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# I

## REPORT OF THE BOARD OF DIRECTORS

# Mandatum Life Insurance Company Limited's Board of Directors' Report 1 January–31 December 2021

## Operating Result and Solvency

On 11 February, 2021, the Board of Directors of Sampo plc decided on a corporate restructuring that would create for the Mandatum Life subgroup (which operates Sampo Group's life insurance and asset management business) a new legal structure, according to which the life insurance and asset management subsidiaries owned by Mandatum Life Insurance Company Limited would become sister companies of the new parent company. In the new legal group structure, Mandatum Holding Ltd, a new holding company directly owned by Sampo plc, was established as the parent company of the Mandatum subgroup, and Mandatum Life Insu-

rance Company Limited and its previously owned subsidiary, Mandatum Life Investment Services Ltd (currently Mandatum Asset Management Ltd (MAM)), were transferred to the parent company's direct ownership.

The corporate restructuring was implemented such that the life insurance and asset management business that made up Mandatum Life Insurance Company Limited and its subsidiaries were transferred from Sampo plc as a tax-neutral transfer of assets in kind (as referred to in Section 52 d of the Act on the Taxation of Business Income) to the new company to be established for the business transfer, i.e. to Mandatum Holding Ltd,

in exchange for shares issued by the latter. Since the business transfer, Mandatum Life Insurance Company Limited sold the subsidiary that was part of its fixed assets, Mandatum Life Investment Services Ltd, to Mandatum Holding Ltd, established in connection with the business transfer, for a cash consideration. In addition, an agreement has been reached between Mandatum Life Insurance Company Limited and Mandatum Asset Management Ltd. to transfer the entire share capital of Mandatum Fund Management S.A., which is owned by Mandatum Life Insurance Company Limited, to Mandatum Asset Management Ltd. for a cash consideration. The transaction is due to be finalized [was finalized] on 14 February 2022. On 1 April 2021, Mandatum Life Insurance Company Limited transferred to Mandatum Asset Management Ltd for a cash consideration the entire share capital of Mandatum Life Private Equity GP Oy, and on 25 November 2021, the share capital of both SaKa Hallikiinteistö GP Oy and Mandatum Life Vuokratontit I GP Oy.

Mandatum Life Insurance Company Limited's (Mandatum Life's) subsidiaries are Mandatum Life Services Ltd, Mandatum Incentives Oy (registered

23 April 2021), 19 (19) housing and property companies and Mandatum Life Fund Management S.A., which operates in Luxembourg. The company also has branches in Estonia, Lithuania and Latvia; the headquarters Mandatum Life Estonia, address Lõõtsa 12, Tallinn 11415. Agreements to sell these branches in the course of 2022 have been made.

Profit before taxes for the financial year was EUR 253 million (196). The company's solvency ratio was 190 percent (188), taking the transitional measures into account. Own funds under the transitional measures were EUR 2,564 million (2,308) and the solvency capital requirement was EUR 1,352 million (1,230). Without the transitional measures, the solvency ratio would be 167 percent (159).

## Premiums Written

Mandatum Life's direct insurance premiums written amounted to EUR 1,376 million (1,059). Premiums written on unit-linked policies amounted to EUR 1,278 million (960). The Baltic branches' share of premiums written was EUR 25 million (22).

EUR million	1 Jan–31 Dec 2021	1 Jan–31 Dec 2020	1 Jan–31 Dec 2019
Premiums written	1,367.0	1,050.8	1,595.9
Net income from investments	1,777.6	616.6	1,286.9
Claims paid	-1,103.7	-1,124.6	-1,602.9
Profit before tax	252.9	196.4	305.2
Return on equity %	23.6	16.4	27.2
Balance sheet total	15,325.9	13,820.9	13,428.3
Solvency II own funds	2,564.5	2,308.0	2,290.2
Solvency ratio %	189.7	187.6	193.7

## Investment Operations

Mandatum Life's investment objective is to achieve the highest possible return at an acceptable level of risk. Successful investments provide policyholders with good nominal returns and accrue own funds, while also meeting shareholders' return expectations.

The investment portfolio is diversified both geographically and by instrument type to increase returns and reduce risks. During the year, there were no significant changes in the allocation of assets across asset classes.

As in the previous two years, the return on equity investments rose to an excellent level. Together with the exceptionally high return on alternative investments, this raised the return on the investment assets in their entirety (excluding the segregated group pension insurance portfolio) to 10.2 percent (6.5). The segregated group pension portfolio's investment activities clearly have a lower risk level than the rest of the balance sheet. As a consequence of this, the portfolio's return was also lower, although in relation to the return requirement on technical provisions it was still good, at 2.9 percent (1.5).

A more detailed description of the investment assets and the risks inherent in investment operations is included in the risk management note to the financial statements.

## Technical Provisions

Mandatum Life Group's technical provisions before reinsurers' share grew by EUR 1,672 million and amounted to EUR 13,958 million (12,286). Unit-linked reserves increased by EUR 1,946 million during the year, amounting to EUR 10,712 million (8,765). The with-profit technical provisions fell clearly as expected and amounted to EUR 3,247

million (3,521). The segregated group pension insurance portfolio accounted for EUR 751 million (875) of the with-profit technical provisions at the end of the 2021 financial year. The discount rate for the segregated group pension insurance portfolio's technical provisions was lowered to 0.0 percent; the corresponding EUR 183 million (232) reserve for decreased discount rates is included in the segregated portfolio's total technical provisions. The remainder of the with-profit technical provisions includes a total increase of EUR 274 million (218) in the reserve for decreased discount rates.

The Baltic branches' share of the technical provisions was EUR 196 million (177), of which unit-linked technical provisions accounted for EUR 186 million (165).

More detailed information on the distribution of and change in technical provisions is included in the risk management disclosure to the financial statements.

Life insurers must follow the so-called principle of fairness with respect to policies which under the insurance contract give entitlement to bonuses granted on the basis of any surplus generated by the insurance policies. Mandatum Life aims to provide, in the long run and before expenses and taxes, an overall bonus on insurance savings that are eligible for distribution of profit that is at least equivalent to the interest level on long-term fixed-income investments considered to have the lowest risk at any given time. The total bonus target set by the company is thus a long-term target, and the achievement of the target is monitored throughout the contractual period. According to the current interpretation, Mandatum Life's return target on savings insurance corresponds to the interest level on Finnish government bonds with a maturity of five years and on pension

insurance the return target corresponds to Finnish government bonds with a maturity of ten years. The average interest rates on daily returns in 2021 were approximately -0.09% for the ten-year Finnish government bond and approximately -0.55% for the five-year Finnish government bond. The guaranteed interest credited to insurance policies has in the long term and in 2021 exceeded the target level for all insurance products.

Further information on the principle of fairness can be found in the accounting policies and on the company's website. The total return on the insurance portfolio segregated from Suomi Mutual is based on the agreed sharing policy, which is explained in the accounting policies and on the company's website.

## Claims Incurred

Mandatum Life's total amount of claims paid was EUR 1,099 million (1,120), of which reinsurers covered EUR 1 million (2). Unit-linked policies accounted for EUR 726 million (718) of claims paid. Mandatum Life made pension payments totaling EUR 382 million (395) to some 57,000 pensioners during the year.

## Operating Expenses

Mandatum Life's operating expenses were EUR 116.4 million (103.2) and the expense ratio was 97.1 percent (98.3). Mandatum Life does not amortize insurance acquisition costs, which means a policy's first-year result – the result for the acquisition year – is usually negative due to acquisition costs.

## Subordinated Loans

Mandatum Life's financial liabilities include two subordinated loans, which have a total nominal value of EUR 350 million. The loan issued in year

2002, the 2002 subordinated loan, has a nominal value of EUR 100 million, and the other loan issued in year 2019, the 2019 subordinated loan, has a nominal value of EUR 250 million. The 2002 subordinated loan is wholly subscribed by Sampo plc. The loan is perpetual, and the interest on the loan is the variable 12-month Euribor rate +4.5%. The 2019 subordinated loan has a 30-year maturity, and the first call date is in October 2024. The interest on the loan is fixed at 1.875 percent until the first call date and thereafter the interest is the 3-month Euribor rate plus a 2.30 percent margin, and after 10/2029, the 3-month Euribor rate plus a 3.30 percent margin.

## Personnel

Mandatum Life employed an average of 98 (104) people. Mandatum Life's subsidiary Mandatum Life Services had an average of 387 employees, and the subsidiary Mandatum Life Incentives had 4 employees. Of those employed in Mandatum Life's Baltic branches, 29 were in Estonia, 15 in Latvia and 34 in Lithuania.

## Risk Management

The risk management strategy of Mandatum Life consists of ensuring a sound and well-understood risk culture in the company and ensuring that risks are identified, assessed, managed, monitored, and reported and in the right proportion related to their effect on short-term and long-term financial results. Moreover, the strategy aims to ensure the company holds adequate buffers to meet regulatory capital requirements and maintain operational capabilities also under financial turmoil. The strategy ensures overall efficiency, security, and continuity of operations and safeguards Mandatum Life's good reputation and ensures clients and

other stakeholders have confidence in Mandatum Life. In summary, risk management's key objective in Mandatum Life is to create value and preserve already created value.

Mandatum Life follows the risk management principles defined by Sampo Group's and Mandatum Group's risk management frameworks. Mandatum Life has its own risk management policy. Mandatum Life's risk management function works closely with Mandatum Group's risk management function to ensure that data and information is exchanged appropriately and that the arrangements, processes, and mechanisms are adequate.

The Board of Directors is responsible for the adequacy of risk management and internal control. The Board annually approves the Risk Management Policy according to which risk management is arranged in Mandatum Life. The CEO has the overall responsibility for the implementation of risk management in accordance with the Board's guidance.

The responsibilities of the risk management function are to ensure that risk management is organized appropriately and that the scope is adequate with respect to the company's operations. The business units are responsible for the identification, assessment, control, and management of their operational risks.

### Risks Related to Business Activities

Mandatum Life operates in business area in which the characteristics of value creation are risk pricing and active management of risk portfolios, in addition to good customer service. Therefore, common risk definitions are needed as the basis for business activities, and risks are divided into main groups, which are insurance, market, operational

(incl. legal and compliance risks), business and reputational risks.

Main risks from the perspective of solvency capital requirements are market risks, longevity risk and surrender risk, of which the latter two are part of underwriting risk. In addition, operational and business risks are inherent in terms of the company's operations and continuity.

Market risks refer to impacts on Mandatum Life's result or solvency caused by changes in the market values of financial assets and liabilities and technical provisions. Market risks are examined from both an Asset Liability Management (ALM) as well as an investment portfolio risk perspective. Mandatum Life's market risks arise mainly from investments in equities and interest rate risk arising from fixed income assets and with-profit liabilities.

The approach to market risk management is based on the technical provisions' expected cash flows, the interest level and the valid solvency position. A common feature for all elements of with-profit liabilities is the guaranteed rate and bonuses. The cash flows of Mandatum Life's liabilities are relatively well predictable because in most with-profit policies, surrenders and extra investments are not possible.

Insurance risks in the life insurance business encompass biometric risks, lapse risk and expense risk. Risk related to the discount rate applied to with-profit liabilities is part of markets risks, but it closely relates to underwriting risks.

Biometric risks in life insurance refer mainly to the risk that the company has to pay more mortality, disability or morbidity benefits than expected or the company has to keep paying pension payments to the pension policy holders for a longer time (longevity risk) than expected

when pricing the policies. Longevity risk is the most significant biometric risk in the company.

The with-profit group pension portfolio represents most of the longevity risk. In the unit-linked group pension and individual pension portfolio, the longevity risk is less significant because most of these policies are fixed-term annuities including death cover, which mitigate the longevity risk. The long duration of policies and restriction of the company's right to change policy terms and conditions and tariffs increases biometric risks. If the premiums turn out to be inaccurate and pricing cannot be changed afterwards, liabilities have to be supplemented with an amount corresponding to the expected losses.

Operational risk refers to the risk of loss resulting from inadequate or failed processes or systems, from personnel and systems or from external events. Operational risk may materialize as additional expenses, compensations for caused damages, non-compliance with rules and regulations, loss of reputation, false information on risk position and consecutive losses, and interruption of business activities.

The goal of operational risk management is to identify risks ahead of time, manage risks effectively and strive to minimize beforehand the impacts of any realized risks in a cost-effective manner. Business units are responsible for the identification, assessment, monitoring and management of their own operational risks.

Liquidity risk is the risk of the company being unable to realize its investments or other assets in order to settle its financial obligations when they fall due. Liquidity risk bears relatively little significance in Mandatum Life, since in general, the company's liabilities in a with-profit insurance portfolio are relatively predictable, and a sufficient

share of the corresponding investment assets are cash or short-term money market investments.

A note has been prepared on risks and risk management, explaining Mandatum Life's principal risks and general risk management principles in greater detail. The company's Annual Report, which is published on Mandatum's and Sampo's website, includes additional information regarding the risk management and solvency of Mandatum Life.

### Significant Post-Balance-Sheet Events

In February 2022, Russia attacked Ukraine, which has dramatically changed the political situation in Europe and contributed to significant uncertainty in the financial markets. Mandatum Life has implemented decided sanctions and follows the development of events closely. Affected insurance exposure is low and the financial turbulence can be handled with a continued good solvency position.

Mandatum Life has decided to sell the Luxembourg-based Mandatum Fund Management S.A. to Mandatum Asset Management Ltd. The authorities' decisions on the transfer of ownership were received in December, and the transaction was finalized in February 2022. The transaction will not have a significant impact on Mandatum Life's financial figures.

### Outlook

This is now the third year under the shadow of the Covid-19 pandemic. Even though the company's business and result have developed well over the past two years, the pandemic is still causing major uncertainty with respect to the outlook for 2022.

The company's most significant future challenges are related to the low interest rate level and the uncertainty in economic development and

the investment market. The company's investment result is strongly tied to the development of the investment markets and is therefore difficult to predict. The company's good solvency position, the old with-profit technical provisions that are decreasing relatively strongly and the discount rate reserve, together with the transitional provisions of Solvency II, put the company in a good position to tolerate both low interest rate levels and short-term market volatility.

2021 was a record year in terms of net subscriptions for unit-linked products. There was growth on a broad front, covering corporate, private and institutional segments alike. Interest in the company's services is expected to remain at a good level, although the general economic cycle will likely cause annual volatility in the expected net subscriptions. The company's unit-linked liabilities increased to EUR 10.7 billion as a result of net subscriptions and the increase in the value of investment objects, creating positive expectations for the development of the expense result. The expense result is also exposed to the development of the capital markets, which also means forecasting it is subject to significant uncertainty.

The company's risk result includes annual fluctuations, with the 2021 result being exceptionally good. Despite the uncertainty, the company's risk result is expected to remain at a good level.

## Breakdown of Shares

The share capital consists of one series of shares, A series. All company shares entitle the holder to equal dividend and voting rights. The company's registered shares amounted to 239,998 (239,998), and their equivalent carrying amount/share is EUR 168.19 (168.19). The company's Board of

Directors is not authorized to new subscriptions, to grant option rights or to buy convertible bonds.

## Corporate Governance

Mandatum Life's corporate governance is primarily determined on the basis of the Finnish Insurance Companies Act and the Limited Liability Companies Act. More detailed provisions regarding the company's governance can be found in its Articles of Association and in the internal operating principles and guidelines approved by the Board of Directors. The supreme authority over the company's business is exercised by the General Meeting of Shareholders. The Annual General Meeting was held on 19 February 2021, a follow-up meeting to the AGM was held on 19 May 2021, and an Extraordinary General Meeting was held on 13 December 2021. In accordance with its Articles of Association, Mandatum Life's Board of Directors comprises no fewer than four and no more than seven members. The Board of Directors had four members in 2021.

The composition of Mandatum Life's Board of Directors in 2021:

- Patrick Lapveteläinen, Chairman, Group CIO
- Knut Arne Alsaker, Vice Chairman, Group CFO
- Jarmo Salonen, Senior Advisor
- Paula Salonen, LL.M.

The Board convened 13 times during the financial year.

The staff's elected representative at the Board of Directors' meetings is Jussi Aamuvuori and his deputy is Katja Korelin. The staff representative is not a member of the Board of Directors.

Petri Niemisvirta is the company's Managing Director, and Jukka Kurki is the Deputy Managing Director.

The company's Auditor was Ernst & Young Oy, Authorized Public Accountants (with Kristina Sandin, APA, as the auditor with principal responsibility), until 19 May 2021. The follow-up meeting to the Annual General Meeting was held on 19 May 2021, and Deloitte Oy was elected as the company's new auditor (with Reeta Virolainen, APA, as the auditor with principal responsibility).

## The Board of Directors' Proposal for the Distribution of Profit

Mandatum Life's profit in accordance with the Finnish Accounting Standards was EUR 202,165,121.34. The Board of Directors proposes to the Annual General Meeting that no profit for the financial year be distributed as dividends and that the result be transferred to the profit and loss account. The company's distributable funds were EUR 709,708,807.83. At the end of 2021, Mandatum Life paid an additional dividend of EUR 175,000,000 for 2020 to Mandatum Holding Ltd.

# 2

## **RISK MANAGEMENT**



# Risk Management

## 1. Risk Management Principles

The very nature of insurance operations is the transfer of risk from the policyholder to the insurance company. Risk is therefore an essential and inherent element of Mandatum Life's business activities and operating environment. The purpose of the risk management process is to identify the different risks affecting the business. The risk management process also ensures that different risks can be assessed, limited and controlled.

The most important goals of risk management are to ensure the adequacy of capital in relation to the business risks and to limit fluctuations in financial performance, to ensure efficient and continuous business processes in all circumstances and, for all operations, to limit the risks to the level approved by the Board of Directors.

Mandatum Life is Mandatum Holding Ltd's wholly owned subsidiary, and it belongs to the Mandatum Group, which is part of the Sampo Group. Mandatum Life and its subsidiaries follow the risk management principles defined by Sampo Group and Mandatum Holding; the principles also take into account the characteristics of a life insurance company. The figures and tables in this risk management disclosure mainly cover the parent company.

### 1.1 Risk Management Governance

The Board of Directors is responsible for the adequacy of the company's risk management and internal control. The Board annually approves the risk management and internal control policy, according to which risk management and internal control are arranged as part of the company's business activities.

The Managing Director has the overall responsibility for the implementation of risk management in accordance with the Board's guidance. The responsibilities of the Chief Risk Officer are to ensure that risk management and the monitoring thereof are organized appropriately and to an extent that is sufficient in terms of the company's operations. The business areas are responsible for the identification, assessment, control and management of their operational risks.

Overall risk management in the Mandatum Group is monitored according to a separate risk management framework, which is pictured on the next page (Figure 1-1). Some of the committees operate at the Group level, while some are company specific. The Risk Management Committee coordinates the arrangement of risk management and monitors all of the Group's risks. The Committee is chaired by the Managing Director of Mandatum Holding. In addition to Mandatum Holding's Managing Director and the Group's Chief Risk Officer, each risk area has a responsible person in the Committee.

The key role of the Asset Liability Committee (ALCO) is to monitor and control the market risks related to the company's with-profit insurance portfolio and to ensure that investment operations are managed within the limits set in the Investment Policy approved by the Board of Directors. In addition, it monitors the adequacy of liquidity, risk-bearing capacity and solvency capital in relation to balance sheet risks and prepares investment policy proposals for the Board of Directors. The ALCO convenes monthly and reports to the Board of Directors and the Risk Management Committee. In practice, the company has two Asset Liability Committees (ALCOs), one of which controls the balance sheet of the operationally segregated group pension insurance portfolio that was transferred from Suomi Mutual on 30 December 2014, and the other controls the rest of the company's with-profit insurance portfolio and the company's own equity assets.

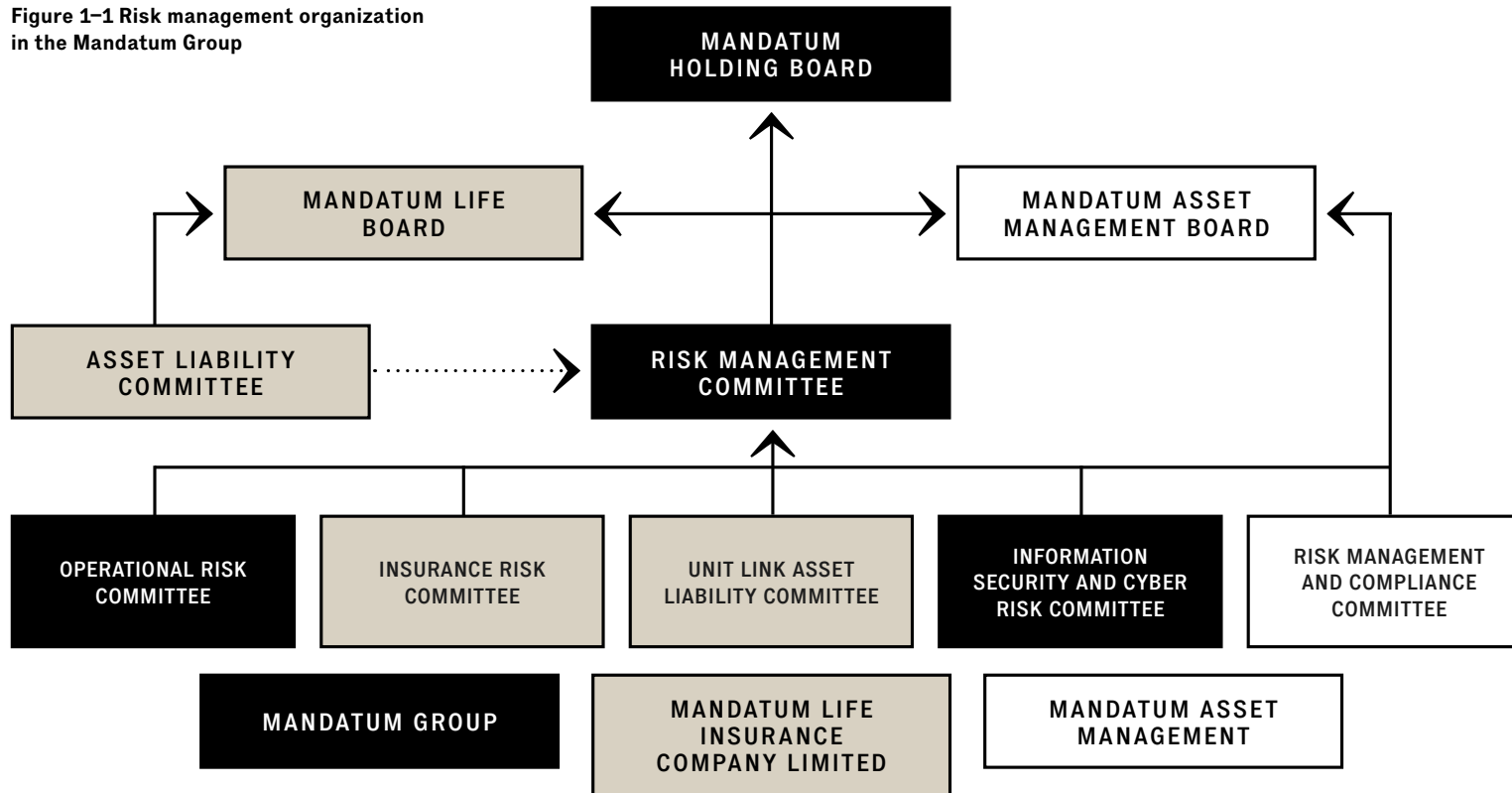
The Insurance Risk Committee monitors the comprehensiveness and appropriateness of the company's insurance risk management. A key task is to control compliance with and maintain the company's Underwriting Policy. The Committee reports on risk management issues related to insurance risks and the Underwriting Policy to the Risk Management Committee. The Insurance Risk Committee is chaired by the Chief Actuary, who is responsible for ensuring that the principles

for pricing policies and for the calculation of technical provisions are adequate and in line with the risk selection and claims processes. The Board approves the insurance policy pricing and the central principles for the calculation of technical provisions. In addition, the Board defines the maximum amount of risk to be retained on the company's own account and approves the reinsurance policy annually.

The key role of the Unit-Linked Asset Liability Committee (UL-ALCO) is to monitor and control the investment risks related to the company's unit-linked insurance portfolio and to ensure that investment operations are managed within the rules laid down in the Unit-Linked Asset Liability Policy approved by the Board of Directors. The UL-ALCO convenes monthly and reports to the Board of Directors and the Risk Management Committee.

It is the role of the Operational Risk Committee to ensure that operational risk management is appropriately arranged in the Mandatum Group. A key task is to ensure that Mandatum Group has efficient procedures for monitoring and reporting realized operational risks. Significant observations are reported to the Risk Management Committee and to the Board of Directors. The Operational Risk Committee is also responsible for maintaining and updating risk assessments and the continuity and preparedness plans.

**Figure 1–1 Risk management organization in the Mandatum Group**



The role of the Information Security and Cyber Risks Committee is to ensure that the management of information security and cyber risks is appropriately arranged and that co-operation and communication on information security and cyber risks between business units, support units and steering functions is seamless. One key task is to ensure that Mandatum has effective procedures for reporting information security and cyber risk events and that the Operational Risk Committee has an adequate picture of the risks. The Committee also keeps

track of the general development of information and cyber security and trends related to threats, devises policies concerning information and cyber security and prepares proposals on development measures for decision by other bodies.

The Compliance function supports Mandatum's boards of directors and management, ensuring that Mandatum Group companies have the internal guidelines, processes, resources and tools they need to comply with binding laws, regulations and guidelines. The Compliance function is

also involved in identifying the organization's risks by assessing the Compliance risks. The Head of the Unit is responsible for the organization of the unit and acts as Mandatum Group's Compliance Officer and is a member of the Risk Management Committee.

There is no specific committee for business and reputational risks. Those risks are managed as part of the Group's and the company's strategic planning and management of daily operations. At Mandatum Life, due to the nature of these risks,

the Managing Director is directly responsible for them, and they are reviewed on a regular basis by the Risk Management Committee.

Mandatum Life Group's fund management company has its own Risk Management Policies and responsible persons, and they are the responsibility of the company's Board of Directors. In addition to this, all major incidents are reported to the Risk Management Committee, and operational risks are addressed in the Operational Risk Committee.

The branch offices located in Estonia, Lithuania and Latvia have their own risk management systems that comply with the Group's principles. In addition to the above-mentioned committees and units, the internal audit ensures, with the help of auditing recommendations, that sufficient internal controls are in place and also draws up an annual internal audit review for the Board of Directors.

## 2. Risks Related to the Company's Business Activities

In addition to market risks, the company's main risks from the perspective of solvency capital requirements are longevity risk and surrender risk, which are part of underwriting risks. These are described in more detail in the notes to the accounts. In addition to those mentioned above, operational and business risks are key risks in terms of business operations and continuity. Operational risks and the management thereof are described in section 4.

Life insurance business carries and manages risks originating from insurance events and liabilities. There are random fluctuations in the frequency and size of insurance events. The majority of with-profit life insurance business risks and result arise from investment activities. The return

on assets should cover, in the long term, at least the guaranteed interest rate, bonuses based on the principle of fairness and the shareholders' return expectations. Other profit elements are generated from carrying insurance risk and expense risk. The insurance risk result is the assumed claims in premium calculations less the actual claims. The expense result is the expense charges from policies less the actual expenses.

### 3. Capital and Solvency Management

The goal of solvency capital management is to ensure the adequacy of available capital in relation to risks arising from the company's business activities and business environment and the goal of capital management is to make sure items accounted as own funds are adequate with respect to capital requirements. The capital requirement is estimated by comparing the amount of eligible own funds to the risk capital requirement that is needed to cover risks resulting from the current business and the external operating environment.

#### 3.1 Regulatory Solvency Capital Requirements

Life insurance is a highly regulated business with formal rules for minimum capital and capital structure. The supervisors of Mandatum Life's operations are the Financial Supervisory Authority in Finland and local supervisors in the Baltic countries. In addition to this, the fund management company that was still part of Mandatum Life Group at the end of 2021 is regulated by the authority in Luxembourg (ownership of the fund management company will transfer from Mandatum Life to Mandatum Asset Management in early 2022).

In calculating solvency requirements under Solvency II, the company applies the 'standard formula' in which changes in own funds are stressed with market and life insurance risks that have been determined beforehand in the regulations. The goal has been to set the Solvency Capital Requirement (SCR) under Solvency II on a level where the own funds would be sufficient to secure the insured's benefits with a one-year horizon and a 99.5 percent confidence interval.

The amount of own funds under Solvency II is based on the market-consistent valuation and on the valuation of the technical provisions using the yield curve determined by Solvency II, so own funds under Solvency II differ from own funds according to book value. The technical provisions under Solvency II equal the so-called best estimate of the technical provisions plus the risk margin. The best estimate is based on the realistically expected cash flows of the insurance portfolio, which are discounted using the yield curve applied in Solvency II, derived from the risk-free yield curve. In terms of unit-linked insurance, the best estimate is the insurance savings minus the present value of risk and expense surplus related to the unit-linked policies. The basis for the risk margin in the Solvency II framework is a six-percent cost of capital. For life insurance risks and operational risks, the risk margin is the present value of the future cost of capital. Table 3-1 presents the value of the technical provisions in accordance with Solvency II, taking into account the transitional measure on technical provisions and the IFRS accounting value for Mandatum Life's parent company.

The company applies a so-called transitional measure on technical provisions for the company's original with-profit pension policies with a guaran-

**Table 3-1 Technical provisions, in accordance with Solvency II and IFRS, 31 December 2021**

EUR million	IFRS-value	Solvency II value	Adjustment
<b>Technical provisions – life (excluding unit-linked)</b>	<b>3,245</b>	<b>2,913</b>	<b>332</b>
Best Estimate		2,754	
Risk margin		159	
<b>Technical provisions – unit-linked</b>	<b>10,712</b>	<b>10,223</b>	<b>489</b>
Best Estimate		10,130	
Risk margin		93	

**Table 3-2 Own funds, 31 December 2021, taking transitional measures into account**

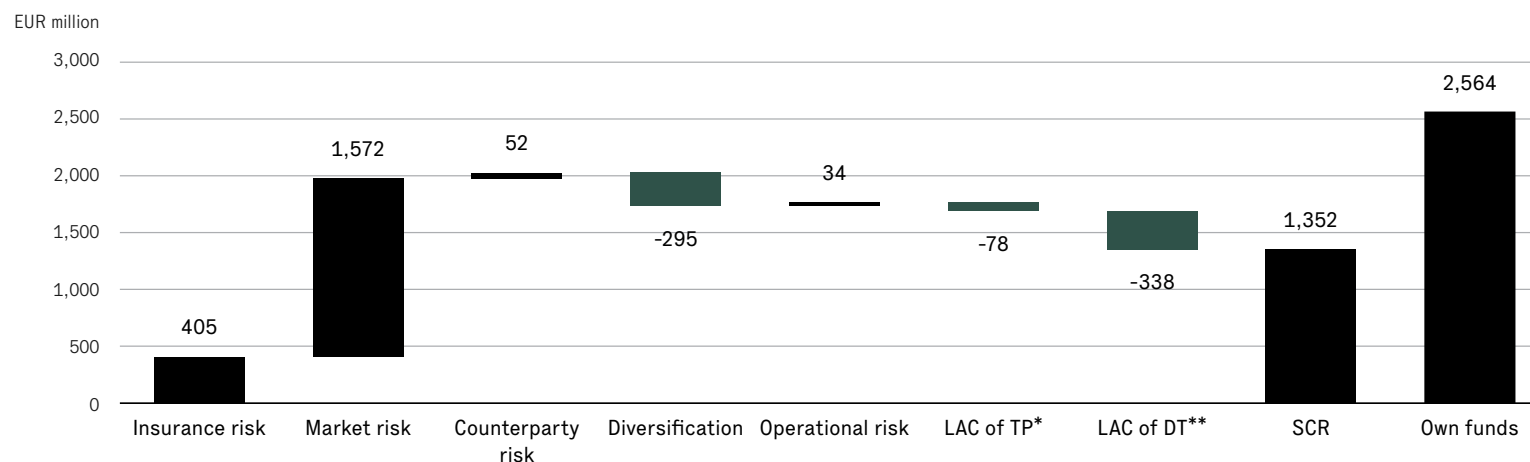
EUR million		
<b>Tier 1</b>	<b>Total</b>	<b>2,315</b>
	Ordinary Share Capital	181
	Reconciliation Reserve	2,034
	Subordinated Liabilities	100
<b>Tier 2</b>	<b>Total</b>	<b>249</b>
	Subordinated Liabilities	249
	Untaxed reserves	0
<b>Tier 3</b>	<b>Total</b>	<b>0</b>
	Deferred tax assets	0
<b>Eligible own funds</b>		<b>2,564</b>

teed interest rate of 3.5 or 4.5 percent. The transitional measure for technical provisions continues until 31 December 2031. The transitional measure on technical provisions increases own funds under Solvency II. Table 3–2 presents the structure of the company's own funds on 31 December 2021, taking into account the transitional measure on technical provisions. The majority of the company's own funds are classified as Tier 1 capital. EUR 249 million of the company's subordinated loans are classified as Tier 2 capital. Overall, the company has EUR 349 million in subordinated loans.

Figure 3–3 presents the Solvency II Capital Requirements (SRC) and own funds at 31 December 2021, taking transitional measures into account. Taking into account the transitional measures, the company's own funds under Solvency II amounted to EUR 2,564 million (2,308), and the corresponding SCR according to Solvency II was EUR 1,352 million (1,230). The solvency ratio (own funds/SCR) was thus 190 percent (188). The majority of SCR results from market risks, the most significant ones being equity risk and credit spread risk. The most significant life insurance risk is the surrender risk for unit-linked contracts and risk insurance, and the most significant biometric risk is the longevity risk of the group pension policies. The minimum capital requirement (MCR) according to Solvency II was EUR 338 million (308). Without the transitional measure on technical provisions, the company's own funds would have been EUR 2,263 million (1,977).

Figure 3–4 presents the development of the solvency ratio since Solvency II entered into force. The company's strategic choices and their consequences for the structure of technical provisions play a major role in terms of the expected solvency position. Business based on unit-linked policies

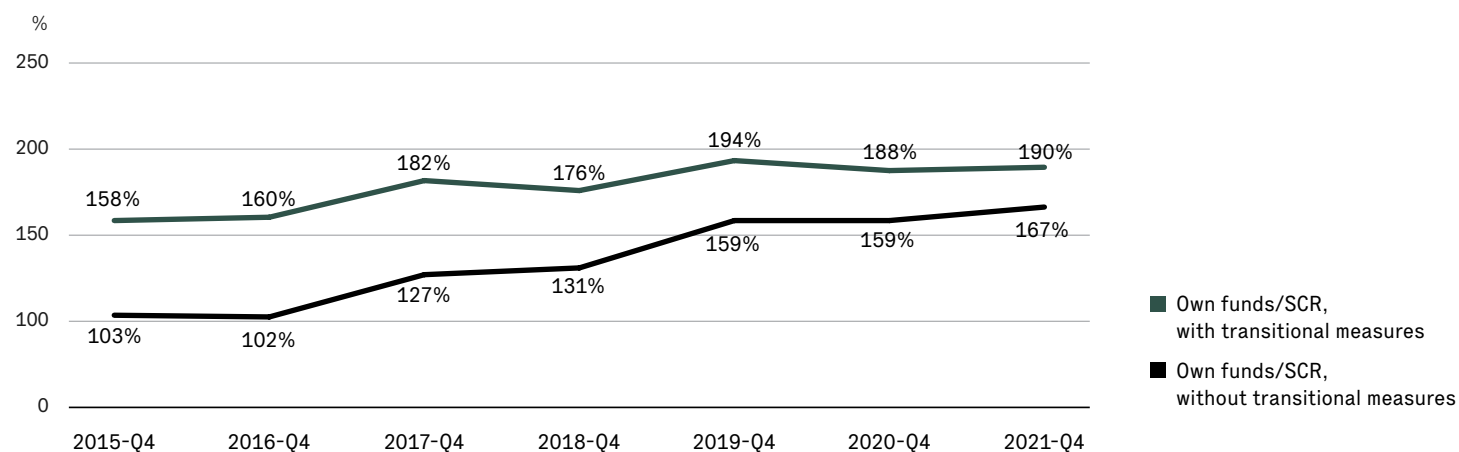
**Figure 3–3 Solvency II Capital Requirements (SCR) and own funds, 31 December 2021, taking transitional measures into account**  
(LAC = loss absorbing capacity)

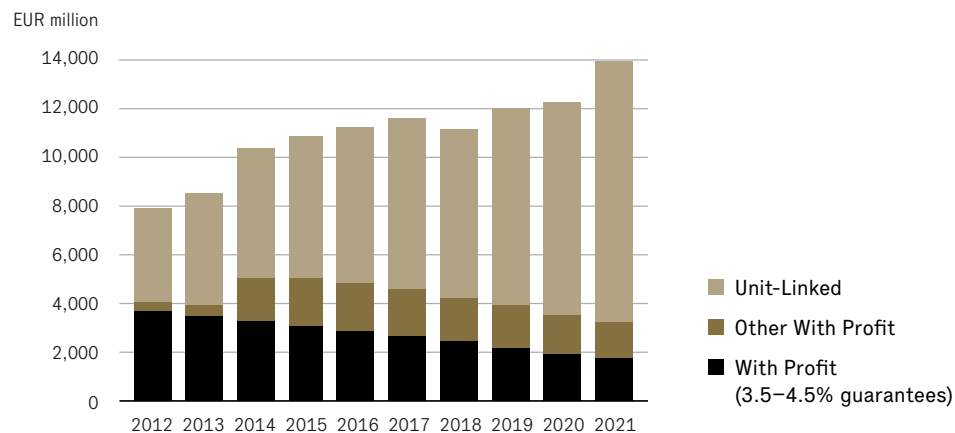
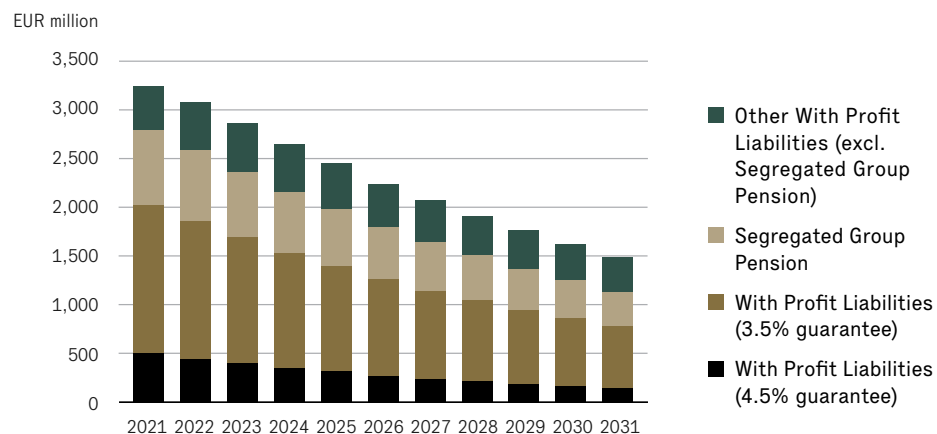


\*Loss absorbing capacity of technical provisions

\*\*Loss absorbing capacity of deferred taxes

**Figure 3–4 Development of solvency ratio, 1 January 2016–31 December 2021**



**Figure 3–5 Development of with-profit and unit-linked liabilities 2012–2021****Figure 3–6 Prognosis of existing with-profit liabilities 2021–2031 without new sales**

has been the company's focal area since 2001. Since then, unit-linked technical provisions have grown, as shown in Figure 3–5. In contrast, the trend of original with-profit technical provisions has been downward since 2005. The parts of technical provisions with the highest guarantees, i.e. 4.5 and 3.5 percent, have especially decreased. Liabilities with the highest guarantees fell by EUR 164 million during 2021. In total, the with-profit technical provisions decreased by EUR 274 million to EUR 3,247 million (3,521). The development of the structure and amount of the company's liabilities is shown in Figure 3–5.

In the company's view, the calculation according to the transitional measures gives a good picture of the company's solvency position. The company's balance sheet and its risk profile are expected to change significantly over the course of the transitional periods. The majority of the solvency capital requirements stem from the with-profit technical provisions and the assets covering them. Especially the company's original with-profit insurance policies with a guaranteed interest rate of 3.5 and 4.5 percent tie up capital, and the liabilities for these insurance policies are expected to decrease from the current EUR 1,730

million to approximately EUR 670 million during the transitional period, as illustrated in Figure 3–6. This trend will strongly reduce the SCR arising from these policies, and the negative impact of these policies on own funds calculated without the transitional measures will simultaneously decrease. Even though the positive impact of the transitional measures will decrease over the course of the transitional period, the solvency position is expected to remain strong as a result of the positive trend in own funds and the decrease in the SCR. Internally, the company monitors and forecasts the solvency ratio both with and without the transitional measures. Both forecasts have an impact on the company's business decisions.

In addition to the Solvency II regulation, which concerns insurance activities, Mandatum Life Fund Management S.A., which is part of the Mandatum Life Group, has its own capital requirements based on relevant legislation.

### 3.2 Internal Monitoring of Solvency Position

Solvency II also creates a framework for the internal monitoring of solvency position. The company-level solvency position monitoring model,

**Table 3–7 Internal risk monitoring framework (risk-bearing-capacity model)**

Solvency ratio with the transitional measures	Solvency ratio without the transitional measures	Guiding principle
>160%	>125%	Normal activities
<160%	<125%	Enhanced monitoring
<145%	<115%	Limited risk-taking
<135%	<107.5%	Reduced risks

the 'risk-bearing-capacity model', is based on the SCR calculated using the Solvency II transitional measures and own funds. In the risk-bearing-capacity model, anticipatory monitoring limits are set for the company's solvency position to enable the company to react early enough to any weakening of its solvency position. There are three monitoring limits, and they take into account the solvency position, both with and without the transitional measures. Table 3-7 presents the applicable monitoring limits and the key guiding principles for different zones.

When the risk-bearing capacity is above the upper monitoring limit, the company's investment operations are guided, as usual, by the Investment Policy and the limits set therein. If the risk-bearing capacity falls below the monitoring limits, the monitoring frequency of the solvency position will be strengthened, the Board of Directors' role in investment operations will be increased, risk-taking will be limited and, in the final phase, the solvency position shall be strengthened either by reducing market risks or by increasing own funds, for example, through capitalization. In practice, the measures depend on the situation at hand and the general market situation. Thus, the actual measures may differ from the principles presented above if the Board of Directors sees fit.

In addition to the company-level risk-bearing-capacity model, the segregated group pension portfolio has its own risk-bearing-capacity monitoring in place. The risk-bearing capacity of the segregated group pension portfolio is based on the buffering effect of the future bonus reserves in the investment risks. The monitoring limits of risk-bearing-capacity monitoring are also based on asset stress tests that have been determined beforehand, and the measures in the case of falling

below the monitoring limits are similar to those in the company-wide risk-bearing-capacity model.

Risk-bearing-capacity models and the monitoring limits contained therein are determined annually in the investment policies decided on by the Board of Directors. The risk-bearing capacities and monitoring limits are reported to the Board of Directors at least monthly.

#### 4. Operational Risks

Operational risk refers to the risk of loss resulting from inadequate or failed processes or systems, from personnel and systems or from external events. This definition includes legal risk but excludes risks resulting from strategic decisions. Risks can materialize due to the following events:

- internal misconduct
- external misconduct
- insufficient human resources management
- insufficiencies in operating policies as far as customers, products or business activities are concerned
- damage to physical property
- interruption of activities and system failures
- defects in the operating process

Realized operational risks may lead to additional expenses, revenue losses, loss of reputation and possibly official sanctions.

##### 4.1 Goal of Operational Risk Management and Governance

The goal of operational risk management is to identify risks ahead of time, manage risks effectively and strive to minimize beforehand the impacts of any realized risks in a cost-effective manner. Business units are responsible for the identification, assessment, monitoring and management

of their own operational risks. The Operational Risk Committee (ORC) monitors and coordinates central issues regarding operational risks, such as policies and recommendations. The Committee ensures that risks are identified and that business units have organized internal control and risk management adequately. The Committee also analyses deviations from operational risk management policies and monitors operational risks identified in the self-assessments as well as the occurred incidents. Significant observations on operational risks are submitted to the Risk Management Committee and to the Board of Directors.

##### 4.2 Operational Risk Identification and Management

Operational risks are identified through several different sources and methods:

1. Self-assessment: Mapping and evaluating the major operational risks and their probabilities and significance are carried out through a regular self-assessment process, including an evaluation of internal controls and sufficiency of instructions.
2. Analysis of risk events: Realized operational risk events and near misses reported by the business units are collected and analyzed by the ORC. Each business unit is responsible for reporting realized operational risk events and near misses in accordance with the company's practices.

Risks recognized in the company's self-assessment process for identifying key operational risks include the following: data governance issues, the ageing of IT and particularly information systems, as well as possible errors in processes that involve considerable manual work stages.

In order to limit operational risks, the company has approved a number of policies including, but not limited to, the Risk Management Policy, Internal Control Policy, Compliance Policy, Security Policies, Continuity Plans, Acquisition and Outsourcing Policy, Complaints Handling Policy and a number of other policies related to ongoing operative activities. Deviations against different policies are followed up in each business unit and reported to the compliance function and risk management function.

The internal control system in processes aims at preventing and identifying negative incidents and minimizing their impact. In addition, realized operational risk events or near misses are analyzed and reported to ORC by the risk management function.

# 3

## **FINANCIAL STATEMENTS 2021**

# Income Statement

Technical account	Note	1 Jan–31 Dec 2021		1 Jan–31 Dec 2020	
<b>Premiums written</b>	2, 3				
Premiums written		1,375,812,470.16		1,058,963,908.66	
Reinsurers' share		-8,803,660.08	1,367,008,810.08	-8,150,682.57	1,050,813,226.09
	6				
Income from investments			736,596,912.06		606,579,969.79
Unrealized increases in the value of investments	6		1,258,500,341.19		440,276,125.42
<b>Claims Incurred</b>	4				
Claims paid		-1,105,111,652.03		-1,126,116,808.39	
Reinsurers' share		1,379,857.13	-1,103,731,794.90	1,517,333.96	-1,124,599,474.43
Change in provision for claims outstanding		-29,924,340.24		29,027,150.22	
Reinsurers' share		485,000.00	-29,439,340.24	258,000.00	29,285,150.22
<b>Total</b>			<b>-1,133,171,135.14</b>		<b>-1,095,314,324.21</b>
Change in the provision for unearned premiums		-1,642,063,535.54		-272,480,457.53	
Reinsurers' share			-1,642,063,535.54		-272,480,457.53
Operating expenses	7		-116,443,744.88		-103,192,903.79
Expenses from investments	6		-206,683,416.47		-335,519,182.15
Unrealized decreases in the value of investments	6		-10,838,518.14		-94,773,816.21
<b>Technical result</b>			<b>252,905,713.16</b>		<b>196,388,637.41</b>



# Income Statement

Non-technical account	Note	1 Jan–31 Dec 2021		1 Jan–31 Dec 2020	
Other expenses					
Other			38.96		17.76
<b>Profit/loss before extraordinary items</b>			<b>252,905,752.12</b>		<b>196,388,655.17</b>
<b>Profit/loss after extraordinary items</b>			<b>252,905,752.12</b>		<b>196,388,655.17</b>
Income taxes					
Taxes for the financial year					
Taxes from previous years		-53,110,510.38		-36,007,878.72	
Deferred taxes		-2,813,265.55		-6,527,371.00	
		5,183,145.15	-50,740,630.78	-2,331,945.80	-44,867,195.52
<b>Profit/loss for the financial year</b>			<b>202,165,121.34</b>		<b>151,521,459.65</b>

# Balance Sheet

ASSETS	Note	31 December 2021		31 December 2020	
<b>Intangible assets</b>	14				
Intangible rights			3,644.18		100,577.24
Other long-term expenses			<b>1,448,812.73</b>		<b>226,968.50</b>
<b>Investments</b>					
Real estate investments	15				
Real estate and real estate shares		68,978,344.59		73,949,041.61	
Loan receivables from Group companies		69,107,500.00		70,855,000.00	
Loan receivables from participating interests			138,085,844.59		144,804,041.61
Investments in Group companies and participating interests					
Group companies	20	9,045,000.00		11,142,850.00	
Equity securities		3,799,167.47		-0.01	
Money market instruments and loan receivables					
Participating interests	20	2,595,180.25	15,439,347.72	2,595,180.25	13,738,030.24
Equity securities					
Other investments	18	1,216,031,707.95		1,454,012,487.94	
Equity securities		2,318,534,879.72		2,635,211,261.85	
Money market instruments		85,457,708.76	3,620,024,296.43	58,505,297.63	4,147,729,047.42
Other loan receivables					
			0.00		0.00
Deposits with ceding undertakings					
<b>Total</b>			<b>3,773,549,488.74</b>		<b>4,306,271,119.27</b>
<b>Investments related to unit-linked insurance</b>	22		<b>10,715,499,025.09</b>		<b>8,772,284,926.43</b>

# Balance Sheet

ASSETS	Note	31 December 2021		31 December 2020	
<b>Receivables</b>					
Direct insurance operations					
From policyholders			892,614.07		2,481,477.35
From reinsurance operations			397,175.81		485,104.04
Other receivables			78,223,802.11		46,148,176.79
Deferred tax assets	30		5,883,561.88		700,416.73
			<b>85,397,153.87</b>		<b>49,815,174.91</b>
<b>Other assets</b>					
Property, plant and equipment					
Equipment and furniture	14	2,665,404.44		2,976,252.77	
Other property, plant and equipment		183,746.43	2,849,150.87	183,746.43	3,159,999.20
Cash and cash equivalents			707,589,458.79		658,229,454.42
			<b>710,438,609.66</b>		<b>661,389,453.62</b>
<b>Prepayments and accrued income</b>					
Interest and rents			21,654,551.80		23,707,635.69
Other prepayments and accrued income	25		17,916,239.57		7,132,117.12
<b>Total</b>			<b>39,570,791.37</b>		<b>30,839,752.81</b>
<b>TOTAL</b>			<b>15,325,907,525.64</b>		<b>13,820,927,972.78</b>

# Balance Sheet

LIABILITIES	Note	31 December 2021	31 December 2020
<b>Equity</b>	26		
Share capital		40,364,765.03	40,364,765.03
Share premium reserve		98,858,828.56	98,858,828.56
Legal reserve		29,853,356.95	29,853,356.95
Other reserves		11,464,367.36	11,464,367.36
Profit/loss from previous years		496,079,319.13	719,557,859.48
Profit/loss for the financial year		202,165,121.34	151,521,459.65
<b>Total</b>		<b>878,785,758.37</b>	<b>1,051,620,637.03</b>
<b>Subordinated loans</b>	29	349,442,048.18	349,249,968.43
<b>Technical provisions</b>			
Provision for unearned premiums	1,487,469,400.94		1,581,095,949.26
Reinsurers' share		1,487,469,400.94	1,581,095,949.26
Provision for claims outstanding	1,759,265,380.03		1,940,001,560.68
Reinsurers' share	-1,490,000.00	1,757,775,380.03	-1,005,000.00
<b>Total</b>		<b>3,245,244,780.97</b>	<b>3,520,092,509.94</b>
<b>Technical provisions relating to unit-linked insurance</b>			
Technical provisions	28	10,711,583,329.29	8,765,232,724.54
<b>Liabilities</b>			
From reinsurance operations		8,202,864.95	7,081,857.09
Other liabilities		63,882,537.24	89,625,687.07
<b>Total</b>		<b>72,085,402.19</b>	<b>96,707,544.16</b>
<b>Accruals and deferred income</b>	31	68,766,206.64	38,024,588.68
<b>TOTAL</b>		<b>15,325,907,525.64</b>	<b>13,820,927,972.78</b>

# Statement of Cash Flows

	31 December 2021	31 December 2020
<b>Operating activities</b>		
Profit (loss) of the ordinary operation / profit (loss) before extraordinary items	252,905,752.12	196,388,655.17
Adjustments		
Change in technical provisions	1,671,502,875.78	243,195,307.31
Impairments and revaluations on investments	-1,268,158,287.51	-313,915,984.57
Unrealized exchange rate gains/losses	-23,710,325.28	35,998,486.52
Depreciation according to plan	527,103.95	1,226,811.73
Other adjustments	-250,932,746.99	-53,946,621.80
Cash flow before change in working capital	382,134,372.07	108,946,654.36
Changes in working capital		
Short-term non-interest-bearing receivables increase (-) / decrease (+)	-30,598,344.57	64,182,396.93
Short-term non-interest-bearing payables increase (+) / decrease (-)	-11,475,957.84	-35,142,714.20
Cash flow from operating activities before financial items and taxes	340,060,069.66	137,986,337.09
Interest and other financial expenses paid	-23,656,787.37	-33,651,892.82
Direct taxes paid	-79,039,253.05	-14,438,795.41
Cash flow before extraordinary items	237,364,029.24	89,895,648.86
<b>Cash flow from operating activities</b>	<b>237,364,029.24</b>	<b>89,895,648.86</b>
<b>Investing activities</b>		
Capital expenditure on investments (excl. cash and cash equivalents)	-4,075,056,106.40	-4,599,820,943.62
Capital gains on investments (excl. cash and cash equivalents)	4,263,201,168.57	4,235,491,274.75
Investments and gains	-1,341,166.79	2,530,680.69
<b>Cash flow from investing activities</b>	<b>186,803,895.38</b>	<b>-361,798,988.18</b>

	31 December 2021	31 December 2020
<b>Cash flow from financing</b>		
Loans	192,079.75	188,499.09
Dividends paid/Interest paid on guarantee capital	-375,000,000.00	0.00
<b>Cash flow from financing</b>	<b>-374,807,920.25</b>	<b>188,499.09</b>
<b>Change in liquid asset</b>	<b>49,360,004.37</b>	<b>-271,714,840.23</b>
<b>Cash and cash equivalents at 1 January</b>	<b>658,229,454.42</b>	<b>929,944,294.65</b>
<b>Cash and cash equivalents at 31 December</b>	<b>707,589,458.79</b>	<b>658,229,454.42</b>
<b>TOTAL</b>	<b>49,360,004.37</b>	<b>-271,714,840.23</b>

# Accounting Policies

The financial statements have been prepared in compliance with the Insurance Companies Act, the Ministry of Social Affairs and Health's decree on the financial statements of insurance companies, and the Financial Supervisory Authority's regulations and guidelines. The financial statements comply with the regulations of the Limited Liabilities Act and the Accounting Act, and with the Accounting Decree insofar as is provided for in the Insurance Companies Act and the Ministry of Social Affairs and Health's decree.

## Foreign Currency Items

Foreign currency receivables, investments and liabilities in the nature of receivables have been translated into euro using the rate issued by the European Central Bank on the balance sheet date. Other investments have been valued at the exchange rate at the time of acquisition or at the lower closing rate on the balance sheet date. In the valuation of stocks in the nature of investment assets, the impact of the exchange rate and the market value has not been presented as separate items. Exchange rate differences in receivables and investments are presented in investment items under other income and expenses from other investments.

## Valuation and Allocation

The acquisition cost includes purchase- and manufacturing-related variable costs.

Intangible assets and equipment are recognized in the balance sheet at acquisition cost less planned depreciation. Other long-term expenses that have been capitalized are renovations of leased premises.

Real estate shares are recognized in the balance sheet at acquisition cost or the lower fair value. Buildings and structures are presented at acquisition cost less the planned depreciation or the lower fair value. Earlier impairments on investments are readjusted to no more than the original acquisition cost and entered through profit or loss if the current value increases. Impairments in real estate investments in the nature of fixed assets are entered based on their materiality and permanency.

Equities and participations in the nature of investment assets are presented at acquisition cost or the lower fair value. The acquisition cost is calculated using the average price. Previously recorded impairments are readjusted to the value of the equities and participations where the fair value exceeds the book value. Equities and participations in the nature of fixed assets are entered at their acquisition cost or the lower fair value if the impairment is considered permanent.

Debt securities consist of bonds and other money market instruments. They are recognized in the balance sheet mainly at acquisition cost. The difference between the nominal value and acquisition cost of debt securities is allocated to interest income with their acquisition cost as the counterpart. Interest income is allocated using the effective interest method over the remaining life of the contract. With this method, interest income is evenly allocated over the remaining life of the financial instrument in relation to the instrument's balance sheet equity. The amortized acquisition cost is lowered only through impairments caused by other than fluctuations in the general interest rate level, and impairments are readjusted if the fair value of the debt security later rises above the reduced acquisition cost to no more than the original acquisition cost.

Receivables and investments in the nature of receivables are presented at their nominal value or at the lower fair value. Credit losses related to the capital of investments in the nature of receivables are treated as impairments.

Derivative contracts are valued at their fair value on the balance sheet date. Negative valuation differences in derivative financial instruments are recognized as an expense, positive valuation differences are not recorded. Hedge accounting is not applied in the parent company's financial

statements that have been prepared in accordance with national rules.

Investments covering unit-linked insurance liabilities are valued in the balance sheet at fair value.

Revaluations of investments in the nature of investment assets, and adjustments thereof, and unrealized appreciation and depreciation of investments covering unit-linked insurances are presented as a separate line under 'Net income from investments.'

The difference between the book value of the investments and the acquisition cost presented in the notes consists of revaluations and the accrual of shares of associated undertakings according to the equity method.

## Depreciation and Amortization

The straight-line depreciation method for planned depreciation is applied to intangible assets and buildings as well as their components, furniture and fixtures based on their estimated economic useful life. If, at the balance sheet date, the estimate differs from a previous estimate, the amortization period is correspondingly adjusted.

Intangible rights	5 years
Goodwill	5–10 years
Goodwill and negative goodwill on consolidation	3–10 years

Other long-term expenses	3–10 years
Residential, office and business premises	40–60 years
Industrial premises and warehouses	30–50 years
Building components	10–15 years
Computer hardware and vehicles	3–5 years
Other equipment	10 years

Depreciation according to plan corresponding to the average economic useful life of the buildings is made annually for revaluations entered as income for buildings belonging to real estate in the nature of investment assets.

### Fair Values

The fair value of financial instruments with reliable markets is the public trading bid price at the closing date or, in the absence of such, the latest closing price. If a published price quotation does not exist for a financial instrument in its entirety, but active markets exist for its component parts, the fair value is determined on the basis of the relevant market prices of the component parts. The fair value of other financial instruments and deposits can be defined using generally accepted valuation methods, and if a reliable fair value cannot be defined using these methods, the fair value can be considered the probable selling price or the amortized or remaining acquisition cost.

Other insurance company shares that do not have a market value are valued at the prudently estimated probable selling price or, in the absence of such, the net asset value. Equities of subsidiaries are valued at their net asset value or remaining acquisition cost and those of associated companies

are valued using the equity method or the net asset value.

Loan receivables and deposits with ceding undertakings are valued at par value or the lower probable value.

The fair values of real estate and real estate shares are determined item by item as prescribed by the Financial Supervisory Authority's regulations, based on the calculations and opinions of the company's own experts and, on a case-by-case basis, on those of external experts.

### Expenses by Function

Internal operating expenses and depreciation are recognized in the income statement according to function. Some of these are allocated directly to the functions, some on the basis of annual working time surveys. Thus, the proportional share of the functions varies annually. Function-specific expenses are presented in the income statement under operating expenses (insurance policy acquisition costs, management expenses, and administrative expenses), claims paid (claims administrative charges), and investment expenses (costs arising from the administration of real estate and other investment activities).

### Other Income and Expenses

The item 'Other income and expenses' includes items that have a clear connection to the group's core operations.

### Taxes and Appropriations

#### Income Taxes

Direct taxes in the income statement are recognized on an accrual basis.

### Deferred Taxes

Deferred tax assets and liabilities are calculated on the temporary differences between taxation and accounting due to amortization and on the differences caused by valuations.

### Accumulated Appropriations

Based on accounting and taxation legislation, provisions with impacts on profit or loss and depreciations above plan can be made. Voluntary provisions and the difference between the depreciation according to plan and the deductible permitted in corporate taxation are recognized in the income statement as their own item under 'appropriations,' and the accumulated difference is recognized in the balance sheet under 'accumulated appropriations.' Appropriations and their accumulations are presented without deducting the deferred tax liability arising from them.

### Technical Provisions

Liabilities arising from insurance policies are recognized as technical provisions. They consist of provisions for unearned premiums and outstanding claims. In the life insurance business, various methods are applied in calculating liabilities which involve assumptions on matters such as mortality, morbidity, the yield level of investments, future operating expenses and the settlement of claims.

Changes in the liabilities of reinsurance have been calculated at variable currency exchange rates.

In direct insurance, the insurance liability is calculated by policy, while in reinsurance it is calculated on the basis of the reports of the ceding company or the company's own bases of calculation.

The interest rate that can be used in discounting liabilities is, at most, the maximum rate accepted by the authorities. The same or a lower interest rate than that used in the premium calculation was used as the interest rate in discounting liabilities. The guaranteed interest used in the direct insurance premium basis varies from zero to 4.5 percent depending on the starting date of the insurance. In discounting the liabilities on the contracts' accrued benefits, Mandatum Life has used the maximum interest rate of 3.5 percent up until the expiry of the contracts. In addition, Mandatum Life has lowered the maximum rate to 0.25 percent for the years 2022–2025 and to 0.75 percent for 2026. The liabilities of the accrued benefits of the group pension insurance portfolio transferred from Suomi Mutual on 30 December 2014 and segregated from the insurance portfolio are discounted by 0.0 percent. Due to the difference in the discount rate of liabilities and the guaranteed interest of 4.5 and 3.5 percent, supplementary provisions for guaranteed interest have been added to the technical provisions.

Mortality assumptions have a material impact on the amount of liability, particularly in group pension insurance, the liability of which accounts for about 28 percent of the technical provisions. A cohort mortality model is used in calculating the group pension liability, incorporating the insured person's birth year in addition to his or her age and sex. The cohort mortality model assumes that life expectancy increases by one year over a ten-year period.

For unit-linked contracts, all the liabilities and the assets covering the unit-linked insurance are matched. The liabilities and assets are presented in the notes to the income statement and the balance sheet.

The provision for claims outstanding is intended to cover the anticipated future payments of all claims incurred. The provision for claims outstanding includes claim payments plus all costs of claim settlements. In calculating the provision for claims outstanding of direct insurance, discounting is applied only in connection with the liabilities of pensions whose payment has commenced. The liabilities of assumed reinsurance are based on the reports of the ceding company and on an estimate of claims which have not yet been settled.

### Liability Adequacy Test

A liability adequacy test is applied separately to all portfolios, and the need for additional reserves is examined on the basis of the adequacy of the full amount of the technical provisions. The test includes all the expected contractual cash flows for non-unit-linked liabilities. The expected contractual cash flows include expected premiums, claims, bonuses and expenses. The claims have been estimated including surrenders and other insurance transactions based on historical data. The amounts of claims include the guaranteed interest and an estimation of future bonuses. The present values of the cash flows are discounted to the balance sheet date using a euro-denominated swap rate curve.

For the unit-linked business, the present values of the insurance risk and expense results are calculated correspondingly. If the aggregate amount of the technical provisions for unit-linked and other business is not adequate, the technical provision is increased by the amount shown by the test and recognized in profit or loss.

### Principle of Fairness

According to Chapter 13, Section 2, of the Finnish Insurance Companies' Act, the Principle of Fairness must be observed in life insurance and investment contracts with a discretionary participation feature (DPF). If the solvency requirements do not prevent it, a reasonable part of the surplus must be returned to these policies as bonuses.

Mandatum Life aims at giving a total return before charges and taxes on policyholders' savings in contracts with a DPF that is at least the yield of those long-term bonds that are considered to have lowest risk. Currently, we consider German government bonds to be the most risk-free, long-term bonds available. For the time being, however, the targeted level of total return corresponds to the yield of 5-year Finnish government bonds in the case of endowment policies and to the yield of 10-year Finnish government bonds in the case of pension insurance policies. The total return consists of the guaranteed interest rate and bonuses that are determined annually. Continuity is pursued in the level of bonuses. The aim is to maintain the company's solvency position at such a level that it limits neither the giving of bonuses to policyholders nor the distribution of profit to shareholders. This policy is described in more detail in the notes to the accounts and on the company's website.

The total bonus of the group pension insurance portfolio transferred from Suomi Mutual to Mandatum Life on 30 December 2014 and segregated from Mandatum Life's insurance portfolio is based on the profit distribution model agreed in the insurance portfolio's transfer plan. The segregated group pension insurance portfolio's profit distribution policy is described in greater detail on the company's website.

### Pension Arrangements

Statutory pension cover has been arranged for personnel under the Employees Pensions Act (TyEL insurance). In addition, the company has supplementary pension security arrangements that are handled by an insurance company. Pension insurance premiums are entered in the income statement on the accrual basis.



# Risk Management Disclosure

## 1. Risk Management Principles

The very nature of insurance operations is the transfer of risk from the policyholder to the insurance company. Risk is therefore an essential and inherent element of Mandatum Life's business activities and operating environment. The purpose of the risk management process is to identify the different risks affecting the business. The risk management process also ensures that different risks can be assessed, limited and controlled.

The most important goals of risk management are to ensure the adequacy of capital in relation to the business risks and to limit fluctuations in financial performance, to ensure efficient and continuous business processes in all circumstances and, for all operations, to limit the risks to the level approved by the Board of Directors.

## 2. Risks Related to the Company's Business Activities

In addition to market risks, the company's main risks from the perspective of solvency capital requirements are longevity risk and surrender risk, which are part of underwriting risk. In addition, operational and business risks are inherent in terms of the company's operations and continuity.

Life insurance business carries and manages risks originating from insurance events and liabilities. There are random fluctuations in the

frequency and size of insurance events. The majority of with-profit life insurance business risks and result arise from investment activities. The return on assets should cover, in the long term, at least the guaranteed interest rate, bonuses based on the principle of fairness and the shareholders' return expectations. Other profit elements are generated from carrying insurance risk and expense risk. The insurance risk result is the assumed claims in premium calculations less the actual claims. The expense result is the expense charges from policies less the actual expenses.

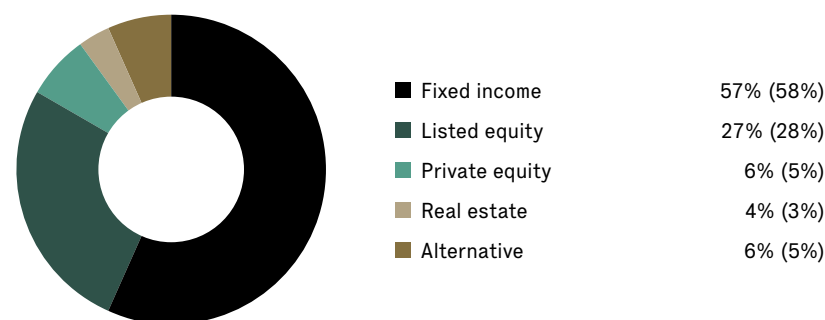
## 3. Market Risks and Their Risk Management

Market risks refer to impacts on the company's result or solvency caused by changes in the market values of financial assets and liabilities and technical provisions. Market risks are examined from both an Asset Liability Management (ALM) as well as an investment portfolio risk perspective. The company's market risks arise mainly from investments in equities and interest rate risk arising from fixed income assets and with-profit liabilities.

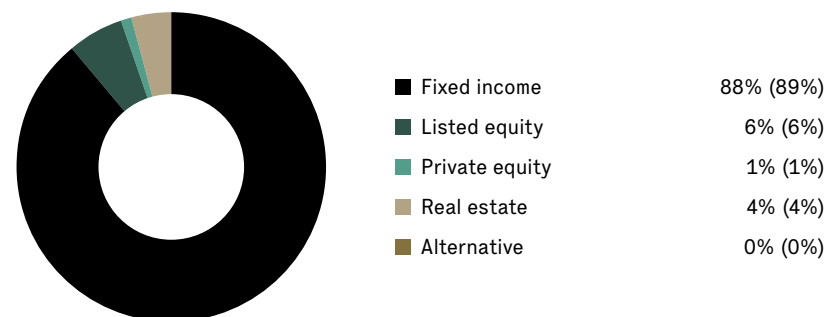
The approach to market risk management is based on the technical provisions' expected cash flows, the interest level and the valid solvency position. A common feature for all elements

**Figure 3–1 Allocation of Investments, 31 December 2021**  
(figures of the comparison year in parentheses)

Original portfolio EUR 4,432 million (4,603)



Segregated portfolio EUR 801 million (930)



of with-profit liabilities is the guaranteed rate and bonuses. The cash flows of the company's liabilities are relatively well predictable because in most with-profit policies, surrenders and extra investments are not possible.

The Board of Directors annually approves the Investment Policy for both segregated assets (see footnote) and other assets regarding the company's investment risks. The policies in question set principles and limits for investment portfolio activities as well as the risk-bearing-capacity model that is essential for balance sheet management and the monitoring limits to be applied.

Mandatum Life has outsourced the management of its investment operations to Mandatum Asset Management Ltd (MAM), which makes the company's daily investment decisions based on the principles and authorizations laid down in the Investment Policy. However, all major investment decisions – large allocation changes and decisions related to investments that exceed the investment unit's authorizations – are made by the Board of Directors. The Asset Liability Committees (ALCOs) regularly monitor compliance with the principles and limits specified in the Investment Policy and report on investment risks to the Board of Directors. The ALCOs also monitor the company's technical provisions and the riskiness of the assets covering the technical provisions of the segregated group pension portfolio in relation to risk-bearing capacity. The ALCOs report to the Board of Directors if the monitoring limits are not met.

In 2021, the net investment return of Mandatum Life's original portfolio was 10.2 percent (6.5). The total return on the segregated group pension portfolio was 2.9 percent (1.5). Figure 3–1 shows the total investments for original and segregated

portfolios separately on 31 December 2021 and 31 December 2020.

### 3.1 Equity Risks

Equity price risk is the risk of losses due to changes in share prices. At year-end, the company's listed equity investments for the original portfolio amounted to EUR 1,181.7 million (1,277.2). Listed equity investments for the segregated portfolio amounted to EUR 51.4 million (58.2).

The equity portfolio is actively managed. The positions and risks in the equity portfolio and the related derivatives may not exceed the limits set in the Investment Policy. The developed market equity portfolio is managed mainly by MAM while the emerging market equity investments are mainly managed through external asset managers. Figure 3–2 presents the geographical allocation of listed equity investments for both portfolios.

Section 4.5 contains a list of the ten largest equity investments while a breakdown of direct listed equity investments by industries is shown in section 5.

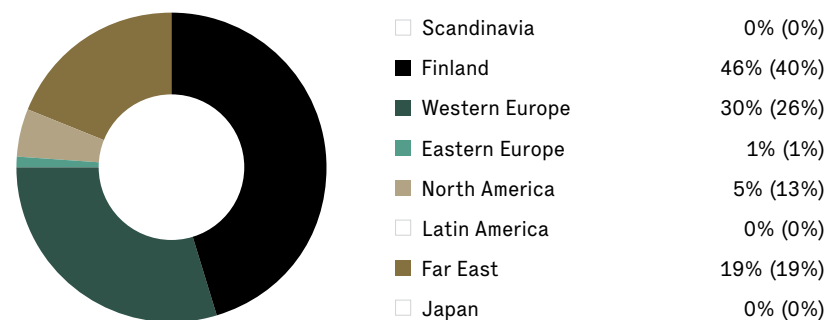
### 3.2 Risks Related to Fixed Income Investments

The company's risks related to fixed income investments include interest rate risk related to changes in market interest rates and spread risk arising from changes in the credit spreads of fixed income investments.

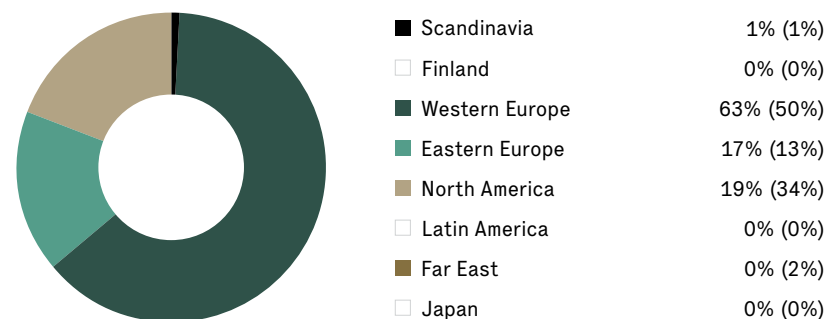
The most significant interest rate risk in the life insurance business is that fixed income investments will not, over a long period of time, generate a return at least equal to the guaranteed interest rate of with-profit liabilities. The probability of this risk increases when market interest rates fall and remain at a low level. According to the

**Figure 3–2 Geographical allocation of listed equity investments, 31 December 2021 (figures of the comparison year in parentheses)**

#### Original portfolio EUR 1,182 million (1,277)



#### Segregated portfolio EUR 51 million (58)



\*Mandatum Life received Suomi Mutual's with-profit group pension portfolio in 2014. Due to its special characteristics, the portfolio and related assets have been segregated (segregated group pension portfolio or segregated assets) from the rest of the company's balance sheet. The segregated portfolio has its own profit-sharing principles, as well as its own investment limits and ALCO. The with-profit liabilities that are not part of the liabilities related to the segregated group pension portfolio are referred to as the 'original with-profit liabilities' in this risk management disclosure.

company's Investment Policy, the interest rate risk and inflation risk of technical provisions must be taken into account when defining the composition of investment assets. The company's duration gap between technical provisions and fixed income investments is constantly monitored and managed. Control levels based on internal capital models are used to manage and ensure adequate capital in different market situations.

The average duration of the company's original portfolio's liabilities (excluding unit-linked liabilities) was around eleven years at year-end and for the segregated portfolio around eleven years.

The duration of the fixed income investments covering the original with-profit technical provisions as per 31 December 2021 was 2.0 years (2.7) and the duration of the segregated assets was 2.5 years (3.1).

When it comes to with-profit liabilities, Mandatum Life has prepared for low interest rates by, for example, reducing the guaranteed interest rate in new contracts and supplementing the reserve for decreased discount rates. In addition, existing contracts have been changed to accommodate improved management of reinvestment risk, and the liabilities have been supplemented by the reserve for decreased discount rates. More information about the reserve can be found in the Insurance Risks section.

The majority of the company's fixed income investments are made in debt instruments issued by corporations. This increases the risk arising from increased credit spreads which, in turn, lead to value alterations.

Table 3-3 illustrates the breakdown of the fixed income investments by type of instrument as well as their average maturity. The maturity measures the company's spread risk exposure better than the

**Table 3-3 Fixed income investments by type of instrument, 31 December 2021 and 31 December 2020**

Original assets	31 December 2021		31 December 2020	
	% of Fixed income portfolio	Average maturity	% of Fixed income portfolio	Average maturity
Money market securities and cash	19.7%	0.0	16.0%	0.0
Government bonds	0.0%	0.0	0.0%	0.0
Covered bonds	0.0%	0.0	0.0%	0.0
Investment grade bonds and loans	29.0%	2.9	32.5%	3.6
High yield bonds and loans	40.6%	3.2	41.0%	3.2
Asset backed securities	0.0%	0.0	0.0%	0.0
Subordinated / T2 -type	4.5%	2.9	4.1%	3.9
Subordinated / T1 -type	6.2%	4.1	6.3%	4.7
Interest rate derivatives	0.0%	-	0.0%	-
<b>Total</b>	<b>100.0%</b>	<b>2.5</b>	<b>100.0%</b>	<b>2.9</b>

Segregated assets	31 December 2021		31 December 2020	
	% of Fixed income portfolio	Average maturity	% of Fixed income portfolio	Average maturity
Money market securities and cash	12.4%	0.0	10.0%	0.0
Government bonds	0.0%	0.0	0.0%	0.0
Covered bonds	0.0%	0.0	1.4%	4.0
Investment grade bonds and loans	45.7%	3.3	51.7%	3.7
High yield bonds and loans	30.6%	3.8	25.6%	3.6
Asset backed securities	0.0%	0.0	0.0%	0.0
Subordinated / T2 -type	5.0%	3.1	4.2%	4.0
Subordinated / T1 -type	6.3%	4.3	7.1%	6.8
Interest rate derivatives	0.0%	-	0.0%	-
<b>Total</b>	<b>100.0%</b>	<b>3.1</b>	<b>100.0%</b>	<b>3.6</b>

duration. This is true especially when it comes to floating interest rate investments. Table 4–1 shows the breakdown of investment assets by instrument based on industry and credit rating.

At the end of 2021, the share of money market investments in the original policies' fixed income portfolio rose to 19.7 percent (16.0), and the share of investment-grade fixed income investments fell to 29.0 percent (32.5). Also, the share of high-yield fixed income investments fell to 40.6 percent (41.0). The share of money market investments in the segregated policy's fixed income portfolio rose to 12.4 percent (10.0). The share of investment grade fixed income investments fell to 45.7 percent (51.7). The share of high-yield fixed income investments in the segregated policy rose to 30.6 percent (25.6).

### 3.3 Currency Risks

The with-profit technical provisions resulting from direct investments consist entirely of euro-denominated investments. Currency risk therefore arises from investments made outside the euro zone. Open currency positions are managed within the limits imposed by the Investment Policy. Table 3–4 shows the net currency exposures (net assets) for original and segregated portfolios on 31 December 2021 and 31 December 2020.

### 3.4 Other Market Risks

In addition to interest rate, equity and currency risks, the company's investment assets are also subject to risks resulting from real estate, private equity fund and other alternative investments. The company's Investment Policy sets limits for the maximum allocations to these markets and products. On 31 December 2021, the share of the above-mentioned investments of the original insurance portfolios was 16.4 percent (14.0) and of

**Table 3–4 Net currency exposure, 31 December 2021 and 31 December 2020**

#### Transaction risk position, original assets, 31 December 2021 and 31 December 2020

Base currency, EUR million	USD	JPY	GBP	SEK	NOK	CHF	DKK	Other	Net total
Technical provisions	0.0	0.0	0.0	-0.9	0.0	0.0	0.0	0.0	-0.9
Investments	502.0	0.0	127.0	60.4	10.1	48.5	24.8	213.9	986.8
Derivatives	-483.0	0.0	-124.0	-57.6	-9.0	-42.6	-24.1	-122.4	-862.6
<b>Total transaction risk, net position</b>	<b>19.1</b>	<b>0.0</b>	<b>2.9</b>	<b>1.9</b>	<b>1.1</b>	<b>5.9</b>	<b>0.7</b>	<b>91.5</b>	<b>123.2</b>

Base currency, EURm	USD	JPY	GBP	SEK	NOK	CHF	DKK	Other	Net total
Technical provisions	0.0	0.0	0.0	-1.2	0.0	0.0	0.0	0.0	-1.2
Investments	580.4	1.7	98.1	62.6	41.2	54.6	18.3	224.9	1,081.9
Derivatives	-587.9	-4.0	-95.7	-57.0	-40.1	-51.8	-20.0	-118.2	-974.6
<b>Transaction risk, net position</b>	<b>-7.5</b>	<b>-2.3</b>	<b>2.4</b>	<b>4.4</b>	<b>1.1</b>	<b>2.8</b>	<b>-1.7</b>	<b>106.8</b>	<b>106.1</b>

#### Transaction risk position, segregated assets, 31 December 2021 and 31 December 2020

Base currency, EUR million	USD	JPY	GBP	SEK	NOK	CHF	DKK	Other	Net total
Technical provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments	36.3	0.0	18.4	0.0	0.4	6.6	1.4	0.3	63.5
Derivatives	-34.9	0.0	-17.8	0.0	0.0	-5.8	-1.3	0.0	-59.8
<b>Total transaction risk, net position</b>	<b>1.4</b>	<b>0.0</b>	<b>0.6</b>	<b>0.0</b>	<b>0.4</b>	<b>0.8</b>	<b>0.0</b>	<b>0.3</b>	<b>3.6</b>

Base currency, EUR million	USD	JPY	GBP	SEK	NOK	CHF	DKK	Other	Net total
Technical provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments	36.8	0.0	13.3	0.0	6.3	6.3	0.0	1.4	64.0
Derivatives	-36.4	0.0	-13.1	0.0	-6.0	-4.6	0.0	0.0	-60.2
<b>Total transaction risk, net position</b>	<b>0.4</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.3</b>	<b>1.7</b>	<b>0.0</b>	<b>1.4</b>	<b>3.9</b>

Table 3–5 Concentration of market and credit risks in individual counterparties by asset class, 31 December 2021 and 31 December 2020

## 31 December 2021

Issuer, EUR million	Total market value	% of total investment assets	Cash & short-term fixed income	Long-term fixed income, total	Long-term fixed income: Government guaranteed	Long-term fixed income: Covered bonds	Long-term fixed income: Senior bonds	Long-term fixed income: Tier 1 and Tier 2	Equities	Uncollateralized part of derivatives
BNP Paribas	208.4	0.0	181.5	26.9	0.0	0.0	26.9	0.0	0.0	0.0
Nordea Bank	204.0	0.0	180.1	23.8	0.0	0.0	5.1	18.7	0.0	0.0
Skandinaviska Enskilda Banken	151.0	0.0	147.2	3.7	0.0	0.0	0.0	3.7	0.0	0.0
Danske Bank	94.9	0.0	76.6	18.3	0.0	0.0	11.1	7.2	0.0	0.0
Vattenfall	81.6	0.0	0.0	81.6	0.0	0.0	0.0	81.6	0.0	0.0
Vaisala	78.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	78.1	0.0
Fortum	51.1	0.0	0.0	27.4	0.0	0.0	27.4	0.0	23.8	0.0
OP Pohjola	48.8	0.0	0.0	48.8	0.0	0.0	37.0	11.8	0.0	0.0
Trevian Finland Properties I	46.1	0.0	0.0	46.1	0.0	0.0	46.1	0.0	0.0	0.0
UPM-Kymmene	43.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	43.9	0.0
<b>Total top 10 exposures</b>	<b>1,007.8</b>	<b>0.2</b>	<b>585.5</b>	<b>276.7</b>	<b>0.0</b>	<b>0.0</b>	<b>153.6</b>	<b>123.1</b>	<b>145.7</b>	<b>0.0</b>
Other	4,225.6	0.8								
<b>Total investment assets</b>	<b>5,233.5</b>	<b>1.0</b>								

## 31 December 2020

Issuer, EUR million	Total market value	% of total investment assets	Cash & short-term fixed income	Long-term fixed income, total	Long-term fixed income: Government guaranteed	Long-term fixed income: Covered bonds	Long-term fixed income: Senior bonds	Long-term fixed income: Tier 1 and Tier 2	Equities	Uncollateralized part of derivatives
BNP Paribas	185.3	0.0	157.7	27.6	0.0	0.0	27.6	0.0	0.0	0.0
Nordea Bank	156.4	0.0	125.9	30.4	0.0	0.0	5.2	25.3	0.0	0.0
Danske Bank	130.7	0.0	111.6	18.3	0.0	0.0	11.1	7.2	0.0	0.8
Skandinaviska Enskilda Banken	120.6	0.0	117.1	3.4	0.0	0.0	0.0	3.4	0.0	0.0
Vattenfall	82.4	0.0	0.0	82.4	0.0	0.0	0.0	82.4	0.0	0.0
Vaisala	59.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	59.1	0.0
OP Pohjola	56.8	0.0	0.0	56.8	0.0	0.0	39.4	17.4	0.0	0.0
Evergood 4 ApS	52.7	0.0	0.0	52.7	0.0	0.0	52.7	0.0	0.0	0.0
TDC	51.3	0.0	0.0	51.3	0.0	0.0	51.3	0.0	0.0	0.0
Lassila & Tikanoja	47.8	0.0	0.0	3.1	0.0	0.0	3.1	0.0	44.8	0.0
<b>Total top 10 exposures</b>	<b>943.2</b>	<b>0.2</b>	<b>512.4</b>	<b>326.1</b>	<b>0.0</b>	<b>0.0</b>	<b>190.3</b>	<b>135.7</b>	<b>103.9</b>	<b>0.8</b>
Other	4,591.1	0.8								
<b>Total investment assets</b>	<b>5,534.4</b>	<b>1.0</b>								

Table 3–6 Ten largest direct listed equity investments, 31 December 2021 and 31 December 2020

The 10 largest listed equity investments	Total, EUR million	% of total direct listed equity investments
Vaisala	78.1	9.9%
UPM-Kymmene	43.9	5.5%
Lassila & Tikanoja	40.0	5.0%
Terveystalo	37.0	4.7%
F-Secure	33.7	4.3%
Caverion	33.2	4.2%
Musti Group	32.5	4.1%
Uponor	30.9	3.9%
Metso Outotec	29.0	3.7%
Nanoform Finland	26.9	3.4%
<b>Total top 10 exposures</b>	<b>385.1</b>	<b>48.6%</b>
Other direct listed equity investments	407.3	51.4%
<b>Total direct listed equity investments</b>	<b>792.4</b>	<b>100.0%</b>

Ten largest listed equity investments	Total market value, EUR million	% of total direct listed equity investments
Vaisala	59.1	6.6%
Lassila & Tikanoja	44.8	5.0%
Tikkurila	44.1	5.0%
UPM-Kymmene	40.0	4.5%
Nanoform Finland	33.3	3.7%
Musti Group	31.4	3.5%
Terveystalo	31.3	3.5%
Uponor	30.6	3.4%
Caverion	30.2	3.4%
F-Secure	26.0	2.9%
<b>Total top 10 exposures</b>	<b>370.9</b>	<b>41.6%</b>
Other direct listed equity investments	520.5	58.4%
<b>Total direct listed equity investments</b>	<b>891.4</b>	<b>100.0%</b>

Table 3–7 Ten largest high-yield and non-rated fixed income investments, 31 December 2021 and 31 December 2020

Ten largest high yield and not rated fixed income instruments	Rating	Total market value, EUR million	% of total direct fixed income investments
Trevian Finland Properties I	NR	46.1	1.5%
TDC	B	43.2	1.4%
Pohjolan Voima	NR	37.4	1.2%
Sponda	NR	35.0	1.1%
Teollisuuden Voima	BB	28.4	0.9%
EQ FIN Real Estate	NR	26.0	0.8%
Granite DEBTCO 9 LTD	NR	25.8	0.8%
Huhtamäki	NR	23.0	0.7%
EG Group	B-	18.9	0.6%
Intrum	BB	18.3	0.6%
<b>Total top 10 exposures</b>		<b>302.2</b>	<b>9.8%</b>
Other direct fixed income investments		2,789.1	90%
<b>Total direct fixed income investments</b>		<b>3,091.2</b>	<b>100%</b>

Ten largest high yield and not rated fixed income instruments	Rating	Total market value, EUR million	% of total direct fixed income investments
Evergood 4 ApS	B+	52.7	1.6%
TDC	B	51.3	1.5%
Trevian Finland Properties I	NR	46.9	1.4%
Sponda	NR	44.6	1.3%
Pohjolan Voima	NR	36.7	1.1%
Teollisuuden Voima	BB	27.2	0.8%
Special Investment Fund eQ Finnish Real Estate	NR	25.3	0.8%
Huhtamäki	NR	23.0	0.7%
YIT	NR	20.5	0.6%
European Directories BondCo	NR	20.5	0.6%
<b>Total top 10 exposures</b>		<b>348.6</b>	<b>10.5%</b>
Other direct fixed income investments		2,974.6	90%
<b>Total direct fixed income investments</b>		<b>3,323.2</b>	<b>100%</b>

the segregated group pension policies 5.2 percent (4.6) of the total investment portfolio.

Private equity funds and alternative investments are managed by external asset managers. The private equity fund portfolio is diversified according to both fund style and geographical area. Alternative investments are placed both directly into individual funds and into funds of funds in order to attain sufficient diversification between funds and investment styles.

The company's real estate portfolio is managed by MAM's real estate management unit. The portfolio includes direct and indirect investments, such as real estate funds and shares in real estate companies in accordance with the decided allocation. The main risks related to property investments are limited by diversifying holdings both geographically and by type of property.

### 3.5 Concentration Risk of Investment Operations

The company's Investment Policy sets limits for investments in individual companies. When setting the limits, the primary aspects to be taken into account are the company's estimate of the investment's credit risk and the corresponding amount of tied-up capital. The public information available on the investment object, such as credit ratings, also affect the maximum amount of the investment limit. Risk concentrations are monitored continuously. Table 3–5 shows market and credit risk concentrations in individual counterparties by asset class.

Table 3–6 illustrates the ten largest equity investments separately and their proportion of the total direct equity investments. In addition to Finnish direct equity investments, the company invests in foreign equities through investment

funds and ETFs, and as direct equity investments. Furthermore, the largest exposures of high-yield and non-rated fixed income investments are broken down in Table 3–7.

## 4. Credit Risks

Credit risk is the risk of loss or of an adverse change in the financial situation, resulting from fluctuations in the credit standing of issuers of securities, derivative counterparties or other debtors. Credit risks arise from investments as well as insurance and reinsurance contracts.

In the company, credit risks can materialize as market value losses when credit spreads change unfavorably (spread risk) or as credit losses when issuers of credit instruments or counterparties of financial derivatives or reinsurance transactions fail to meet their financial obligations (default risk). The role of credit risk with the current asset allocation is remarkable from both the risk exposure and risk management perspectives.

In addition to the credit risks associated with investment assets, credit risks arise from reinsurance contracts. Credit risks related to reinsurers arise through reinsurance receivables and through the reinsurers' portion of the liabilities. In the company, credit risks related to reinsurance are relatively low compared to the credit risks associated with investment assets.

Investments in fixed income instruments in the financial sector comprise the largest industry concentration inside the company's investment portfolio.

### 4.1 Credit Risk Management

The selection of direct debt investments is based primarily on 'bond-picking' and secondarily on top-down allocation. This investment style may

lead to a situation where the portfolio is not as diversified as the finance theory suggests but includes thoroughly analyzed investments with a focus on risk-return ratios. Critical success factors for making fixed income investments are considered to be the following:

1. Potential investments must be understood thoroughly. Hence, the creditworthiness of the issuer or counterparty is assessed together with collaterals and other structural details of instruments. Although external credit ratings by rating agencies are used to support the internal assessment, internal assessments are always the most important factor in decision making. Expertise and resources required for making analyses have been continuously developed in investment management units during recent years.
2. When the details of an instrument are understood and the related earnings potential and risks are considered to be in balance, an investment transaction shall be executable at short notice regardless of instrument type. This puts pressure on credit limit structures and procedures that must be at the same time
  - i. flexible enough to facilitate fast decision making regardless of instrument type,
  - ii. well-structured to ensure that investment opportunities are assessed prudently, taking into account the specific features and risks of all investment types and
  - iii. they must restrict the maximum exposure of single name risk to the level that is in balance with the company's risk appetite.
 In recent years, credit limit structures and procedures have been in focus when developing the companies' investment policies.

Credit exposure accumulations over single names and products are monitored regularly at the company level and at Group level to identify unwanted concentrations. Credit exposures are reported to the ALCO and the Board of Directors, for instance, by sector and asset class and within fixed income by rating. Individual issuers' and counterparties' credit ratings are monitored continuously.

Derivatives' counterparty risk is managed and mitigated by bilateral ISDA and CSA agreements.

## 5. Liquidity Risk

Liquidity risk is the risk of the company being unable to realize its investments or other assets in order to settle its financial obligations when they fall due.

A relatively small part of liabilities can be surrendered, and it is therefore possible to forecast short-term cash flows related to claims payments in a reliable manner. In addition, a significant share of the assets is liquid and thus, liquidity risk is currently not significant to the company.

## 6. Insurance Risks

Insurance risks in the life insurance business encompass biometric risks, lapse risk and expense risk. Risk related to the discount rate applied to with-profit liabilities is part of markets risks, but it closely relates to insurance products and is therefore presented as part of insurance risks. This section presents the development of these life insurance risks in 2021. In addition, the section presents the key insurance risk management principles.

Table 4–1 Credit risk positions according to asset classes, sectors and credit ratings, 31 December 2021

EUR million	AAA	AA+ - AA-	A+ - A-	BBB+ - BBB-	BB+ - C	D	Not rated	Fixed income total	Listed equities	Other	Counterparty risk	Total	Change from 31 Dec 2020
Basic Industry	0.0	0.0	0.0	14.9	32.9	0.0	11.2	59.0	74.1	0.0	0.0	133.1	-76.8
Capital Goods	0.0	0.0	4.2	2.1	54.5	0.0	24.8	85.6	126.1	0.0	0.0	211.7	-10.4
Consumer Products	0.0	3.2	17.5	79.2	112.2	0.0	26.8	238.9	155.2	0.0	0.0	394.2	-58.5
Energy	0.0	0.0	0.0	0.0	0.0	0.0	49.0	49.0	9.8	0.3	0.0	59.1	0.4
Financial Institutions	0.0	207.4	590.8	444.9	87.5	0.0	24.2	1,354.8	12.4	5.4	0.0	1,372.6	-120.6
Governments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Government Guaranteed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Health Care	0.0	0.0	1.6	23.4	144.7	0.0	19.9	189.5	119.6	0.0	0.0	309.1	30.3
Insurance	0.0	0.0	16.1	41.3	0.0	0.0	23.0	80.4	9.0	1.0	0.0	90.4	10.7
Media	0.0	0.0	0.0	0.0	4.8	0.0	3.0	7.8	0.0	0.0	0.0	7.8	-6.9
Packaging	0.0	0.0	0.0	0.0	6.0	0.0	23.0	29.0	6.5	0.0	0.0	35.5	-7.9
Public Sector, Other	0.0	0.0	22.9	0.0	0.0	0.0	0.0	22.9	0.0	0.0	0.0	22.9	-0.7
Real Estate	0.0	0.0	0.0	96.8	0.0	0.0	139.5	236.3	0.0	182.0	0.0	418.3	-37.6
Services	0.0	0.0	0.0	66.8	185.4	0.0	67.3	319.4	75.0	3.0	0.0	397.4	-16.2
Technology and Electronics	0.0	0.0	0.0	17.1	9.5	0.0	25.3	52.0	162.0	0.0	0.0	213.9	-34.3
Telecommunications	0.0	0.0	8.2	45.7	69.5	0.0	0.0	123.5	0.5	0.0	0.0	123.9	-15.0
Transportation	0.0	0.0	2.1	10.6	0.0	0.0	6.0	18.7	18.5	0.0	0.0	37.2	-9.4
Utilities	0.0	1.4	0.0	62.6	110.0	0.0	0.0	174.1	23.8	0.0	0.0	197.9	5.7
Others	0.0	0.0	0.0	0.0	18.9	0.0	31.4	50.4	0.0	15.8	0.0	66.2	22.4
Asset-Backed Securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Covered Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-11.9
Funds	0.0	0.0	0.0	0.0	0.0	0.0	139.3	139.3	440.7	562.3	0.0	1,142.4	35.6
Clearing House	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>212.0</b>	<b>663.3</b>	<b>905.4</b>	<b>836.0</b>	<b>0.0</b>	<b>613.8</b>	<b>3,230.6</b>	<b>1,233.1</b>	<b>769.8</b>	<b>0.0</b>	<b>5,233.5</b>	<b>-300.9</b>
<b>Change from 31 Dec 2020</b>	<b>-12.9</b>	<b>-0.9</b>	<b>-26.5</b>	<b>-135.6</b>	<b>-37.8</b>	<b>0.0</b>	<b>-64.9</b>	<b>-278.6</b>	<b>-102.3</b>	<b>81.0</b>	<b>-1.0</b>	<b>-300.9</b>	



## 6.1 Biometric Risks

Biometric risks in life insurance refer mainly to the risk that the company has to pay more mortality, disability or morbidity benefits than expected or the company has to keep paying pension payments to the pension policy holders for a longer time (longevity risk) than expected when pricing the policies. The specific case in which a single event or series of single events of major magnitude leads to a significant deviation in actual benefits and payments from the total expected payments is called catastrophe risk.

The long duration of policies and restriction of the company's right to change policy terms and conditions and tariffs increases biometric risks. If the premiums turn out to be inaccurate and pricing cannot be changed afterwards, liabilities have to be supplemented with an amount corresponding to the expected losses.

Table 6–1 shows the insurance risk result in the company's direct insurance policies, excluding the Baltic business's result. The ratio of the actual claims costs to the assumed was 68 percent in 2021 (73). Sensitivity of the insurance risk result can also be assessed on the basis of the information in the table. For example, a 100 percent increase in mortality would increase the amount of benefit payments from EUR 12.1 million to approximately EUR 24.2 million. The risk result of Baltic business was EUR 1.6 million (1.5).

Longevity risk is the most significant biometric risk in the company. The with-profit group pension portfolio represents most of the longevity risk. With-profit group pension policies have mostly been closed to new members for years, and due to this, the average age of members is relatively high, around 70 years. In the unit-linked group pension and individual pension portfolio, the longevity risk

is less significant because most of these policies are fixed-term annuities including death cover, which mitigate the longevity risk.

The annual longevity risk result and longevity trend are analyzed regularly. For the segregated group pension portfolio, the life expectancy used to calculate the liabilities was revised in 2014, and for the other group pension portfolios, in 2002 and 2007. In total, these changes increased the 2021 liabilities by EUR 71.0 million (78.3), including a EUR 58.2 million (64.8) longevity reserve for the segregated group pension portfolio. The cumulative longevity risk result has been positive since these revisions. The longevity risk result for group pension insurance policies in 2021 was EUR 11.3 million (11.6) positive, after a EUR 7.3 million (7.8) release from the longevity reserve.

The mortality risk result in life insurance is positive. A possible pandemic is seen as the most significant risk that could adversely affect the mortality risk result, although the Covid-19 pandemic has not really had a negative impact on the development of the company's mortality risk result. This is largely due to the fact that the impacts of the disease more often affect the elderly, who generally no longer have risk life insurance.

The insurance risk result of other biometric risks has been profitable in total, although the different risk results differ considerably. In the longer term, disability and morbidity risks are mitigated by the company's right to raise insurance premiums for existing policies in case the claims experience deteriorates.

The insurance portfolio of the company is relatively well diversified and does not include major concentration risks. To further mitigate the effects of possible risk concentrations, the company has catastrophe reinsurance in place.

**Table 6–1 Claims ratios after reinsurance 2020 and 2021**

EUR million	2021			2020		
	Risk income	Claims expense	Claims ratio	Risk income	Claims expense	Claims ratio
<b>Life insurance</b>	<b>47.3</b>	<b>17.3</b>	<b>37%</b>	<b>47.4</b>	<b>24.2</b>	<b>44%</b>
Mortality	28.2	12.1	43%	28.5	14.3	36%
Morbidity and disability	19.1	5.3	28%	19.0	9.9	52%
<b>Pension</b>	<b>83.5</b>	<b>72.1</b>	<b>86%</b>	<b>87.8</b>	<b>74.7</b>	<b>95%</b>
Individual pension	14.0	14.6	104%	14.4	13.7	95%
Group pension	69.4	57.4	83%	73.4	61.0	83%
Mortality (longevity)	67.9	56.6	83%	71.5	59.9	84%
Disability	1.6	0.9	54%	1.9	1.1	59%
<b>Total</b>	<b>130.8</b>	<b>89.4</b>	<b>68%</b>	<b>135.2</b>	<b>99.0</b>	<b>73%</b>

## 6.2 Discount Rate Risk in the Liabilities

Discount rate risk applied in with-profit liabilities is the main risk affecting the adequacy of liabilities for insurance contracts. The guaranteed interest rate in policies is fixed for the whole policy period. Thus, if market interest rates and expected investment returns fall, liabilities may have to be supplemented.

In most of the original with-profit policies, the guaranteed interest rate is 3.5 percent. In individual policies sold in Finland before 1999, the guaranteed interest rate is 4.5 percent, which is also the statutory maximum discount rate. With respect to these policies, the maximum discount rate used when discounting liabilities has been decreased to 3.5 percent. As a result, liabilities were supplemented with EUR 32.4 million in 2021 (35.0). In addition, EUR 241.6 million has been reserved to lower the interest rate of with-profit liabilities to 0.25 percent in 2022–2025, and to 0.75 percent in 2026, i.e. the company has set up an extra reserve

of EUR 274.0 million (218.1) as part of liabilities for insurance contracts.

The guaranteed interest rate for the segregated group pension policies is mainly 3.5 percent. From a risk management perspective, it is more important that the discount rate for the technical provisions is 0.0 percent. The liabilities calculated with 3.5 percent (so-called basic provision) total EUR 485.1 million (565.1) and the liabilities calculated with 0.0 percent supplement this basic provision by EUR 183.5 million (232.3). The increase in the future bonus reserves plays a significant role in the risk management of the segregated portfolio. This provision totals EUR 82.4 million (77.7) which can be used to cover possible investment losses or to finance possible changes in the discount rate of segregated liabilities.

The liabilities related to each product type and guaranteed interest rates are shown in Table 6–2. The table also shows the change in each category in 2021.

Table 6–2 Analysis of the change in liabilities before reinsurers' share

EUR million	Liability 2020	Premiums	Claims paid	Expense charges	Guaranteed interest	Bonuses	Other	Liability 2021	Share %
<b>Mandatum Life</b>									
<b>Unit-linked, excl. Baltic</b>	<b>8,599.8</b>	<b>1,255.8</b>	<b>-712.8</b>	<b>-94.1</b>	<b>0.0</b>	<b>0.0</b>	<b>1,476.7</b>	<b>10,525.5</b>	<b>75%</b>
Individual pension insurance	1,575.5	54.0	-22.8	-21.1	0.0	0.0	191.9	1,777.5	13%
Individual life	2,285.2	110.7	-134.7	-20.2	0.0	0.0	254.3	2,495.3	18%
Capital redemption operations	3,518.3	999.4	-515.7	-29.2	0.0	0.0	748.2	4,721.0	34%
Group pension	1,220.7	91.7	-39.6	-23.5	0.0	0.0	282.4	1,531.7	11%
<b>With profit and others, excl. Baltic</b>	<b>3,509.5</b>	<b>95.2</b>	<b>-370.7</b>	<b>-30.4</b>	<b>90.0</b>	<b>12.2</b>	<b>-69.4</b>	<b>3,236.4</b>	<b>23%</b>
<b>Group pension insurance. segregated portfolio</b>	<b>875.1</b>	<b>2.2</b>	<b>-48.3</b>	<b>-0.8</b>	<b>18.5</b>	<b>12.2</b>	<b>-107.9</b>	<b>751.0</b>	<b>5%</b>
Basic liabilities. guaranteed rate 3.5%	565.1	2.2	-48.3	-0.8	18.5	12.2	-63.8	485.1	3%
Reserve for decreased discount rate (3.5% → 0.0%)	232.3	0.0	0.0	0.0	0.0	0.0	-48.8	183.5	1%
Future bonus reserves	77.7	0.0	0.0	0.0	0.0	0.0	4.7	82.4	1%
<b>Group pension</b>	<b>1,525.4</b>	<b>23.4</b>	<b>-171.1</b>	<b>-3.3</b>	<b>45.0</b>	<b>0.0</b>	<b>-22.4</b>	<b>1,396.9</b>	<b>10%</b>
Guaranteed rate 3.5 %	1,233.5	0.0	-135.1	-1.6	41.3	0.0	-9.5	1,128.6	8%
Guaranteed rate 2.5 % . 1.5% or 0.0 %	291.9	23.4	-36.0	-1.7	3.7	0.0	-12.9	268.3	2%
<b>Individual pension insurance</b>	<b>609.4</b>	<b>4.6</b>	<b>-123.5</b>	<b>-3.2</b>	<b>21.7</b>	<b>0.0</b>	<b>41.1</b>	<b>550.1</b>	<b>4%</b>
Guaranteed rate 4.5%	430.3	2.7	-64.7	-2.3	17.3	0.0	-6.2	377.1	3%
Guaranteed rate 3.5%	116.2	1.5	-14.0	-0.6	3.6	0.0	5.6	112.3	1%
Guaranteed rate 2.5% or 0.0%	62.9	0.4	-44.8	-0.3	0.7	0.0	41.8	60.7	0%
<b>Individual life insurance</b>	<b>133.3</b>	<b>30.4</b>	<b>-17.7</b>	<b>-9.4</b>	<b>4.6</b>	<b>0.0</b>	<b>-11.4</b>	<b>129.9</b>	<b>1%</b>
Guaranteed rate 4.5%	47.7	3.8	-2.2	-1.1	2.1	0.0	-1.2	49.1	0%
Guaranteed rate 3.5%	66.3	8.5	-7.9	-2.8	2.2	0.0	-3.2	63.2	0%
Guaranteed rate 2.5% or 0.0%	19.4	18.1	-7.7	-5.5	0.2	0.0	-7.0	17.6	0%
<b>Capital redemption operations</b>	<b>25.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>27.8</b>	<b>0%</b>
Guaranteed rate 3.5%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0%
Guaranteed rate 2.5% or 0.0%	25.8	0.0	0.0	0.0	0.0	0.0	2.0	27.8	0%
<b>Future bonus reserves</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>	<b>0%</b>
<b>Reserve for decreased discount rate</b>	<b>218.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>55.9</b>	<b>274.0</b>	<b>2%</b>
<b>Longevity reserve</b>	<b>78.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-7.3</b>	<b>71.0</b>	<b>1%</b>
<b>Assumed reinsurance</b>	<b>1.5</b>	<b>0.1</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.2</b>	<b>1.1</b>	<b>0%</b>
<b>Other liabilities</b>	<b>42.5</b>	<b>34.5</b>	<b>-9.8</b>	<b>-13.8</b>	<b>0.1</b>	<b>0.0</b>	<b>-19.0</b>	<b>34.6</b>	<b>0%</b>
<b>Total, excl. Baltic</b>	<b>12,109.3</b>	<b>1,351.0</b>	<b>-1,083.4</b>	<b>-124.6</b>	<b>89.9</b>	<b>12.2</b>	<b>1,407.4</b>	<b>13,761.9</b>	<b>99%</b>
<b>Baltic</b>	<b>177.0</b>	<b>24.8</b>	<b>-15.6</b>	<b>-5.1</b>	<b>0.4</b>	<b>0.0</b>	<b>15.0</b>	<b>196.4</b>	<b>1%</b>
Unit-linked liabilities	165.4	22.6	-13.3	-4.4	0.0	0.0	15.7	186.1	1%
Other liabilities	11.6	2.2	-2.3	-0.8	0.4	0.0	-0.7	10.3	0%
<b>Mandatum Life Group total</b>	<b>12,286.3</b>	<b>1,375.8</b>	<b>-1,099.0</b>	<b>-129.6</b>	<b>90.3</b>	<b>12.2</b>	<b>1,422.2</b>	<b>13,958.3</b>	<b>100%</b>

### 6.3 Other Insurance Risks

The most significant other risks arise from the uncertainty related to the behavior of policyholders. The policyholders have the right to cease paying premiums and the possibility to interrupt their policies (lapse risk). Being able to keep lapse and surrender rates at a low level is a crucial success factor, especially for the expense result of unit-linked business. From the ALM point of view, lapse risk is less significant because in the company, approximately 85 percent of with-profit policies are pension policies in which surrender is possible only in exceptional cases. For ALM, surrender risk is therefore only relevant in with-profit investment insurance and capital redemption policies of which the related liabilities amount to only about five percent of the total with-profit liabilities. Furthermore, the supplements to liabilities are not paid out at surrender which also reduces the surrender risk related to the with-profit policies.

The company is also exposed to expense risk, which is a risk that the future operating expenses exceed the level that was anticipated when pricing the insurances. Policy terms and tariffs cannot usually be changed during the lifetime of the policies, which increases the expense risk. The main challenge is to keep the expenses related to insurance administrative processes and complex IT architecture at an efficient level through the contract period of policies. In 2021, the expense result of Mandatum Life's parent company was EUR 28.1 million (22.7). The company does not defer insurance acquisition costs.

### 6.4 Insurance Risk Management and Control

The biometric risks of life insurance policies are managed through careful risk selection, by setting prices to reflect the risks and costs, by setting upper limits for the protection granted and through reinsurance. The Insurance Risk Committee monitors the comprehensiveness and appropriateness of the company's insurance risk management.

Risk selection is a part of the day-to-day business routines in the company. The company's Underwriting Policy sets principles for risk selection and limits for insured sums. The Board of Directors approves the Underwriting Policy, pricing guidelines and the central principles for the calculation of technical provisions.

Reinsurance is used to limit the amount of individual mortality and permanent disability risks. The Board of Directors annually determines the maximum amount of risk to be retained on the company's own account, which for the company is EUR 1.5 million per insured. To mitigate the effects of possible catastrophes, the company participates in catastrophe reinsurance.

The risk result is actively monitored and analyzed thoroughly at least annually. The company measures the efficiency of risk selection and adequacy of tariffs by collecting information about the actual claims expenditure for each product line and each type of risk and by comparing it to the claims expenditure assumed in insurance premiums of every risk cover. The expense risk is managed by continuously monitoring expenses, by improving efficiency and by using an expense charge structure that provides income throughout the policy's life cycle.

Liabilities are analyzed and the possible supplement needs are assessed regularly. The key assumptions related to liabilities are reviewed annually. The adequacy of liabilities is tested quarterly. Tariffs for new policies are set, and the underwriting policy and assumptions used in calculating liabilities are updated based on the analysis related to liabilities and risk result.

# Notes to the Income Statement

## 1. INFORMATION CONCERNING THE GROUP

The company belongs to Mandatum Holding, a sub-group of Sampo plc. The parent company of the Mandatum Holding sub-group is Mandatum Holding Ltd, registered office Helsinki. Copies of Mandatum Holding's financial statements are available from Mandatum's head office, at Bulevardi 56, 00120 Helsinki, Finland. Copies of Sampo plc's consolidated financial statement are available from Sampo plc's group legal affairs department, at Fabianinkatu 27, 00100 Helsinki, Finland.

## 2. PREMIUMS WRITTEN

	2021	2020
Direct insurance		
Finland	1,350,902,671.91	1,036,876,945.53
EEA countries	24,802,189.98	21,833,033.76
Other countries	-	-
Reinsurance	107,608.27	253,929.37
<b>Premiums written before reinsurers' share</b>	<b>1,375,812,470.16</b>	<b>1,058,963,908.66</b>

## 3. DIRECT INSURANCE PREMIUMS WRITTEN

	2021	2020
Life insurance		
Unit-linked individual life insurance	133,325,340.42	111,912,835.93
Other individual life insurance	46,197,802.00	45,218,580.50
Unit-linked capital redemption operations	999,397,210.18	710,953,315.59
Other capital redemption operations	2,275.00	4,250.00
Employees' group life insurance	8,191,018.88	9,665,286.74
Other group life insurance	12,709,594.54	13,584,160.73
<b>Total</b>	<b>1,199,823,241.02</b>	<b>891,338,429.49</b>
Pension insurance		
Unit-linked individual pension insurance	53,967,271.64	53,924,019.62
Other individual pension insurance	4,591,191.65	5,564,296.15
Unit-linked group pension insurance	91,746,135.46	83,518,123.05
Other group pension insurance	25,577,022.12	24,365,110.98
<b>Total</b>	<b>175,881,620.87</b>	<b>167,371,549.80</b>
<b>Direct insurance premiums total</b>	<b>1,375,704,861.89</b>	<b>1,058,709,979.29</b>
Regular premiums	240,062,985.09	232,283,749.22
Single premiums	1,135,641,876.80	826,426,230.07
<b>Direct insurance premiums total</b>	<b>1,375,704,861.89</b>	<b>1,058,709,979.29</b>
Premiums from contracts entitling to a bonus	97,268,904.19	98,401,685.10
Premiums from unit-linked insurance	1,278,435,957.70	960,308,294.19
<b>Direct insurance premiums total</b>	<b>1,375,704,861.89</b>	<b>1,058,709,979.29</b>

**4. CLAIMS PAID**

	2021	2020
Direct insurance		
Life insurance	697,352,167.54	709,553,564.08
Pension insurance	407,527,364.49	416,086,737.92
<b>Total</b>	<b>1,104,879,532.03</b>	<b>1,125,640,302.00</b>
Reinsurance	232,120.00	476,506.39
<b>Claims paid total</b>	<b>1,105,111,652.03</b>	<b>1,126,116,808.39</b>
Of which:		
Surrender benefits	623,672,109.79	624,744,711.89
Maturity benefits	9,024,501.87	14,856,132.91
Other	472,415,040.37	486,515,963.59
<b>Total</b>	<b>1,105,111,652.03</b>	<b>1,126,116,808.39</b>
Unit-linked policies' share of claims paid	726,066,315.22	715,220,579.36

**5. IMPACT OF LIFE AND PENSION INSURANCE DPFs RESERVED DURING THE YEAR ON THE BALANCE ON THE TECHNICAL RESULT**

	2021	2020
<b>Signs according to impact on profit/loss +/-</b>		
Share of the income from investments of the portfolio transferred from Suomi Mutual on 30 Dec 2014 that exceeds the return requirement on technical provisions	-21,035,193.67	-8,874,925.79
Granted client bonuses 1 Jan year + 1	0.00	-222,928.92
Credited interest	-1,140,332.80	-1,262,468.99
Supplementary death cover benefits paid for individual life insurance during the year	-579,184.52	-582,240.17
Supplementary death cover benefits paid for group life insurance during the year	-90,394.81	-293,455.00
Granted premium discounts, group pension insurance	-9,476,123.13	-8,887,695.74
Contractual discounts on individual life insurance	-1,538,134.21	-1,309,903.14
Staff and campaign benefits	-1,384,186.81	-3,218,203.00
Impact of the change in future benefits on profit/loss	146,760.89	-146,760.89
<b>Total</b>	<b>-35,096,789.06</b>	<b>-24,798,581.62</b>

**6. NET INCOME FROM INVESTMENTS**

	2021	2020
<b>INCOME FROM INVESTMENTS</b>		
Returns on investments in group companies		
Dividend income		
Interest income	-23,196.13	169,933.72
Other income	24,815.42	137,914.27
<b>Total</b>	<b>1,619.29</b>	<b>307,847.99</b>
Income on real estate investments		
Dividend income on real estate funds	9,170,721.60	6,528,044.98
Interest income from group companies	2,265,291.09	2,604,819.01
Other income from non-group companies	12,807,814.74	13,924,536.12
<b>Total</b>	<b>24,243,827.43</b>	<b>23,057,400.11</b>
Income from other investments		
Dividend income	183,399,590.22	99,228,350.14
Interest income from non-group companies	98,943,673.16	83,216,590.82
Other income from non-group companies	85,086,293.13	160,362,503.03
<b>Total</b>	<b>367,429,556.51</b>	<b>342,807,443.99</b>
<b>Total</b>	<b>391,675,003.23</b>	<b>366,172,692.09</b>
Impairment reversals	35,309,564.02	21,423,757.55
Sales gains	308,795,700.02	218,610,673.46
Sales gains real estate funds	816,644.79	372,846.69
<b>Income from investments total</b>	<b>736,596,912.06</b>	<b>606,579,969.79</b>
<b>EXPENSES FROM INVESTMENTS</b>		
Expenses from real estate	-13,257,350.02	-14,669,070.10
Expenses from other investments	-119,908,553.65	-102,665,217.24
Interest expenses and other debt-related costs to group companies	-4,060,625.00	-4,323,883.33
Interest expenses and other debt-related costs to non-group companies	-19,277,556.82	-23,486,862.85
<b>Total</b>	<b>-156,504,085.49</b>	<b>-145,145,033.52</b>

	2021	2020
Impairments and depreciations		
Impairments	-14,813,099.56	-53,010,082.19
Losses on sales	-35,366,231.42	-137,364,066.44
<b>Expenses from investments total</b>	<b>-206,683,416.47</b>	<b>-335,519,182.15</b>
<b>Net income from investments before unrealized value changes</b>	<b>529,913,495.59</b>	<b>271,060,787.64</b>
Unrealized increases in the value of investments	1,258,500,341.19	440,276,125.42
Unrealized decreases in the value of investments	-10,838,518.14	-94,773,816.21
<b>Total</b>	<b>1,247,661,823.05</b>	<b>345,502,309.21</b>
<b>Net income from investments in the income statement</b>	<b>1,777,575,318.64</b>	<b>616,563,096.85</b>
<b>Income and expenses from investments include</b>		
Exchange rate differences of investments	4,978,464.96	-31,492,461.37
<b>UNIT-LINKED INSURANCES' SHARE OF NET INCOME FROM INVESTMENTS</b>		
Income from investments	259,760,032.96	183,892,533.47
Expenses from investments	-59,347,136.49	-112,652,727.82
<b>Net income from investments before unrealized changes in the value of investments</b>	<b>200,412,896.47</b>	<b>71,239,805.65</b>
Unrealized increases in the value of investments	1,258,500,341.19	440,276,125.42
Unrealized decreases in the value of investments	-10,838,518.14	-94,773,816.21
	1,247,661,823.05	345,502,309.21
<b>Net income from investments in the income statement</b>	<b>1,448,074,719.52</b>	<b>416,742,114.86</b>

## 7. OPERATING EXPENSES IN THE INCOME STATEMENT

	2021	2020
Insurance acquisition costs		
Direct insurance commissions	4,110,157.63	2,226,030.47
Commission on reinsurance assumed	3.48	555,001.14
Other insurance acquisition costs	21,086,539.05	24,065,540.69
<b>Total</b>	<b>25,196,700.16</b>	<b>26,846,572.30</b>
Change in capitalized acquisition costs of insurance (+/-)		
Insurance policy management expenses	84,293,004.51	66,496,998.23
Administrative expenses	12,742,367.79	15,290,404.31
Commission on reinsurance ceded (-)	-5,788,327.58	-5,441,071.05
<b>Total</b>	<b>116,443,744.88</b>	<b>103,192,903.79</b>

## 8. TOTAL OPERATING EXPENSES BY FUNCTION

	2021	2020
Claims settlement expenses	6,125,980.21	6,193,393.51
Operating expenses	116,443,744.88	103,192,903.79
Investment management expenses	21,463,864.87	12,525,960.25
<b>Total</b>	<b>144,033,589.96</b>	<b>121,912,257.55</b>

## 9. AUDITORS' FEES

	2021	2020
<b>Audit firm Deloitte Oy*</b>		
Auditing fees	303,000.00	270,010.00
Tax consultancy	0	13,411.00
Other consultancy	0	36,004.00
<b>Total</b>	<b>303,000.00</b>	<b>319,425.00</b>

\*In 2021 Audit firm Ernst & Young Oy

**10. STAFF COSTS**

	2021	2020
Wages and salaries	17,979,932.49	15,845,687.85
Pension expenses	2,170,183.90	2,066,269.16
Other social security costs	1,632,878.84	1,424,040.35
<b>Total</b>	<b>21,782,995.23</b>	<b>19,335,997.36</b>

**11. MANAGEMENT'S SALARIES AND REMUNERATIONS, PENSION OBLIGATIONS, LOANS AND THEIR TERMS, AND COLLATERAL AND CONTINGENT LIABILITIES**

	2021	2020
CEO, Deputy CEO, members and deputy members of the Board of Directors		
Wages and salaries	1,144,366.50	547,697.43
<b>Total</b>	<b>1,144,366.50</b>	<b>547,697.43</b>

The CEO's agreed age of retirement is 60. There are no related party loans.

**12. AVERAGE NUMBER OF STAFF DURING THE YEAR**

	2021	2020
Average number of staff during the year	176	179

**13. MATERIAL CHANGES TO THE ACCOUNTING POLICIES AND CORRECTIONS TO ERRORS CONCERNING PREVIOUS FINANCIAL PERIODS AND CHANGES TO THE ESTIMATE CONCERNING TECHNICAL PROVISIONS**

	2021	2020
<b>Impact of the change in the accounting policies related to technical provisions, in the technical provisions:</b>		
Change in the supplementary provision for guaranteed interest	7,121,149.79	-42,428,212.13
Granted client bonuses 1 Jan year + 1	1,384,186.81	3,441,131.91
Provision for surplus pension of the portfolio transferred from Suomi Mutual on 30 Dec 2014	1,570,422.00	1,722,085.43
Impact of the change in future benefits	4,589,778.27	-437,322.25
<b>Total</b>	<b>14,665,536.87</b>	<b>-37,702,317.04</b>

# Notes to the Balance Sheet

## 14. CHANGES IN INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT 2021

	Intangible rights	Other long-term expenses	Equipment and furniture	Total
Acquisition cost at 1 January	2,297,076.01	3,038,016.83	4,733,874.37	10,068,967.21
Additions		1,275,708.72	65,484.31	1,341,193.03
Disposals	-52,786.57	-391,888.80	-895.47	-445,570.84
<b>Acquisition cost at 31 December</b>	<b>2,244,289.44</b>	<b>3,921,836.75</b>	<b>4,798,463.21</b>	<b>10,964,589.40</b>
Accumulated depreciation at 1 January	-2,196,498.77	-2,811,048.33	-1,757,621.60	-6,765,168.70
Accumulated depreciation on deductions and transfers		391,888.80		391,888.80
Depreciation for the financial year	-44,146.49	-53,864.49	-375,437.17	-473,448.15
<b>Accumulated depreciation at 31 December</b>	<b>-2,240,645.26</b>	<b>-2,473,024.02</b>	<b>-2,133,058.77</b>	<b>-6,846,728.05</b>
<b>Carrying amount at 31 December</b>	<b>3,644.18</b>	<b>1,448,812.73</b>	<b>2,665,404.44</b>	<b>4,117,861.35</b>

## 15. CHANGES IN REAL ESTATE INVESTMENTS 2021

	Real estate and real estate shares	Loan receivables from group companies
Acquisition cost at 1 January	89,293,301.04	70,855,000.00
Additions	2,400,000.00	5,200,000.00
Disposals	-90,697.02	-6,947,500.00
Transfers between items	-1,031,108.15	
<b>Acquisition cost at 31 December</b>	<b>90,571,495.87</b>	<b>69,107,500.00</b>
Accumulated depreciation at 1 January	-1,031,108.20	
Accumulated depreciation on deductions and transfers	1,031,108.15	
<b>Accumulated depreciation at 31 December</b>	<b>-0.05</b>	
Impairments at 1 January	-14,313,151.23	
Impairments for the financial year	-7,280,000.00	
<b>Impairments at 31 December</b>	<b>-21,593,151.23</b>	
<b>Carrying amount at 31 December</b>	<b>68,978,344.59</b>	<b>69,107,500.00</b>

## 16. PROPERTIES AND REAL ESTATE SHARES FOR OWN ACTIVITIES

	2021	2020
Remaining acquisition cost	3,155,827.14	3,155,827.14
Carrying amount	3,155,827.14	3,155,827.14
Fair value	3,260,000.00	3,260,000.00



**17. INVESTMENTS AT FAIR VALUE AND VALUATION DIFFERENCE**

	31 December 2021			31 December 2020		
	Remaining acquisition cost	Carrying amount	Fair value	Remaining acquisition cost	Carrying amount	Fair value
<b>Real estate investments</b>						
Real estate	337,875.31	337,875.31	400,000.00	337,875.31	337,875.31	400,000.00
Real estate shares in group companies	68,640,469.28	68,640,469.28	113,049,356.14	70,364,642.14	70,364,642.14	106,268,275.37
Other real estate shares	0.00	0.00	0.00	3,246,524.16	3,246,524.16	3,410,000.00
Loan receivables from Group companies	69,107,500.00	69,107,500.00	69,107,500.00	70,855,000.00	70,855,000.00	70,855,000.00
<b>Total</b>	<b>138,085,844.59</b>	<b>138,085,844.59</b>	<b>182,556,856.14</b>	<b>144,804,041.61</b>	<b>144,804,041.61</b>	<b>180,933,275.37</b>
<b>Investments in group companies</b>						
Equity securities	9,045,000.00	9,045,000.00	9,045,000.00	11,142,850.00	11,142,850.00	11,142,850.00
Bonds	3,799,167.47	3,799,167.47	3,802,397.26	-0.01	-0.01	0.00
<b>Total</b>	<b>12,844,167.47</b>	<b>12,844,167.47</b>	<b>12,847,397.26</b>	<b>11,142,849.99</b>	<b>11,142,849.99</b>	<b>11,142,850.00</b>
<b>Investments in associates</b>						
Equity securities	2,595,180.25	2,595,180.25	2,595,180.25	2,595,180.25	2,595,180.25	2,595,180.25
<b>Total</b>	<b>2,595,180.25</b>	<b>2,595,180.25</b>	<b>2,595,180.25</b>	<b>2,595,180.25</b>	<b>2,595,180.25</b>	<b>2,595,180.25</b>
<b>Other investments</b>						
Equity securities	1,216,031,707.95	1,216,031,707.95	1,951,556,868.07	1,454,012,487.94	1,454,012,487.94	2,022,473,535.94
Bonds	2,318,534,879.70	2,318,534,879.70	2,408,044,842.05	2,635,211,261.83	2,635,211,261.83	2,728,560,312.34
Other money market instruments	0.02	0.02	0.00	0.02	0.02	0.00
Mortgage loan receivables	0.02	0.02	0.00	0.02	0.02	0.00
Other loan receivables	85,457,708.74	85,457,708.74	72,501,303.53	58,505,297.61	58,505,297.61	58,547,852.47
<b>Total</b>	<b>3,620,024,296.43</b>	<b>3,620,024,296.43</b>	<b>4,432,103,013.65</b>	<b>4,147,729,047.42</b>	<b>4,147,729,047.42</b>	<b>4,809,581,700.75</b>
<b>Deposits with ceding undertakings</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>3,773,549,488.74</b>	<b>3,773,549,488.74</b>	<b>4,630,102,447.30</b>	<b>4,306,271,119.27</b>	<b>4,306,271,119.27</b>	<b>5,004,253,006.37</b>
The remaining acquisition cost of debt securities includes:						
the difference between the nominal value and acquisition cost, released (+)	16,393,793.76			15,925,755.56		
<b>Valuation difference (difference between fair value and carrying amount)</b>			<b>856,552,958.56</b>			<b>697,981,887.10</b>

**18. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY LP 31 DECEMBER 2021**

	Country	Number	Fair value	Carrying value	Holding (%)
<b>EQUITIES</b>					
Adidas Ag	Germany	23,691	5,998,561.20	4,681,718.27	0.01%
Allianz Se-Reg	Germany	43,562	9,045,649.30	8,334,915.25	0.01%
Befesa Sa	Luxembourg	137,723	9,282,530.20	4,969,175.41	0.40%
Caverion Corp	Finland	5,190,864	33,169,620.96	32,216,795.45	3.74%
Cerved Informati	Italy	1,564,998	16,088,179.44	11,601,539.67	0.80%
Ctv Properties Ab	Sweden	3,923	2,918,712.00	392,300.00	7.88%
Daimler Ag	Germany	117,465	7,939,459.35	7,311,953.41	0.01%
Daimler Truck Ho	Germany	58,733	1,896,472.43	1,398,449.57	0.01%
Danone	France	197,144	10,762,090.96	10,762,090.96	0.03%
Dobank Spa	Italy	345,432	2,898,174.48	2,898,174.48	0.43%
Elecster Oyj	Finland	117,000	973,440.00	445,891.03	6.43%
Expro Intl Group Holdings	USA	771,908	9,780,045.74	9,197,332.96	0.71%
Fortum Oyj	Finland	880,000	23,751,200.00	15,424,858.42	0.10%
F-Secure Oyj	Finland	6,791,936	33,721,962.24	16,722,152.46	4.28%
Gea Group Ag	Germany	386,073	18,566,250.57	9,134,938.00	0.21%
Glaxosmithkline	United Kingdom	650,141	12,430,577.08	11,401,768.80	0.01%
Huhtamäki Oyj	Finland	167,997	6,533,403.33	4,260,232.53	0.16%
Infineon Tech	Germany	221,626	9,033,475.76	3,704,405.53	0.02%
Jde Peet'S Nv	Netherlands	153,894	4,170,527.40	4,170,527.40	0.03%
Kaleva	Finland	5,000	1,033,306.26	1,049,839.16	10.00%
Kuehne Nagel-R	Switzerland	53,454	15,232,656.66	6,585,818.33	0.04%
Lamor Corp Oyj	Finland	1,640,918	7,564,631.98	7,564,631.98	5.97%
Lassila Tikanoja	Finland	2,973,238	39,960,318.72	20,959,217.33	7.66%
Lemonsoft Oyj	Finland	436,247	7,852,446.00	5,156,439.54	2.39%
Lifeline Spac-A	Finland	490,000	6,370,000.00	4,900,000.00	3.92%
Mitigram Ab	Sweden	38,212	2,926,804.42	2,804,635.34	9.88%
Modulight Oy	Finland	755,052	8,569,840.20	4,900,287.48	1.77%
Moncler Spa	Italy	126,240	8,081,884.80	4,817,976.27	0.05%
Musti Group Oy	Finland	1,050,095	32,510,941.20	13,754,440.83	3.13%
Nanoform Finland Oy	Finland	4,095,122	26,945,902.76	6,102,297.49	5.65%
Neles Oyj	Finland	400,000	5,476,000.00	3,256,931.16	0.27%
Nokian Renkaat	Finland	723,710	24,099,543.00	24,099,543.00	0.52%
Optomed Oyj	Finland	410,922	4,027,035.60	1,849,149.00	2.93%
Oriola-Kd Oyj B	Finland	1,350,295	2,707,341.48	2,707,341.48	1.06%
Outotec Oyj	Finland	3,098,539	28,965,142.57	14,405,763.28	0.37%

**18. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY LP 31 DECEMBER 2021**

	Country	Number	Fair value	Carrying value	Holding (%)
Partners Group J	Switzerland	4,110	6,015,216.34	3,255,545.38	0.02%
Reckitt Benckise	United Kingdom	178,257	13,453,918.86	12,832,253.10	0.03%
Recordati Spa	Italy	189,337	10,697,540.50	6,394,659.48	0.09%
Rio Tinto Plc	United Kingdom	268,415	15,626,769.41	11,929,060.37	0.02%
Roche Hldg-Genus	Switzerland	43,957	16,130,189.43	10,603,442.14	0.01%
Siemens Healthin	Germany	205,476	13,524,430.32	7,795,757.90	0.02%
Sitowise Group P	Finland	836,000	6,729,800.00	6,729,800.00	2.36%
Software Ag	Germany	288,650	10,125,842.00	9,904,602.12	0.39%
Spinnova Oyj	Finland	523,000	7,023,890.00	3,980,030.00	1.02%
Tallinna Sadam A	Estonia	1,750,000	3,251,500.00	2,975,000.00	0.67%
Teleste Oyj	Finland	1,679,200	8,799,008.00	5,856,679.64	8.84%
Terveystalo Oy	Finland	3,122,091	36,965,557.44	29,959,578.74	2.44%
Tieto Oyj	Finland	290,000	7,969,200.00	7,600,595.85	0.24%
Unilever Plc Eur	United Kingdom	268,171	12,618,786.41	11,067,123.52	0.00%
UPM-Kymmene Oyj	Finland	1,311,506	43,882,990.76	30,922,173.20	0.25%
Uponor Oyj	Finland	1,475,705	30,901,262.70	17,122,808.50	2.02%
Vaisala Oyj-A Sh	Finland	1,190,100	63,432,330.00	6,911,620.23	4.01%
Vaisala Oyj-K Sh	Finland	274,800	14,646,840.00	2,201,801.99	4.08%
Valmet Corp	Finland	214,464	8,089,582.08	3,821,510.31	0.14%
Verkkokauppa.Com	Finland	2,080,828	14,836,303.64	7,588,872.69	4.62%
Zalando Se	Germany	90,354	6,427,783.56	3,561,147.82	0.04%
<b>OTHER EQUITIES</b>			<b>7,719,280.14</b>	<b>1,311,061.46</b>	
<b>Equities, total</b>			<b>800,152,149.68</b>	<b>488,268,655.71</b>	

**18. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY LP 31 DECEMBER 2021**

	Country	Number	Fair value	Carrying value
<b>FUND UNITS</b>				
Allianz Rcm Eurp Eq Grow-W	Luxembourg	7,905	37,732,535.64	10,568,160.58
Dcf Fund li-Baltic States-C	Finland	2,984	8,025,744.45	3,888,511.87
Forest Fund	Guernsey	1,424,072	4,350,423.03	4,350,423.03
Investec Gsf-Asia Pacific-I	United Kingdom	2,708,877	93,803,786.31	40,988,106.89
Lansdowne Clean Energy	Ireland	52,671	11,067,909.69	5,344,072.28
Mfs Mer-European Value-Z1Eur	Luxembourg	102,407	39,269,135.85	9,001,011.85
New Russian Generation B	Cayman Islands	3,107,933	1,207,390.39	1,207,390.39
Unideutschland Xs	Germany	68,797	15,358,930.25	5,088,631.34
Ishares Russell 2000	USA	274,604	53,934,010.06	37,191,057.39
Kjk Fund Iii Sca	Luxembourg	9,748	9,634,671.77	9,634,671.77
Lx MI Nhytotalfund Ucits G Eur	Luxembourg	155,291	17,379,049.03	15,000,000.00
Dragon Cap-Vietnam Eqty-B	Hong Kong	8,739	17,128,482.43	9,000,000.00
Lx MI Eurosmceq Ucits Fs I Eur	Luxembourg	106,888	41,484,588.81	17,674,993.85
Pyn Elite	Finland	47,759	26,324,330.50	13,960,000.00
Schroder Int E Asia-Iz	Luxembourg	1,238,924	81,683,751.28	73,854,565.15
Lx MI Manfutfund Ucits X Usd	Luxembourg	30,000	3,091,173.41	2,598,113.11
<b>OTHER FUND UNITS</b>			<b>4,078,665.09</b>	<b>1,444,693.20</b>
<b>Fund units, total</b>			<b>465,554,577.99</b>	<b>260,794,402.70</b>

**18. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY LP 31 DECEMBER 2021**

	Country	Number	Fair value	Carrying value
<b>PRIVATE EQUITY FUNDS</b>				
Activa Capital Ii	France	807,792	1,575,369.00	807,792.00
Albacore Partners I	Ireland	21,706,151	33,270,537.30	21,706,151.35
Amanda Iii Eastern	Finland	2,267,770	2,591,778.00	2,267,770.14
Amanda Iv West	Finland	3,244,831	3,653,935.23	3,244,831.18
Amanda V East	Finland	2,481,869	3,433,696.00	2,481,869.41
Amber Trust Ii Sca Ns	Luxembourg	1,453,543	1,588,605.61	1,453,543.12
Apollo Offshore Energy	Cayman Islands	1,934,511	818,139.01	818,139.01
Avenue Energy Fund	USA	14,370,671	12,685,016.78	12,685,016.78
Broad St Loan Partners 2013	United Kingdom	5,404,528	8,792,134.91	4,729,790.91
Broad St Loan Partners Iii	Cayman Islands	18,672,433	18,542,126.08	16,291,488.50
Broad St Real Estate Credit Iii	Cayman Islands	8,039,315	8,089,227.44	6,964,782.70
Broad St Real Estate Credit Ii	Cayman Islands	1,900,416	1,448,038.14	1,448,038.14
Capman Buyout Ix	Guernsey	1,572,632	2,280,314.77	1,572,631.66
Capman Growth Eq Fund 2017	Finland	1,741,334	4,841,756.14	1,741,333.59
Capman Real Estate Ii	Finland	1,577,865	1,577,861.00	1,577,861.00
Capman Real Estate Ii Ns	Finland	1,183,398	1,183,395.00	1,183,395.00
Cordet Direct Lending Fund	Luxembourg	14,709,445	30,342,263.88	14,709,444.78
East Capital Property Fund Ns	Sweden	1,306,185	1,378,392.16	1,306,184.63
Eequity Iii	Sweden	23,703,062	4,951,745.61	2,369,995.53
Eq Pe Vi North Lp	Finland	5,875,096	6,933,590.23	5,875,095.83
Eq Credit Ii	Guernsey	1,707,323	2,583,003.00	1,707,323.31
Eq Credit Iii	United Kingdom	12,427,785	14,296,069.90	12,427,785.38
Eq Kfzteile24	United Kingdom	9,443,748	3,971,973.75	3,971,973.75
Eq Mid Market	United Kingdom	864,422	1,148,284.80	864,422.05
Eq VIII	Luxembourg	14,648,995	28,284,974.10	14,648,994.61
European Capital	United Kingdom	12,572,580	13,777,939.40	12,572,579.55
Fortress Credit Ii	Cayman Islands	13,058,233	20,170,891.75	10,184,200.14
Fortress Credit Iii	Cayman Islands	3,130,722	7,706,857.66	2,559,131.78
Fortress Credit Iv	Cayman Islands	20,730,830	29,557,554.31	18,171,062.51
Highbridge Iii	Cayman Islands	1,999,886	631,754.37	631,754.37
Hps Specialty Loan	Cayman Islands	49,454,604	47,439,571.21	43,362,367.09
Lunar Capital Iii	Cayman Islands	7,894,371	5,009,367.83	5,009,367.83
Mg Debt Opportunities Fund Ii	Ireland	5,243,458	3,686,432.77	3,686,432.77
Mount Kellet Ii	Cayman Islands	4,447,692	3,380,647.18	3,317,510.34
Njord Partners	Luxembourg	8,620,474	9,645,742.16	8,620,473.88

**18. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY LP 31 DECEMBER 2021**

	Country	Number	Fair value	Carrying value
Partners Group Ap 2007 Ns	Guernsey	1,207,957	1,019,747.01	1,002,184.49
Petershill li Fund	Cayman Islands	29,612,928	44,665,364.03	25,549,697.11
Rocket Internet	Luxembourg	17,964,426	46,305,820.97	16,082,606.93
Russia Partners li	Cayman Islands	1,005,107	964,829.60	755,361.05
SaKa Hallikiinteistot Ky	Finland	3,978,685	4,162,035.72	3,978,684.80
Verdane Capital Ix	Sweden	87,775,684	12,165,299.84	8,707,243.77
Verdane Capital Viii	Denmark	38,295,384	6,584,373.04	4,005,352.08
Verdane Edda	Sweden	40,173,258	5,542,641.19	3,837,627.05
Victory Park li	Cayman Islands	12,070,619	6,749,948.33	6,749,948.33
Eequity Iv	Sweden	26,051,378	5,797,094.75	2,564,430.79
Eq Pe Sf li	Finland	5,185,185	5,719,309.38	5,185,185.20
Verdane Garden Invest	Sweden	10,205,294	27,856,612.00	10,205,293.52
Capricorn Technology Impact	Cayman Islands	8,526,526	9,190,301.73	7,424,792.70
Fortress Credit V	Cayman Islands	14,807,562	19,902,173.34	12,951,640.05
Funding Circle European Sme	Ireland	4,260,798	4,353,564.00	4,260,798.00
Verdane Capital X	Sweden	73,861,909	11,887,632.65	7,206,181.76
Broad St Loan Partners Iv	Cayman Islands	17,300,000	16,534,512.63	14,841,427.50
Capman Growth Eq Fund li	Finland	2,662,692	2,489,556.01	2,489,556.01
Hps Specialty Loan V	Luxembourg	32,395,624	29,752,836.84	27,117,865.26
MI Private Equity	Finland	17,292,574	28,684,520.23	17,292,574.03
Psf Pension Superfund Cr	Guernsey	8,094,357	10,265,617.41	8,861,787.83
Rocket Internet li	Luxembourg	19,352,988	22,615,680.63	16,826,978.94
Albacore Partners lii	Ireland	8,000,000	8,000,000.00	8,000,000.00
Verdane Edda li	Sweden	1,772,654	1,915,623.79	1,772,653.60
<b>OTHER PRIVATE EQUITY FUNDS</b>			<b>11,456,465.81</b>	<b>2,328,244.13</b>
<b>PRIVATE EQUITY FUNDS, TOTAL</b>			<b>685,850,547.41</b>	<b>466,968,649.55</b>
<b>Other investments in equity securities, total</b>			<b>1,951,557,275.08</b>	<b>1,216,031,707.96</b>

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value	Holding (%)
<b>EQUITIES</b>					
ING Groep NV	Netherlands	56,555.00	692,346.31	692,346.31	0.00%
Koninklijke Ahold NV	Netherlands	125,600.00	3,784,956.00	3,784,956.00	0.01%
JDE Peet's NV	Netherlands	37,609.00	1,019,203.90	1,019,203.90	0.01%
Solaria Energia y Medio Ambiente SA	Spain	238,287.00	4,079,473.44	4,079,473.44	0.22%
Greenergy Renovables	Spain	76,000.00	2,204,000.00	2,204,000.00	0.27%
Verbund AG	Austria	45,000.00	4,450,500.00	4,450,500.00	0.03%
Questerre Energy Corp	Canada	5,900,925.00	992,466.96	992,466.96	1.38%
Alibaba Group Holding Ltd -ADR	China	17,915.00	1,878,971.26	1,878,971.26	0.00%
Aroundtown SA	Cyprus	550,663.00	2,929,527.16	2,929,527.16	0.05%
Implantica AG - SDR	Liechtenstein	100,000.00	634,127.78	634,127.78	0.30%
APERAM	Luxembourg	17,001.00	809,927.64	809,927.64	0.02%
Eurofins Scientific SE	Luxembourg	27,000.00	2,937,600.00	2,937,600.00	0.15%
Aspire Global PLC	Malta	150,000.00	1,214,598.60	1,214,598.60	0.36%
Kongsberg Gruppen ASA	Norway	148,070.00	4,239,550.30	4,239,550.30	0.12%
Storebrand ASA	Norway	93,828.00	831,496.73	831,496.73	0.02%
Telenor ASA	Norway	108,337.00	1,503,234.44	1,503,234.44	0.01%
Bakkafrost P/F	Norway	30,000.00	1,752,763.09	1,752,763.09	0.06%
Entra ASA	Norway	43,044.00	854,519.58	854,519.58	0.02%
Scatec Solar ASA	Norway	237,256.00	3,628,148.93	3,628,148.93	0.19%
Nordic Semiconductor ASA	Norway	131,112.00	3,906,268.14	3,906,268.14	0.08%
SpareBank 1 SMN	Norway	135,130.00	2,015,694.58	2,015,694.58	0.10%
SpareBank 1 SR-Bank ASA	Norway	45,327.00	604,432.60	604,432.60	0.02%
AXA SA	France	43,300.00	1,133,810.50	1,133,810.50	0.00%
Danone SA	France	47,500.00	2,593,025.00	2,593,025.00	0.01%
L'Oreal SA	France	12,600.00	5,253,570.00	5,253,570.00	0.00%
LVMH Moët Hennessy Louis Vuitton SA	France	6,239.00	4,535,753.00	4,535,753.00	0.00%
Michelin	France	6,599.00	951,245.85	951,245.85	0.00%
Sanofi	France	16,747.00	1,483,449.26	1,483,449.26	0.00%
Suez Environnement Co	France	61,147.00	1,211,322.07	1,211,322.07	0.01%
Vinci SA	France	7,168.00	665,978.88	665,978.88	0.00%
EssilorLuxottica SA	France	22,500.00	4,212,900.00	4,212,900.00	0.01%
Korian SA	France	66,000.00	1,837,440.00	1,837,440.00	0.08%
Orpea	France	31,500.00	2,775,150.00	2,775,150.00	0.06%
Assa Abloy AB	Sweden	212,229.00	5,718,627.73	5,718,627.73	0.06%
Atlas Copco AB - A	Sweden	48,599.00	2,967,059.91	2,967,059.91	0.01%

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value	Holding (%)
Essity AB - B	Sweden	295,627.00	8,519,576.58	8,519,576.58	0.05%
Investor AB - B	Sweden	239,933.00	5,331,038.19	5,331,038.19	0.03%
Mehiläinen Konserni Oy A	Sweden	2,305,193.00	2,305,193.00	2,305,193.00	0.24%
Mehiläinen Konserni Oy B	Sweden	3,840,000.00	3,840,000.00	3,840,000.00	0.40%
NP3 Fastigheter AB	Sweden	41,442.00	1,465,588.81	1,465,588.81	0.08%
Skandinaviska Enskilda Banken AB - A	Sweden	477,579.00	5,863,566.64	5,863,566.64	0.02%
SSAB AB - B (Helsinki)	Sweden	204,250.00	909,321.00	909,321.00	0.03%
Telefonaktiebolaget LM Ericsson	Sweden	123,143.00	1,198,837.10	1,198,837.10	0.00%
Telia Company AB	Sweden	723,463.00	2,497,394.28	2,497,394.28	0.02%
Volvo AB - B	Sweden	252,994.00	5,174,501.44	5,174,501.44	0.02%
Hexagon AB	Sweden	465,465.00	6,523,130.76	6,523,130.76	0.13%
Mitigram AB	Sweden	25,474.00	1,951,151.88	1,951,151.88	6.59%
Munters Group AB	Sweden	147,339.00	1,005,469.41	1,005,469.41	0.08%
CDON AB	Sweden	20,389.00	939,656.75	939,656.75	0.32%
Embracer Group AB	Sweden	270,403.00	2,545,934.61	2,545,934.61	0.03%
AarhusKarlshamn AB	Sweden	64,631.00	1,231,420.96	1,231,420.96	0.16%
Indutrade AB	Sweden	73,625.00	1,991,049.04	1,991,049.04	0.02%
Instalco AB	Sweden	33,810.00	1,432,842.36	1,432,842.36	0.06%
Lifco AB B	Sweden	48,809.00	1,288,996.06	1,288,996.06	0.05%
Nolato AB B	Sweden	163,319.00	1,719,180.91	1,719,180.91	0.69%
Samhallsbyggnadsbolaget i Norden AB	Sweden	734,764.00	4,761,131.37	4,761,131.37	0.07%
Sdiptech AB	Sweden	43,092.00	1,982,173.99	1,982,173.99	0.13%
Sinch AB	Sweden	116,395.00	1,306,992.43	1,306,992.43	0.18%
Adidas AG	Germany	5,588.00	1,414,881.60	1,414,881.60	0.00%
Allianz SE	Germany	8,580.00	1,781,637.00	1,781,637.00	0.00%
BASF SE	Germany	10,115.00	624,904.70	624,904.70	0.00%
Daimler AG	Germany	30,909.00	2,089,139.31	2,089,139.31	0.00%
Deutsche Post AG	Germany	27,810.00	1,572,377.40	1,572,377.40	0.00%
Deutsche Telekom AG	Germany	32,982.00	537,606.60	537,606.60	0.00%
E.ON AG	Germany	48,920.00	596,432.64	596,432.64	0.00%
Medios AG	Germany	86,683.00	3,367,634.55	3,367,634.55	0.38%
SAP AG	Germany	43,070.00	5,379,443.00	5,379,443.00	0.00%
Siemens AG	Germany	6,010.00	917,606.80	917,606.80	0.00%
Volkswagen AG - Preferred shares	Germany	16,427.00	2,915,463.96	2,915,463.96	0.00%
Vonovia SE	Germany	20,621.00	1,000,118.50	1,000,118.50	0.01%
Flatex AG	Germany	35,311.00	714,694.64	714,694.64	0.03%



**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value	Holding (%)
Siemens Energy AG	Germany	78,128.00	1,757,098.72	1,757,098.72	0.01%
Siemens Healthineers AG	Germany	80,000.00	5,265,600.00	5,265,600.00	0.01%
Ibu-Tec Advanced Materials AG	Germany	12,166.00	547,470.00	547,470.00	0.26%
Synlab AG	Germany	191,094.00	4,509,818.40	4,509,818.40	0.09%
Veganz Group AG	Germany	22,450.00	2,027,235.00	2,027,235.00	1.84%
Aktia Oyj - A	Finland	1,603,739.00	19,693,914.92	19,693,914.92	2.22%
Alma Media OYJ	Finland	135,803.00	1,469,388.46	1,469,388.46	0.16%
Aspo OYJ	Finland	422,796.00	4,802,962.56	4,802,962.56	1.35%
Aspocomp Group OYJ	Finland	333,258.00	1,999,548.00	1,999,548.00	4.87%
Atria Oyj - A	Finland	969,649.00	11,170,356.48	11,170,356.48	5.09%
CapMan Oyj - B	Finland	1,016,763.00	3,085,875.71	3,085,875.71	0.65%
Cargotec Oyj - B	Finland	149,223.00	6,541,936.32	6,541,936.32	0.27%
Caverion Oyj	Finland	569,028.00	3,636,088.92	3,636,088.92	0.41%
Citycon OYJ	Finland	347,316.00	2,431,212.00	2,431,212.00	0.21%
Elecster Oyj - A	Finland	100,000.00	832,000.00	832,000.00	5.49%
Elisa OYJ	Finland	66,482.00	3,598,005.84	3,598,005.84	0.04%
eQ Oyj	Finland	46,184.00	1,189,238.00	1,189,238.00	0.12%
Etteplan OYJ	Finland	30,362.00	513,117.80	513,117.80	0.12%
Fiskars Oyj Abp - K	Finland	40,275.00	926,325.00	926,325.00	0.05%
Fortum OYJ	Finland	561,154.00	15,145,546.46	15,145,546.46	0.06%
F-Secure OYJ	Finland	140,235.00	696,266.78	696,266.78	0.09%
Harvia Oyj	Finland	73,403.00	4,308,756.10	4,308,756.10	0.39%
Huhtamäki Oyj	Finland	396,298.00	15,412,029.22	15,412,029.22	0.37%
Ilkka-Yhtymä Oyj - II	Finland	533,571.00	2,539,797.96	2,539,797.96	2.51%
Incap OYJ	Finland	187,166.00	14,692,531.00	14,692,531.00	4.29%
Kamux Corp	Finland	80,686.00	925,468.42	925,468.42	0.20%
Kemira OYJ	Finland	77,594.00	1,034,328.02	1,034,328.02	0.05%
Kesko Oyj - A	Finland	55,868.00	1,516,816.20	1,516,816.20	0.01%
Kesko Oyj - B	Finland	205,983.00	6,043,541.22	6,043,541.22	0.05%
Kone Oyj - B	Finland	80,310.00	5,062,742.40	5,062,742.40	0.02%
Konecranes OYJ	Finland	142,767.00	5,019,687.72	5,019,687.72	0.18%
Lassila & Tikanoja OYJ	Finland	50,759.00	682,200.96	682,200.96	0.13%
Metsä Board Oyj - B	Finland	268,138.00	2,308,668.18	2,308,668.18	0.08%
Neste Oil Oyj	Finland	213,689.00	9,265,555.04	9,265,555.04	0.03%
Nixu Oyj	Finland	99,332.00	697,310.64	697,310.64	1.34%
Nokia OYJ	Finland	2,045,812.00	11,403,356.09	11,403,356.09	0.04%

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value	Holding (%)
Nokian Renkaat OYJ	Finland	172,521.00	5,744,949.30	5,744,949.30	0.12%
Orion Oyj - B	Finland	51,010.00	1,862,885.20	1,862,885.20	0.05%
Osuuskunta KPY	Finland	94,543.00	2,070,491.70	2,070,491.70	1.70%
Outokumpu OYJ	Finland	3,940,232.00	21,671,276.00	21,671,276.00	0.86%
Ponsse Oyj	Finland	62,017.00	2,617,117.40	2,617,117.40	0.22%
QT Group Oyj	Finland	66,919.00	8,940,378.40	8,940,378.40	0.27%
Raisio Oyj - V	Finland	160,218.00	539,934.66	539,934.66	0.12%
Raute Oyj - A	Finland	108,120.00	2,140,776.00	2,140,776.00	3.30%
Revenio Group OYJ	Finland	19,378.00	1,076,447.90	1,076,447.90	0.07%
Sanoma OYJ	Finland	191,941.00	2,614,236.42	2,614,236.42	0.12%
Scanfil Oyj	Finland	207,822.00	1,550,352.12	1,550,352.12	0.32%
Stockmann Oyj Abp - B	Finland	1,070,870.00	2,313,079.20	2,313,079.20	0.69%
Stora Enso Oyj - R	Finland	259,384.00	4,186,457.76	4,186,457.76	0.04%
Suominen OYJ	Finland	2,885,149.00	14,945,071.82	14,945,071.82	4.95%
Taaleri Oyj - B	Finland	59,254.00	663,644.80	663,644.80	0.21%
Talenom Oyj	Finland	251,311.00	2,940,338.70	2,940,338.70	0.58%
Tecnotree OYJ	Finland	424,058.00	624,213.38	624,213.38	0.13%
Terveystalo Oy	Finland	314,118.00	3,719,157.12	3,719,157.12	0.25%
Tokmanni Group Oyj	Finland	236,295.00	4,643,196.75	4,643,196.75	0.40%
UPM-Kymmene OYJ	Finland	546,083.00	18,271,937.18	18,271,937.18	0.10%
Uponor OYJ	Finland	64,831.00	1,357,561.14	1,357,561.14	0.09%
Valmet Corp	Finland	149,751.00	5,648,607.72	5,648,607.72	0.10%
Verkkokauppa.com Oyj	Finland	113,483.00	809,133.79	809,133.79	0.25%
Vincit Group Oyj	Finland	128,437.00	1,030,064.74	1,030,064.74	1.02%
Wärtsilä Oyj Abp	Finland	236,709.00	2,925,723.24	2,925,723.24	0.04%
YIT OYJ	Finland	1,366,580.00	5,895,426.12	5,895,426.12	0.65%
Cadmatic Oy	Finland	917.00	4,466,485.34	4,466,485.34	3.91%
Coronaria Oy	Finland	6,009.00	6,033,722.40	6,033,722.40	3.37%
Oma Säästöpankki Oyj	Finland	89,419.00	1,529,064.90	1,529,064.90	0.30%
Ålandsbanken Oyj - B	Finland	61,817.00	1,947,235.50	1,947,235.50	0.68%
Nanoform Finland Oyj	Finland	203,590.00	1,339,622.20	1,339,622.20	0.28%
Neles Oyj	Finland	79,486.00	1,088,163.34	1,088,163.34	0.05%
Metso Outotec OYJ	Finland	1,473,534.00	13,774,595.83	13,774,595.83	0.18%
Tietoevry OYJ	Finland	172,299.00	4,734,776.52	4,734,776.52	0.15%
Anora Group Oyj	Finland	170,807.00	1,854,964.02	1,854,964.02	0.47%
EcoUp Oyj	Finland	77,474.00	509,778.92	509,778.92	0.87%

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value	Holding (%)
Kempower Oyj	Finland	56,431.00	651,778.05	651,778.05	0.10%
Modulight Oyj	Finland	58,870.00	668,174.50	668,174.50	0.14%
Orthex Oyj	Finland	122,257.00	1,349,717.28	1,349,717.28	0.69%
Puuiilo Oyj	Finland	138,956.00	1,299,238.60	1,299,238.60	0.16%
Skarta Group Oyj	Finland	5,002,000.00	4,981,992.00	4,981,992.00	1.73%
Spinnova Oyj	Finland	122,392.00	1,643,724.56	1,643,724.56	0.24%
ABB Ltd	Switzerland	138,177.00	4,656,091.61	4,656,091.61	0.01%
Cie Financiere Richemont SA	Switzerland	31,000.00	4,109,427.94	4,109,427.94	0.01%
Nestle SA	Switzerland	69,763.00	8,605,746.51	8,605,746.51	0.00%
AP Moller B- Maersk A/S	Denmark	604.00	1,904,658.17	1,904,658.17	0.01%
Carlsberg A/S - B	Denmark	18,309.00	2,780,917.58	2,780,917.58	0.02%
ISS AS	Denmark	82,273.00	1,382,944.03	1,382,944.03	0.04%
Novo Nordisk A/S - B	Denmark	220,655.00	21,809,131.43	21,809,131.43	0.01%
Orsted A/S	Denmark	12,878.00	1,446,359.21	1,446,359.21	0.00%
Pandora A/S	Denmark	12,038.00	1,319,964.66	1,319,964.66	0.01%
Tryg A/S	Denmark	221,737.00	4,815,572.79	4,815,572.79	0.07%
Demant A/S	Denmark	50,445.00	2,273,158.99	2,273,158.99	0.09%
GN Store Nord A/S	Denmark	73,307.00	4,054,538.37	4,054,538.37	0.04%
Netcompany Group AS	Denmark	18,694.00	1,771,007.88	1,771,007.88	0.04%
Alm Brand A/S	Denmark	1,165,486.00	1,996,704.27	1,996,704.27	0.08%
Asetek A/S	Denmark	348,003.00	1,428,412.12	1,428,412.12	1.29%
NKT Holding A/S	Denmark	42,502.00	1,803,780.22	1,803,780.22	0.18%
Reckitt Benckiser Group PLC	United Kingdom	52,500.00	3,962,429.19	3,962,429.19	0.01%
Royal Dutch Shell PLC	United Kingdom	63,539.00	1,226,938.09	1,226,938.09	0.00%
AstraZeneca PLC	United Kingdom	47,869.00	4,963,286.26	4,963,286.26	0.00%
Secondmind Limited B	United Kingdom	60,695.00	1,343,501.83	1,343,501.83	4.12%
Unilever PLC EUR	United Kingdom	96,376.00	4,534,972.68	4,534,972.68	0.00%
Alphabet Inc - A	USA	3,428.00	8,768,367.58	8,768,367.58	0.00%
Amazon.com Inc	USA	2,847.00	8,381,481.53	8,381,481.53	0.00%
Apple Inc	USA	54,120.00	8,484,980.05	8,484,980.05	0.00%
Bank of America Corp	USA	120,285.00	4,724,951.13	4,724,951.13	0.00%
Citigroup Inc	USA	74,500.00	3,972,324.74	3,972,324.74	0.00%
Colgate-Palmolive Co	USA	16,718.00	1,259,680.49	1,259,680.49	0.00%
Comcast Corp	USA	55,000.00	2,444,066.75	2,444,066.75	0.00%
Estee Lauder Cos Inc/The A	USA	6,000.00	1,961,151.33	1,961,151.33	0.00%
Facebook Inc - A	USA	18,447.00	5,478,234.55	5,478,234.55	0.00%

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value	Holding (%)
Humana Inc	USA	6,500.00	2,662,096.06	2,662,096.06	0.00%
JPMorgan Chase & Co	USA	36,500.00	5,103,103.48	5,103,103.48	0.00%
Kimberly-Clark Corp	USA	25,000.00	3,154,688.33	3,154,688.33	0.01%
MasterCard Inc - A	USA	12,574.00	3,989,130.92	3,989,130.92	0.00%
Microsoft Corp	USA	29,732.00	8,828,771.18	8,828,771.18	0.00%
Netflix Inc	USA	2,529.00	1,345,197.56	1,345,197.56	0.00%
NIKE Inc	USA	9,995.00	1,470,834.05	1,470,834.05	0.00%
NVIDIA Corp	USA	3,917.00	1,017,154.22	1,017,154.22	0.00%
Starbucks Corp	USA	27,500.00	2,840,080.35	2,840,080.35	0.00%
Target Corp	USA	24,000.00	4,904,255.69	4,904,255.69	0.00%
Tesla Motors Inc	USA	971.00	905,998.04	905,998.04	0.00%
TJX Cos Inc/The	USA	50,000.00	3,351,580.43	3,351,580.43	0.01%
Walt Disney Co/The	USA	32,722.00	4,474,934.29	4,474,934.29	0.00%
Visa Inc	USA	15,157.00	2,900,117.84	2,900,117.84	0.00%
Medtronic PLC	USA	32,000.00	2,922,832.42	2,922,832.42	0.00%
Plug Power Inc	USA	29,357.00	731,721.80	731,721.80	0.01%
OTHER EQUITIES			35,072,514.31	35,072,514.31	
<b>Equities, total</b>			<b>725,766,307.92</b>	<b>725,766,307.92</b>	

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
<b>PRIVATE EQUITY FUNDS</b>				
Broad Street Real Estate Credit Partners III Offshore Fund, L.P.	Cayman Islands	2,121,347.00	1,887,483.66	1,887,483.66
Fortress Credit Opportunities Fund II (C) L.P.	Cayman Islands	576,986.27	891,263.58	891,263.58
Fortress Credit Opportunities Fund IV (C) L.P.	Cayman Islands	1,979,480.51	2,822,299.05	2,822,299.05
HPS Specialty Loan Fund 2016 (Leverage), L.P.	Cayman Islands	5,619,418.62	4,984,615.65	4,984,615.65
HPS Specialty Loan Fund 2016, L.P.	Cayman Islands	17,309,111.34	16,603,850.01	16,603,850.01
Victory Park Capital Fund II (Cayman), L.P.	Cayman Islands	1,389,445.79	776,984.75	776,984.75
Capricorn Technology Impact Growth Fund (Cayman), LP UL	Cayman Islands	4,263,263.07	4,105,585.84	4,105,585.84
Global Opportunistic Credit Fund	Cayman Islands	19,673,128.79	26,552,633.81	26,552,633.81
Summit Partners Credit Fund III	Cayman Islands	19,567,463.00	17,454,852.55	17,454,852.55
Broad Street Loan Partners IV	Cayman Islands	15,224,000.00	14,132,551.65	14,132,551.65
Global Opportunistic Credit Fund Expansion	Cayman Islands	4,951,949.31	4,618,933.20	4,618,933.20
HPS European Asset Value Offshore Fund II, L.P.	Cayman Islands	17,767,150.44	17,963,652.35	17,963,652.35
Meridia IV SCA, SICAV-RAIF	Spain	9,872,785.00	10,726,966.11	10,726,966.11
Capman Russia II Fund L.P.	Guernsey	381,740.28	2,972,517.29	2,972,517.29
Ashgrove Specialty Lending Fund I	Guernsey	525,000.47	573,333.00	573,333.00
EQT Real Estate II	Guernsey	3,004,735.50	3,125,578.23	3,125,578.23
EQT Ventures II (No.1) L.P.	Guernsey	2,776,057.55	3,558,022.00	3,558,022.00
Hamilton Lane European Investors SCA SICAV-RAIF- Secondary Fund V Parallel Sub-Fund	Guernsey	2,997,086.00	3,464,339.57	3,464,339.57
Bridgepoint Direct Lending II	Guernsey	26,213,039.49	25,978,147.38	25,978,147.38
AlbaCore Partners I Feeder ICAV	Ireland	53,297,812.19	72,232,617.23	72,232,617.23
AlbaCore Partners II Feeder ICAV	Ireland	24,735,000.00	31,283,435.99	31,283,435.99
Funding Circle European SME Direct Lending Fund I UL	Ireland	9,365,338.00	9,316,627.00	9,316,627.00
BSOF Parallel Europe Feeder Sub-Fund II	Ireland	1,361,305.00	1,507,409.46	1,507,409.46
Certior Credit Opportunities Fund II SCSp	Ireland	1,470,000.00	1,504,904.17	1,504,904.17
AlbaCore Partners III Feeder ICAV C UL	Ireland	2,000,000.00	2,000,000.00	2,000,000.00
AlbaCore Partners III Feeder ICAV D UL	Ireland	8,000,000.00	8,000,000.00	8,000,000.00
AlbaCore Partners III Feeder ICAV	Ireland	4,400,000.00	4,487,043.00	4,487,043.00
DRC European Real Estate Debt Fund III L.P.	Jersey	17,920,866.67	19,144,029.70	19,144,029.70
Triton Debt Opportunities Fund II L.P.	Jersey	12,113,315.14	14,968,193.84	14,968,193.84
Apera Private Debt Fund II SCSp	Jersey	17,670,393.00	19,121,882.90	19,121,882.90
DRC European Real Estate Debt Fund IV L.P.	Jersey	6,583,382.72	6,382,110.23	6,382,110.23
Northleaf Secondary Partners II	Canada	2,420,389.00	2,586,568.96	2,586,568.96
Northleaf Infrastructure Capital Partners III	Canada	10,352,306.00	9,931,959.89	9,931,959.89
Lords LB Special Fund IV	Lithuania	1,500,000.00	936,900.00	936,900.00

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
Lords LB Special Fund V	Lithuania	1,500,000.00	2,269,350.00	2,269,350.00
Cordet Direct Lending Fund SCSp (Lux)	Luxembourg	31,235,246.89	63,718,755.14	63,718,755.14
EQT VIII (NO. 2) SCSP UL	Luxembourg	11,619,042.45	21,951,910.88	21,951,910.88
LCM Partners CO III SLP	Luxembourg	14,275,835.05	17,226,538.33	17,226,538.33
Njord Partners Special Situations Fund II SLP	Luxembourg	35,774,966.70	40,029,829.63	40,029,829.63
NREP Nordic Strategies Fund III LP	Luxembourg	2,877,223.50	3,697,239.82	3,697,239.82
Patrimonium Middle Market Debt Fund I	Luxembourg	3,939,688.61	3,099,754.87	3,099,754.87
Rocket Internet Capital Partners SCS	Luxembourg	527,005.82	1,358,431.20	1,358,431.20
Ares European Real Estate Fund V SCSp	Luxembourg	9,278,289.32	11,063,654.38	11,063,654.38
Atomico V SCSp	Luxembourg	10,894,654.16	17,002,845.64	17,002,845.64
Arcmont Direct Lending Fund III (EUR) SLP	Luxembourg	34,132,765.33	33,949,148.97	33,949,148.97
Cheyne European Strategic Value Credit Fund SCS Sicav-SIF (1st close)	Luxembourg	10,021,556.45	12,368,918.45	12,368,918.45
Cheyne European Strategic Value Credit Fund SCS Sicav-SIF (2nd close)	Luxembourg	2,650,304.40	3,380,241.59	3,380,241.59
Cheyne European Strategic Value Credit Fund SCS Sicav-SIF (3rd close)	Luxembourg	21,866,098.20	27,885,064.73	27,885,064.73
Cheyne European Strategic Value Credit Fund SCS Sicav-SIF (4th close)	Luxembourg	9,904,611.15	12,804,619.74	12,804,619.74
Cordet Direct Lending Fund II SCSp (Lux)	Luxembourg	16,096,087.37	17,540,816.96	17,540,816.96
JSOF (Feefer) L.P. Fund	Luxembourg	13,389.00	5,217,841.25	5,217,841.25
IK IX Fund No.2 SCSp	Luxembourg	1,441,572.35	1,471,634.00	1,471,634.00
Lexington Capital Partners IX SCSp	Luxembourg	4,065,861.52	5,150,260.47	5,150,260.47
PAG REAL ESTATE PARTNERS (LUXEMBOURG) II S.C.S., SICAV-RAIF	Luxembourg	1,453,495.44	1,374,659.95	1,374,659.95
Patrimonium Middle Market Debt Fund I-B	Luxembourg	7,796,131.72	8,537,543.85	8,537,543.85
Trea Direct Lending Fund II	Luxembourg	16,142,089.55	15,432,604.81	15,432,604.81
BlackRock Secondaries & Liquidity Solutions SCSp	Luxembourg	10,950,000.00	13,535,553.59	13,535,553.59
Blackstone Strategic Capital Holdings II (Lux) SCSp	Luxembourg	6,071,358.38	6,164,561.34	6,164,561.34
DFI European Value-Add Fund II	Luxembourg	2,379,540.00	2,018,258.10	2,018,258.10
GreenOak Europe Core Plus Logistics SCSp	Luxembourg	10,866,268.00	10,808,588.00	10,808,588.00
GreenOak Europe III SCSp	Luxembourg	13,395,078.00	13,373,485.00	13,373,485.00
HPS Specialty Loan Fund V, SCSp	Luxembourg	19,259,326.43	17,170,768.74	17,170,768.74
KJK Fund III S.C.A. SICAV-RAIF UL	Luxembourg	5,005,000.00	4,790,611.38	4,790,611.38
KKR Dislocation Opportunities (EEA) Fund SCSp	Luxembourg	14,955,963.00	14,132,146.41	14,132,146.41
Permira Credit Solutions IV Senior Euro SCSp	Luxembourg	14,800,000.00	14,574,674.23	14,574,674.23
RedTree French Real Estate Fund SCS SICAV-RAIF	Luxembourg	3,539,824.00	3,516,281.30	3,516,281.30
Rocket Internet Capital Partners Lux II UL	Luxembourg	11,677,217.53	15,352,951.86	15,352,951.86
17Capital Credit EUR Feeder SCSp	Luxembourg	911,890.64	874,010.00	874,010.00
Ardian Real Estate European Fund II	Luxembourg	3,937,103.97	3,399,427.66	3,399,427.66
Ares European Property Enhancement Partners III SCSp (EPEP III)	Luxembourg	1,518,315.60	1,346,102.26	1,346,102.26

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
Ares European Property Enhancement Partners III SCSp (EPEP III) Project Phoenix	Luxembourg	2,633,986.24	2,940,417.40	2,940,417.40
Cheyne European Strategic Value Credit Fund II RAIF	Luxembourg	13,050,000.00	13,285,980.64	13,285,980.64
EQT IX (No. 1) EUR SCSp	Luxembourg	1,411,695.41	1,632,362.16	1,632,362.16
EQT Real Estate II Co-inv Project Saturn	Luxembourg	887,961.08	1,040,706.59	1,040,706.59
GreenOak Europe III Co-Inv (Italian Platform IV)	Luxembourg	3,393,041.00	3,377,253.00	3,377,253.00
ICG Sale and Leaseback Strategy I	Luxembourg	9,609,935.86	9,577,681.94	9,577,681.94
KKR Real Estate Partners Europe II (EUR) SCSp	Luxembourg	6,842,090.00	7,399,530.12	7,399,530.12
Mandatum Global Investment Fund SCSp SICAV-RAIF	Luxembourg	4,500,000.00	4,500,000.00	4,500,000.00
Montagu VI (Feeder) EEA SCSp	Luxembourg	1,340,088.04	1,283,863.49	1,283,863.49
Petershill IV Offshore SCSp	Luxembourg	8,016,471.92	6,739,815.94	6,739,815.94
Northzone IX L.P.	Norway	6,438,492.05	18,835,851.17	18,835,851.17
eEquity Ab (RD)	Sweden	100.01	1,238,329.53	1,238,329.53
eEquity IV AB	Sweden	11,605,861.36	2,646,651.77	2,646,651.77
Verdane Garden Invest (EP)	Sweden	2,721,411.60	7,428,430.01	7,428,430.01
Verdane Capital X AB UL	Sweden	22,568,189.37	3,390,451.33	3,390,451.33
Verdane Capital Edda AB UL	Sweden	31,335,140.15	4,323,260.00	4,323,260.00
Verdane Capital IX C Co-Invest (E) AB UL	Sweden	4,662,411.92	11,706,441.65	11,706,441.65
Verdane Capital Edda II AB UL	Sweden	1,772,653.60	1,915,623.79	1,915,623.79
Verdane Purple Garden Invest (E) AB	Sweden	1,211,962.05	1,666,909.96	1,666,909.96
EMH Digital Growth Fund GmbH & Co. KG	Germany	2,037,432.21	3,167,524.18	3,167,524.18
Capman Buyout X Fund A L.P.	Finland	115,123.20	1,594,852.89	1,594,852.89
Capman Growth Equity Fund 2017 Ky	Finland	2,395,570.84	5,374,349.53	5,374,349.53
Capman Kokoelmakeskus Fund A L.P.	Finland	639,196.90	1,030,189.00	1,030,189.00
eQ PE VI North LP Ltd	Finland	1,068,199.24	1,260,652.77	1,260,652.77
Finnish Groceries I Ky	Finland	43,950,000.00	42,167,699.34	42,167,699.34
Innovestor Kasvurahasto I Ky	Finland	8,765,395.12	11,414,094.34	11,414,094.34
Innovestor Kasvurahasto II Ky	Finland	1,438,527.14	1,666,296.43	1,666,296.43
ML Vuokratontit I Ky	Finland	10,897,702.13	18,006,440.69	18,006,440.69
SaKa Hallikiinteistöt Ky	Finland	46,038,903.09	48,160,527.61	48,160,527.61
Sponsor Fund IV KY	Finland	140,126.49	4,961,945.52	4,961,945.52
VisionPlus Fund I Ky	Finland	76,339.13	682,300.81	682,300.81
Capman Growth Equity Fund II KY UL	Finland	3,478,141.96	3,251,982.62	3,251,982.62
Innovestor Technology Fund Ky	Finland	1,009,081.91	752,339.80	752,339.80
Mandatum Private Equity Partnership	Finland	73,203,356.69	121,428,028.12	121,428,028.12
Verdane Evondos Oy	Finland	361,180.33	694,255.56	694,255.56
IRIS Dynamic SPC - IRIS Post-Event Fund SP	Switzerland	2,929,331.77	1,469,029.67	1,469,029.67

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
Baumont Real Estate One Scsp	United Kingdom	6,433,955.22	6,750,915.47	6,750,915.47
Benson Elliot Real Estate Partners IV	United Kingdom	2,575,155.11	3,797,383.00	3,797,383.00
Blackstone Property Partners Europe (Lux) SCSp	United Kingdom	3,000,000.00	3,678,136.00	3,678,136.00
Clearbell III LP	United Kingdom	7,426,433.37	10,810,030.00	10,810,030.00
European Capital Private Debt Fund	United Kingdom	11,159,361.02	9,185,293.27	9,185,293.27
Insight Secured Finance Fund B	United Kingdom	4,477,939.76	5,145,600.58	5,145,600.58
Benson Elliot Real Estate Partners V	United Kingdom	8,531,513.36	8,187,794.00	8,187,794.00
Clearbell III co-inv (Kings Keeley)	United Kingdom	2,000,000.00	1,760,784.50	1,760,784.50
Bridgepoint Credit Opportunities III Fund	United Kingdom	3,106,946.36	3,574,017.49	3,574,017.49
Bridgepoint Credit Opportunities III Fund UL	United Kingdom	3,106,946.35	3,574,016.47	3,574,016.47
Clearbell IV	United Kingdom	1,800,000.00	2,142,143.10	2,142,143.10
Dyal IV co-inv (Hotshot II)	USA	25,053,223.10	35,662,218.35	35,662,218.35
Dyal IV Offshore Investors LP	USA	100,932,019.32	240,187,619.20	240,187,619.20
Neuberger Berman Granite Private Debt L.P. (1st close)	USA	38,173,832.60	34,609,107.36	34,609,107.36
Neuberger Berman Granite Private Debt L.P. (2nd close)	USA	37,446,193.50	34,372,545.47	34,372,545.47
Neuberger Berman Granite Private Debt L.P. (3rd close)	USA	43,686,878.24	39,996,629.00	39,996,629.00
PineBridge Secondary Opportunity Partners LP	USA	1,832,267.00	2,344,904.64	2,344,904.64
RREEF America REIT II Inc	USA	56,072.96	6,794,390.57	6,794,390.57
Dyal I Offshore Investors LP	USA	12,192,885.79	6,790,354.94	6,790,354.94
Dyal IV co-inv (Mirror)	USA	5,000,000.00	7,073,092.00	7,073,092.00
Neuberger Berman Granite Private Debt L.P. (1st close) Wind Down	USA	5,925,721.65	6,107,484.92	6,107,484.92
Strategic Partners Feeder VIII (Lux) SCSp	USA	3,192,056.56	3,659,655.70	3,659,655.70
Ares Pathfinder Fund (offshore) L.P	USA	18,947,303.92	20,760,034.39	20,760,034.39
Dyal IV co-inv (Project Vault)	USA	19,801,887.52	36,382,129.94	36,382,129.94
Dyal V co-inv (Project Nimbus)	USA	15,729,196.68	28,141,250.84	28,141,250.84
Neuberger Berman Special Situations Fund	USA	6,781,840.33	7,610,045.01	7,610,045.01
Siguler Guff Small Buyout Opportunities IV (EU), SCSp	USA	3,426,796.74	3,358,030.95	3,358,030.95
Aurora Equity Partners VI-A L.P.	USA	1,094,439.73	864,538.60	864,538.60
Blackstone Property Partners Asia (Lux) SCSp	USA	2,000,000.00	1,756,918.59	1,756,918.59
Dyal V Offshore Investors LP	USA	19,442,500.00	33,931,986.51	33,931,986.51
Dyal V Offshore Investors LP - Subscription	USA	17,806,250.00	15,721,569.84	15,721,569.84
Whitehorse Liquidity Partners (Offshore) IV LP	USA	20,508,269.62	23,299,018.64	23,299,018.64
OTHER PRIVATE EQUITY FUNDS			3,249,225.02	3,249,225.02
<b>Private equity funds, total</b>			<b>1,837,477,310.31</b>	<b>1,837,477,310.31</b>



**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
<b>FUNDS</b>				
iShares Ageing Population UCITS ETF (London)	Ireland	138,315.00	912,859.46	912,859.46
iShares Automation & Robotics UCITS ETF (Frankfurt)	Ireland	119,405.00	1,521,219.70	1,521,219.70
iShares Automation & Robotics UCITS ETF (London)	Ireland	356,878.00	4,518,480.06	4,518,480.06
iShares Core EUR Corp Bond UCITS ETF (London)	Ireland	11,519.00	1,542,048.53	1,542,048.53
iShares Core MSCI EM IMI UCITS ETF (Frankfurt)	Ireland	981,569.00	30,511,090.80	30,511,090.80
iShares Core S&P 500 UCITS ETF (Frankfurt)	Ireland	22,570.00	9,750,014.30	9,750,014.30
iShares Core S&P 500 UCITS ETF (London)	Ireland	44,015.00	18,928,082.20	18,928,082.20
iShares Digitalisation UCITS ETF (Frankfurt)	Ireland	56,498.00	505,318.11	505,318.11
iShares Digitalisation UCITS ETF (London)	Ireland	324,423.00	2,908,807.67	2,908,807.67
iShares Edge MSCI Europe Minimum Volatility UCITS ETF (London)	Ireland	122,974.00	6,955,409.44	6,955,409.44
iShares Global Clean Energy UCITS ETF USD (EUR)	Ireland	628,483.00	6,666,947.66	6,666,947.66
iShares Healthcare Innovation UCITS ETF (London)	Ireland	242,302.00	2,055,373.89	2,055,373.89
iShares MSCI USA Quality Div ETF Dis	Ireland	17,304.00	671,049.12	671,049.12
iShares MSCI World SRI UCITS ETF USD	Ireland	77,560.00	610,666.87	610,666.87
iShares NASDAQ 100 UCITS ETF	Ireland	2,821.00	2,321,400.90	2,321,400.90
ISHARES PHYSICAL GOLD ETC	Ireland	66,180.00	2,072,095.80	2,072,095.80
iShares Sustainable MSCI Emerging Markets SRI UCITS ETF	Ireland	361,324.00	2,636,219.90	2,636,219.90
Mercer Global High Yield Bond Fund M-6 EUR HEDGED	Ireland	24,319.16	2,877,686.23	2,877,686.23
Mercer Passive Emerging Markets Equity Fund M-12 EUR	Ireland	123,080.63	15,084,761.42	15,084,761.42
Mercer Sustainable Global Equity Fund M-5 (UNHEDGED)	Ireland	374,505.09	68,725,428.68	68,725,428.68
MGI Emerging Markets Debt Fund M-7 EUR	Ireland	316,429.59	33,047,906.48	33,047,906.48
MGI Emerging Markets Equity Fund M-8 EUR	Ireland	1,427,890.29	179,585,761.42	179,585,761.42
MGI Eurozone Equity Fund M-3 (UNHEDGED)	Ireland	5,831.73	943,399.45	943,399.45
MGI Eurozone Equity Fund M-8 EUR (UNHEDGED)	Ireland	764,344.19	127,767,775.39	127,767,775.39
MGI Global Equity Fund M-9 (ACTIVE - UNHEDGED)	Ireland	635,615.29	118,669,375.26	118,669,375.26
iShares Edge MSCI USA Value Factor UCITS ETF	Ireland	60,351.00	503,813.09	503,813.09
iShares Healthcare Innovation UCITS ETF (Frankfurt)	Ireland	79,783.00	672,411.12	672,411.12
iShares MSCI EM UCITS ETF	Ireland	19,507.00	707,548.15	707,548.15
iShares MSCI Europe SRI UCITS ETF (Frankfurt)	Ireland	123,697.00	8,042,778.94	8,042,778.94
iShares MSCI USA SRI UCITS ETF USD	Ireland	377,457.00	4,700,094.56	4,700,094.56
iShares MSCI World SRI UCITS ETF EUR	Ireland	108,056.00	1,078,669.02	1,078,669.02
iShares S&P 500 Information Technology Sector UCITS ETF	Ireland	34,936.00	682,300.08	682,300.08
Mercer Passive Global Equity Fund (UCITS)	Ireland	21,953.86	5,873,316.38	5,873,316.38
iShares EUR High Yield Corp Bond UCITS ETF (London)	Ireland	13,061.00	1,339,013.72	1,339,013.72
iShares MSCI Europe ESG Screened UCITS ETF	Ireland	509,117.00	3,737,937.01	3,737,937.01

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
iShares MSCI USA ESG Screened UCITS ETF	Ireland	286,591.00	2,368,388.02	2,368,388.02
iShares Edge S&P 500 Minimum Volatility UCITS ETF (London)	Ireland	72,194.00	5,376,623.61	5,376,623.61
iShares MSCI USA SRI UCITS ETF	Ireland	7,536,568.00	93,425,229.31	93,425,229.31
X MSCI NORDIC	Ireland	12,093.00	632,463.90	632,463.90
Xtrackers MSCI World Quality UCITS ETF	Ireland	15,841.00	833,395.01	833,395.01
iShares Electric Vehicles & Driving UCITS ETF USD Acc	Ireland	115,777.00	846,098.32	846,098.32
iShares Physical Gold ETC USD	Ireland	493,587.00	15,461,091.99	15,461,091.99
Mercer Emerging Market Debt - Hard Currency Fund A4	Ireland	302,840.89	31,937,600.09	31,937,600.09
Mercer Emerging Market Debt - Hard Currency Fund A4 (Hedged)	Ireland	8,679.72	847,747.93	847,747.93
Mercer Short Duration Global Bond Fund 1 - A4-H-0.0950-EUR	Ireland	101,548.22	10,091,862.08	10,091,862.08
SPDR S&P U.S. Industrials Select Sector UCITS ETF	Ireland	21,512.00	826,060.80	826,060.80
Volt ICAV - Volt Diversified Alpha Fund Class I USD - Initial	Ireland	48,127.27	6,420,868.68	6,420,868.68
WisdomTree Industrial Metals	Jersey	43,553.00	644,715.06	644,715.06
BlackRock European Opportunities Extension Fund A2 EUR	Luxembourg	1,290.00	849,490.80	849,490.80
db x-trackers MSCI China TRN Index UCITS ETF DR	Luxembourg	40,998.00	664,823.57	664,823.57
Mandatum Life SICAV-UCITS Nordic High Yield Total Return Fund A EUR cap.	Luxembourg	468,381.49	50,713,864.91	50,713,864.91
Mandatum Life SICAV-UCITS Nordic High Yield Total Return Fund B EUR cap.	Luxembourg	143,235.04	15,651,435.74	15,651,435.74
Mandatum Life SICAV-UCITS Slim Tail World Equity Fund A USD cap.	Luxembourg	12,599.14	1,394,476.36	1,394,476.36
Mandatum Life SICAV-UCITS Slim Tail World Equity Fund B USD cap. perf.	Luxembourg	99,325.76	11,281,147.01	11,281,147.01
PV Buyback USA - B	Luxembourg	2,816.36	934,575.64	934,575.64
Sifter Fund Global PI CLASS Cap	Luxembourg	6,181.73	3,811,900.08	3,811,900.08
Xtrackers CSI300 Swap UCITS ETF	Luxembourg	64,722.00	1,092,377.92	1,092,377.92
Mandatum Life SICAV-UCITS Fixed Income Total Return Fund I2 EUR cap.	Luxembourg	9,339,567.12	974,170,085.63	974,170,085.63
Mandatum Life SICAV-UCITS Nordic High Yield Total Return Fund I EUR cap.	Luxembourg	1,075,608.30	116,666,392.27	116,666,392.27
Mandatum Life SICAV-UCITS Stamina Equity Fund F1 EUR cap. perf.	Luxembourg	1,338.33	633,768.40	633,768.40
Accendo Capital SICAV-SIF A	Luxembourg	96.99	886,753.10	886,753.10
Danske Invest SICAV Global Sustainable 130 30 Class A eur	Luxembourg	6,127.10	834,517.00	834,517.00
x-trackers MSCI Emerging Market ETF	Luxembourg	27,771.00	1,329,120.06	1,329,120.06
Xtrackers S&P 500 Swap UCITS ETF	Luxembourg	1,167,325.00	93,738,485.56	93,738,485.56
Mandatum Life SICAV-UCITS European Small&Midcap Equity Fund FS I EUR cap.	Luxembourg	621,642.25	241,267,748.70	241,267,748.70
Mandatum Life SICAV-UCITS Managed Futures Fund A USD cap. perf.	Luxembourg	71,416.77	6,749,111.91	6,749,111.91
Mandatum Life SICAV-UCITS Slim Tail US Long/Short Equity Fund A USD cap.	Luxembourg	38,746.37	3,646,654.08	3,646,654.08
Mandatum Life SICAV-UCITS Slim Tail US Long/Short Equity Fund B USD cap.	Luxembourg	59,533.46	5,717,225.50	5,717,225.50
Xtrackers FTSE Vietnam Swap ETF	Luxembourg	21,308.00	876,611.12	876,611.12
Xtrackers MSCI Europe Small Cap UCITS ETF	Luxembourg	13,863.00	871,705.44	871,705.44
Odin Eiendom B	Norway	27,968.66	1,024,072.84	1,024,072.84

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
ODIN Sverige B	Norway	28,370.19	977,681.92	977,681.92
SKAGEN GLOBAL FUND EUR	Norway	3,539.53	1,117,089.04	1,117,089.04
Amundi MSCI Europe Quality Factor UCITS ETF	France	5,594.00	586,139.32	586,139.32
Lyxor EURO STOXX 300 (DR) UCITS ETF C-EUR	France	4,564.00	1,072,083.60	1,072,083.60
Lyxor STOXX Europe 600 (DR) UCITS ETF	France	34,014.00	7,126,273.14	7,126,273.14
Amundi MSCI EM Asia UCITS ETF	France	40,725.00	1,523,444.87	1,523,444.87
Amundi MSCI World Climate Transition CTB UCITS ETF DR	France	90,005.00	36,116,297.35	36,116,297.35
Amundi MSCI World Climate Transition CTB	France	8,941.97	184,505,052.83	184,505,052.83
XACT Norden 30 ETF	Sweden	287,490.00	5,854,807.91	5,854,807.91
iShares Edge MSCI EM Minimum Volatility UCITS ETF	Germany	24,203.00	730,513.47	730,513.47
iShares Edge MSCI Europe Minimum Volatility UCITS ETF (Frankfurt)	Germany	27,907.00	1,586,233.88	1,586,233.88
iShares EM Local Govt Bond UCITS ETF (London)	Germany	11,693.00	533,236.31	533,236.31
iShares Global Govt Bond UCITS ETF (London USD)	Germany	8,956.00	883,343.42	883,343.42
iShares J.P. Morgan \$ EM Bond UCITS ETF (London USD)	Germany	23,569.00	2,257,429.91	2,257,429.91
iShares MSCI Europe UCITS ETF (Frankfurt)	Germany	17,996.00	541,499.64	541,499.64
iShares STOXX Europe 600 Insurance UCITS ETF	Germany	20,307.00	655,306.89	655,306.89
iShares STOXX Europe 600 UCITS ETF	Germany	178,279.00	8,610,875.70	8,610,875.70
iShares STOXX Europe Small 200	Germany	151,053.00	5,830,645.80	5,830,645.80
50's sijoituskori	Finland	560,464.74	1,387,677.08	1,387,677.08
60's sijoituskori	Finland	2,115,112.28	8,947,411.42	8,947,411.42
70's sijoituskori	Finland	952,126.95	4,973,568.41	4,973,568.41
Danske Bank Salkunhoito Navigaattori sijoituskori	Finland	24,070,516.26	29,934,816.14	29,934,816.14
Danske Horisontti sijoituskori	Finland	15,237,623.40	29,271,931.67	29,271,931.67
Danske Invest China Kasvu	Finland	4,357,742.68	18,084,327.07	18,084,327.07
Danske Invest Elik sir Kasvu	Finland	4,385,314.27	6,652,346.33	6,652,346.33
Danske Invest Emerging Markets Debt Kasvu	Finland	1,381,509.02	4,299,560.01	4,299,560.01
Danske Invest Euro Government Bond Index Kasvu	Finland	1,235,958.72	2,190,353.69	2,190,353.69
Danske Invest Euro Yrityslaina Kasvu	Finland	14,704,555.52	5,422,745.98	5,422,745.98
Danske Invest Euroopan Pienyhtiöt Kasvu	Finland	63,884,024.89	26,118,983.58	26,118,983.58
Danske Invest Eurooppa Osake Kasvu	Finland	91,588,238.41	51,682,327.05	51,682,327.05
Danske Invest Eurooppa Osinko Kasvu	Finland	130,834.67	10,308,702.97	10,308,702.97
Danske Invest Europe Enhanced Index Kasvu	Finland	380,016.81	1,366,810.27	1,366,810.27
Danske Invest High Yield Kasvu	Finland	1,378,912.68	2,755,867.30	2,755,867.30
Danske Invest Intia Kasvu	Finland	3,915,019.71	8,515,715.98	8,515,715.98
Danske Invest Itä-Eurooppa Konvergenssi Kasvu	Finland	9,681,729.83	10,617,081.75	10,617,081.75
Danske Invest Japani Osake Kasvu	Finland	21,663,894.99	4,462,545.73	4,462,545.73

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
Danske Invest Kehittyvät Markkinat Osakkeet Kasvu	Finland	22,380,500.02	49,347,883.52	49,347,883.52
Danske Invest Kestävä Arvo Osake Kasvu	Finland	113,388,524.95	117,380,934.91	117,380,934.91
Danske Invest Kompassi 25 Kasvu	Finland	317,875,426.79	709,545,633.91	709,545,633.91
Danske Invest Kompassi 50 Kasvu	Finland	173,424,744.70	428,260,267.30	428,260,267.30
Danske Invest Kompassi 75 Kasvu	Finland	40,023,696.29	106,245,703.46	106,245,703.46
Danske Invest Kompassi Korko Kasvu	Finland	132,696,580.95	276,195,990.56	276,195,990.56
Danske Invest Kompassi Osake Kasvu	Finland	107,995,862.93	182,749,519.29	182,749,519.29
Danske Invest Korko Kasvu	Finland	245,061,429.07	66,521,924.92	66,521,924.92
Danske Invest MediLife Kasvu	Finland	18,128,655.16	50,162,170.10	50,162,170.10
Danske Invest Neutral Kasvu	Finland	1,037,937.65	34,287,554.19	34,287,554.19
Danske Invest Obligaatio Kasvu	Finland	7,868,955.86	3,131,293.61	3,131,293.61
Danske Invest Russia Kasvu	Finland	4,250,910.50	19,355,755.81	19,355,755.81
Danske Invest Suomi Osake Kasvu	Finland	76,316,516.50	69,856,323.38	69,856,323.38
Danske Invest Taboite 2040 Kasvu	Finland	29,093,766.76	94,819,495.24	94,819,495.24
Danske Invest Tavoite 2030 Kasvu	Finland	133,734,746.04	346,086,799.90	346,086,799.90
Danske Invest Teknologia Indeksi Kasvu	Finland	88,450,687.64	118,774,236.88	118,774,236.88
Danske Invest Yhteisökorko Kasvu	Finland	310,334.44	9,450,834.89	9,450,834.89
Danske Kehittyvät Markkinat sijoituskori	Finland	447,241.73	640,400.96	640,400.96
Danske Korko sijoituskori	Finland	502,889.48	967,815.83	967,815.83
Danske Navigaattori sijoituskori	Finland	37,277,903.62	55,496,360.68	55,496,360.68
Danske Osake sijoituskori	Finland	2,545,906.19	10,652,886.21	10,652,886.21
Danske Salkunhoito Horisontti sijoituskori	Finland	13,146,100.75	22,708,442.97	22,708,442.97
Danske Varainhoito 25 sijoituskori	Finland	20,161,390.85	47,102,250.99	47,102,250.99
Danske Varainhoito 50 sijoituskori	Finland	23,030,170.31	62,072,296.82	62,072,296.82
Danske Varainhoito 75 sijoituskori	Finland	1,489,042.41	4,403,336.66	4,403,336.66
eQ Kehittyvät Markkinat Osinko - 1 K	Finland	3,920.80	933,827.74	933,827.74
eQ Liikekiinteistöt	Finland	5,294.25	657,333.92	657,333.92
eQ Varainhoitosalkku sijoituskori	Finland	686,452.69	1,988,859.37	1,988,859.37
FIM Global Opportunity sijoituskori	Finland	33,625,284.96	86,101,577.16	86,101,577.16
PYN ELITE	Finland	9,235.07	5,090,276.30	5,090,276.30
SAMPO INSTITUTIONAL LIQ PL-G	Finland	6,635,292.88	9,392,920.60	9,392,920.60
Sampo Life 25 -sijoituskori	Finland	2,121,665.15	3,904,945.92	3,904,945.92
Sampo Life 50 -sijoituskori	Finland	3,890,277.92	8,032,723.65	8,032,723.65
Sampo Life 75 -sijoituskori	Finland	6,568,521.08	14,928,671.96	14,928,671.96
Sampo Life Aggressive Growth -sijoituskori	Finland	6,798,989.66	21,043,280.93	21,043,280.93
Sampo Life Emerging Markets -sijoituskori	Finland	8,976,021.75	13,186,224.75	13,186,224.75

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
Sampo Life Safe -sijoituskori	Finland	3,447,920.04	4,053,064.49	4,053,064.49
Seligson & Co OMX Helsinki 25 ETF	Finland	364,069.00	26,398,643.19	26,398,643.19
Trevian Suomi Kiinteistöt I (C-sarja)	Finland	1,164,245.95	142,921,901.47	142,921,901.47
Trevian Suomi Kiinteistöt I (D-sarja)	Finland	549,085.69	67,405,320.18	67,405,320.18
VISIO ALLOCATOR FUND	Finland	6,866.32	1,655,949.31	1,655,949.31
Danske Invest Suomi Osake IW Kasvu	Finland	21,530,025.49	34,385,603.71	34,385,603.71
Danske Invest Suomi Osake I K	Finland	6,114.75	1,005,511.53	1,005,511.53
Danske Invest Euro Sustainable High Yield Kasvu	Finland	4,333,940.16	8,920,072.29	8,920,072.29
Danske Bank Laaja Varainhoito 35	Finland	9,703,155.92	11,322,806.70	11,322,806.70
Danske Bank Laaja Varainhoito 50	Finland	17,471,391.96	21,437,747.37	21,437,747.37
Danske Bank Laaja Varainhoito 80	Finland	9,648,637.49	13,189,880.42	13,189,880.42
Danske Bank Yksilöllinen Varainhoito 35	Finland	86,198,553.07	100,148,064.91	100,148,064.91
Danske Bank Yksilöllinen Varainhoito 50	Finland	75,716,800.52	93,669,253.92	93,669,253.92
Danske Bank Yksilöllinen Varainhoito 80	Finland	15,206,374.65	20,700,285.75	20,700,285.75
Danske Invest USA Indeksii Kasvu	Finland	164,253,866.69	47,333,036.76	47,333,036.76
Danske Invest USA Indeksii I K	Finland	4,528,855.89	23,907,784.95	23,907,784.95
eQ Yhteiskuntakiinteistöt	Finland	61,254.44	8,549,772.80	8,549,772.80
Danske Invest Global Emerging Markets EUR	Denmark	320,721.66	4,622,144.38	4,622,144.38
Danske Invest Pohjoisen Yrityslainat	Denmark	57,293.04	667,286.31	667,286.31
Danske Invest Reaalikorko Maailma H EUR	Denmark	79,791.30	1,169,820.22	1,169,820.22
Danske Invest Global Sustainable Future	Denmark	217,552.71	5,767,126.51	5,767,126.51
iShares 0-5 Year Investment Grade Corporate Bond ETF	USA	423,075.00	19,069,379.08	19,069,379.08
iShares Core MSCI Emerging Markets ETF	USA	74,089.00	3,915,740.37	3,915,740.37
iShares Core MSCI Pacific ETF	USA	79,481.00	4,481,420.32	4,481,420.32
iShares Core S&P 500 ETF	USA	157,027.85	66,131,655.06	66,131,655.06
iShares Core S&P Small -Cap ETF	USA	12,644.00	1,278,354.62	1,278,354.62
iShares Global Clean Energy ETF	USA	42,830.00	800,557.21	800,557.21
iShares Global Tech Sector ETF	USA	21,714.00	1,234,473.30	1,234,473.30
iShares iBoxx \$ High Yield Corporate Bond ETF	USA	18,431.00	1,415,929.11	1,415,929.11
iShares iBoxx \$ Investment Grade Corporate Bond ETF	USA	13,978.00	1,635,497.58	1,635,497.58
iShares MSCI ACWI Low Carbon ETF	USA	3,646.00	560,034.10	560,034.10
iShares MSCI Emerging Markets ETF (New York)	USA	42,083.00	1,815,075.53	1,815,075.53
iShares MSCI USA Minimum Volatility ETF	USA	68,499.00	4,892,785.71	4,892,785.71
iShares MSCI World UCITS ETF (Frankfurt)	USA	13,243.00	806,021.95	806,021.95
iShares Russell 2000 Index Fund ETF	USA	6,201.00	1,217,916.70	1,217,916.70
iShares S&P Small-Cap 600 Value ETF	USA	9,800.00	904,116.19	904,116.19

**19. EQUITY SECURITIES OF OTHER COMPANIES HELD BY THE COMPANY UL 31 DECEMBER 2021**

	Country	Amount	Fair value	Carrying value
iShares U.S. Healthcare ETF	USA	6,210.00	1,646,916.56	1,646,916.56
iShares U.S. Technology ETF	USA	8,900.02	902,260.31	902,260.31
SPDR S&P500 ETF Trust ETF	USA	2,885.00	1,209,835.42	1,209,835.42
VanEck Vectors Agribusiness ETF	USA	17,568.00	1,480,079.96	1,480,079.96
VANGUARD S&P 500 ETF	USA	27,017.00	10,413,925.21	10,413,925.21
Vanguard FTSE Emerging Markets ETF (USD) VWO	USA	20,034.00	872,043.26	872,043.26
SPDR MSCI World Energy UCITS ETF	USA	65,283.00	1,820,742.87	1,820,742.87
Industrial Select Sector SPDR Fund	USA	403,637.00	37,708,662.34	37,708,662.34
OTHER FUNDS			20,642,885.88	20,642,885.88
<b>Funds, total</b>			<b>6,738,710,417.78</b>	<b>6,738,710,417.78</b>
<b>Total</b>			<b>9,301,954,036.01</b>	<b>9,301,954,036.01</b>

**20. INVESTMENTS IN GROUP COMPANIES AND PARTICIPATING INTERESTS 31 DECEMBER 2021****Investments in Group Companies**

	Domicile	No.	Holding, %	Carrying amount	Profit/loss for the financial year	Equity
Mandatum Life Services Ltd.		130	100.00	4,100,000.00	-781,800.20	8,064,447.21
Mandatum Life Fund		4,900	100.00	4,900,000.00	271,768.75	4,936,430.14
ML Incentives Oy		45,000	100.00	45,000.00	-328,327.78	268,327.78
<b>Total</b>				<b>9,045,000.00</b>	<b>-838,359.23</b>	<b>13,269,205.13</b>

**Investments in Participating Interests**

	Domicile	No.	Holding, %	Carrying amount	Profit/loss for the financial year	Equity
Precast Holding Oy	Helsinki	127,016	20.43	2,595,180.25	2,411,990.00	5,235,717.00
<b>Total</b>				<b>2,595,180.25</b>	<b>2,411,990.00</b>	<b>5,235,717.00</b>

**21. INVESTMENTS IN GROUP COMPANIES AND IN ASSOCIATES**

	2021		2020	
	Group companies' securities	Money market instruments and loan receivables on them issued by group companies	Group companies' securities	Money market instruments and loan receivables on them issued by group companies
Acquisition cost at 1 January	11,142,850.00	0.00	11,142,850.00	929,021.94
Additions	45,000.00	0.00	0.00	0.00
Disposals	-2,142,850.00	0.00	0.00	-929,021.94
<b>Acquisition cost at 31 December</b>	<b>9,045,000.00</b>	<b>0.00</b>	<b>11,142,850.00</b>	<b>0.00</b>
Accumulated depreciation 1 Jan	0.00	-0.01	0.00	-107,906.63
Additions	0.00	0.00	0.00	107,906.62
Disposals	0.00	0.00	0.00	0.00
<b>Accumulated depreciation at 1 January</b>	<b>0.00</b>	<b>-0.01</b>	<b>0.00</b>	<b>-0.01</b>
<b>Carrying amount at 31 December</b>	<b>9,045,000.00</b>	<b>-0.01</b>	<b>11,142,850.00</b>	<b>-0.01</b>

**22. INVESTMENTS RELATED TO UNIT-LINKED INSURANCE**

	2021		2020	
	Historical acquisition cost	Fair value (= carrying amount)	Historical acquisition cost	Fair value (= carrying amount)
Equity securities		9,302,224,728.54	6,347,301,946.51	7,593,590,048.15
Money market instruments		995,597,093.12	835,503,046.10	846,749,287.05
Derivative financial instruments		11,433,697.23	7,145,816.75	16,936,550.24
Deposits and other investments		34,999,915.91	15,000,000.00	14,999,992.90
Cash and cash equivalents		397,076,720.84	331,002,135.92	331,002,135.92
Accrued interest		2,383,279.75	0.00	2,035,835.18
<b>Total</b>	<b>8,366,957,120.67</b>	<b>10,743,715,435.39</b>	<b>7,535,952,945.28</b>	<b>8,805,313,849.44</b>
Investments acquired in advance		-28,216,410.30		-33,028,923.01
<b>Investments corresponding to the technical provisions of unit-linked insurance</b>		<b>10,715,499,025.09</b>		<b>8,772,284,926.43</b>



**23. CARRYING AMOUNT OF DERIVATIVES RECOGNIZED IN THE BALANCE SHEET BY ITEM**

	2021	2020
Other accruals and deferred income	30,890,761.36	5,030,382.85
Interest and rents	217,147.03	20,133.68
Investments related to unit-linked insurance contracts	11,433,697.23	16,936,550.24

**24. RECEIVABLES AND LIABILITIES FROM GROUP COMPANIES**

	2021	2020
<b>Receivables</b>		
Loan receivables	69,107,500.00	70,855,000.00
Other receivables	5,051,582.82	5,907,454.75
<b>Total</b>	<b>74,159,082.82</b>	<b>76,762,454.75</b>
<b>Liabilities</b>		
Other liabilities	13,892,604.10	13,714,930.73
<b>Total</b>	<b>13,892,604.10</b>	<b>13,714,930.73</b>

**25. MATERIAL ITEMS INCLUDED IN PREPAYMENTS AND ACCRUED INCOME**

	2021	2020
Reinsurance receivables	5,442,000.00	4,926,000.00
Tax receivables	9,960,203.89	0.00
Other accrued receivables	2,514,03.68	2,206,117.12
<b>Total</b>	<b>17,916,239.57</b>	<b>7,132,117.12</b>

**26. STATEMENT OF CHANGES IN EQUITY**

	1 Jan–31 Dec 2021	1 Jan–31 Dec 2020
Share capital 1 January = 31 December	40,364,765.03	40,364,765.03
Share premium reserve 1 January = 31 December	98,858,828.56	98,858,828.56
Legal reserve 1 January = 31 December	29,853,356.95	29,853,356.95
Other reserves 1 January = 31 December	11,464,367.36	11,464,367.36
Profit/loss from previous years at 1 January	719,557,859.48	476,979,183.15
Dividends	-375,000,000.00	0.00
Transfer to profit/loss from previous years	151,521,459.65	242,578,676.33
Total	496,079,319.13	719,557,859.48
<b>Profit/loss for the financial year</b>	<b>202,165,121.34</b>	<b>151,521,459.65</b>
<b>Total</b>	<b>878,785,758.37</b>	<b>1,051,620,637.03</b>

**27. DISTRIBUTABLE FUNDS**

	2021	2020
Profit for the financial year	202,165,121.34	151,521,459.65
Other reserves	11,464,367.36	11,464,367.36
Profit from previous years	496,079,319.13	719,557,859.48
<b>Distributable assets total</b>	<b>709,708,807.83</b>	<b>882,543,686.49</b>

**28. TECHNICAL PROVISIONS**

	2021	2020
<b>Technical provisions relating to unit-linked insurance</b>		
Technical provisions		
Provision for unearned premiums	10,148,922,438.03	8,413,232,354.17
Provision for claims outstanding	562,660,891.26	352,000,370.37
Reinsurers' share		
<b>Total</b>	<b>10,711,583,329.29</b>	<b>8,765,232,724.54</b>

**29. SUBORDINATED LOANS**

	2021	2020
Subordinated loans, issued	26.3.2003	100,000,000.00
Subordinated loans, issued	4.10.2019	249,442,048.18
<b>Total</b>		<b>349,442,048.18</b>

The loan can be repaid in part or in full as of 31 December 2012.  
The loan was not paid off during the financial year.  
The loan's annual interest is tied to the 12 month Euribor.  
The interest rate margin changed by one percentage point as of 31 December 2012.

In 2019, Mandatum Life issued a Solvency II Tier 2 loan worth EUR 250 million that matures on 4 October 2049.  
The loan has a fixed interest rate until the first possible repayment date of 4 October 2024, after which it changes to floating rate interest.

**30. DEFERRED TAX LIABILITIES AND ASSETS**

	2021	2020
<b>Deferred tax assets</b>		
Others due to timing differences	5,806,515.63	623,370.48
<b>Total</b>	<b>5,806,515.63</b>	<b>623,370.48</b>

**31. MATERIAL ITEMS INCLUDED IN DEFERRALS AND ACCRUED INCOME**

	2021	2020
Prepaid rents	130,648.40	353,427.87
Prepaid insurance premiums	6,906,323.76	7,708,360.10
Interest liabilities	7,048,945.17	7,367,550.72
Accruals and deferred income on investments	30,814,211.54	4,664,387.93
Holiday pay debt and other social expenses liabilities	2,196,225.68	2,669,004.39
Other accruals and deferred income	21,669,852.09	15,261,857.67
<b>Total</b>	<b>68,766,206.64</b>	<b>38,024,588.68</b>

## 32. OFF-BALANCE-SHEET CONTINGENT LIABILITIES AND LIABILITIES

### Lease Liabilities

	2021	2020
Amount payable in the current financial year	67,238.48	60,545.02
Amount payable in future years	88,201.09	71,534.44

### Leasing Liabilities

	2021	2020
Not later than one year	2,530,938.50	2,428,159.99
Later than one year and not later than five years	9,876,654.69	6,624,840.23
Later than five years	16,287,034.00	0.00

### Pledges Given as Security for Trading in Derivatives

	2021	2020
Cash*	25,780,000.00	0.00

\*The cash assets, EUR 25.8 million (0), provided as security in the transfer according to the Act on Financial Collateral Arrangements, are included in the balance sheet item Other receivables. The cash assets, EUR 11.4 million (39.5), received as security in the transfer according to the Act on Financial Collateral Arrangements, are included in the balance sheet item Other liabilities.

### Derivative Financial Instruments

	2021		2020	
	Fair value*	Underlying asset	Fair value*	Underlying asset
<b>Non-hedging</b>				
Interest rate derivatives				
Foreign exchange derivatives				
Forward contracts, open	3,747,046.83	1,194,053,780.95	24,475,544.09	1,053,225,652.00
Forward contracts, closed		16,088,725.05	0.00	0.00
Option contracts, open				
<b>Total</b>	<b>3,747,046.83</b>	<b>1,210,142,506.00</b>	<b>24,475,544.09</b>	<b>1,053,225,652.00</b>

\*Negative valuation differences in non-hedging derivative financial instruments are entered as an expense (fair value = 0). Hedge accounting is not applied in financial statements that have been prepared in accordance with the Finnish Accounting Standards.

### Investment Commitments

	2021	2020
Private equity funds*	1,807,485,878.03	1,196,234,346.31

\*Of the private equity fund commitments, EUR 1,541.8 million (868.8) is related to the investments covering unit-linked insurance.

### Amount of Joint Liability Associated with Group Registration for Value-Added Tax

Mandatum Life Insurance Company Limited belongs to If P&C Insurance Company's value added tax group. The group's members are jointly liable for the value-added tax payable by the group.

	2021	2020
Group companies	4,094,935.38	5,139,784.48
Cooperation companies	24,187.26	-173,305.30
	<b>4,119,122.64</b>	<b>4,966,479.18</b>

## 33. KEY FIGURES

	2021	2020	2019	2018	2017
<b>Premiums written</b>	<b>1,375,812,470.16</b>	<b>1,058,963,908.66</b>	<b>1,602,970,365.69</b>	<b>1,081,583,234.05</b>	<b>966,654,726.62</b>
<b>Expense ratio as a percentage of load income</b>	<b>97.1%</b>	<b>98.3%</b>	<b>102.0%</b>	<b>93.7%</b>	<b>94.8%</b>
<b>Expense ratio as a percentage of the balance sheet total</b>	<b>1.0%</b>	<b>0.9%</b>	<b>1.0%</b>	<b>0.9%</b>	<b>0.9%</b>
<b>Net income from investments at fair values</b>	<b>9.0%</b>	<b>5.6%</b>	<b>8.7%</b>	<b>-2.3%</b>	<b>5.6%</b>
<b>Net return on equity (at fair values)</b>	<b>9.5%</b>	<b>5.7%</b>	<b>3.6%</b>	<b>2.6%</b>	<b>5.7%</b>
<b>Average number of staff during the year</b>	<b>176</b>	<b>179</b>	<b>177</b>	<b>178</b>	<b>179</b>
<b>Insurance company's performance analysis</b>					
Premiums written	1,367,008,810.08	1,050,813,226.09	1,595,892,828.59	1,074,202,829.63	959,892,060.48
Income and expenses from investments, and revaluations, value adjustments and changes in value	1,777,575,318.64	616,563,096.85	1,286,907,560.96	-51,436,589.14	879,525,959.69
Claims paid	-1,103,731,794.90	-1,124,599,474.43	-1,602,889,200.77	-1,159,055,577.89	-1,014,884,333.31
Change in technical provisions before discretionary benefits (client bonuses) and change in equalization provision	-1,648,650,704.93	-235,550,807.85	-875,013,773.67	462,017,995.74	-413,986,642.81
Operating expenses	-116,443,744.88	-103,192,903.79	-107,797,268.57	-93,861,684.20	-93,381,903.82
Other technical income and expenses	0	0	0	0	0
Technical result before discretionary benefits (client bonuses) and change in equalization provision	275,757,884.01	204,033,136.87	297,100,146.54	231,866,974.14	317,165,140.23
Other income and expenses	38.96	17.76	-218.90	196,994,259.93	-1,079,495.94
<b>Operating profit or loss</b>	<b>275,757,922.97</b>	<b>204,033,154.63</b>	<b>297,099,927.64</b>	<b>428,861,234.07</b>	<b>316,085,644.29</b>
Change in equalization provision	0.00	0.00	0.00	0.00	0.00
Discretionary benefits (client bonuses)	-22,852,170.85	-7,644,499.46	8,141,304.51	1,184,495.64	26,660,626.45
<b>Profit/loss before appropriations and taxes</b>	<b>252,905,752.12</b>	<b>196,388,655.17</b>	<b>305,241,232.15</b>	<b>430,045,729.71</b>	<b>342,746,270.74</b>
Appropriations	0.00	0.00	0.00	0.00	0.00
Income tax and other direct taxes	-50,740,630.78	-44,867,195.52	-62,662,555.82	-86,742,119.65	-69,595,498.44
<b>Profit/loss for the financial year</b>	<b>202,165,121.34</b>	<b>151,521,459.65</b>	<b>242,578,676.33</b>	<b>343,303,610.06</b>	<b>273,150,772.30</b>
<b>Total result</b>					
Operating profit/loss	275,757,922.97	204,033,154.63	297,099,927.64	428,861,234.07	316,085,644.29
profit/loss before change in equalization provision, discretionary benefits (client bonuses), extraordinary items, appropriations and taxes					
+/- change in off-balance-sheet valuation differences, and in the fair value reserve and revaluation reserve	139,061,952.00	75,976,679.22	105,326,876.53	-312,121,689.04	-93,847,089.48
<b>Total result</b>	<b>414,819,874.97</b>	<b>280,009,833.85</b>	<b>402,426,804.17</b>	<b>116,739,545.03</b>	<b>222,238,554.81</b>

## Investment Allocation at Fair Values

	Basic allocation				Risk allocation			
	2021		2020		2021		2020	
	EUR million	%	EUR million	%	EUR million	%	EUR million	%
<b>Fixed income investments total</b>	<b>3,230,557,642</b>	<b>62%</b>	<b>3,509,124,562</b>	<b>63%</b>	<b>3,230,557,642</b>	<b>62 %</b>	<b>3,509,124,562</b>	<b>63%</b>
Bonds	2,645,073,470	51%	2,996,684,505	54%	2,645,073,470	51 %	2,996,684,505	54%
Other money market instruments and deposits	585,484,172	11%	512,440,057	9%	585,484,172	11 %	512,440,057	9%
<b>Equity investment total</b>	<b>1,501,634,625</b>	<b>29%</b>	<b>1,608,337,584</b>	<b>29%</b>	<b>1,501,634,625</b>	<b>29 %</b>	<b>1,608,337,584</b>	<b>29%</b>
Listed equities	1,185,040,892	23%	1,337,995,439	24%	1,185,040,892	23 %	1,337,995,439	24%
Private equity	276,202,722	5%	226,364,493	4%	276,202,722	5 %	226,364,493	4%
Unlisted equities	40,391,011	1%	43,977,652	1%	40,391,011	1 %	43,977,652	1%
<b>Real estate investments total</b>	<b>188,062,681</b>	<b>4%</b>	<b>184,882,215</b>	<b>3%</b>	<b>188,062,681</b>	<b>4 %</b>	<b>184,882,215</b>	<b>3%</b>
Direct real estate investments	179,060,000	3%	173,960,000	3%	179,060,000	3 %	173,960,000	3%
Real estate funds and co-investments	9,002,681	0%	10,922,215	0%	9,002,681	0 %	10,922,215	0%
<b>Other investments</b>	<b>286,142,375</b>	<b>5%</b>	<b>250,488,371</b>	<b>5%</b>	<b>286,142,375</b>	<b>5 %</b>	<b>250,488,371</b>	<b>5%</b>
Other investments	286,142,375	5%	250,488,371	5%	286,142,375	5 %	250,488,371	5%
<b>Investments total</b>	<b>5,206,397,323</b>	<b>100%</b>	<b>5,552,832,732</b>	<b>100%</b>	<b>5,206,397,323</b>	<b>100 %</b>	<b>5,552,832,732</b>	<b>100%</b>
Impact of derivatives	-							
<b>Investments at fair values total</b>	<b>5,206,397,323</b>				<b>5,206,397,323</b>			
<b>Modified duration of bond portfolio</b>	2.56							

**Net Income from Investments on Capital Employed**

Return on capital employed, %	Net income from investments at fair values	Capital employed	Return on capital employed, %				
	2021	2021	2021	2020	2019	2018	2017
<b>Fixed income investments total</b>	<b>110,168,125</b>	<b>3,387,069,560</b>	<b>3.28%</b>	<b>2.62%</b>	<b>5.37%</b>	<b>2.14%</b>	<b>-2.82%</b>
Loan receivables	-	-	0.00%	0.00%	0.00%	0.74%	4.61%
Bonds	112,248,566	2,724,765,159	4.13%	2.63%	6.72%	2.59%	-3.00%
Other money market instruments and deposits	-2,080,440	662,304,402	-0.35%	-1.49%	0.19%	-0.32%	-2.09%
<b>Equity investment total</b>	<b>302,993,640</b>	<b>1,619,637,893</b>	<b>20.48%</b>	<b>17.33%</b>	<b>20.09%</b>	<b>-13.39%</b>	<b>26.65%</b>
Listed equities	162,919,676	1,316,442,906	13.01%	20.61%	23.78%	-18.27%	28.31%
Private equity	123,111,302	259,605,117	62.59%	4.54%	5.32%	18.30%	12.72%
Unlisted equities	16,962,662	43,589,870	47.48%	3.68%	1.16%	11.13%	30.35%
<b>Real estate investments total</b>	<b>2,229,632</b>	<b>187,143,575</b>	<b>1.19%</b>	<b>1.92%</b>	<b>2.51%</b>	<b>3.92%</b>	<b>6.41%</b>
Direct real estate investments	3,368,200	176,214,658	1.91%	2.82%	1.97%	3.70%	10.86%
Real estate funds and co-investments	-1,138,568	10,928,917	-11.39%	-8.55%	6.30%	5.35%	-14.78%
<b>Other investments</b>	<b>72,070,296</b>	<b>268,982,717</b>	<b>31.43%</b>	<b>-10.38%</b>	<b>1.78%</b>	<b>13.36%</b>	<b>0.81%</b>
Hedge funds	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Other investments	72,070,296	268,982,717	31.43%	-10.38%	1.78%	13.36%	0.81%
<b>Investments total</b>	<b>487,461,692</b>	<b>5,462,833,745</b>	<b>9.03%</b>	<b>5.58%</b>	<b>8.68%</b>	<b>-2.28%</b>	<b>5.61%</b>
Unallocated income, expenses and operating expenses							
<b>Net income from investments at fair values</b>	<b>487,461,692</b>	<b>5,462,833,745</b>	<b>9.03%</b>	<b>5.58%</b>	<b>8.68%</b>	<b>-2.28%</b>	<b>5.65%</b>

Return 9.0% (5.6%), calculated using the modified Dietz formula.

## CALCULATION FORMULAS FOR KEY FIGURES

### Premiums Written

Before reinsurers' share

### Expense Ratio as a Percentage of Load Income

(Operating expenses + claims settlement expenses) / load income

### Expense Ratio as a Percentage of the Balance Sheet Total

(Operating expenses + claims settlement expenses) / opening balance sheet total

### Net Income from Investments on Capital Employed

The return on investments at fair value in relation to capital employed is calculated using the modified Dietz formula, whereby the capital employed is calculated by taking the fair value at the start of the period and adding to it each period's cash flows, weighted by the relative time remaining from the transaction date or middle of the transaction month to the end of the period.

### Net Return on Capital Employed not Including Unit-Linked Insurance in % (at Fair Values)

(Operating profit + debt-related interest and expenses + technical rate of interest + revaluations/reversals entered in the revaluation reserve + the change in investments' valuation differences) / (balance sheet total + investments' valuation differences)  
(denominator is the average at the beginning and end of the year).

# 4

## **SIGNATURES OF THE BOARD OF DIRECTORS AND AUDITOR'S NOTE**



# Signatures of the Board of Directors

## Signatures of the Financial Statements and the Report of the Board of Directors

Helsinki, 9 March 2022  
Mandatum Life Insurance Company Limited

**Patrick Lapveteläinen**  
Board of Directors'  
Chairman

**Knut Arne Alsaker**  
Board of Directors'  
Deputy Chairman

**Jarmo Salonen**  
Member of the Board

**Paula Salonen**  
Member of the Board

**Petri Niemisvirta**  
President and CEO

The auditor's report has been issued today.

Helsinki, 9 March 2022  
Deloitte Ltd, Authorized Public Accountant Firm

**Reeta Virolainen**  
Authorized Public Accountant

# 5

## AUDITOR'S REPORT

# Auditor's Report

To the Annual General Meeting of Mandatum Henkivakuutusosakeyhtiö

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Mandatum Henkivakuutusosakeyhtiö (business identity code 0641130-2) for the year ended 31 December, 2021. The financial statements comprise the balance sheet, income statement, statement of cash flows and notes.

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 Board of Directors.

### 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 "Auditor fees".

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

### 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 risk.

#### Most significant assessed risks of material misstatement

##### Valuation of insurance liabilities

We refer to the accounting principles and the notes relating to insurance liabilities.

At 31 December 2021, provisions for insurance contracts amount to 13,956 million eur in total. The determination of provisions for insurance contracts is complex and to a significant extent subject to accounting estimation that is based on management judgements and assumptions about future events.

The methods and models applied may have a significant influence on the measurement of provisions for insurance contracts.

We believe that the most significant risks relate to changes in the key assumptions such as determining mortality rates of the policy holders and assumptions related to regulatory and reporting requirements, including risk and interest.

Insurance liabilities represent the most significant balance in the liabilities in the balance sheet. Consequently, there is a risk that provisions for insurance contracts are not measured applying appropriate models and realistic assumptions.

#### How our audit addressed risks of material misstatement

We have reviewed the measurement of the provisions for insurance contracts as calculated by Management.

Our audit procedures included assessment and testing of the key controls relating to valuation of insurance liabilities and key assumptions.

We have utilized actuarial experts in audit and assessed methods, models and data used based on historical development and market trends.

We have evaluated the mortality rates used in the calculation against historical data. Further, we have analyzed the developments in risk, interest and cost results.

We have evaluated and challenged changes in the key assumptions and models applied and recalculated the claims outstanding provisions for insurance contracts for selected sectors.

We have assessed the disclosures in the financial statements.

Most significant assessed risks of material misstatement	How our audit addressed risks of material misstatement
<p><b>Valuation of financial assets</b></p> <p>We refer to the accounting principles and the notes relating to financial assets.</p> <p>Financial assets, amounting to 14,448 million eur as at 31 December 2021 comprise of the investments as well as investments related to unit-linked insurance and investment contracts.</p> <p>Investments are valued at costs or the lower fair value measured. Investments related to unit-linked insurance contracts are valued at fair value.</p> <p>Financial assets represent the most significant asset in the balance sheet and their valuation may have a significant impact on the company's results.</p>	<p>Our audit procedures include evaluating the internal controls relating to the accuracy, completeness and valuation of the financial instruments.</p> <p>We have evaluated the appropriateness of the valuation models and accounting policies used by the company and we have requested external confirmations to verify the existence of the investment.</p> <p>We have compared the valuations of the financial instruments with the external market data and we have performed the recalculation of fair values based on the information available on the market. Together with our valuation specialists, we have assessed the appropriateness of the valuation methods used.</p> <p>We have assessed the disclosures in the financial statements.</p>

## 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 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 Financial Statements

Our objectives are to obtain reasonable assurance on 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 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.

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 19 May, 2021, and our appointment represents a total period of uninterrupted engagement of 1 year.

## 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 but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report. 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 identified above 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. With respect to the report of the Board of Directors, our responsibility 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 9 March 2022

**Deloitte Ltd**  
Audit Firm

**Reeta Virolainen**  
APA



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