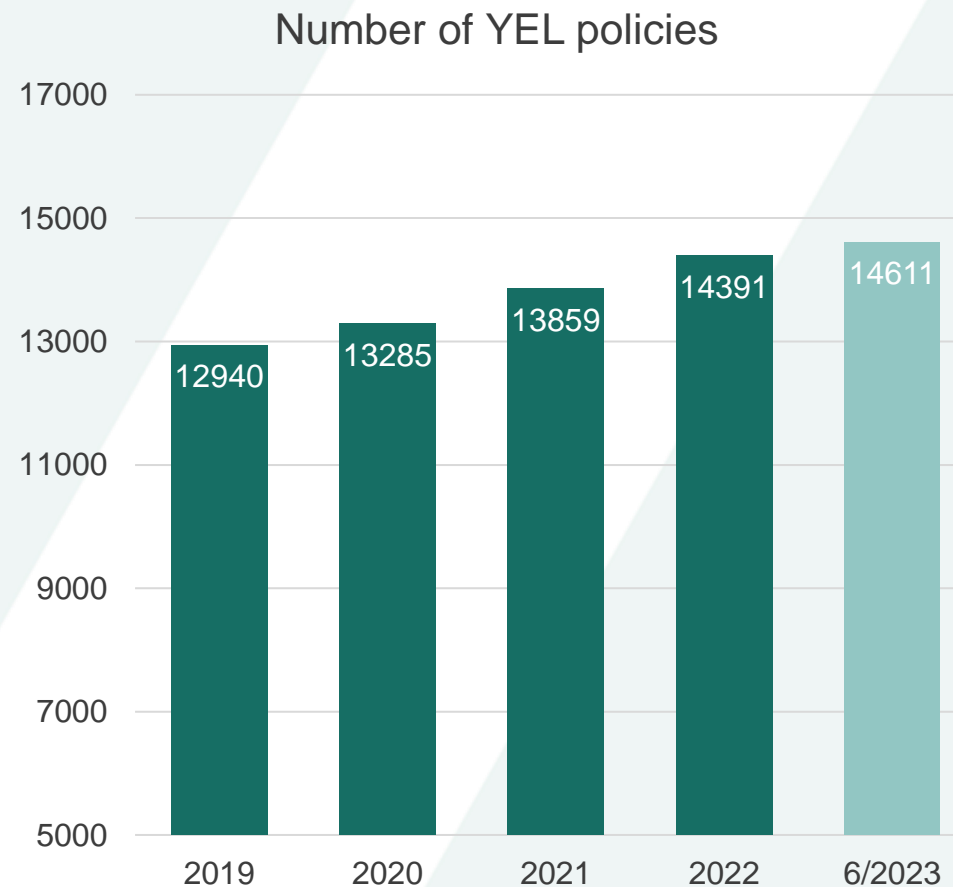
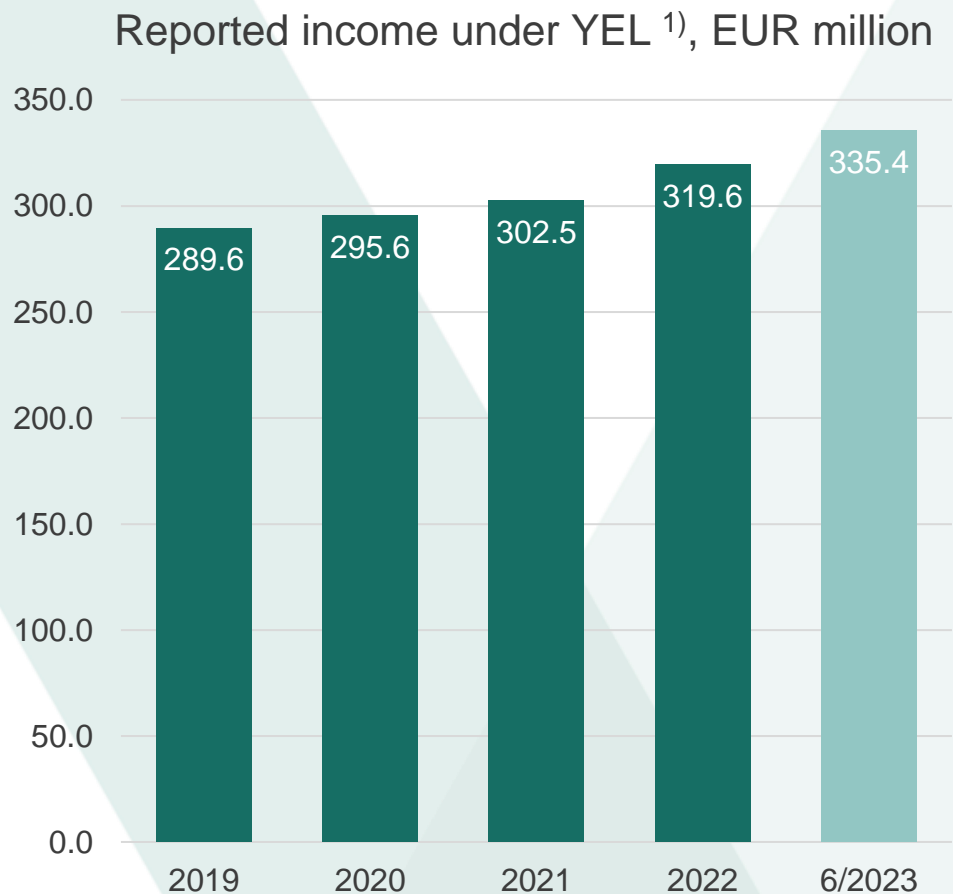


Number of TyEL policies



1) TyEL payroll 6/2023 is an estimate for the whole year 2023.

Strong growth in YEL insurance policies continues



1) Reported income under YEL 6/2023 is an estimate for the whole year 2023.

Result

Result analysis, EUR million	1-6/2023	1-6/2022	2022
Technical underwriting result	-0.8	11.2	11.0
Return on investments at fair value	-8.2	-266.1	-263.9
+ Net return on investments at fair value	102.9	-292.1	-198.7
- Return requirement on technical provisions	-111.1	26.0	-65.3
Loading profit	0.2	0.2	-7.4
Other profit	0.1	0.5	0.9
Total result	-8.8	-254.2	-259.5
Operating income covered by expense loading component, EUR million	8.9	9.9	26.8
Number of employees (average)	132	154	146



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