



# LocalTapiola General Mutual Insurance Company

Report of the Board of Directors and  
financial statements for 2024

Business ID: 0211034-2

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# Report of the Board of Directors for 2024

LocalTapiola General Mutual Insurance Company (LocalTapiola General) is domiciled in Espoo, Finland, and its business ID is O211034-2. LocalTapiola General provides voluntary and statutory non-life insurance.

As the leading parent company, LocalTapiola General prepares the consolidated financial statements of LocalTapiola Group to the extent determined for insurance groups as defined in the Insurance Companies Act. The business areas of LocalTapiola Group are non-life insurance, life insurance, asset management, and motor vehicle finance and corporate lending.

## 1 Key information

- Falling market rates and slowing inflation supported the recovery of the Finnish economy during 2024. A positive development of the investment market contributed to the performance capacity of LocalTapiola Group, and in terms of results 2024 proved a strong year for LocalTapiola Group.
- LocalTapiola Group's solvency remained strong and operating result developed positively to EUR 630.8 million (in 2023: EUR 494.2 million).
- For LocalTapiola Group, 2024 was a year of growth, and we strengthened our market position in several business areas:
- In non-life insurance, we consolidated our market leader position in motor liability insurance. More than every third Finnish vehicle has motor liability insurance with LocalTapiola Group. Direct premiums written grew 7.3 per cent.
- In term life insurance, we are the market leader in Finland, and in 2024 we further increased the amount of customer benefits. LocalTapiola Life's total premiums written grew 24.8 per cent.
- At year-end, assets under management by LocalTapiola Asset Management Group were EUR 32.3 billion, representing year-on-year growth of 13.2 per cent.
- In September, LocalTapiola Finance became the second biggest motor vehicle finance company in Finland, also as measured by the number of

ownership-registered vehicles. The finance portfolio under its management increased to EUR 2.5 billion (EUR 2.4 billion).

- As outlined in our Owner Intent, we focus on increasing customer benefits. In 2024, we credited our customers EUR 123.5 million (EUR 110.2 million) in non-life and life insurance customer bonuses and EUR 41.5 million (EUR 38.5 million) in S Group bonus on insurance premiums. Overall, LocalTapiola Group had 1.8 million (1.8 million) customers.
- In the 2024 Report of the Board of Directors, we are for the first time reporting sustainability information for LocalTapiola Group, as required under the Accounting Act.

## LocalTapiola Group

<b>Volume and profitability of insurance operations</b>	2024	2023
Non-life insurance, Premiums written in direct insurance, EUR m	1,510.9	1,408.1
Life insurance, Premiums written, EUR m	416.0	333.4
Combined ratio (excl. unwinding of discount expense), %	96.2	85.7
Risk ratio, %	66.3	54.9
Cost ratio, %	29.9	30.8
<b>Claims and customer benefits</b>		
Claims paid, non-life insurance, EUR m	1,035.2	928.2
Claims paid, life insurance, EUR m	409.1	370.3
Customer credits, non-life and life insurance, EUR m	123.5	110.2
S Bonus, EUR m	41.5	38.5
<b>Result and solvency</b>		
Operating profit, EUR m	630.8	494.2
Total result, EUR m	835.6	628.3
Solvency ratio, %	201.7	204.2

Solvency ratio = amount of eligible own funds as compared to the Solvency Capital Requirement (Solvency II). Solvency calculation does not fall within the remit of statutory audit. The formulae for calculating the key figures are described in the financial statements. The comparative figures for the profit and loss account items and for the periodic key figures (shown in parentheses) are those reported for 1 January–31 December 2023. The comparative figures for the balance-sheet and other cross-sectional key figures (shown in parentheses) are those representing the situation on 31 December 2023.

## 2 Key events during the financial period

### 2.1 Non-life insurance

#### 2.1.1 Non-life insurance activities of LocalTapiola Group

The non-life insurance activities of the group comprise LocalTapiola General, the regional non-life insurance companies and Finnish P&C Insurance Ltd. LocalTapiola General is active in the businesses of workers' compensation insurance, insurance for large corporate customers, and reinsurance. The business activity of the LocalTapiola regional companies consists in the provision of insurance to private and farm customers, and to small and medium-sized enterprises. Finnish P&C Insurance Ltd provides non-life insurance to private customers by utilising, in particular, digital service channels.

The activities and business culture of LocalTapiola Group embody that LocalTapiola is there for its customers. Our aim is to produce the greatest customer benefit and customer satisfaction achievable – at a competitive price. We measure how the financial benefits of owner-customers develop. In our Group Strategy, we seek profitable growth, a sound customer base and sustainable success over the long term.

As part of digital development, we continued improving the online services of both private and corporate customers across our insurance, saving and investment services. By developing digital services, we facilitate customer self-service for routine transactions in order to ensure smooth multichannel service and wide access to specialist services in more complex transaction needs.

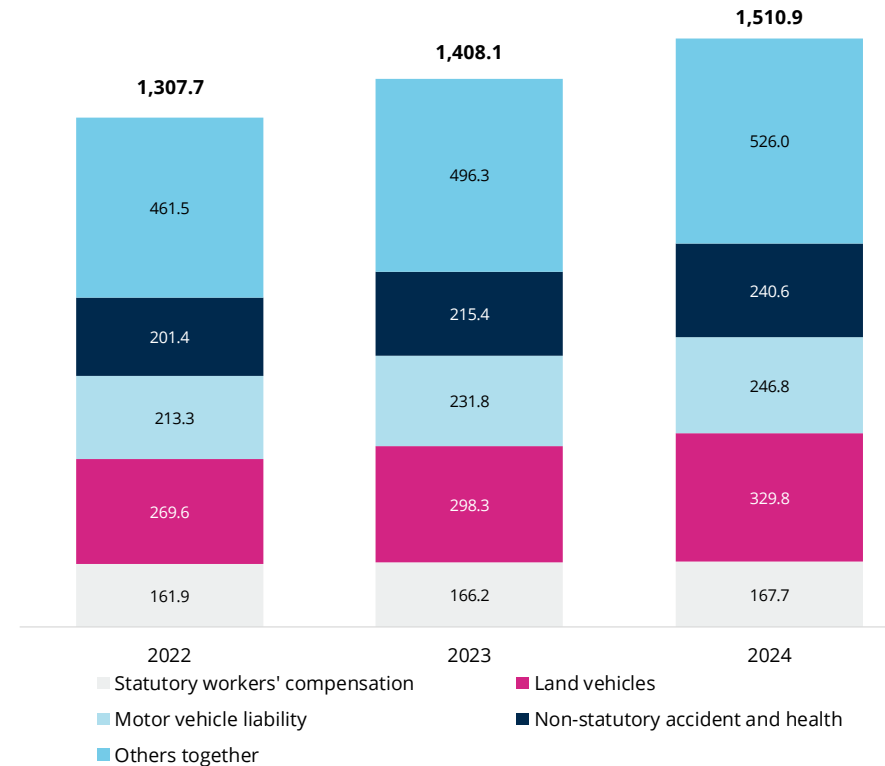
A high customer retention rate is testament to the satisfaction of our owner-customers. The large-scale reform of our insurance systems is progressing according to plan. In addition, we have reformed our health insurance service offering.

Direct premiums written in non-life insurance were EUR 1,510.9 million (EUR 1,408.1 million), representing year-on-year growth of 7.3 per cent. Premiums were affected by indexation and by price increases, and the growth in premiums written was supported by the consistently high customer retention rate. In terms of the insurance lines, growth was strongest in voluntary personal insurance, where premiums written increased 11.7 per cent. In the course of 2024, we consolidated our position as the motor liability insurance market leader by 0.5 percentage points. Measured by the number of insurance contracts, our market share at year-end was 37.0 per cent.

Furthermore, we are also the market leader in farm insurance, with a market share of 67 per cent as the principal insurer of farms.

#### LocalTapiola Group

#### Development of premiums written in direct insurance by insurance groups, EUR m



Non-life insurance claims paid to customers increased strongly, by 11.5 per cent, in 2024 exceeding the one billion mark for the first time. The actual figure was EUR 1,035.2 million (EUR 928.2 million). Claim numbers continued to rise substantially in several different insurance lines. Early in the year, challenging weather conditions in January–April increased motor vehicle claims, accidents and freezing incidents in particular. In November and December, various regions in Finland were hit extensively by storms and varying winter conditions. In some insurance lines, the tail effect of previous

years' high inflation was still evident as an increase in the prices of work inputs and materials. The decision in 2024 by the Finnish Government to return Kela reimbursements for medical consultations to a higher level moderated claims development in voluntary personal insurances.

There were 93 (73) property and business claims for catastrophes worth at least EUR 300,000, more than the year before. Our gross claims expenditure for these claims was EUR 85.1 million (EUR 41.9 million). In terms of claims expenditure from storms, the figure realised in 2024 was the highest in the 2020s, due to the storms experienced in November.

**LocalTapiola Group's non-life insurance claims incurred were EUR 1,101.6 million (EUR 864.9 million) and the group's risk ratio, which describes the profitability of the core insurance activities, excluding the unwinding of discount rate, was at 66.3 per cent (54.9%).** The actual figure includes non-recurring changes made to the actuarial principles, both in 2024 and in the comparison period, that decreased claims incurred in both years.

Increased non-life insurance volumes, wage inflation and investments made in **operational development have raised the group's operating expenses.** Non-life insurance operating expenses were EUR 434.8 million (EUR 416.2 million) but, as a result of good growth in premiums earned, the cost ratio, which measures the efficiency of non-life insurance, improved 0.9 percentage points to 29.9 per cent (30.8%).

Balance on the technical account before the change in the equalisation provision was EUR 36.4 million (EUR 180.3 million). The combined ratio excluding the unwinding of discount rate was 96.2 per cent (85.7%).

In non-life insurance, premiums written, premiums earned and claims incurred include non-recurring items related to changes in the actuarial principles and method of calculation of the technical provisions. The combined impact from the items improved by EUR 67.0 million the balance on the technical account before the change in the equalisation provision. More details about these changes are provided in the accounting principles included in the financial statements.

### 2.1.2 LocalTapiola General

For LocalTapiola General, 2024 was a good year in terms of sales and investment. During the year, direct premiums written increased 3.4 per cent to EUR 263.2 million. Premiums written strengthened particularly in voluntary personal insurance and motor vehicle insurance. All in all, premiums written increased 2.5 per cent.

Challenging weather conditions in the first quarter resulted in an increased volume of claims, and the profitability of insurance activities was weighed down by the **biggest single property and business claim in the group's history.**

In 2024, we achieved a second consecutive record result in non-life insurance sales to large customers. Compared to the year before, the development of sales was strong particularly in motor vehicle insurance and property and business insurance.

On the basis of observations stemming from our business operations, we continued developing the customer-oriented business model created in 2023. We serve large clients across Finland, with six teams responsible for clients in their respective geographical regions and five sectorally organised teams serving our clients in the Helsinki Metropolitan Area.

We offer large clients **LocalTapiola Group's products and services for non-life insurance, life insurance, asset management, finance and remuneration, and earnings-related pension products and services provided by a partner.** In 2024, we continued to invest strongly in developing our broker services. This development work will continue in 2025.

In 2023, we prepared a sustainability roadmap based on the LocalTapiola Group sustainability programme. In 2024, we prepared the ground for responsible client selection and investment, boosting the sustainability competencies of our personnel and investing in preventive risk management.

Over the course of the year, we had several ongoing projects for developing insurance products and services for corporate clients. Our company is coordinating and guiding the business intent in the corporate client core system reform. Several of our specialists participated in projects in different roles.

The profitability of our claims service increased during the year. In spite of elevated claim numbers, lead times for claims filed under the statutory **insurance lines were good. For workers' compensation claims, work incapacity periods continued to shorten.** Close cooperation with occupational healthcare and a client company produced good results. The Accident Appeal Board's rate of revision – an indicator of the quality of claims handling – remained low, decreasing over the year before.

**In investing, performance in 2024 was excellent.** LocalTapiola General's investment income was 9.4 per cent (EUR 310.6 million). Performance in all asset classes was positive, and we had an excellent return from equity investments in particular. The selling of Mehiläinen Konserni Oy shares had a

significant one-off positive impact on the company's 2024 investment income.

As a result of a strong return on investment, LocalTapiola General's capital and reserves position enhanced by some EUR 245 million during the year. The solvency ratio at the end of the financial period was 353 per cent. The company meets all regulatory requirements clearly.

We offered regional companies an opportunity to partially repay guarantee capitals to LocalTapiola General during the 2024 financial period. After advance approval from the Financial Supervisory Authority and by decision of general meetings held by regional companies, 14 regional companies repaid LocalTapiola General guarantee capitals in the total amount of EUR 120.3 million. This repayment further strengthened the share of LocalTapiola General's liquid investments.

To pair up with Leadership Promises, LocalTapiola Group introduced Employee Promises, which aim to develop and strengthen our culture of lifelong security. At LocalTapiola General, we pursued the systematic development of competences, focusing on the core skills we have identified, including leadership, management, business, sectoral and customer experience competences. We invested in developing cooperation between teams, units and companies by increasing the number of joint encounters. Based on the Roihu employee survey, our employee experience was good and leadership was excellent. Good management, leadership and employee experience are also reflected in the fact that the rates of illness-related absences are low and decreased over the previous year.

## LocalTapiola General

### Volume and profitability of insurance operations

	2024	2023
Premiums written in direct insurance, EUR m	263.2	254.5
Change %	3.4	4.3
Margin before change in equalisation provision, EUR m	13.5	82.0
Combined ratio (excl. unwinding of discount expense), %	92.1	67.9
Risk ratio, %	64.9	42.1
Cost ratio, %	27.2	25.8
Claims paid, EUR m	198.5	176.0

### Result and solvency

Operating profit, EUR m	279.7	176.2
Total result, EUR m	325.4	206.4
Solvency ratio, %	353.4	375.5

## 2.2 Life insurance

For us, a sound financial basis allows us to develop our operations to the benefit of our owner-customers. By developing our products, processes and services, we want to help our customers prepare for the future. We furthered the development project to reform our core systems, seeking considerable improvement of the customer experience by providing increasingly smoother services and by investing in making our services more understandable and relevant. Both our system reform and our lifelong security strategy have been designed on the basis of providing our customers with an excellent customer experience.

In 2024, we invested not only in pursuing development but also in reinforcing customer service, thus attaining an excellent level of service for our owner-customers. The good customer experience follows our excellent employee satisfaction. Both areas developed excellently during 2024. As part of the occupational wellbeing of staff, we launched Employee Promises alongside Leadership Promises.

We further supplemented our range of co-investment products, this time with a private equity basket that makes this investment category available for smaller than usual investments. With LocalTapiola's assistance, our owner-customers get to invest in products in which we also invest. We recorded outstanding growth in sales and premiums written for savings life insurance in 2024. In term life insurance, following excellent growth in premiums written, we strengthened our market share and market leader position.

We will continue to increase customers benefits for our owner-customers. In 2022, we launched a new term life insurance customer benefit, the level of which we raised from the beginning of 2024. In 2025, we will enhance saving and investment customer benefits.

In 2024, we founded a remuneration services company to complement the service offering of LocalTapiola Group.

As a result of the development of premiums written for savings life insurance, LocalTapiola Life's total premiums written increased 24.8 per cent to EUR 416.0 million (EUR 333.4 million). The good development of premiums written

continued in term life insurance. In term life insurance, premiums written increased 7.5 per cent. Premiums written for savings life insurance rose 80.6 per cent, while premiums written for group pension insurances declined 2.0 per cent.

LocalTapiola Life paid its customers EUR 409.1 million (EUR 370.3 million) in claims. A total of EUR 124.8 million (EUR 121.5 million) was paid in pensions, EUR 22.6 million (EUR 22.2 million) in medical expenses reimbursement and disability benefits and EUR 48.3 million (EUR 47.1 million) in death benefits.

LocalTapiola Life's operating profit was EUR 218.3 million (EUR 124.3 million) and total result was EUR 232.6 million (EUR 150.4 million). Investment income at fair value was 6.1 per cent, or EUR 177.6 million (3.3%, or EUR 100.9 million). No supplementary interest rate provisions were made in the 2024 financial statements (0). The company's underwriting result developed well. Risk result was EUR 54.7 million (EUR 48.7 million), and expense result was EUR 5.6 million (EUR 5.1 million). Expense result includes the items treated as expense charges.

### 2.3 Investment market, and the investments activities of insurance companies

The objective of investing is to generate value for our owner-customers in the interests of insureds. Investment income enables us to maintain solvency and provide competitive services in the future. On the financial market, equity and bond prices increased across the board in 2024. This increase was supported by cyclical recovery, slowing inflation, increased purchasing power, and monetary easing by leading central banks. In terms of the large stock markets, the United States continued to develop strongly, and the Chinese market gained momentum following monetary and fiscal policy support measures taken by the country's authorities. As for bonds, high-risk corporate bonds and emerging market bonds, in particular, performed well.

For the LocalTapiola Group insurance companies, 2024 proved an excellent year in terms of investment, with a clearly positive return on investment in all asset classes, driven by equity investments. LocalTapiola Group's non-life insurance net investment income for 2024 was EUR 549.9 million (EUR 196.4 million). Returns on listed equities, in particular, were good. With the contribution of clearly higher interest rates as compared to recent years, the return on fixed-income investments was also positive. The return on illiquid investments was likewise good, with the selling of Mehiläinen Konserni Oy shares in particular having a positive effect on the results of LocalTapiola

General and LocalTapiola Life. In addition, returns on real estate investments turned positive after a poor preceding year.

Taken as a whole, the risk level of the investment portfolios of the group's insurance companies is moderate in relation to risk-bearing capacity.

**LocalTapiola General's net investment income** at fair value for 2024 was 9.4 per cent (3.8%). Of all investments, more than 45.1% were equity investments. LocalTapiola General's average five-year annual investment income was 4.1 per cent (3.7%), and the average ten-year annual investment income was 4.4 per cent (3.8%).

### LocalTapiola General

Investment activities	2024	2023
Return on investment at current value, %	9.4	3.8
Fixed-income investments	4.5	7.2
Equity investments	15.4	4.5
Real estate investments	3.2	-3.6
Other investments	5.2	13.2
Investment allocation, %		
Fixed-income investments	35.2	29.3
Equity investments	45.1	53.5
Real estate investments	19.5	16.9
Other investments	0.3	0.3
Investment assets at current value, EUR m	3,496.9	3,232.5

The LocalTapiola regional companies recorded a 6.1 per cent (4.8%) fair-value rate of return on investments.

**LocalTapiola Life's net investment income** at fair value was 6.1 per cent (3.3%), or EUR 177.6 million (EUR 100.9 million). LocalTapiola Life's average five-year annual investment income was 2.4 per cent (2.5%).

### 2.4 Asset management

Apart from LocalTapiola Life, services for saving and investment are provided by the following companies: LocalTapiola Asset Management Ltd, which acts as asset manager for the LocalTapiola funds and investment clients; Seligson & Co Fund Management Company Plc, which engages in the mutual funds

business; alternative investment fund manager LocalTapiola Alternative Investment Funds Ltd and its subsidiaries; and real estate investment manager LocalTapiola Real Estate Asset Management Ltd and its subsidiaries. Together, the companies make up LocalTapiola Asset Management Group, the parent company of which is LocalTapiola Asset Management Ltd.

Over the course of 2024, LocalTapiola Asset Management Group continued to pursue investments in growth and efficiency by developing digital services and the activity of the sales organisation. The rise in administrative expenses (2.1%) was kept moderate.

In the Principles for Responsible Investment (PRI) report it publishes, LocalTapiola Asset Management Group reports on responsible investment development, and the results of the 2024 PRI Assessment Report were once again strong for policy coverage and the different asset classes (4/5 stars). Asset Management Group is committed to the Net Zero Asset Managers climate initiative.

**LocalTapiola Asset Management Group's operating result excluding amortisation of goodwill on consolidation increased EUR 1.7 million year on year, buoyed by favourable market developments. LocalTapiola Asset Management Group's turnover was EUR 60.0 million (EUR 56.9 million) and operating result was EUR -2.7 million (EUR -4.2 million). Operating result excluding amortisation of goodwill on consolidation was EUR 4.3 million (EUR 2.5 million).**

For the liquid market, 2024 was a strong year, as was 2023. Expectations of a global economic recovery, as well as slowing inflation and monetary easing, reinforced investor risk appetite, contributing to a good investment outcome. In addition, credit risk rewarded investors, and returns were good on high-risk corporate bonds and emerging market fixed-income investments, in particular. As a result of positive developments, net commissions received by LocalTapiola Asset Management Group from equity and fixed-income investment management rose 11.7 per cent year on year.

Net commissions from real estate operations fell 7.6 per cent in 2024. The real estate transaction market remained quiet during 2024, and a market turn has not been witnessed yet. The rise in return requirements for the best investments has ended due mainly to decreased interest rates. Markets remain uncertain as to how to price weaker investments. The LocalTapiola Group companies did not make new real estate investments during 2024. In

spite of a difficult market situation, we mainly managed to keep the occupancy rates of commercial premises on a good level. The situation on the residential letting market continued to be challenging throughout the early part of the year, but after last summer occupancy rates have improved with the demand/supply situation taking a turn for the positive in many respects. Polarisation on the real estate markets continues, and investors, financiers and users alike are increasingly selective in their choices.

For private equity funds, 2024 continued along the same lines as the year before. The raising of funds was slower, and returns to investors remained below historical levels. Higher interest rates weighed down PE funds, both in terms of activity and return trends. However, PD funds enjoyed a higher running yield, but holding periods grew longer in the absence of exits. The LocalTapiola private equity and private debt funds continued on the growth path. The LocalTapiola Private Equity VI LP fund had its third closure in December (EUR 378 million), with the LocalTapiola Private Debt III LP fund completing its last closure in June (EUR 310 million). **LocalTapiola Asset Management Group's net commissions from private equity and private debt funds increased 27.4 per cent.**

The (gross) assets under management by the LocalTapiola Asset Management Group companies totalled EUR 32.3 billion (EUR 28.6 billion). Of these, EUR 15.2 billion (EUR 13.0 billion) was in assets in portfolio management, and EUR 12.7 billion (EUR 11.1 billion) was in fund capitals, EUR 1.6 billion (EUR 1.6 billion) in other contractually managed assets and EUR 2.8 billion (EUR 2.9 billion) in administered real estate.

## 2.5 Finance

### 2.5.1 Motor vehicle finance

Despite the poor cyclical position of the motor vehicle market, LocalTapiola Finance Ltd, a motor vehicle finance company fully owned by LocalTapiola Group, expanded its balance sheet and increased its market share and profitability in a difficult market. For some years now the second biggest motor vehicle finance company in new sales, LocalTapiola Finance also emerged as the second biggest player in Finland in terms of the number of ownership-registered vehicles. In reinforcing the external raising of funds, the most significant achievements of the year included a EUR 200 million Green Bond Principles-aligned green bond issued in the spring, and a new cooperation agreement concluded with an international bank for a EUR 200 million securitisation limit. The **credit rating agency Standard & Poor's**



maintained LocalTapiola Finance Ltd's credit rating unchanged at the 'BBB' level with a stable outlook. LocalTapiola Finance boosted its operating result to more than EUR 13.3 million (EUR 2.4 million), with the finance portfolio under the company's management growing to EUR 2.5 billion (EUR 2.4 billion).

### 2.5.2 Corporate lending

LocalTapiola General is the company pursuing corporate lending activity at LocalTapiola. In 2024, the corporate lending and real estate financing portfolio remained qualitatively good. In 2024, the amount of corporate lending increased moderately, with the real estate financing volume decreasing as planned. As a result of a decline in general interest rates, the number of corporate investments and corporate acquisitions improved slightly as compared to the 2023 volume. In terms of new real estate financing projects, we were cautious in 2024, just as we had been the year before. In real estate financing in Finland generally, the demand pressures for maturing finance deals resulting from the withdrawal of Handelsbanken are evident. For maturing credits, availability and price risk materialises yet again with regard to financing. LocalTapiola will continue cooperation with the EU guarantee programmes, and LocalTapiola's corporate customer finance division currently has in use two different guarantee programmes that offer additional collateral for the finance provided to corporate entities.

### 2.6 Ancillary activity

In addition to the provision of saving, investment and finance services, the ancillary activity of LocalTapiola Group includes insurance-related services, such as the registering of claims and advising customers in the event of a claim. Furthermore, it also consists of marketing cooperation with risk management and loss prevention partners.

### 2.7 Credit rating

The credit rating agency Standard & Poor's has been performing a credit rating evaluation on LocalTapiola Group since 2019.

Standard & Poor's on 26 November 2024 confirmed LocalTapiola General's 'A' rating with a stable outlook. This rating was affected by the group's strong solvency and good performance in recent years. The rating and the outlook are equivalent to the previous rating in October 2023. Standard & Poor's believes that LocalTapiola will continue to maintain its leading position on the Finnish insurance market.

## 3 Solvency and the risk position

At LocalTapiola Group, risk and prudential management is based on the risk management policy and the prudential management principles, which are confirmed annually at the Boards of Directors of the group. The purpose is to ensure that the interests of policyholders, compensation recipients and other beneficiaries are safeguarded while defining standard operating procedures for risk and prudential management for LocalTapiola Group and its companies. On the subject of risks and risk management, we have prepared a note to these financial statements, which discusses, inter alia, the organisation and responsibilities of risk management.

### 3.1 Prudential management

Prudential management is part of the risk management undertaken by the group and its companies. The starting point for prudential management is that the group and the companies have sufficient solvency capital to meet their obligations, with due consideration of expected and unexpected losses. It follows from operating as a group of mutual companies that prudential management emphasises good solvency across the group and its companies, so as to ensure the financial security of customers at all times.

LocalTapiola Group constitutes an insurance group within the meaning of the Insurance Companies Act and an insurance and financial conglomerate within the meaning of the Act on the Supervision of Financial and Insurance Conglomerates. As the leading parent company, LocalTapiola General is tasked with ensuring that the group and its companies fulfil all legal solvency requirements. The solvencies of LocalTapiola Group and its insurance companies are calculated by employing the Solvency II standard formula. Solvency calculation does not fall within the remit of statutory audit.

A Joint Liability Agreement has been concluded between LocalTapiola General and the regional companies with the aim of safeguarding the solvency of the LocalTapiola Group companies. The Agreement defines the policy and the decision-making procedures for the extraordinary situation that the solvency of a group company is being or may be jeopardised. According to the Agreement, where necessary, LocalTapiola General and the regional companies are obligated to capitalise another group company provided that the capitalising company's own solvency is sufficiently strong and will remain so after capitalisation. The amount of capitalisation to be provided under the Agreement is restricted in proportion to the assets of the capitalising company.

The Joint Liability Agreement also contains terms whereby the solvency of LocalTapiola Mutual Life Insurance Company and of Asset Management Group will, where necessary, be supported under corresponding principles, in proportions commensurate with the guarantee capital holdings and share capital holdings. As applicable, the principles laid down in the Joint Liability Agreement also apply to ensuring the solvency of LocalTapiola Finance Ltd. However, these companies are not parties to the Joint Liability Agreement, and consequently they cannot rely on the Agreement to demand additional capitalisation.

The LocalTapiola Group non-life insurance companies are among the most solvent companies in their sector in Finland, and currently the solvency of all group companies is strong. The prudential management of the group is explained in further detail in the Solvency and Financial Condition Reports at <https://www.lahitapiola.fi/tietoa-lahitapiolasta/lahitapiola-ryhma/lahitapiola-ryhman-raportit>. LocalTapiola Group's report for 2024 will be published by 8 April 2025.

### 3.2 Solvency position

The solvency ratio of LocalTapiola General at the end of the financial period (the company's eligible own funds as compared to the Solvency Capital Requirement) was 353 per cent (375%), while the solvency ratio of LocalTapiola Group was 202 per cent (204%).

The solvency ratios of LocalTapiola Group and the non-life insurance companies part of it mainly weakened during the financial period, nevertheless remaining strong. An increase in the value of investment assets and market risk growth, particularly for equity and currency risk, increased the market-risk capital requirement for several companies. For LocalTapiola General, an increase in non-life insurance risk significantly impacted the amount of the capital requirement. Partial repayments of guarantee capitals by regional companies weakened their solvency ratios.

Solvency position 2024 (% / EUR million)	Solvency ratio	Own funds	Solvency Capital Requirement
LocalTapiola General	353%	2,489.1	704.3
Group's other non-life insurance companies	262%	2,264.1	862.7
LocalTapiola Life	273%	1,389.4	508.2
LocalTapiola Group	202%	4,246.1	2,105.0



### 3.3 Risk position

The main risks to operations are insurance risks in non-life insurance activities; insurance risks in life insurance activities; market risks associated with investment activities; operational risks; and risks relating to the operating landscape and the strategy.

In non-life insurance activities, the main insurance risks relate to the pricing and underwriting of insurance products, inflation, interest rate fluctuations, mortality rate changes, occupational diseases, and reinsurance covers.

In life insurance activities, the main insurance risks include the risks associated with technical provisions and the customer behaviour-related risks of termination of contracts and interruption of the payment of premiums.

Market risk is caused by fluctuations in the market values of assets, including, for example, fluctuation that is due to changes in interest rates, share prices or foreign exchange rates.

Operational risk means the risk of loss from inadequate or failed internal processes, or from staff, systems and external factors. Legal risks are included in operational risks.

Risks related to the operating environment and the strategy include, for example, risks associated with the general operating landscape; with changes in the markets and in customer behaviour; with the competitive situation and competitors; and with the content and implementation of the strategy. In the insurance sector, risks associated with the operating environment and the strategy are heightened by the concurrent uncertainty about economic development and the ever-increasing pace of change of the operating landscape, including digital transformation, consolidation, new types of entities and consortia, demographic change, internationalisation and climate change.

On the basis of the assessment model of the group, the LocalTapiola Group companies identify and assess risks on the basis of their likelihood and potential impacts, defining responsible persons and scheduled management actions for each risk. Furthermore, as part of the sustainability reporting process, LocalTapiola General, in its capacity as parent company of the group, has carried out a separate risk survey, which aimed at setting up sustainability reporting capability. Sustainability reporting risk management is described in this document in the section *ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting*.

The financial sector is very dependent on the general economic landscape and its development. According to forecasts by the Bank of Finland, Finland's recovery from the recession will be slow. Forecasts project that the economy will still be contracting in 2024 by 0.5%. Uncertainty about the global economic outlook is curbing export growth. Private consumption will recover slowly, for confidence in the economy is weak and unemployment will be increasing still. On the other hand, interest rates are expected to decline further, which will support investments and consumption. Financing conditions have eased as a result of decreased interest rate levels. On the financial market, the 3-month Euribor rate is also anticipated to fall further in 2025. The easing of financing conditions is supporting economic recovery both in Finland and in the euro area. Private consumption declined in 2024 in spite of a reinforcement of purchasing power, for consumer confidence is weak and there is an elevated threat of unemployment. Consumption will increase only meagrely in 2025, for the growth in household purchasing power will halt temporarily due to increased unemployment, tightening taxation and cuts to social benefits. In 2024, inflation decelerated clearly. However, tax hikes will increase consumer prices in 2025. In an economic recession, both individuals and businesses may reduce insurance purchases to save expenses. This can lead to a decrease in the premiums written by insurers.

The situation in the real estate sector and in construction is particularly weak, which increases both credit risk and risks associated with real estate investment valuations.

In the longer term, financial sector entities will be challenged not only by unstable economic conditions, but also by long-term trends including climate change impacts and the measures aimed at preventing them; demographic change; digitalisation; new technologies, products, policies and approaches; and cyber risks.

The risk management and main risks of LocalTapiola Group are explained in further detail in the risk management notes to the financial statements and in the Solvency and Financial Condition Report at <https://www.lahitapiola.fi/tietoa-lahitapiolasta/lahitapiola-ryhma/lahitapiola-ryhman-raportit>.

## 4 Events after the financial period

After the end of the financial period, business has continued largely in line with expectations.

On 15 January 2025, Sari Heinonen (D.Sc. (Econ.)) was appointed as the new President of LocalTapiola Group. Ms Heinonen will start in her position during **May 2025. Ms Heinonen's start is subject to approval by the Financial Supervisory Authority.**

The Financial Supervisory Authority approved a change to the ownership structure of LocalTapiola Asset Management Ltd, which will be implemented **on 1 January 2025. LocalTapiola Life's holding in LocalTapiola Asset Management Ltd will increase to 51.0 per cent, with LocalTapiola General owning 16.0 per cent and the regional companies 33.0 per cent.**

## 5 Future prospects

### 5.1 Prospects for non-life insurance

For non-life insurance, the outlook for 2025 is cautiously positive. Finland's economic growth is forecast to be weak, but slowing inflation and increasing consumer purchasing power are creating stability for both the daily life of households and the activity of businesses.

Budding positive economic developments are being shadowed by many risks. The financial market outlook continues to be surrounded by uncertainty. Increasing geopolitical tensions may upset corporate supply chains, increase oil prices and postpone economic recovery. Changes in political conjunctures in the United States may lead to increased protectionism globally. Were the U.S. economy to slip into recession, this would reflect globally in the economy and financial markets.

Uncertainty in the operating landscape, and the materialisation of different types of shock to the financial sector, expose the financial market to sudden market swings. If materialised, negative asset price developments for example on the equity and bond markets would increase the investment losses of non-life insurers. Should risks materialise, the growth prospects for non-life insurance will also deteriorate.

In Finland, fiscal policy tightening may weaken private consumption more strongly than expected in the short term.

In non-life insurance, investments target the reforming of core insurance systems and the development of digital services. Furthermore, we invest in improving financial customer benefits. On the motor vehicle market, new car sales, which have been lacklustre, are expected to recover gradually. A subdued economic development does not prepare the ground for growth of **business activity, such as workers' compensation insurance. We want to maintain a good level of customer satisfaction.**

## 5.2 Prospects for life insurance

In the long term, prospects are positive. LocalTapiola Life wants to make preparing for the future through saving, insurance and investment easy across all our service channels. This objective is also supported by the core system reform launched in 2023, which has progressed according to plan, with first launches scheduled for the next few years to coincide with the **reform of private customers' term life insurance product offering. Longer lives and the pressure on social security emphasise the role of individual arrangements, creating demand for saving products and term life insurance products.**

## 5.3 Prospects for investment

Equity markets are facing a more challenging outlook for 2025 than the year before. A cyclical recovery is continuing to support a rise in equity markets, but rising long-term interest rates have made fixed-income investments increasingly attractive. In addition, commonly tracked financial-market risk indicators show that investor risk appetite has deteriorated. Emerging market equities are benefiting from the measures taken by Chinese authorities to recover the economy, and if growth picks up as a result of the economic policy support measures, repercussions will also radiate positively to other emerging markets and to the stock exchanges of industrial countries.

For bond markets, the 2025 outlook is twofold. Slowing inflation and monetary easing by leading central banks support a decline in short-term interest rates. The Fed and the ECB are expected to decrease their base rates in the review period to near neutral levels, which in the United States are some 3% and in Europe approximately 2%. In contrast, the trend with long-term rates remains uncertain, because accelerating growth is increasing real interest rates. A decline in long-term rates would require that the economy recede.

For corporate bonds, the situation appears neutral. A cyclical recovery is supporting low risk premia, but declining investor risk appetite may increase

the risk premia of corporate bonds higher than presently. Furthermore, a rise in long-term interest rates has increased the relative attractiveness of fixed-income investments as compared to credit-exposure options.

On the investment market, 2025 will be an interesting year. Economic prospects particularly in the United States are still fairly good and, following decreased interest rates, euro area households are also expected to recover. On the other hand, markets have yielded exceptional returns over the past two years, and as a result some valuation levels have already risen rather high. However, interest rate levels continue to be clearly positive, which is why the return expectation for all investment assets is good. Consequently, the building blocks are in place for a positive investment year.

In the light of these premises, the prospects for the investment activities of LocalTapiola Group companies continue to be surrounded by an exceptionally high degree of uncertainty. Investment income has a major impact on **insurers' results. With its good solvency level and the investments made in prudential management, LocalTapiola Group is well prepared for different movements to take place on the investment market.**

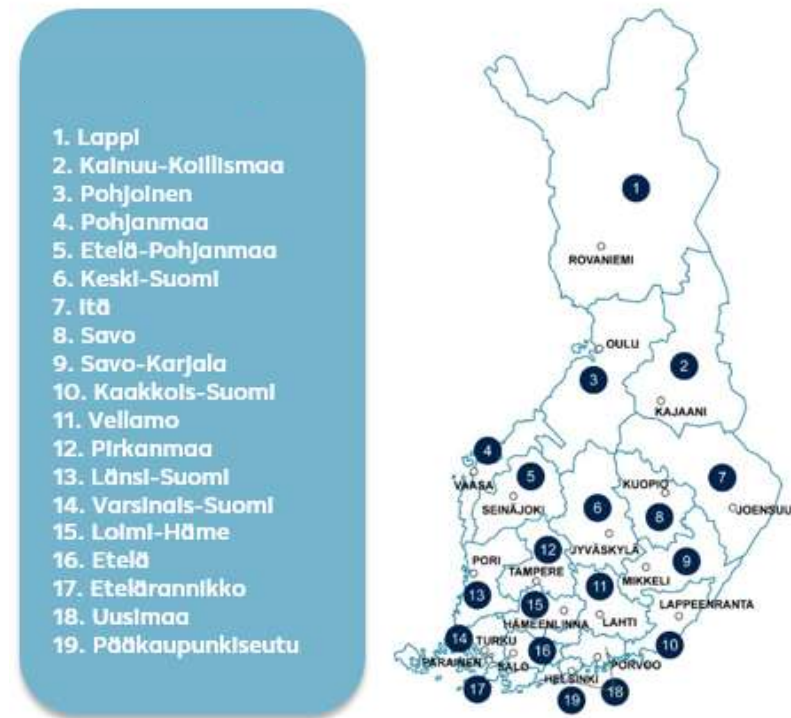
## 6 Governance of LocalTapiola Group

### 6.1 Structure of LocalTapiola Group

All LocalTapiola Group insurance companies, with the exception of one, are mutual companies, owned by their policyholders and guarantee capital owners. Finnish P&C Insurance Ltd is an exception to the mutual company form. As the leading parent company of LocalTapiola Group, LocalTapiola General prepares the consolidated financial statements, which consolidate the LocalTapiola General group pursuant to the Accounting Act and the other companies that, together with the LocalTapiola General group, constitute an insurance group within the meaning of chapter 26, section 2 of the Insurance Companies Act. LocalTapiola Group-wide risk management reporting and prudential reporting is based on the consolidated financial statements of LocalTapiola Group. Although the financial statements are drawn up to cover the entire insurance group as defined in the Insurance Companies Act, this does not expand LocalTapiola General's company-law group structure under the Accounting Act.

The most notable companies consolidated into LocalTapiola Group are the 19 regional non-life insurance companies, Finnish P&C Insurance Ltd, LocalTapiola Life, LocalTapiola Asset Management Ltd Group – comprising LocalTapiola Alternative Investment Funds Ltd, LocalTapiola Real Estate Asset Management Ltd and Seligson & Co Fund Management Company Plc –, LocalTapiola Finance Ltd, LocalTapiola Services Ltd and Tieto-Tapiola Oy. Most of the other consolidated companies are housing and real estate companies. Turva Mutual Insurance Company is a LocalTapiola General subsidiary, of whose guarantee capital the LocalTapiola Group companies own 76 per cent; yet, in accordance with a derogation issued by the Financial Supervisory Authority, it is not consolidated into the consolidated financial statements of LocalTapiola Group. LocalTapiola Remuneration Services Ltd, which delivers personnel funds and other remuneration models, was launched in autumn 2024.

LocalTapiola Group regional insurance companies and their network of offices cover entire Finland



### 6.2 Governance of LocalTapiola Group

The governance of LocalTapiola Group and its companies adheres to good corporate governance, which is based on legislation governing the insurance and financial sector, the regulations and guidelines issued by the Financial Supervisory Authority and also, where applicable to mutual insurance companies, the Finnish Corporate Governance Code for listed companies. LocalTapiola General provides a governance statement in a document that is separate from the report of the Board of Directors, in accordance with the recommendation laid down in the Finnish Corporate Governance Code (1 January 2020). The corporate governance statement of LocalTapiola General and LocalTapiola Life is available at <https://www.lahitapiola.fi/tietoa-lahitapiolasta/lahitapiola-ryhman/lahitapiola-ryhman-raportit>.

As the leading parent company of the insurance group, LocalTapiola General has responsibility extending to LocalTapiola Group for the organisation of reliable governance, prudential supervision, risk management, internal control and related regulatory reporting within the group and its companies. The LocalTapiola Group companies have concluded intra-group agreements on their mutual responsibilities and division of duties.

### 6.2.1 Annual General Meeting

The Annual General Meeting of LocalTapiola General was held on 10 May 2024. The meeting approved the financial statements for 2023, decided on **the use of the company's profit, discharged from liability the members of the Supervisory Board and the Board of Directors as well as the Managing Director, and elected the company's auditor and the sustainability reporting assurer.** Furthermore, the meeting confirmed the number and remuneration of the members of the Supervisory Board, and elected the new Supervisory Board members.

### 6.2.2 Supervisory Board

At LocalTapiola Group, our governance model is strongly affected by the **mutual status of the group's insurance companies, which means that** policyholders are owning members in the insurance companies. As there is therefore a very large number of members, the Supervisory Boards, in addition to having legal duties, play a major role in the corporate governance of the insurance companies and as a channel for interaction between the companies and their members.

The salaries and commitments of the Supervisory Board are presented in the **note 'Management salaries and remunerations, pension commitments, monetary loans and terms thereof, as well as guarantees and contingent liabilities' to the profit and loss account.**

#### 6.2.2.1 Nomination Committee of the Supervisory Board

The purpose of the Nomination Committee of the Supervisory Board is to ensure diversity and transparency in the preparation of appointment **proposals when electing members to the company's Supervisory Board and Board of Directors.** The Nomination Committee drafts the proposals regarding the selection of members to the Supervisory Board and to the Board of Directors, with the exception of the Chair and the Deputy Chair, with regard to whom all selection proposals are drafted by the Cooperation Committee of the Supervisory Boards.

#### 6.2.2.2 Cooperation Committee of the Supervisory Boards

The Cooperation Committee of the Supervisory Boards of LocalTapiola General and LocalTapiola Life drafts the decision proposals for the Supervisory Boards, as well as preparing the other business on the agenda of the meetings of the Supervisory Boards. The Cooperation Committee oversees the work of the Boards of Directors, President, Managing Directors and the entire group, reporting on it to the Supervisory Boards.

By virtue of the authorisation given to it by the Supervisory Boards, the Cooperation Committee takes decisions on the pay and remuneration of the LocalTapiola Group President, who chairs the Board of Directors, as well as on the pay and remuneration of the full-time members of the Boards of Directors. Decisions on the remuneration of non-full-time members of the Board of Directors are taken by the Supervisory Board.

### 6.2.3 Board of Directors

The Board of Directors is in charge of the governance of LocalTapiola General, and it ensures the appropriate organisation and control of the activities, accounts and asset management.

The composition of the Board of Directors in the 1 January–31 December 2024 financial period is discussed in the sustainability statement in section 7.1.2 ESRS 2 GOV Governance.

The salaries and commitments of the Board of Directors are presented in the **note 'Management salaries and remunerations, pension commitments, monetary loans and terms thereof, as well as guarantees and contingent liabilities' to the profit and loss account.**

#### 6.2.3.1 Committees of the Boards of Directors of LocalTapiola General and LocalTapiola Life

The committees assisting the Boards of Directors of LocalTapiola General and LocalTapiola Life – the Audit and Risk Management Committee, the Human Resources and Compensation Committee and the Investment and ALM Committee – are discussed in the sustainability statement in section 7.1.2 ESRS 2 GOV Governance.

### 6.2.4 Group's Management Group

LocalTapiola Group has a **Group's Management Group** that is appointed by the Board of Directors of LocalTapiola General. The Management Group has broad representation from the various LocalTapiola Group companies and from the responsible managers of the most important group-level functions.

The Group's Management Group is responsible for preparing strategic and other group-level matters of LocalTapiola Group, for related decision-making and implementation, and for the overall control and development of the group, within the authorisations granted to it by the Board of Directors and set out in the Joint Agreement concluded between the LocalTapiola Group companies.

The Management Group was chaired by LocalTapiola Group CEO Juha Koponen until 30 June 2024 and by Business Director Pekka Antikainen, deputising for the CEO, from 1 July 2024, and the members were the **managers of the group's shared functions, Jari Eklund, Vesa-Matti Kultanen and Esa Tihilä**, and Managing Directors Hanna Hartikainen (LocalTapiola General) until 21 May 2024 and Mika Makkonen from 22 May 2024, Pasi Haarala (LocalTapiola Life), Olli Aakula (LocalTapiola Varsinais-Suomi), Juha Antikainen (LocalTapiola Etelä-Pohjanmaa) until 30 June 2024 and Kari Salmela (LocalTapiola Lappi) from 1 July 2024, Asko Lammela (LocalTapiola Savo-Karjala), Kristian Nygren (LocalTapiola Etelärannikko) and Teemu Toivanen (LocalTapiola Keski-Suomi).

#### 6.2.5 Managing Director

Until 21 May 2024, Hanna Hartikainen (M.Sc (Econ.)) served as Managing Director of LocalTapiola General, and Mika Makkonen (LL.M., MBA) served as temporary Managing Director from 22 May 2024. At the end of the financial period, the process to recruit a new Managing Director was ongoing.

The salaries and commitments of the Managing Director and the temporary Managing Director are presented in the note 'Management salaries and remunerations, pension commitments, monetary loans and terms thereof, as well as guarantees and contingent liabilities' to the profit and loss account.

#### 6.2.6 Auditor and the sustainability statement assurer

The Annual General Meeting elected KPMG Oy Ab to continue as LocalTapiola General's **auditor and** to act as the sustainability statement assurer, with Authorised Public Accountant Timo Nummi acting as the principal auditor and sustainability reporting assurer appointed by KPMG Oy Ab.

#### 6.2.7 Supervisory authority

LocalTapiola General is a non-life insurance company subject to public supervision by the Financial Supervisory Authority (FIN-FSA). The FIN-FSA supervises and ensures that insurance institutions comply with the law and

good insurance practice, and that they employ appropriate methods in their operations. It monitors and assesses the financial position of the companies that it supervises, as well as monitoring and assessing the management, supervision and risk management systems, operating prerequisites and changes in the operating landscape of these companies.

#### 6.2.8 Related parties

LocalTapiola General's **related parties** are discussed in the notes to the financial statements.

### 6.3 Personnel and remuneration

The total number of full-time equivalent personnel at LocalTapiola Group averaged 3,996 (3,912), of which 355 (332) at LocalTapiola General.

Incentive payment schemes form an integral part of the special remuneration scheme of LocalTapiola Group, and their aim is to support the achievement of strategic and operative goals by incentivising and committing personnel. Incentive payment schemes comprise annual performance reward schemes **and senior management's long-term** incentive payment scheme. When confirming the special remuneration scheme, efforts are made to ensure that the scheme is aligned with the business strategy, targets and values of the company and of LocalTapiola Group and that it works in the long-term interests of the group. The special remuneration scheme is in harmony with **the group's good and effective risk management and does not encourage** excessive risk-taking.

The management's annual bonus is based on elements that affect the results of the group and the companies, as well as on employee experience, customer **experience, sustainability and the targets of each bonus recipient's own** business unit and duties. Primarily, the indicators are based on official key figures. **The targets are derived from the group's strategy, and they can be** either group-specific or company-specific. **The management's long-term** incentive bonus is based on the strategic objectives determined for the result of the group, measured over a period of several years. Personnel at the investment organisations have in place their own incentive payment model, whereby their bonus is determined on the basis of the following factors: elements that affect **the companies' results; sustainability; personnel** experience and customer experience; and investment income calculated from different levels. The incentive of those working in control functions that are independent of the business functions is mainly determined on the basis of achievement of the objectives defined for control, and it must not be

dependent on the result of the business unit controlled. In addition, a profit bonus item, specified on the basis of achieved targets, is annually transferred to the personnel funds of LocalTapiola Group. This bonus item is determined on the basis of targets derived from the strategy. The personnel funds do not cover the employees of all companies. The criteria for determining the profit bonus are confirmed each year. Profit bonus transfers are deducted in accordance with preliminary estimates from the results of the relevant financial periods.

The retirement age of the senior management of LocalTapiola General is determined on the basis of employee pension legislation, unless a retirement age of 63 years is specifically agreed. LocalTapiola General has taken out supplementary pension insurance for its employees, which improves their pension cover. All those whose employment relationship with the group commenced before 1 January 2013 are covered by this benefit. Employment relationships that have commenced after this date are not eligible for the supplementary pension benefit. In addition, LocalTapiola General has taken out defined-contribution supplementary pension insurance for persons with an agreed retirement age that deviates from the statutory retirement age. The pension payable is based on the contributions paid by the employer and on the interest income accruing on them.

The salaries and other short-term benefits paid to the members of the Board of Directors and to the Managing Director and the temporary Managing Director during the 2024 financial period are shown in the notes to the financial statements. In addition, they and the remuneration principles are explained in further detail in the remuneration report at <https://www.lahitapiola.fi/tietoa-lahitapiolasta/lahitapiola-ryhma/lahitapiola-ryhman-raportit>.



## 7 Sustainability statement

### 7.1 ESRS 2 General disclosures

IRO-2, 56

Starting from 2024, we report the sustainability statement of LocalTapiola Group as part of the Report of the Board of Directors. In the following tables, we show the table of contents of the LocalTapiola Group sustainability statement. In addition, the table here presents the ESRS standard acronyms that we use in the sustainability statement.

Mandatory Disclosure Requirements to be reported		
Standard	Disclosure Requirement	Page
ESRS 2 General disclosures	BP-1 – General basis for preparation of the CSRD report	16
	BP-2 – Disclosures in relation to specific circumstances	54-59
	GOV-1 – The role of the administrative, management and supervisory bodies	16-18
	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	18-19
	GOV-3 – Integration of sustainability-related performance in incentive schemes	19
	GOV-4 – Statement on due diligence	20
	GOV-5 – Risk management and internal controls over sustainability reporting	20
	SBM-1 – Strategy, business model and value chain	20-21
	SBM-2 – Interests and views of stakeholders	21-22
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	23-26
	IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	27-29
	IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	15, 29-31
	MDR-P – Policies adopted to manage material sustainability matters	31-33
	MDR-A – Actions and resources in relation to material sustainability matters	46-47, 64-65, 71
	MDR-M – Metrics in relation to material sustainability matters	47-62, 65-69, 71
	MDR-T – Tracking effectiveness of policies and actions through targets	47-53, 65-66, 68-69, 71

ESRS E1 Climate change	E1-1 – Transition plan for climate change mitigation	44-45
	E1-2 – Policies related to climate change mitigation and adaptation	45
	E1-3 – Actions and resources in relation to climate change policies	46-47
	E1-4 – Targets related to climate change mitigation and adaptation	47-53
	E1-5 – Energy consumption and mix	53-54
	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	54-62
	E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	62-63
	E1-8 – Internal carbon pricing	63
ESRS S1 Own workforce	S1-1 – Policies related to own workforce	63
	S1-2 – Processes for engaging with own workers and workers' representatives about impacts	64
	S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	64
	S1-4 – Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches	64-65
	S1-5 – Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities	65-66
	S1-6 – Characteristics of the Undertaking's Employees	66
	S1-11 – Social protection	67
	S1-13 – Training and Skills Development metrics	67
	S1-14 – Health and safety metrics	67
	S1-15 – Work-life balance metrics	67
S1-17 – Incidents, complaints and severe human rights impacts	67	
ESRS G1 Business conduct	G1-1 – Corporate culture and business conduct policies and corporate culture	68-69
	G1-2 – Management of relationships with suppliers	70
	G1-3 – Prevention and detection of corruption and bribery	70-72
	G1-4 – Confirmed incidents of corruption or bribery	72

ESRS acronyms	
Acronym	English term
BP	Basis of preparation
GOV	Governance
SBM	Strategy, business model and value chain
IRO	Impacts, risks and opportunities
MDR	Minimum disclosure requirements
P	Policy
A	Actions
M	Metrics
T	Targets

### 7.1.1 ESRS 2 BP Principles for preparation

#### ESRS BP-1 General basis for preparation of the sustainability statement

BP-1, 5

We prepare the LocalTapiola Group sustainability statement in accordance with the requirements laid down in the Accounting Act (1336/1997) for the preparation and presentation of sustainability information. We report the information required by the European Sustainability Reporting Standards (ESRS) and the Commission Delegated Regulations on the classification system (taxonomy) in the scope of the consolidated financial statements of LocalTapiola General. The accounting principles for the consolidated financial statements of LocalTapiola General are discussed more specifically as part of **section 11.1 ‘Composition of LocalTapiola Group’ of the financial statements**. Any exceptions to the scope or coverage of sustainability reporting are mentioned separately in the context of the disclosure requirements in question. The subsidiaries consolidated into the consolidated financial statements of LocalTapiola Group are not obligated to submit sustainability statements in 2024. Our double materiality assessment in the sustainability statement only covers the main business relationships in the upstream and downstream value chain, as well as the material available information for the upstream and downstream value chain. We have not omitted any information corresponding to intellectual property, know-how or the results of innovation.

#### ESRS 2 GOV Governance

##### ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies

GOV-1, 21; GOV-1, 22; GOV-1, 23

As the insurance group’s leading parent company as referred to in the Insurance Companies Act, LocalTapiola General is responsible that the governance system of the group complies with the statutory requirements and that the functions of the governance system, and prudential supervision and reporting, are organised lawfully and in a consistent manner across all group companies. As the leading parent company of the insurance group,

LocalTapiola General prepares the sustainability statement of LocalTapiola Group.

The Board of Directors of LocalTapiola General manages LocalTapiola General professionally and in compliance with sound and prudent business practices and reliable-governance principles and regulations. It is in charge of the governance of LocalTapiola General, and ensures the appropriate organisation and control of the activities, accounts and asset management. The Boards of LocalTapiola General and LocalTapiola Life are assisted by joint Board committees.

The Audit and Risk Management Committee assists the Boards of LocalTapiola General and LocalTapiola Life in matters of finance, accounting, solvency, risk management, audit, internal control and internal audit. As part of financial reporting, the Committee monitors and evaluates the sustainability reporting of LocalTapiola Group and its development. The Committee advises the senior management on the content of the sustainability statement to be put to the Boards for their consideration, and provides vision to the Boards in the controlling and monitoring of sustainability goals. Furthermore, the Audit and Risk Management Committee presents to the Boards the results from the audit and from the assurance of sustainability reporting, as well as its view on the reliability of reporting and on its own role in the assurance of the audit process and sustainability reporting.

The Human Resources and Compensation Committee assists the Boards of LocalTapiola General and LocalTapiola Life in the examination of matters that concern human resources and compensation. In addition, the Committee assists LocalTapiola General and LocalTapiola Life in formulating policy with regard to their human resources and compensation matters which, according to the Joint Agreement, fall under the common matters of LocalTapiola Group. Inter alia, the Committee monitors and assesses leadership, management, supervisory work and the state and development of the corporate culture and staff satisfaction, and for its part drafts the human resources strategy and the key policies and guidelines concerning the status and treatment of staff for the consideration of the Board.

The Investment and ALM Committee assists the Boards of LocalTapiola General and LocalTapiola Life with the statutory matters, and the matters provided for in the rules of procedure, that concern prudential supervision and the appropriate organisation of asset management. Inter alia, the Committee monitors and assesses the implementation and promotion of a responsible corporate culture in investment activities and how climate change-related targets are considered in investment choices.

By examining the reports determined in its annual wheel, the Board of LocalTapiola General seeks to efficiently ascertain that the operational management of LocalTapiola General and LocalTapiola Group carries out the sustainability goal actions and reports on them appropriately to the Board. These reports include: risk management reports, the ORSA report, the group's voluntary sustainability report, the investment activity reports, the data protection annual report and reports illustrating the implementation of the strategy. We will be specifying the goal setting, reporting and supervision related to the material sustainability impacts, risks and opportunities of LocalTapiola Group, as well as the definition of related responsibilities and roles in the management and governance of the company, when more information is available on the practices for applying sustainability regulation and on any possible sector-specific ESRS standards of the financial industry.

The Board of LocalTapiola General is composed of eight members. The position of Board Chair is a full-time position, and it is discharged by the LocalTapiola Group President or the Deputy Chair of the Board. The Deputy Chair of the Board is also a full-time executive person of LocalTapiola Group who works under a contract of service with the group. The remaining six members are independent of the executive management of LocalTapiola Group, two of whom have been selected from amongst candidates put forward by the LocalTapiola Group regional non-life insurance companies in order to ensure geographically comprehensive representation of owner-customers. No employee representatives sit on the Board. On the last day of the financial period, 83 per cent of the Board members were independent of LocalTapiola Group, and 50 per cent of the Board members were male and 50 per cent were female.

LocalTapiola General Board members in 2024

- Board Chair Juha Koponen, born 1966, M.Sc (Econ.), CEO, LocalTapiola



Group until 30 June 2024

- Deputy Chair Jari Eklund, born 1963, M.Sc (Econ.), Group Director, LocalTapiola Group, Chair of the Board from 1 July 2024
- Eeva Ahdekivi, born 1966, M.Sc (Econ.), DBA, Aalto University, board professional
- Anu Kallio, born 1968, M.Sc (Econ.), eMBA, Executive Vice President, Pihlajalinna Plc, until 27 May 2024
- Birgitta Forsström, born 1973, PhD (Econ.), CEO, Brita Maria Renlund Commemorative Foundation from 29 May 2024
- Ulla-Maija Moisio, born 1962, LL.M., Trained on the bench, Senior Vice President, Legal Affairs, Industrial Power Corporation, Deputy Chair of the Board from 14 November 2024
- Jussi Tolvanen, born 1978, M.Sc (Econ.), CEO, DNA Plc
- Timo Vuorinen, born 1964, LL.M., board professional.

On 14 November 2024, the Supervisory Board of LocalTapiola General elected Olli Holmström as a new Board member for the term beginning on 1 January 2025.

The Audit and Risk Management Committee consists of members of the Boards of LocalTapiola General and LocalTapiola Life who are independent of LocalTapiola Group. The Committee reports to the Boards of LocalTapiola General and LocalTapiola Life. Ulla-Maija Moisio (Chair of the Audit and Risk Management Committee) and Timo Vuorinen are the LocalTapiola General Board members who sit on the Audit and Risk Management Committee. In addition, two independent members of the Board of LocalTapiola Life sit on the Audit and Risk Management Committee.

The Human Resources and Compensation Committee is made up of the Chair of the Board of LocalTapiola General, who chairs the Committee, and two to four members of the Board of LocalTapiola General and LocalTapiola Life who are independent of LocalTapiola Group. Jussi Tolvanen, Anu Kallio (until 27 May 2024) and Birgitta Forsström (from 29 May 2024) are the members from the Board of LocalTapiola General. The Human Resources and Compensation Committee was chaired by Juha Koponen until 30 June 2024 and by Jari Eklund from 20 August 2024.

In 2024, the Investment and ALM Committee comprised Jari Eklund, Chair of the Board of LocalTapiola General, who chaired the Committee, and two Board members from LocalTapiola General and two from LocalTapiola Life who are independent of LocalTapiola Group. Eeva Ahdekivi and Timo Vuorinen were the members from the Board of LocalTapiola General.

In accordance with the regulations of the Financial Supervisory Authority, professional skills, competencies and experience from the following sectors are represented on the Board: the insurance and financial markets, business strategy and business model, governance system, financial analysis, actuarial analysis, and regulation and the requirements it imposes on insurance activities. Furthermore, in the composition of the Board, we also take account of representation in overall leadership and change management, strategic planning capacity, customer account management, and digitalisation. The responsibility of the Board is collective regardless of the fact that individual Board members have complementary competencies related to the activities of LocalTapiola Group, in accordance with official regulations and the skills profile targets of the Board.

Before the opinion of the auditor of the Report of the Board of Directors and the financial statements and the opinion of the sustainability statement assurer, the Board of LocalTapiola General signs the sustainability statement as part of the Report of the Board of Directors, and for its part ensures the accuracy and adequacy of the content of the sustainability statement. Where necessary, the Board will guide the senior management on increasing the competence and expertise related to material sustainability impacts, and on improving management or staff competences. The Audit and Risk Management Committee plays a key role in guiding and monitoring the sustainability statement processes and content. The Committee has an opportunity to take advantage of independent external specialists to support its own assessment and the increasing of its competencies.

In the risk management processes of the group, we also take into account the material sustainability reporting impacts, risks and opportunities identified in the double materiality assessment. The material impacts, risks and **opportunities are described more specifically in the section 'ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model'**.



Annually, in spring, the Board of LocalTapiola General conducts a policy debate on the statutory risk and solvency assessment (ORSA) of LocalTapiola Group. The Board instructs the senior management and the risk management function of the group on the selection of risks and scenarios. The ORSA report contains, inter alia, the conclusions of the risk assessment of LocalTapiola Group, as well as risk scenario reviews, the solvency and risk position, and the information on the organisation and assessment of risk management. The Board-approved ORSA report will be sent to the Financial Supervisory Authority. In autumn, the Board examines the situational picture in order to ensure that the criteria of the ORSA report continue to be up to date and adequate.

The responsibility for preparing, implementing and monitoring the ORSA report rests with the Managing Director and other management of each company. The risk management function of the group supports the company in the preparation of the report. Reporting to LocalTapiola General, the Risk Management Committee has representation not only from the Managing Directors and risk management representatives of the group companies, but also from the directors responsible for finance, information technology and the actuarial and compliance function.

### [ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies](#)

GOV-2, 26

The Board of Directors of LocalTapiola General and its Audit and Risk Management Committee assess the sustainability competences and expertise of the management of LocalTapiola Group in connection with deliberating on the following: the double materiality assessment of material sustainability matters; the sustainability statement published in the Report of the Board of Directors; and the separate voluntary sustainability report.

Risk Management Services produce to the Board the material for the ORSA policy debate of LocalTapiola Group and LocalTapiola General conducted every spring, for purposes of deliberation of the ORSA report to be confirmed before summer and the ORSA monitoring undertaken in late autumn. Twice a year, the Board examines the progress made with the implementation of the

LocalTapiola sustainability programme. In autumn 2024, the Board of LocalTapiola General approved the new Climate Policy, new Human Rights Policy and new Tax Policy of LocalTapiola Group, and the group's updated Code of Conduct. The Board monitors the implementation, timeliness and functioning of the policies and the Code at least once a year.

Twice a year, Human Resources Services produces to the Board a human resources report, which takes into account goals related to the material sustainability topic 'S1 Own workforce' and the monitoring of their implementation. Furthermore, on a proposal from Human Resources Services, the Board confirms the LocalTapiola Group human resources strategy and monitors how the strategy is implemented, on the basis of a strategy report presented to the Board annually.

At its 2024 meetings, the Audit and Risk Management Committee regularly addressed sustainability reporting and the definition of material sustainability topics. In May, at a separate meeting, the Audit and Risk Management Committee deliberated on the double materiality assessment of sustainability reporting and the structure of the 2024 sustainability statement. In June, the Board of LocalTapiola General approved the material sustainability topics to be reported in the LocalTapiola Group sustainability statement as well as the structure of the sustainability statement. At its meeting in December, the Audit and Risk Management Committee processed the outline of the entire Report of the Board of Directors, which included the draft sustainability statement and specifications made to the scope of sustainability reporting. The Board processed and confirmed the changes at its meeting on 16 December 2024. Furthermore, in December, both the Audit and Risk Management Committee and the Board processed the material impacts, risks and opportunities of LocalTapiola Group identified in the course of the double materiality assessment of sustainability reporting.

How material sustainability impacts, risks and opportunities are addressed in the monitoring of the implementation of the strategy and in risk management and major business decisions will develop as sustainability impacts are integrated more broadly in the strategy, business plans and risk management as well as in related reporting. The aim is to be able to integrate sustainability goals in the regular plans and processes of the group.

## ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

GOV-3, 29

The remuneration matters to be proposed to the Board of Directors of LocalTapiola General for a decision are drafted by the Human Resources and Compensation Committee of the Board. The independent members of the Board of LocalTapiola General are not included in the incentive scheme of the group.

In 2024, the Sustainable Brand index was included in the remuneration package of Board members who work under a contract of service with LocalTapiola Group. Through three questions (environmental responsibility, social responsibility and good governance), the Sustainable Brand index of the LocalTapiola brand survey gauges the image that the Finnish population has of corporate responsibility. Starting from 2025, the Sustainable Brand index will not be a part of the management's remuneration package.

In 2025, a sustainability indicator combining three components will be added to the remuneration of the Board members who work under a contract of service with LocalTapiola Group. The three components of this composite indicator are: the image Finns have of LocalTapiola as a proactive insurer; carbon neutrality of LocalTapiola Group and LocalTapiola companies; and **the staff's experience about how well equality and diversity are achieved in the work communities**. In the annual bonus scheme of the Board members working under a contract of service, that is, the management, the sustainability indicator carries a weight of ten per cent.

## ESRS 2 GOV-4 Statement on sustainability due diligence

GOV-4, 30; GOV-4, 32

In the following table, we present the main components of the sustainability due diligence process in our sustainability statement and the sections in which they appear in the sustainability statement.

Core elements of due diligence	Sections in the Sustainability statement	
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2	18-19
	ESRS 2 GOV-3	19
	ESRS 2 SBM-3	23-26
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2	18-19
	ESRS 2 SBM-2	21-22
	ESRS 2 IRO-1	27-29
	ESRS 2 MDR-P	31-33
	The phases and purposes of stakeholder engagement in the topical standards	47, 50, 65-66, 68
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1	27-29
	ESRS 2 SBM-3	23-26
d) Taking actions to address those adverse impacts	Efforts to influence the impacts	46-47, 64-65, 71
e) Tracking the effectiveness of these efforts and communicating	Topical standards that deal with the metrics and objectives	47-62, 65-69, 71

## ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting

GOV-5, 36

In 2024, we carried out expert work to identify and assess risks to the sustainability reporting process. In the assessment of risks, we employed the risk assessment model of LocalTapiola Group, under which risk is assessed on the basis of likelihood and potential impacts. Furthermore, each risk is defined a responsible person and scheduled management actions.

In their progress reviews, the LocalTapiola Group sustainability reporting project Steering Group and the Audit and Risk Management Committee of



the Board of Directors of LocalTapiola General processed the main risks of the risk assessment of the sustainability reporting process. We update the risks on a regular basis at least twice a year.

The main risks of the risk survey of the sustainability reporting process are associated with the ambiguity of reporting requirements, with identifying the correct information producers and with backup personnel arrangements. The ambiguity of ESRS standards may lead to incomplete or incorrect reporting. We manage this risk by ensuring sufficient expert resources and taking advantage of external expertise in interpreting the reporting requirements. Likewise, by ensuring sufficient resources, we manage the risk related to identifying information producers and to backup personnel arrangements.

Internal control of the reporting process is based on set timetables and on monitoring the tasks for which the information producers are responsible. Control is supported by the information system used in the sustainability reporting process, which allows us to monitor the progress of tasks, and the quality and adequacy of the information produced. The continuity of information production is secured by process descriptions compiled by the information producers and containing, inter alia, information on the sources of the reported information, on the information collection process and on the control measures by which the accuracy and adequacy of information are ensured.

### 7.1.2 ESRS 2 SBM Strategy

#### ESRS 2 SBM-1 Strategy, business model and value chain

SBM-1, 40; SBM-1, 42

LocalTapiola Group is a corporate group serving private, farm, entrepreneur, corporate and institutional customers. The mutual insurance companies of the group have as their purpose to generate financial benefit for the members, who consist of policyholders and owners of guaranteed shares. Relying on multichannel services, we operate on the basis of a local service network covering entire Finland that is close to customers. Our products and services protect health, finances and property, adapting to each customer's unique situation. Our voluntary and statutory non-life insurances cover people, property and business against risks. Our personal insurance and health insurance products and related services support health and wellbeing.

Furthermore, by delivering solutions for asset management, saving, finance and life insurance, we also help our customers increase their wealth and prepare financially for the future. And not just that: we also produce real estate investment and management services. LocalTapiola Remuneration Services Ltd, which delivers personnel funds and other remuneration models, was launched in autumn 2024. All our operations have as their aim excellent customer satisfaction, controlled growth and long-term sustainable success.

For LocalTapiola, sustainability is an essential enabler of profitable and long-term business operations. To improve our sustainability impact is one of the **five objectives set out for LocalTapiola's 2022– 2026 strategy period**. We want to be a pioneer in impactful sustainability in our sector, across Finland.

At LocalTapiola Group, sustainability work is guided by the Group Strategy and the Owner Intent. The LocalTapiola sustainability programme 2022–2026 defines the common sustainability goals and key actions of the group. We want to be the most impactful partner in preventing evolving risks and to step up the impact of our loss prevention work. Evolving risks associated with climate, mental health and the cyber environment, in particular, challenge us to develop our products and services. We have done a good job when no harm happens, or when steps have been taken to anticipate it. In addition, we want to strengthen our position as a responsible investor. For climate, our objective is to bring our insurance-associated and financed emissions down to net zero by 2050. For direct (Scope 1 and 2) emissions from our own operations, our objective is to be carbon neutral by the end of 2025.

Developing our operations together with our owner-customers and other key stakeholders, we invest in improving products and services with a long-term focus, anticipating changes in customer needs, in order to ensure the interests and success of customers now and in the future. By producing stable and cost-efficient digital services, we enable the growth of LocalTapiola Group's business and a better digital customer experience.

Our professional staff and investments in the development of competences enable us to succeed, with due regard to regional needs. In 2024, the number of employees at LocalTapiola Group was 4,269. We discuss LocalTapiola Group's employees in further detail in the section 'S1 Own workforce'.

We use the financial surplus from operations for the benefit of customers in the form of discounted premiums, customer bonuses and service development. Some of the profit we use for strengthening solvency, which will also safeguard the interests of our customers in the future. We monitor the development of both direct and indirect customer benefits.

Our value chain can be divided into three sections: upstream, own operations, and downstream. Upstream covers our suppliers, including the partners in the supply chain of claim services, and the producers of services acquired for own use. Own operations comprise **LocalTapiola Group's own activities and support functions**. Downstream includes insurance, asset management and real estate investment clients as well as authorities.

### ESRS 2 SBM-2 Interests and views of stakeholders SBM-2, 45

The most important stakeholders of LocalTapiola Group are customers, employees and governance bodies. Other identified stakeholders include strategic and other partners, service providers, authorities and political decision-makers, cross-industry organisations and special interest groups, research institutes and educational institutions, NGOs, local communities and the media.

Engagement with customers, employees, governance bodies, partners and authorities is regular and continuous. The role played by decision-makers, organisations, local communities and the media takes on heightened importance not only when it comes to maintaining our business prerequisites and upholding our reputation, but also in local advocacy. In 2024, the themes we discussed with our stakeholders included climate change adaptation, occupational wellbeing and mental health issues, loss prevention and anticipation of risks.

LocalTapiola Group owner-customers are represented in the governance bodies that guide the activities of our insurance companies. Each mutual insurance company of LocalTapiola Group has a Board of Directors and a Supervisory Board, whose members represent broadly the customer base and different sectors of society. Owner-customers exercise their voting right at General Meetings of the mutual insurance companies. The regional

companies cooperate actively with their regional stakeholders, which include organisations, safety operators, educational institutions and sport clubs.

At LocalTapiola Group, the purpose of stakeholder engagement is, for its part, to help our customers protect their life and business. LocalTapiola Group has as one of its long-term objectives to increase customer benefits, which is why we are regularly monitoring how the customer benefits develop. The regular dialogue conducted with our partners and other collaborating entities supports national and local cooperation while enabling operational development.

By keeping in contact with public authorities and decision-makers, we strive for example to confirm issues concerning the interpretation of regulation and of our reporting obligations. Furthermore, we also influence our future operating prerequisites through social debate and the protection of interests. Regular and continuous engagement with different stakeholders helps us identify their expectations and anticipate changes taking place in our business landscape.

The double materiality assessment of sustainability reporting was broadly participated in by members of the LocalTapiola Group management and by specialists from various functions. They also infused the process with their experience of the results of the 2022 sustainability materiality assessment carried out in the form of stakeholder survey. In the double materiality assessment of the sustainability statement, we worked in working groups to identify the value chains of LocalTapiola Group. This allowed us to ensure that all key stakeholders are taken into account. We examine the assessment of double materiality once a year or more frequently, and will update it where necessary when there are changes to the business operations or stakeholder expectations.

Twice a year, we provide reporting on the implementation of the Owner Intent and the Group Strategy to the Boards of Directors of LocalTapiola General and LocalTapiola Life. In addition, the Board of LocalTapiola General deliberates on the implementation of the LocalTapiola sustainability programme twice a year and approves the separate voluntary sustainability report of LocalTapiola Group on an annual basis.

The goals laid down in the LocalTapiola Group Strategy are based on anticipating changes in the business landscape and on ensuring future competitiveness. Our strategy process is participated in broadly by representatives of the governance bodies, management members and specialists of the corporate group, which gives us useful information for our strategy work about the views and interests of our different stakeholders. The currently valid LocalTapiola Group Strategy was drawn up for the years 2022–2026. There have been no changes in 2024 to the objectives laid down in the Group Strategy.

In accordance with the strategy process of LocalTapiola Group, we review the content of the Group Strategy on an annual basis. In 2024, the perspective adopted was customer experience. Our strategic goals that guide operational development can be found at the LocalTapiola Group website (<https://www.lahitapiola.fi/tietoa-lahitapiolasta/lahitapiola-ryhma/toiminnan-tarkoitus/>).

The LocalTapiola Group Strategy and the Owner Intent describe the long-term intent of the group. Owner-customer representatives play a role in the governance bodies of the corporate group, contributing to the development of our operations. Through the annual satisfaction survey targeting the governance bodies of LocalTapiola Group, we obtain information on the views held by members of the Boards of Directors and Supervisory Boards of the group about issues related to the governance of LocalTapiola Group.



ESRS 2 SBM 3 Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3, 48; E1.SBM-3, 18; E1.SBM-3, 19; E1.SBM-3, AR 7 and AR 8; S1.SBM-3, 14; S1.SBM-3, 15; S1.SBM-3, 16

In the double materiality assessment process of sustainability reporting, we identified the material impacts, risks and opportunities of LocalTapiola Group. We present the material impacts in the following tables: Material impacts on the environment, Material impacts on society, and Material

impacts on governance. The material risks and opportunities are illustrated in the table Material financial impacts. All material impacts, risks and opportunities fall within the scope of the ESRS Disclosure Requirements. In 2024, no resilience analysis was carried out on the strategy and business model of LocalTapiola Group. The material impacts, risks and opportunities identified in the double materiality assessment will be addressed in the planning of our upcoming strategy period.

Material impacts on the environment

Material topic		Value chain part	Activities	Sustainability impact on the environment	Nature of the impact		Time horizon
E1	Climate change mitigation	Own operations	Developing insurance products to enable the green transition	Enabling the green transition	Positive	Potential	Long-term
			Energy consumption	Energy indirect GHG emissions	Negative	Actual	Long-term
		Downstream	Insuring of vehicles	GHG emissions from insured vehicles	Negative	Actual	Short-term / Medium-term
			Investments	GHG emissions from the activities of investments	Negative	Actual	Long-term
			Selecting investments	Investing in investments that support climate change mitigation	Positive	Actual	Long-term
			Remediation of claims	GHG emissions from the remediation of claims	Negative	Actual	Medium-term / Long-term
			Financing of vehicles	Emissions from the use of financed vehicles	Negative	Actual	Long-term
			Insuring of forests	Carbon capture and strengthening the resilience of forests by insuring carbon-sink forests	Positive	Potential	Medium-term / Long-term
		Upstream, Downstream	Energy consumption of insured subject matters, investments and outsourced services	Energy indirect GHG emissions	Negative	Actual	Long-term
		Climate change adaptation	Downstream	Selecting investments	Investing in investments that support climate change adaptation	Positive	Actual

Material impacts on society

Material topic		Value chain part	Activities	Sustainability impact on human beings	Nature of the impact		Time horizon
S1	Own workforce	Own operations	Quality HR services and HR processes	Quality human resources services and processes boost employee experience and cooperation will improve between employees and the employer, and quality processes support the attainment of company strategic objectives.	Positive	Actual	Short-term / Medium-term / Long-term
			Ensuring the interests, rights and job security of employees through policies and agreements	The rights of employees are implemented	Positive	Actual	Short-term / Medium-term / Long-term
			The Equality and Non-Discrimination Plan, which includes the objectives and measures at the workplace that are laid down in the Act on Equality between Women and Men and the Non-discrimination Act	All employees are treated in a non-discriminatory manner, and everyone is offered equal opportunities	Positive	Actual	Short-term / Medium-term / Long-term
			Dialogue and the work community development plan pursuant to the Co-operation Act	Regular dialogue promotes the flow of information and the empowerment of staff in matters concerning their work, working conditions and status	Positive	Potential	Short-term / Medium-term / Long-term
			Enhancing the anticipation of work capacity risks, and reducing the risks	The occupational wellbeing of staff improves, the number of sick leaves and occupational accidents decreases and cooperation with occupational healthcare is smooth	Positive	Actual	Short-term / Medium-term / Long-term
			Upskilling of employees	For employees, learning pathways are available that have been defined on the basis of their own work roles. In addition to learning pathways, we also offer our staff a diverse range of other opportunities for upskilling.	Positive	Potential	Short-term / Medium-term / Long-term

Material impacts on society

S1	Own workforce	Own operations	Ensuring the protection of privacy of own employees	Possible security breaches compromising the personal data of own employees, and the harm they cause to employees	Negative	Potential	Short-term / Medium-term / Long-term
			Whistleblowing channel, guidance and policies to prevent and deal with situations	The whistleblowing channel is used to prevent and deal with possible cases of misconduct	Positive	Actual	Short-term / Medium-term / Long-term
			Leadership	Good leadership has a significant impact on staff wellbeing and the employee experience	Positive	Actual	Short-term / Medium-term / Long-term

Material impacts on governance

Material topic	Value chain part	Activities	Sustainability impact on the environment or human beings	Nature of the impact		Time horizon	
G1	Business conduct	Upstream	Data protection requirements for suppliers	Data protection is implemented in the activities of suppliers	Positive	Actual	Short-term
		Own operations	Measures to ensure compliance with the requirements of the group's Code of Conduct (training, monitoring, notification obligations)	Promoting a responsible corporate culture	Positive	Actual	Short-term
			Implementation of the strategy, and living up to our values; conformity	By implementing the strategy and living up to our values, we can strengthen an ethical corporate culture and responsible business conduct	Positive	Actual	Short-term / Medium-term / Long-term
			Developing data protection and data security	The positive impact on trust of the measures taken to enhance data protection and data security	Positive	Actual	Short-term / Medium-term / Long-term
		Downstream	Evaluating the ethical conduct of investments	Promoting a responsible corporate culture for investments, and reducing the adverse impacts of own investment activities	Positive	Actual	Short-term / Medium-term / Long-term
			Client and counterparty identification, and monitoring of international sanctions	Identifying politically exposed individuals, clients and counterparties, and monitoring of international sanctions, have a positive impact on good governance	Positive	Actual	Short-term / Medium-term / Long-term

Material financial effects

	Material topic	Description of the risk / opportunity	Financial effect	Nature of the effect	Time horizon
E1	Climate change mitigation	Physical risks in insurance activities	Compensation claims for weather-related loss and damage are expected to increase. The wide exclusions in current products or in future insurance cover are not compatible with our lifelong security strategy, causing clients disappointments and risk of financial losses. The financial effect will target the profit and loss account as the number of clients decreases.	Risk	Medium-term
		Transition risks in insurance activities	Risks related to remediating loss and damage resulting from transitioning to a carbon-neutral economy (for example, solar panels). The financial effect will target the profit and loss account as remediation costs increase.	Risk	Long-term
	Climate change adaptation	Physical risks in insurance activities	Increased compensation claims for weather-related loss and damage and their impact on the profitability of non-life insurance (for example, damage to forest and property). The financial effect will target the profit and loss account as the volume of claims increases.	Risk	Long-term
		Transition risks in investment activities	Impacts from transitioning to a carbon neutral economy on investment returns. Climate risks to investments. The financial impact will affect the balance sheet.	Risk	Medium-term

### 7.1.3 ESRS 2 IRO Impact, risk and opportunity management Disclosures on the materiality assessment process

#### ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

IRO-1, 53; E1.IRO-1, 20; E1.IRO-1, 21; E2.IRO-1, 11; E3.IRO-1, 8; E4.IRO-1, 17; E4.IRO-1, 18; E4.IRO-1, 19; E5.IRO-1, 11; G1.IRO-1, 6; IRO-2, 59

The identification and assessment of the impacts, risks and opportunities of material sustainability topics is a continuous process. We update our double materiality assessment of sustainability reporting as needed, but in any case at least annually. In this work, we take into account the value chain and important stakeholders of LocalTapiola Group. Completed in spring 2024, the first double materiality assessment process was participated in broadly by specialists and responsible persons from, inter alia, insurance functions, the **insurance companies' investment divisions, asset management, finance** functions, sustainability, financial management, risk management and legal services. In the double materiality assessment of sustainability reporting, we made use of the LocalTapiola sustainability materiality assessment, approved in 2023, the results from the survey of the group's sustainability risks and the feedback received from stakeholders in the course of sustainability work. In this assessment, we did not focus on specific activities, business relationships, geographies or other factors that give rise to heightened risk of adverse impacts.

At LocalTapiola, the assessment of the double materiality of sustainability reporting is a four-step, continuous process:

- 1) mapping of the value chain;
- 2) identifying the impacts of the activities of LocalTapiola Group;
- 3) identifying the financial effects to the activities of LocalTapiola Group (risks and opportunities); and
- 4) assessment of materiality and formulating the double materiality reporting requirements.

In the first step of the double materiality assessment, we identify the value chains of LocalTapiola Group. Value chain descriptions cover both direct and indirect contractual relationships, in the upstream and downstream of which

we take into account, when possible, not only first-tier suppliers but also those in the subsequent tiers.

In the second step, we identify impacts that LocalTapiola Group's own operations and value chain have on people and the environment. The outcome we deliver is a summary of the positive and negative impacts, either actual or possible, of LocalTapiola Group's own operations and value chain. In addition, for the impacts, risks and opportunities, we also define a time horizon: short-term (the reporting year), medium-term (1–5 years) or long-term (more than 5 years).

In the third step of the assessment, we identify financial risks and opportunities presented by the sustainability topics. In this work, we also address the sustainability risks identified in the LocalTapiola Group **companies' own risk surveys**. As the outcome of the third step, we define impact pathways and the financial effects deriving from the sustainability topics. As for financial effects, we classify them into opportunities and risks. In the fourth step of the process, we assess the materiality of observations.

Based on the identification and scoring of impacts, risks and opportunities, we compile a preliminary double materiality summary of the sustainability topics that emerge as material. As regards our impacts on people and the environment, we assess them as the average of severity and likelihood on a scale of one to five, in which the scoring for severity is determined as the average of scale, scope and irreparability on a scale of one to five. The financial materiality scale we use is the same scale used in the LocalTapiola Group risk survey, that is to say, we assess the magnitude and likelihood of risks and opportunities on a scale of one to five. As a product of these two above values, we obtain a full financial materiality scale of one to 25.

In the double materiality assessment of sustainability reporting completed in 2024, we set the impact threshold at four. For the financial risks and opportunities to LocalTapiola Group, we set the threshold at nine. We defined material ESRS standards, that is ESRS standards to be reported, as those that exceed the threshold for either impact or financial materiality.

The summary of the double materiality assessment of sustainability reporting is processed by the LocalTapiola Group sustainability reporting project Project Group and Steering Group. Based on the summary, the Project Group

consisting of specialists from different functions will prepare a proposal on the reported, material and excluded sustainability topics, Disclosure Requirements and datapoints. The Project Group will ensure that the results of the double materiality assessment and the scope of sustainability reporting are aligned. All this will be documented in the information collection system used in sustainability reporting.

The Risk Management Committee ensures uniformity between the outcomes of LocalTapiola Group companies' own risk surveys and the outcomes of the double materiality assessment of sustainability reporting. After examining the proposal, the Audit and Risk Management Committee will submit it to the Board of Directors of LocalTapiola General for confirmation. At its meetings, the Risk Management Committee allots time for examining sustainability issues and drafting proposals to be submitted to Board meetings. The Audit and Risk Management Committee is also responsible for supervising the independence of the sustainability statement assurer. The Board of LocalTapiola General ensures that the sustainability statement included in the Report of the Board of Directors has been prepared in compliance with the sustainability reporting standards.

Discussions of the sustainability statement and the double materiality assessment are included in the annual wheels governing the scheduling of meetings of the Board of LocalTapiola General and its Committees. Whenever there are any material changes in the operating landscape or business operations, the Board of LocalTapiola General will also confirm the updated double materiality assessment of sustainability reporting in between the annual discussions undertaken at meetings. In addition to examining the topics already identified as material, the Board of LocalTapiola General will also examine whether some of the topics, Disclosure Requirements or datapoints previously assessed as not material exceed, after the changes, the threshold for impact materiality or financial materiality.

We include the material risks identified in the double materiality assessment as part of the sustainability risks highlighted in the risk survey of LocalTapiola Group. Finally, we also use the risk assessment model of LocalTapiola Group for assessing other risks, which we discuss in further detail in the section 'ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting'.



## E1 Climate change

In the double materiality assessment, we examine the impacts that the operations of LocalTapiola Group have on climate change, as well as the impacts of climate change-related risks and opportunities on the operations of LocalTapiola Group. We address physical risks in the materiality assessment process both in own operations and in the upstream and downstream value chain. We identify chronic and acute hazards related to temperature, wind, water as well as solid mass over the short-, medium- and long-term, and assess their effects for assets and business activities. In the assessment, we employ ESRS 1-compliant time horizon definitions. At LocalTapiola Group, we address the impacts of climate change-related risks and opportunities in product development and strategy planning, but no specific capital expenditures are allocated to this work. The impact assessment of climate-related hazards is included in the operational risk survey process of the regional non-life insurance companies of LocalTapiola Group. We identify transition risks over the different time horizons, and have evaluated our exposure to these events. In the identification process, we evaluate the likelihood, scope and duration of the transition risks of investment activities, insurance activities and finance. In 2024, we did not use climate-related scenario analysis as part of the double materiality assessment, but will be developing the assessment process during 2025.

## E2 Pollution, E3 Water and marine resources, E4 Biodiversity and ecosystems, E5 Resource use and circular economy

In the double materiality assessment, we also examine impacts, risks and opportunities related to other environmental standards in the own operations and value chain of the LocalTapiola Group companies (E2 Pollution, E3 Water and marine resources, E4 Biodiversity and ecosystems, E5 Resource use and circular economy). In 2024, these ESRS standards did not exceed the threshold for double materiality assessment reporting, meaning that we did not identify any material impacts, risks or opportunities for these. In the coming years, the scope of the sustainability reporting of LocalTapiola Group may change so far as concerns the materiality of environmental standards, as our understanding of the sustainability impacts of the group improves. During 2024, we did not conduct stakeholder consultations relating to these themes.

In assessing E2 Pollution, we take into account the nature of our operations, the location of offices, and our value chain. In the assessment, we use our **specialists' assessment from the perspective of insurance activities**, investment activities and finance, examining pollution sub-topics including pollution of air, pollution of soil, microplastics and pollution of water. In the 2024 assessment, the main topics were transport-related emissions, the impact of investments on the pollution of soil, and the microplastics used by investments. However, based on the scoring, they were not material.

In assessing E3 Water and marine resources, we take into account not only our own operations, but also our value chain. In the assessment, we use our **specialists' assessment from the perspective of insurance activities**, investment activities and finance, examining water and marine resources sub-topics including water consumption, water discharges, water withdrawals and extraction and use of marine resources. In the 2024 assessment, the water consumption of investment real estate and the water discharges from insured sites were highlighted but, based on the scoring, they were not material.

For E4 Biodiversity and ecosystems, we identify and assess real and potential impacts and dependencies on biodiversity, taking into account the location of our offices, and our value chain. Furthermore, we identify and assess transition risks, physical risks, opportunities and systemic risks related to the **standard**. In the 2024 assessment, for LocalTapiola Group's own operations, we did not identify activities in or near biodiversity-sensitive areas or any material direct impacts on biodiversity loss. For the value chain, we identified impacts from investments, from the construction of new buildings and from insurance. However, based on the scoring, biodiversity did not exceed the reporting threshold.

For E5 Resource use and circular economy, we assess the impacts of own operations and our value chain on circular economy. In the 2024 assessment, waste from and repairs and acquisitions made in claims handling, as well as waste from real estate investments, were the main impacts but, based on the scoring, they were not material.

## G1 Business conduct

In the double materiality assessment related to G1 Business conduct policies and corporate culture, we address the business areas of LocalTapiola Group, the structure of the corporate group, the multichannel nature and coverage of services in Finland and updates to the corporate culture policies.

### ESRS 2 IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

IRO2, 56; IRO-2, 58; IRO-2, 59

In the following tables, in accordance with Appendix B to the ESRS 2 standard, we illustrate the datapoints reported in the 2024 sustainability statement, and the sections in which they appear in the sustainability statement.

#### Datapoints in cross-cutting and topical standards that derive from other EU legislation

Standard, Disclosure Requirement & datapoint	Description	Location
ESRS 2 GOV-1, 21 d	Board's gender diversity	17
ESRS 2 GOV-1, 21 e	Percentage of independent board members	17
ESRS 2 GOV-4, 30	Statement on due diligence	20
ESRS 2 SBM-1, 40 d i	Involvement in activities related to fossil fuel activities	Not material
ESRS 2 SBM-1, 40 d ii	Involvement in activities related to chemical production	Not material
ESRS 2 SBM-1, 40 d iii	Involvement in activities related to controversial weapons	Not material
ESRS 2 SBM-1, 40 d iv	Involvement in activities related to cultivation and production of tobacco	Not material
ESRS E1, E1-1, 14	Transition plan to reach climate neutrality by 2050	45
ESRS E1, E1-1, 16 g	Undertakings excluded from Paris-aligned Benchmarks	45
ESRS E1, E1-4, 34	GHG emission reduction targets	47-53
ESRS E1, E1-5, 38	Energy consumption from fossil sources disaggregated by sources	Not material
ESRS E1, E1-5, 37	Energy consumption and mix	53-54
ESRS E1, E1-5, 40-43	Energy intensity associated with activities in high climate impact sectors	Not material
ESRS E1, E1-6, 44	Gross Scopes 1, 2, 3 and Total GHG emissions	60-61
ESRS E1, E1-6, 53-55	Gross GHG emissions intensity	62
ESRS E1, E1-7, 56	GHG removals and carbon credits	62-63
ESRS E1, E1-9, 66	Exposure of the benchmark portfolio to climate-related physical risks	Not material

Standard, Disclosure Requirement & datapoint	Description	Location
ESRS E1, E1-9, 66 a	Disaggregation of monetary amounts by acute and chronic physical risk	Not material
ESRS E1, E1-9, 66 c	Location of significant assets at material physical risk	Not material
ESRS E1, E1-9, 67 c	A breakdown of the carrying value of the undertaking's real estate assets by energy-efficiency classes	Not material
ESRS E1, E1-9, 69	Degree of exposure of the portfolio to climate-related opportunities	Not material
ESRS 2 E2, E2-4, 28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Not material
ESRS 2 E3, E3-1, 9	Water and marine resources	Not material
ESRS 2 E3, E3-1, 13	Dedicated policy	Not material
ESRS 2 E3, E3-1, 14	Sustainable oceans and seas	Not material
ESRS 2 E3, E3-4, 28 c	Total water recycled and reused	Not material
ESRS 2 E3, E3-4, 29	Total water consumption in m <sup>3</sup> per net revenue on own operations	Not material
ESRS 2 SBM-3 E4, 16 a i	Activities negatively affecting biodiversity sensitive areas	Not material
ESRS 2 SBM-3 E4, 16 b	Whether the undertaking has identified material negative impacts with regards to land degradation, desertification or soil sealing	Not material
ESRS 2 SBM-3 E4, 16 c	Whether the undertaking has operations that affect threatened species	Not material
ESRS 2 E4 E4-2, 24 b	Sustainable land / agriculture practices or policies	Not material
ESRS 2 E4, E4-2, 24 c	Sustainable oceans / seas practices or policies	Not material
ESRS 2 E4, E4-2, 24 d	Policies to address deforestation	Not material
ESRS 2 E5, E5-5, 37 d	Non-recycled waste	Not material
ESRS 2 E5, E5-5, 39	Hazardous waste and radioactive waste	Not material
ESRS 2 SBM-3 S1, 14 f	Risk of incidents of forced labour	Not material
ESRS 2 SBM-3 S1, 14 g	Risk of incidents of child labour	Not material
ESRS 2 S1, S1-1, 20	Human rights policy commitments	63
ESRS 2 S1, S1-1, 21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	63
ESRS 2 S1, S1-1, 22	Processes and measures for preventing trafficking in human beings	Not material
ESRS 2 S1, S1-1, 23	Workplace accident prevention policy or management system	63
ESRS 2 S1, S1-3, 32 c	Grievance/complaints handling mechanisms	64
ESRS 2 S1, S1-14, 88 b, c	Number of fatalities and number and rate of work-related accidents	67
ESRS 2 S1, S1-14, 88 e	Number of days lost to injuries, accidents, fatalities or illness	67

Standard, Disclosure Requirement & datapoint	Description	Location
ESRS 2 S1, S1-16, 97 a	Unadjusted gender pay gap	Not material
ESRS 2 S1, S1-16, 97 b	Excessive CEO pay ratio	Not material
ESRS 2 S1, S1-17, 103 a	Incidents of discrimination	67
ESRS 2 S1, S1-17, 104 a	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	67
ESRS 2 SBM-3, S2, 11 b	Significant risk of child labour or forced labour in the value chain	Not material
ESRS 2 S2, S2-1, 17	Human rights policy commitments	Not material
ESRS 2 S2, S2-1, 18	Policies related to value chain workers	Not material
ESRS 2 S2, S2-1, 19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Not material
ESRS 2 S2, S2-1, 19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	Not material
ESRS 2 S2, S2-4, 36	Human rights issues and incidents connected to its upstream and downstream value chain	Not material
ESRS S3, S3-1, 16	Human rights policy commitments	Not material
ESRS 2 S3, S3-1, 17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	Not material
ESRS 2 S3, S3-4, 36	Human rights issues and incidents	Not material
ESRS 2 S4, S4-1, 16	Policies related to consumers and end-users	Not material
ESRS 2 S4, S4-1, 17	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Not material
ESRS 2 S4, S4-4, 35	Human rights issues and incidents	Not material
ESRS 2 G1, G1-1, 10 b	United Nations Convention against Corruption	68-69
ESRS 2 G1, G1-1, 10 d	Protection of whistleblowers	69
ESRS 2 G1, G1-4, 24 a	Fines for violation of anti-corruption and anti-bribery laws	71
ESRS 2 G1, G1-4, 24 b	Standards of anti-corruption and anti-bribery	71

We describe the definition of material datapoints and the use of thresholds in the section 'ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities'.

In the 2024 results for the double materiality assessment of sustainability reporting, the E5 Resource use and circular economy standard was at the reporting threshold but did not exceed it. In addition, the S4 Consumers and end-users standard was near the reporting threshold. The Project Group of the sustainability reporting project examined the double materiality assessment-based reporting package, and documented the criteria for excluding the standards that were found to be close to the reporting



threshold. The Audit and Risk Management Committee examined the proposal that was submitted to the Board of Directors for confirmation and that also included the excluded ESRS standards.

In the review of the E5 Resource use and circular economy standard, neither the value for financial materiality nor that for impact materiality alone exceeded the materiality threshold. However, their combined impact is equal to the materiality threshold. We excluded the E5 standard from the reporting package because the reporting content of the sub-topics identified in the assessment, resource inflows as well as resource use and waste, is not relevant considering the sector in which we operate.

In the review of the S4 Consumers and end-users standard, the thresholds for financial materiality or impact materiality did not exceed the materiality

threshold. As, according to the results of the double materiality assessment, all the sub-topics addressed in the assessment, privacy, freedom of expression, accessibility of data, personal safety and social inclusion, were below the reporting thresholds, we do not report any of the Disclosure Requirements of the S4 standard.

### ESRS 2 MDR-P Policies adopted to manage material sustainability matters

MDR-P, 65

In the following table, we present our policies in use at LocalTapiola Group to manage material sustainability matters.

LocalTapiola Group Code of Conduct

Policies	Key content	Scope of application	Responsible party	Commitments	Addressing the interests of stakeholders	Availability
<b>Owner Intent</b>	Promoting the interests of LocalTapiola Group owner-customers, and mutual corporate governance.	LocalTapiola Group companies	Supervisory Boards of LocalTapiola General and LocalTapiola Life	No commitments to external principles.	Inclusion of owner-customers, governance representatives	Non-public, available to staff in the intranet*
<b>Group Strategy</b>	Anticipating and preparing for changes in the business landscape of LocalTapiola Group, strengthening the modern meaning and benefit of being an owner-customer, developing future competitive advantage and competitiveness and directing the development of business operations and our offering.	LocalTapiola Group companies	Supervisory Boards of LocalTapiola General and LocalTapiola Life	No commitments to external principles.	Inclusion of owner-customers, governance representatives	Publicly available at the LocalTapiola website
<b>Code of Conduct</b>	The key LocalTapiola Group policies with which we at the group are committed to complying. The Code of Conduct describes the policies we follow and the action we do not approve of.	LocalTapiola Group companies excluding Finnish P&C Insurance Ltd and LTC Otso Oy	Boards of the group companies	Finance Finland's Responsible Financial Sector principles, Good insurance practice (provision of insurance, and claims handling), Principles for responsible investment (investment activities and asset management activities), Good securities markets practice	LocalTapiola Group's business mix and changing business landscape taken into account. In 2024, specialists from different functions and companies were involved in the updating of the Code of Conduct.	Publicly available at the LocalTapiola website

\*With the exception of the employees of Finnish P&C Insurance Ltd, Seligson & Co Fund Management Company Plc and LTC Otso Oy, the employees of LocalTapiola Group have access to the LocalTapiola intranet.

Policies	Key content	Scope of application	Responsible party	Commitments	Addressing the interests of stakeholders	Availability
<b>Partner Code of Conduct</b>	LocalTapiola Group policies and approaches to which we require our partners to commit and which we as a cooperation partner also follow.	LocalTapiola Group partners, suppliers and other cooperation partners	Boards of the group companies	LocalTapiola complies with the common good practices and policies agreed in the sector.	Diversity of LocalTapiola Group's cooperation partners taken into account. Specialists from LocalTapiola companies and functions, and selected partners, were involved in the preparation of the Code.	Publicly available at the LocalTapiola website
<b>Sustainability programme</b>	The LocalTapiola sustainability programme 2022–2026 defines the group's common sustainability goals and the key actions to achieve them.	LocalTapiola Group companies excluding Finnish P&C Insurance Ltd and LTC Otso Oy	Group's Management Group	LocalTapiola as a group is committed to the UN's Principles for Sustainable Insurance.  Asset Management Group is separately committed to the UN-supported Principles for Responsible Investment (PRI).	We made use of results from the sustainability materiality assessment. The materiality assessment surveyed stakeholder views on the material sustainability impacts of LocalTapiola. The survey was sent out to clients, members of governance bodies and staff, and to a group representing partners, decision-makers and organisations. Representatives from senior management, governance bodies and partners participated in the interviews.	Publicly available at the LocalTapiola website
<b>Human Rights Policy</b>	The LocalTapiola Human Rights Policy contains a human rights commitment and information about the main adverse human rights impacts of LocalTapiola Group. The impact assessment addresses entire LocalTapiola Group and the group's value chain. The Policy sets out methods to monitor respect for human rights, and it describes measures for preventing and mitigating adverse impacts.	LocalTapiola Group companies excluding LTC Otso Oy	Boards of the group companies	The UN's International Bill of Human Rights, which includes the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR).  The ILO Declaration on Fundamental Principles and Rights at Work	We have identified human rights impacts relating to the various roles of LocalTapiola, as a result taking into account the perspectives of different stakeholders (employer, service provider, investor and asset manager, procurer, partner, and community member).	Publicly available at the LocalTapiola website

Policies	Key content	Scope of application	Responsible party	Commitments	Addressing the interests of stakeholders	Availability
<b>Human Resources Strategy</b>	The LocalTapiola Group Human Resources Strategy aims to ensure, support and contribute to the achievement of the strategic objectives of LocalTapiola through measures of HR work and HR management.	LocalTapiola Group companies excluding Finnish P&C Insurance Ltd and LTC Otso Oy	Group's Management Group	No commitments to external principles.	Own staff	Non-public, available to staff in the intranet*
<b>Tax Policy</b>	The LocalTapiola Tax Policy was drawn up to lay down the goals and key principles which LocalTapiola as a corporate group follows in the management of tax matters.	LocalTapiola Group companies excluding Finnish P&C Insurance Ltd and LTC Otso Oy	Boards of the group companies	LocalTapiola Group complies with the valid tax laws and tax regulation in all its activities. The LocalTapiola Group companies do not seek to maximise profit by unsustainable tax planning or artificial arrangements.	As an insurer, LocalTapiola Group is helping strengthen and create stability in Finnish society. Through investment and financing, we help clients increase their wealth and finance their business. LocalTapiola Group aims to make tax and tax-like payments according to valid tax legislation, yet in such a way that taxes will not be paid in excess of the provisions of laws and regulations.	Publicly available at the LocalTapiola website
<b>Climate Policy</b>	The LocalTapiola Climate Policy describes the approaches that we employ to prevent, mitigate, manage and remediate our impacts on the climate and to address climate change-related risks. We address climate change mitigation and adaptation-related aspects in the client and risk selection relating to our insurance activities, in product development, loss prevention and claims handling, in investment, asset management and finance, and in our own operations. As for energy efficiency and the use of renewable energy, we promote them particularly in our real estate operations, and in our own operations.	LocalTapiola Group companies excluding Finnish P&C Insurance Ltd and LTC Otso Oy	Boards of the group companies	LocalTapiola as a group is committed to the UN's Principles for Sustainable Insurance.  Asset Management Group is committed to the UN-supported Principles for Responsible Investment and the Net Zero Asset Managers climate initiative. The LocalTapiola real estate division is committed to the Net Zero Carbon Buildings initiative.  LocalTapiola Finance is participating in the Green Deal agreement concluded jointly between the state of Finland and the automotive sector.	LocalTapiola wants to deliver Finnish solutions for climate change adaptation and mitigation – in cooperation with clients, partners and other stakeholders.	Publicly available at the LocalTapiola website

\*With the exception of the employees of Finnish P&C Insurance Ltd, Seligson & Co Fund Management Company Plc and LTC Otso Oy, the employees of LocalTapiola Group have access to the LocalTapiola intranet.

## 7.2 ESRS E Environmental information

In the Environmental information section of this sustainability statement, we address the following topics:

- Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)
- E1-1 Transition plan for climate change mitigation
- E1-2 Policies related to climate change mitigation and adaptation
- E1-3 Actions and resources in relation to climate change policies
- E1-4 Targets related to climate change mitigation and adaptation
- E1-5 Energy consumption and mix
- E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions
- E1-7 GHG removals and GHG mitigation projects financed through carbon credits
- E1-8 Internal carbon pricing.

### 7.2.1 Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

We report the data required by the Taxonomy Regulation, its Annexes and the supplementing Delegated Regulation.

#### 7.2.1.1 *Non-life insurance premiums written*

The following non-life insurance and reinsurance activities set out in the Taxonomy Regulation which relate to climate change adaptation: 10.1. Non-life insurance: underwriting of climate-related perils, and 10.2. Reinsurance. Some of our non-life insurance products cover natural event-related losses, such as those from storm, wildfire and flooding. The terms and conditions of our non-life insurances do not specifically exclude climate change-related losses from coverage.

Of the premiums written for each non-life insurance category, we report as Taxonomy-eligible (Annex X, template row A.2) only that portion which we charge to cover losses that are due to one or several of the climate risks set out in Appendix A to the Delegated Regulation. The premiums written for reinsurance acceptances and reinsurance cessions and for retroceded reinsurance acceptances are reported as Taxonomy-eligible according to the insurance category-specific portions of direct premiums written.

Taxonomy-aligned reporting (Annex X, template row A.1) of non-life insurance premiums written requires compliance with the relevant technical criteria and minimum safeguards. The minimum safeguards require compliance with the guidelines on human rights, corruption, taxation and fair competition laid down in the United Nations (UN) Guiding Principles on Business and Human Rights (UNGPR). In our Human Rights Policy, Code of Conduct and elsewhere, we, for example, pledge to respect and implement human rights in everything we do. Development work is underway at LocalTapiola Group to comply with the minimum safeguards, with which we do not comply in the 2024 reporting.

The insurance products of LocalTapiola do not in all respects meet the Taxonomy-alignment criteria set for non-life and life insurance activities. As for the set of technical criteria for substantial contribution to climate change adaptation, our current insurance products do not meet the technical criteria set for the modelling and pricing of climate risks. This is because forward-looking climate models are not employed for rating purposes. In future, we will strive to develop our non-life insurance products and, where possible, to increase the portion of premiums written, both for direct insurance and for reinsurance, that meets the technical criteria.

We use the template determined for non-life and reinsurance undertakings in Annex X to the Commission Delegated Regulation to report on the non-life insurance premiums written shown in the consolidated financial statements of LocalTapiola Group.

Annex X template: The underwriting KPI for non-life insurance and reinsurance undertakings

Economic activities (1)	Substantial contribution to climate change adaptation			DNSH (Do No Significant Harm)					Minimum safeguards (10)
	Absolute premiums, year 2024 (2)	Proportion of premiums, year 2024 (3)	Proportion of premiums, year 2023 (4)	Climate change mitigation (5)	Water and marine resources (6)	Circular economy (7)	Pollution (8)	Biodiversity and ecosystems (9)	
	MEUR	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	
<b>A.1 Non-life insurance and reinsurance underwriting Taxonomy-aligned activities</b> (environmentally sustainable)	0	0.0%	0.0%	Y	Y	Y	Y	Y	N
A.1.1 Of which reinsured	0	0.0%	0.0%	Y	Y	Y	Y	Y	N
A.1.2 Of which stemming from reinsurance activity	0	0.0%	0.0%	Y	Y	Y	Y	Y	N
A.1.2.1 Of which reinsured (retrocession)	0	0.0%	0.0%	Y	Y	Y	Y	Y	N
<b>A.2 Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>	201.1	13.1%	13.5%						
<b>B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities</b>	1,332.5	86.9%	86.5%						
<b>Total (A.1+A.2+B)</b>	<b>1,533.6</b>	<b>100.0%</b>	<b>100.0%</b>						

"Premiums" in columns (2) and (3) shall be reported as gross premiums written or, as applicable, turnover relating to non-life insurance or reinsurance activity.

LocalTapiola Group reports "premiums" as gross premiums written

Non-life insurance and reinsurance can only be aligned with Regulation (EU) 2020/852 as activity that enables climate change adaptation. That is why the data reported in column (5) are the same for all insurance and reinsurance undertakings that carry on non-life insurance and/or non-life reinsurance activities.

### 7.2.1.2 Investments

We use the templates determined for non-life and reinsurance undertakings in Annexes X and XII to the Commission Delegated Regulations to report on the investments shown in the consolidated financial statements of LocalTapiola Group.

We report investments at fair value. For reporting on those target companies that are required to provide information, we use third-party sustainability

data which are based on sustainability data reported by the target companies.

In the breakdown of the denominator of the Key Performance Indicator (KPI), other investments include direct and indirect real estate investments, loans secured by mortgages on immovable property, fund investments and other collective investments for which adequate details cannot be provided, cash in funds, and other investments that cannot be assigned to the other categories.

Annex X template: The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

<p>The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities <b>relative to the value of total assets covered by the KPI</b>, with following weights for investments in undertakings per below:</p> <p>Turnover-based: % 1.65%</p> <p>Capital expenditures-based: % 2.13%</p>	<p>The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:</p> <p>Turnover-based: [monetary amount] EUR 181.7 million</p> <p>Capital expenditures-based: [monetary amount] EUR 235.3 million</p>
<p>The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities</p> <p>Coverage ratio: % 87.58%</p>	<p>The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.</p> <p>Coverage ratio: [monetary amount] EUR 11,025.4 million</p>
<p>Additional, complementary disclosures: breakdown of <b>denominator</b> of the KPI</p>	
<p>The percentage of derivatives relative to total assets covered by the KPI</p> <p>% 0.03%</p>	<p>The value in monetary amounts of derivatives:</p> <p>[monetary amount] EUR 3.5 million</p>
<p>The proportion of <b>exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:</p> <p>For non-financial undertakings: 31.17%</p> <p>For financial undertakings: 10.41%</p>	<p>Value of <b>exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU</b>:</p> <p>For non-financial undertakings: [monetary amount] EUR 3,436.9 million</p> <p>For financial undertakings: [monetary amount] EUR 1,147.7 million</p>
<p>The proportion of <b>exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:</p> <p>For non-financial undertakings: 22.58%</p> <p>For financial undertakings: 5.29%</p>	<p>Value of <b>exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU</b>:</p> <p>For non-financial undertakings: [monetary amount] EUR 2,489 million</p> <p>For financial undertakings: [monetary amount] EUR 582.8 million</p>
<p>The proportion of <b>exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:</p> <p>For non-financial undertakings: 15.10%</p> <p>For financial undertakings: 10.08%</p>	<p>Value of <b>exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b>:</p> <p>For non-financial undertakings: [monetary amount] EUR 1,665.3 million</p> <p>For financial undertakings: [monetary amount] EUR 1,110.8 million</p>
<p>The proportion of exposures to other counterparties and assets over total assets covered by the KPI:</p> <p>% 33.21%</p>	<p>Value of exposures to other counterparties and assets:</p> <p>[monetary amount] EUR 3,661 million</p>

The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	7.17%	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	EUR 790.2 million
%		[monetary amount]	
The value of all the investments that are funding <b>economic activities that are not Taxonomy-eligible</b> relative to the value of total assets covered by the KPI:	66.96%	Value of all the investments that are funding <b>economic activities that are not Taxonomy-eligible</b> :	EUR 7,328.7 million
%		[monetary amount]	
The value of all the investments that are funding Taxonomy-eligible economic activities, <b>but not Taxonomy-aligned</b> relative to the value of total assets covered by the KPI:	23.80%	Value of all the investments that are funding Taxonomy-eligible economic activities, <b>but not Taxonomy-aligned</b> :	EUR 2,623.9 million
%		[monetary amount]	
Additional, complementary disclosures: breakdown of <b>numerator</b> of the KPI			
The proportion of <b>Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:		Value of <b>Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings:		For non-financial undertakings: [monetary amount]	
Turnover-based: %:	1.37%	Turnover-based: [monetary amount]	EUR 150.9 million
Capital expenditures-based: %:	1.82%	Capital expenditures-based: [monetary amount]	EUR 200.1 million
For financial undertakings:		For financial undertakings: [monetary amount]	
Turnover-based: %:	0.28%	Turnover-based: [monetary amount]	EUR 30.8 million
Capital expenditures-based: %:	0.32%	Capital expenditures-based: [monetary amount]	EUR 35.2 million
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based: %:	1.30%	Turnover-based: [monetary amount]	EUR 142.9 million
Capital expenditures-based: %:	1.66%	Capital expenditures-based: [monetary amount]	EUR 183.1 million
The proportion of <b>Taxonomy-aligned exposures to other counterparties and assets</b> over total assets covered by the KPI:		Value of <b>Taxonomy-aligned exposures to other counterparties and assets</b> over total assets covered by the KPI:	
Turnover-based: %:	0.00%	Turnover-based: [monetary amount]	EUR 0 million
Capital expenditures-based: %:	0.00%	Capital expenditures-based: [monetary amount]	EUR 0 million

Breakdown of the numerator of the KPI per environmental objective			
Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:			
		A) Transitional activities	B) Enabling activities
(1) Climate change mitigation	Turnover: %	Turnover: %	Turnover: %
	1.42%	0.20%	0.61%
	CapEx: %	CapEx: %	CapEx: %
	1.87%	0.19%	0.70%
2) Climate change adaptation	Turnover: %	Turnover: %	Turnover: %
	0.04%	0.00%	0.00%
	CapEx: %	CapEx: %	CapEx: %
	0.04%	0.00%	0.00%
(3) Sustainable use and protection of water and marine resources	Turnover: %	Turnover: %	Turnover: %
	0.00%	0.00%	0.00%
	CapEx: %	CapEx: %	CapEx: %
	0.00%	0.00%	0.00%
(4) Transition to a circular economy	Turnover: %	Turnover: %	Turnover: %
	0.03%	0.00%	0.01%
	CapEx: %	CapEx: %	CapEx: %
	0.02%	0.00%	0.00%
(5) Pollution prevention and control	Turnover: %	Turnover: %	Turnover: %
	0.01%	0.00%	0.00%
	CapEx: %	CapEx: %	CapEx: %
	0.01%	0.00%	0.00%
(6) Protection and restoration of biodiversity and ecosystems	Turnover: %	Turnover: %	Turnover: %
	0.00%	0.00%	0.00%
	CapEx: %	CapEx: %	CapEx: %
	0.00%	0.00%	0.00%



Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)

Template 1 Nuclear and fossil gas related activities

Row	<b>Nuclear energy related activities</b>	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	<b>Fossil gas related activities</b>	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

*For the data in Annex XII template 1, we have not identified, regarding premiums written for Taxonomy-aligned non-life insurance and reinsurance activities, any links to the activities set out in the template.*

Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)  
 Template 2 Taxonomy-aligned economic activities (denominator). Turnover (TEUR)

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.2	0.00%	1.2	0.00%	0.0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9,621.3	0.09%	9,621.3	0.09%	0.0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9,037.2	0.08%	9,037.2	0.08%	0.0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.1	0.00%	0.1	0.00%	0.0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	15.5	0.00%	15.5	0.00%	0.0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	23.0	0.00%	23.0	0.00%	0.0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	142,361.7	1.29%	137,445.9	1.25%	4,915.8	0.04%
8.	<b>Total applicable KPI</b>	<b>161,060.1</b>	<b>1.46%</b>	<b>156,144.2</b>	<b>1.42%</b>	<b>4,915.8</b>	<b>0.04%</b>

Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)  
 Template 2 Taxonomy-aligned economic activities (denominator). CapEx (TEUR)

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.7	0.00%	0.7	0.00%	0.0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	13,314.2	0.12%	13,314.2	0.12%	0.0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3,049.2	0.03%	3,049.2	0.03%	0.0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.3	0.00%	0.3	0.00%	0.0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	169.2	0.00%	169.2	0.00%	0.0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7.7	0.00%	7.7	0.00%	0.0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	193,869.0	1.76%	189,572.2	1.72%	4,296.8	0.04%
8.	<b>Total applicable KPI</b>	<b>210,410.4</b>	<b>1.91%</b>	<b>206,113.6</b>	<b>1.87%</b>	<b>4,296.8</b>	<b>0.04%</b>

Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)  
 Template 3 Taxonomy-aligned economic activities (numerator). Turnover (TEUR)

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1.2	0.00%	1.2	0.00%	0.0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	9,621.3	5.30%	9,621.3	5.30%	0.0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	9,037.2	4.97%	9,037.2	4.97%	0.0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.1	0.00%	0.1	0.00%	0.0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	15.5	0.01%	15.5	0.01%	0.0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	23.0	0.01%	23.0	0.01%	0.0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	142,361.7	78.36%	137,445.9	75.66%	4,915.8	2.71%
8.	<b>Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI</b>	<b>161,060.1</b>	<b>88.66%</b>	<b>156,144.2</b>	<b>85.95%</b>	<b>4,915.8</b>	<b>2.71%</b>

Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)  
 Template 3 Taxonomy-aligned economic activities (numerator). CapEx (TEUR)

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.7	0.00%	0.7	0.00%	0.0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	13,314.2	5.66%	13,314.2	5.66%	0.0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3,049.2	1.30%	3,049.2	1.30%	0.0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.3	0.00%	0.3	0.00%	0.0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	169.2	0.07%	169.2	0.07%	0.0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	7.7	0.00%	7.7	0.00%	0.0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	193,869.0	82.40%	189,572.2	80.57%	4,296.8	1.83%
8.	<b>Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI</b>	<b>210,410.4</b>	<b>89.43%</b>	<b>206,113.6</b>	<b>87.60%</b>	<b>4,296.8</b>	<b>1.83%</b>

Liitteen XII vakiolomakkeet 8 artiklan 6 ja 7 kohdassa tarkoitettua tiedonantoa varten  
Lomake 4: Luokitusjärjestelmäkelpoiset, mutta ei luokitusjärjestelmän mukaiset taloudelliset toiminnot. Liikevaihto (tEUR)

Rivi	Taloudelliset toiminnot	Määrä ja osuus					
		Ilmastonmuutoksen hillintä + ilmastonmuutokseen sopeutuminen		Ilmastonmuutoksen hillintä		Ilmastonmuutokseen sopeutuminen	
		Määrä	%	Määrä	%	Määrä	%
1.	Delegoidun asetuksen 2021/2139 liitteissä I ja II olevassa 4.26 jaksossa tarkoitettua, luokitusjärjestelmäkelpoisen mutta ei luokitusjärjestelmän mukaisen taloudellisen toiminnan määrä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä	0,0	0,00 %	0,0	0,00 %	0,0	0,00 %
2.	Delegoidun asetuksen 2021/2139 liitteissä I ja II olevassa 4.27 jaksossa tarkoitettua, luokitusjärjestelmäkelpoisen mutta ei luokitusjärjestelmän mukaisen taloudellisen toiminnan määrä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä	5,2	0,00 %	5,2	0,00 %	0,0	0,00 %
3.	Delegoidun asetuksen 2021/2139 liitteissä I ja II olevassa 4.28 jaksossa tarkoitettua, luokitusjärjestelmäkelpoisen mutta ei luokitusjärjestelmän mukaisen taloudellisen toiminnan määrä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä	22,2	0,00 %	22,2	0,00 %	0,0	0,00 %
4.	Delegoidun asetuksen 2021/2139 liitteissä I ja II olevassa 4.29 jaksossa tarkoitettua, luokitusjärjestelmäkelpoisen mutta ei luokitusjärjestelmän mukaisen taloudellisen toiminnan määrä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä	684,7	0,01 %	684,7	0,01 %	0,0	0,00 %
5.	Delegoidun asetuksen 2021/2139 liitteissä I ja II olevassa 4.30 jaksossa tarkoitettua, luokitusjärjestelmäkelpoisen mutta ei luokitusjärjestelmän mukaisen taloudellisen toiminnan määrä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä	486,8	0,00 %	486,8	0,00 %	0,0	0,00 %
6.	Delegoidun asetuksen 2021/2139 liitteissä I ja II olevassa 4.31 jaksossa tarkoitettua, luokitusjärjestelmäkelpoisen mutta ei luokitusjärjestelmän mukaisen taloudellisen toiminnan määrä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä	19,6	0,00 %	19,6	0,00 %	0,0	0,00 %
7.	Muiden kuin edellä 1–6 rivillä tarkoitettujen luokitusjärjestelmäkelpoisten mutta ei luokitusjärjestelmän mukaisten taloudellisten toimintojen määrä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä	2 350 731,0	21,32 %	2 344 124,9	21,26 %	6 606,1	0,06 %
8.	<b>Luokitusjärjestelmäkelpoisten mutta ei luokitusjärjestelmän mukaisten taloudellisten toimintojen kokonaismäärä ja osuus sovellettavan keskeisen tulosindikaattorin nimittäjässä</b>	<b>2 351 949,5</b>	<b>21,33 %</b>	<b>2 345 343,4</b>	<b>21,27 %</b>	<b>6 606,1</b>	<b>0,06 %</b>

Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)  
Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities. CapEx (TEUR)

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	0.0	0.00%	0.0	0.00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	0.0	0.00%	0.0	0.00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.6	0.00%	0.6	0.00%	0.0	0.00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	291.1	0.00%	288.8	0.00%	2.3	0.00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	51.9	0.00%	51.9	0.00%	0.0	0.00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	0.0	0.00%	0.0	0.00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	203,395.8	1.84%	165,573.3	1.50%	37,822.5	0.34%
8.	<b>Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI</b>	<b>203,739.4</b>	<b>1.85%</b>	<b>165,914.5</b>	<b>1.50%</b>	<b>37,824.8</b>	<b>0.34%</b>

Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)  
 Template 5 Taxonomy non-eligible economic activities. Turnover (TEUR)

Row	Economic activities	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	53.7	0.00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.5	0.00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	10.3	0.00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.3	0.00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	8,139,178.6	73.82%
8.	<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>	<b>8,139,243.3</b>	<b>73.82%</b>

Annex XII standard templates for the disclosure referred to in Article 8(6) and (7)  
 Template 5 Taxonomy non-eligible economic activities. CapEx (TEUR)

Row	Economic activities	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.1	0.00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	235.8	0.00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	30.9	0.00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.3	0.00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9.4	0.00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	10,334,217.6	93.73%
8.	<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>	<b>10,334,494.1</b>	<b>93.73%</b>

## 7.2.2 ESRS E1 Climate change

### ESRS E1-1 Transition plan for climate change mitigation

E1-1, 14; E1-1, 16; E1-1, 17; E1-1, AR1; E1-1, AR3; E1-1, AR4; E1-1, AR5 E1-1, 16

The objective of the transition plan is to enable an understanding of the **reporting undertaking's past, current, and future climate change mitigation efforts to ensure that the undertaking's strategy and business model are compatible with, inter alia, the Paris Agreement.** LocalTapiola Group does not yet have one group-wide transition plan. Our objective is to prepare the plan in 2025.

In the 2024 sustainability statement, we report E1 standard compliant transition plan information that is based on existing group-specific and company-specific objectives and measures. In the sustainability statement, we qualitatively describe the key GHG emission reduction methods, their link to the strategies of LocalTapiola Group and its companies, the resources required by the GHG reduction methods, and any possible locked-in GHG emissions. We do not provide reporting on actions preceding the year 2024.

Compatibility of the GHG emissions targets with the Paris Agreement goal, and decarbonisation levers

The GHG emission reduction targets of LocalTapiola Group support the Paris Agreement goal to limit global warming to 1.5°C. No sectoral decarbonisation paths suitable for the operations of LocalTapiola Group have been defined yet, which is why our climate goals cannot be compared with the sectoral decarbonisation pathway. Therefore, the rationale for the compatibility of **the transition plan with the 1.5°C goal is based on LocalTapiola Group's own GHG emission reduction targets.** The benchmark we have used is an economy-wide scenario, and in setting the GHG emission reduction targets we have applied the general emission reduction targets, translated from the state to undertaking level.

We present our climate goals and our related measures in further detail in the section ESRS E1-4 'Targets related to climate change mitigation and adaptation'.

We have so far not set any targets or plans for adapting our economic activities to the criteria adopted in Commission Delegated Regulation (EU) 2021/2139.

Our greatest influence in climate change mitigation relates to reducing emissions from our value chain, that is, Scope 3 emissions. Efforts to reduce emissions from the value chain of LocalTapiola Group does not require significant investments; rather, this will be achieved through strategic choices, such as investment decisions. As for climate change mitigation actions, in 2024, we did not carry out significant investments by which we would support implementation of the transition plan. Currently, LocalTapiola Group does not have ready any plans for premiums written or CapEx plans which we would disclose in accordance with Commission Delegated Regulation (EU) 2021/2178.

Locked-in GHG emissions

We have identified that our key assets may potentially include locked-in GHG emissions. Under the ESRS standard, locked-in GHG emissions mean an estimate of future GHG emissions that are likely to be caused by a reporting **undertaking's key assets or products sold within their operating lifetime.**

For the time being, it is not possible to obtain renewable energy for all commercial premises of LocalTapiola Group. Although our fleet of cars has been renewed to be increasingly low-emission, even our fully electric cars are not completely emission-free. However, emissions generated in our own **operations are marginal in relation to LocalTapiola Group's total emissions.**

In insurance activities, locked-in emissions might arise from the insuring of companies, sectors, buildings or vehicles that are dependent on fossil fuels. In our asset management and investment activities, locked-in emissions might arise from investments in investee entities which are strongly dependent on fossil fuels. LocalTapiola Asset Management manages this risk with exclusionary investment strategies. In real estate operations, locked-in emissions might arise, inter alia, from real estate energy solutions, materials and real estate maintenance actions. Emission sources are addressed in the **LocalTapiola real estate division's principles for sustainable real estate investment.** Due to planned risk management measures, emissions do not compromise the achievement of our GHG emission reduction targets.

During the reporting period, LocalTapiola Group did not invest significant capital in economic activities related to coal, oil or gas. LocalTapiola Group has not been excluded from the EU Paris-aligned Benchmarks.

Relationship of the transition plan to the LocalTapiola strategy, and the financial plan for the transition plan

In the sustainability statement, we report transition plan information that **consists of LocalTapiola Group's group-wide and LocalTapiola Asset Management's and the LocalTapiola real estate division's own specific targets, action plans and strategies.**

At LocalTapiola Group, sustainability work is guided by the Group Strategy, the Owner Intent and the LocalTapiola sustainability programme 2022–2026. The sustainability programme contains the main sustainability goals of the group and the related key measures. The LocalTapiola Group Carbon Neutrality Roadmap guides climate work related to own operations. At Asset Management Group, investment sustainability work is guided by the group's Climate and sustainable development strategy.

We have not yet prepared a financial plan as required by the transition plan.

Approval of the transition plan

LocalTapiola Group, LocalTapiola Asset Management and the LocalTapiola real estate division have their own administrative, management and supervisory bodies that have approved the climate goals and measures of the group and the companies.

We will be preparing a group-wide transition plan in 2025, and will be reporting on it starting from 2025. The group-wide transition plan will be approved by the Board of Directors of LocalTapiola General.

## ESRS E1-2 Policies related to climate change mitigation and adaptation

E1-2, 24; E1-2, 25

The approaches that we employ to prevent, mitigate, manage and remedy our impacts on the climate and to address climate change-related risks are recorded in the LocalTapiola Group Climate Policy. Prepared in 2024, the Climate Policy has been approved by the Boards of Directors of LocalTapiola General and the group companies. As outlined in the Climate Policy, we address aspects related to climate change mitigation and adaptation:

- in the insurance client and risk selection, product development, loss prevention and claims handling;
- in investment, asset management and finance; and
- in our own operations.

As for energy efficiency and the use of renewable energy, we promote them particularly in real estate operations and our own operations. The LocalTapiola Group Climate Policy has been published on the LocalTapiola website at <https://www.lahitapiola.fi/tietoa-lahitapiolasta/vastuullisuus/>.

As part of the regular operational risk surveys, we address sustainability risks that affect LocalTapiola Group. Climate risks are included in the sustainability risk mix. Sustainability risk management is an element in normal business risk management, which is guided by the risk management policy approved by the Boards of the LocalTapiola Group companies. As part of operational risk surveys, we identify the sustainability risks to which LocalTapiola Group and the group companies are exposed, and define the risk management measures. In addition, we identify and assess LocalTapiola **Group's material climate**-related impacts, risks and opportunities in accordance with the double materiality assessment requirements laid down in the ESRS standard.

## ESRS E1-3 Actions and resources in relation to climate change policies

E1-3, 28; E1-3, 29; MDR-A

LocalTapiola Group is committed to contributing to climate change mitigation and adaptation. We have defined several decarbonisation levers, and related actions are analysed in the table below. As a general rule, the levers and actions relate to improving the energy efficiency of commercial premises associated with our own operations, reducing emissions from the fleet of cars and developing insurance activities and claims handling. They are

also related to responsible investment and responsible real estate investment and management.

The LocalTapiola Group Climate Policy outlines the approaches that we employ to prevent, mitigate, manage and remedy our impacts on the climate. The climate goals of LocalTapiola Group are described in this sustainability statement in the section ‘ESRS E1-4 Targets related to climate change mitigation and adaptation’.

Decarbonisation lever	Actions
Developing the energy efficiency of commercial premises as well as energy sources	<ul style="list-style-type: none"> <li>Reducing energy consumption (for example by improving energy efficiency and renewing the building services engineering of commercial premises)</li> <li>Reducing emission from delivered energy (for example by acquiring renewable energy when possible)</li> </ul>
Renewing the company car fleet	Renewing the company car fleet with lower-emission cars (for example, at some group companies, the emission limit for company cars is 80 gCO <sub>2</sub> /km)
Risk management in the provision of insurance and the remediation of claims	<ul style="list-style-type: none"> <li>Client and risk selection</li> <li>Development of insurance products</li> <li>Loss prevention (for example, cooperation with clients)</li> <li>Promoting lower-emission repair solutions in claims service</li> <li>Investment activities of the insurance companies</li> </ul>
Consideration of sustainability factors in investment decisions	<ul style="list-style-type: none"> <li>Climate risks are being limited in investment portfolios by exclusionary strategies (for instance, investments in fossil fuels are restricted in stock-picking and bond-picking)</li> <li>In 2024, Asset Management took preparatory steps to set a new Net Zero Asset Managers (NZAM) milestone, after which possible new active measures will be examined</li> <li>Quality maintenance, energy efficiency development and renewable energy use at sites in the LocalTapiola Real Estate Asset Management-managed real estate portfolio</li> </ul>
Consideration of sustainability factors in real estate investments	<ul style="list-style-type: none"> <li>In the real estate operations of LocalTapiola, investigating possible climate change-related risks for new real estate investments, because the LocalTapiola real estate division does not invest in real estate assessed to carry excessive sustainability risk and any possible uncontrollable revenue implications and/or risk impact</li> <li>Constructing the investment sites we develop in compliance with LocalTapiola's real estate investment sustainable construction guideline and design guidelines (For example, for the sites we develop, we require that they calculate their carbon footprint and take action to reduce emissions while adhering to high standards of energy efficiency)</li> <li>In construction development and conversion projects carried out by the LocalTapiola real estate division, we strive to use raw materials efficiently and recycle as much as possible (For example, waste from dismantled parts is sorted and processed appropriately, and recycled parts are used whenever possible)</li> <li>Performing energy-efficiency measures at investment real estate sites (for example, LED lighting and renewable energy production at sites)</li> <li>Investigating the acquisition of district-heat Guarantees of Origin for all investment real estate sites in 2025</li> <li>Preparing a carbon footprint calculation for all construction projects that were completed in 2023</li> <li>Extending the pilot project for calculating the carbon footprint of modifications to cover other sites</li> </ul>



The LocalTapiola Group Carbon Neutrality Roadmap describes the measures to achieve direct carbon neutrality for the group's own operations (Scope 1 and 2 excluding the real estate division) by the end of 2025. Implementation of the Carbon Neutrality Roadmap is not dependent on the preparation of a group-wide transition plan in 2025. Key actions in reducing our direct emissions (tCO<sub>2</sub>e) are to improve energy efficiency, reduce energy consumption, transition to renewable electricity at all branches and replace company cars with lower-emission models. Our goal is to be carbon neutral by the end of 2025. As for the direct emissions that we cannot avoid, we will offset them starting from the 2025 emissions.

The 2025 targets to reduce emissions from LocalTapiola Group's own operations are described in this sustainability statement in the section 'E1-4 Targets related to climate change mitigation and adaptation'. As regards offsetting our direct emissions, we examine the topic in the section 'E1-7 GHG removals and GHG mitigation projects financed through carbon credits'.

In our role as insurer, LocalTapiola Group can help its customers prepare for climate risks. We actively provide communication to our clients and cooperation partners about the importance of prevention in order to mitigate loss and damage caused by weather extremes. Through client and risk selection, we can guide clients towards reducing their emissions. In 2024, we launched an assessment based on insurance climate-risk scenarios. Climate risk data can be utilised in risk selection, insurance pricing, reinsurance and the development of insurance products.

LocalTapiola Group has an opportunity to influence emissions reduction through the selection of investments. The insurance companies of the group perform investment independently and purchase asset management service from LocalTapiola Asset Management, LocalTapiola Real Estate Asset Management and LocalTapiola Alternative Investment Funds; the majority of the investment assets of the insurance companies are managed by companies belonging to LocalTapiola Asset Management Group. During 2025, we will be developing emission calculation for the own investment assets of the group's insurance companies, setting milestones for 2030.

For LocalTapiola Asset Management, the most important actions for reducing emissions from investment portfolios are investment limitations, the

selection of investments, investment solutions that promote sustainability characteristics, and means of active ownership. The exclusionary strategies of the company apply to direct equity and corporate bonds. Asset Management restricts investment for example in fossil fuel-related activities. The company's product range features two climate funds, which have as their objective to positively influence the reduction of emissions as well as climate change mitigation. Means of active ownership include voting at General Meetings, and engagement in investor collaborative engagement projects and at company meetings that portfolio managers attend. The targets and measures of Asset Management are described in further detail in this sustainability statement in the section 'ESRS E1-4 Targets related to climate change mitigation and adaptation'.

In real estate investment and in investment real estate management, key climate change mitigation actions are to increase energy efficiency, use renewable electricity and heat and self-generate energy on the premises. In construction projects, we are reducing emissions, and will offset the remaining emissions starting from the 2030 emissions. The targets and measures of the real estate division are described in further detail in this sustainability statement in the section 'ESRS E1-4 Targets related to climate change mitigation and adaptation', and emission offsetting is described in the section 'E1-7 GHG removals and GHG mitigation projects financed through carbon credits'.

No significant capital expenditures or operational expenditures have so far been allocated to the implementation of actions aiming for climate change mitigation and adaptation.

#### [ESRS E1-4 Targets related to climate change mitigation and adaptation](#)

E1-4, 32; E1-4, 33; E1-4, 34; E1-4, AR 24; E1-4, AR 25; E1-4, AR 26; E1-4, AR 30, MDR-M, MDR-T

Our climate work is guided by the Group Strategy and sustainability programme of LocalTapiola Group. Our sustainability programme sets climate goals for the insurance and investment activities of LocalTapiola Group and for our own operations. The climate goals set out in our sustainability programme were drawn up in cooperation with LocalTapiola

Group-internal stakeholders, without external stakeholders. Reporting on the GHG emissions and emission reduction targets of LocalTapiola Group is provided in the context of the ESRS E1-6 Disclosure Requirement.

We want to support our insurance clients in the green transition, and to bring insurance-associated GHG emissions (tCO<sub>2</sub>e) down to net zero by 2050. Insurance-associated GHG emissions are considered to be included in the GHG inventory Scope 3 emissions. Insurance-associated emissions are not yet included in the GHG inventory of LocalTapiola Group, but their phased-in inclusion in it is intended to start from the 2025 financial period. GHG emissions are measured in tonnes of carbon dioxide (tCO<sub>2</sub>e). We describe the insurance-associated net zero target in this section under 'Insurance-related climate goals'.

As an investor and a provider of finance, we aspire to promote climate-sustainable solutions alongside other goals. Accordingly, in our sustainability programme, we are committed to bringing GHG emissions (tCO<sub>2</sub>e) from the investment portfolios of LocalTapiola Group down to net zero by 2050 or sooner. A more specific description of the net zero target of the investment portfolios of LocalTapiola Group is provided in this section under 'Climate goals of the investment portfolios of LocalTapiola Group insurance companies'. Emissions from investment portfolios are included in LocalTapiola Group's GHG inventory Scope 3 category 15 emissions, which does not yet cover all our asset classes.

Furthermore, we have pledged to reduce our direct GHG emissions (tCO<sub>2</sub>e) and achieve direct carbon neutrality (Scope 1 and 2 excluding the real estate division) by the end of 2025. The carbon neutrality target for own operations is described in further detail in the section 'Climate goals for own operations'.

Our climate goals do not cover all emissions included in our GHG inventory. For the time being, climate goals have not been set for emissions generated from claims handling or from the use of LocalTapiola-financed vehicles (Scope 3 category 11). Nor have climate goals been set for purchased goods and services (Scope 3 category 1), acquired company cars (Scope 3 category 2), business travel (Scope 3 category 6) and employee commuting (Scope 3 category 7).

Climate goals of the investment portfolios of LocalTapiola Group insurance companies

For the investment portfolios of the insurance companies part of LocalTapiola Group, we have set a net zero GHG emissions (tCO<sub>2</sub>e) target for 2050, which supports the goals of the Paris Agreement. This goal is also in line with the goals laid down in the LocalTapiola sustainability programme. We involved group-internal stakeholders in setting the goals of the LocalTapiola Group sustainability programme. GHG emissions from the investments of the mutual insurance companies of LocalTapiola Group are intended to be calculated during 2025 for asset classes for which there is adequate data available on emissions. At the same time, we will be setting the base year, and measuring the targeted level as an absolute quantity.

During 2025, for the emission reduction target, we will be setting a scientific evidence-based milestone for 2030. We will measure the milestone as a relative quantity, comparing it with the base year. First, we will set the milestone for listed equity investments and corporate bonds, and will fix the target to comparable targets set by LocalTapiola Asset Management. We will add other asset classes to the milestone as adequately reliable data on emissions becomes available and once the methodology exists for setting the milestone in the asset class concerned.

The emission reduction targets for the listed equity and corporate bonds of the LocalTapiola Group mutual insurance companies have been monitored as part of the targets set by LocalTapiola Asset Management to halve the carbon footprint Scope 1 and 2 emissions from the 2019 level by 2030 and to bring GHG emissions (tCO<sub>2</sub>) from these down to net zero by 2050 or sooner.

**Real estate investments are one major asset class among insurers'** investments. The majority of the real estate investment portfolios of the LocalTapiola Group mutual insurance companies are real estate investments managed by the LocalTapiola real estate division. These investments are covered by the targets that the LocalTapiola real estate division has set to achieve operational carbon neutrality by 2025 and embodied carbon neutrality by 2030.

The metrics used in the targets determined for the investment portfolios of LocalTapiola Group insurance companies have not been externally validated.

## LocalTapiola Asset Management Group

LocalTapiola Asset Management Group is committed to the international Net Zero Asset Managers (NZAM) climate reduction initiative supporting investing aligned with net zero GHG emissions (tCO<sub>2</sub>e) by 2050 or sooner. LocalTapiola Asset Management joined the initiative in 2021, and in the spring of 2022 we extended the commitment to apply to entire LocalTapiola Asset Management Group. In summer 2022, the group set the first milestone for 2030. The main target is measured as an absolute quantity, with the milestones measured as relative quantities. This target is in line with the goals laid down in the LocalTapiola Group sustainability programme. We involved group-internal stakeholders in setting the goals of the LocalTapiola Group sustainability programme.

The following are LocalTapiola Asset Management Group's milestones for 2030:

- 46 per cent of investment assets under management to be managed in line with the Net Zero target by 2030;
- 50 per cent (base year: 2019) less portfolio emissions as measured by carbon intensity (the portfolios included in the target setting), tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) / million euros invested;
- a 6.8 per cent allocation to climate solutions (the portfolios included in the target setting).

At the end of 2023, 38.8 per cent of the investment assets under management fell within the scope of the target setting. The proportion of the investment assets covered by the target setting in the assets under management varies annually, depending on investment allocation changes and changes in equity prices. In the target setting, we take into account the funds and portfolios which are under the portfolio management of LocalTapiola Asset Management and managed using direct equity and corporate bond investments, excluding LocalTapiola Sustainable Positive Impact Bond, which mainly includes green bonds. The Net Zero target of LocalTapiola Asset Management Group does not apply to any Seligson funds, fund of funds solutions, government bonds or the majority of client portfolios. **The target covers assets of the group's external clients and assets of the group companies.** The metrics of LocalTapiola Asset Management Group have not been externally assured.

## LocalTapiola Asset Management

LocalTapiola Asset Management measures the environmental impacts of the investment portfolios which it manages, including the LocalTapiola funds that are based on direct equity and corporate bond investments, by carbon intensity (WACI), which the company calculates semi-annually in accordance with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) reporting framework. In addition, on a sectoral basis, LocalTapiola Asset Management reports the carbon intensity of the equity investment portfolios which it manages. In this sustainability statement, we report only total emissions from the equity and corporate bond investments of group companies. In the calculation, we address only Scope 1 and 2 emissions (tCO<sub>2</sub>e) of the investee companies. In setting the Net Zero Asset Managers climate initiative goal, we have been responsive to the Net Zero Investment Framework (NZIF) methodology. We have not carried out calculation or target setting for absolute emissions – instead, we use carbon intensity, which is more suitable for investment instruments. In the calculation, we use the latest GHG emissions reported by the investee companies themselves or figures reported for the investee companies by service providers well-known in the sector. In the target setting, LocalTapiola Asset Management uses 2019 as the base year.

As regards the 2030 milestones set for the portfolio investments covered by the target, we achieved them at the end of 2023, when the carbon intensity of direct equity and corporate bond investments dropped 51.6 per cent as compared to the situation in 2019 and the share of climate solutions increased from 4.5 per cent to 7.7 per cent. The main factor contributing to the achievement of the targets was the launch of the Climate Index funds.

In autumn 2024, we investigated ways to extend the investment AUM coverage, the recalculation of the base year and introduction of new asset classes into the scope of the target.

LocalTapiola Asset Management portfolio managers assess the commitment of the investee entities of direct equity and corporate bond investments to the SBT emission reduction targets. As for the SBT data that we use in reporting, we collect them from the initiative website. We reported the commitments of the investee companies of the LocalTapiola funds in a report

on sustainability in LocalTapiola Asset Management Group's investment activities in early 2024, available on the LocalTapiola Group website. We encourage commitment to the SBTs, inter alia, at company meetings attended by portfolio managers and by contacting portfolio companies that have not yet published their SBT commitment. For many years, LocalTapiola Asset Management has been participating in the campaign organised by the Carbon Disclosure Project (CDP) to encourage uptake of the SBT. The CDP SBT 2023–2024 is likely to be the last CDP campaign, for both awareness and SBT target setting have become increasingly common at listed companies.

The means by which LocalTapiola Asset Management can achieve the net zero target consist of both investment limitations, investment selection and various means of active ownership. The exclusionary strategies of LocalTapiola Asset Management apply to the direct equity and corporate bonds managed by LocalTapiola Asset Management portfolio managers. We will not make investments for example in any mining or energy companies or public utilities that contribute money to new coal, lignite or peat projects. We will not make investments in companies deriving more than twenty per cent of turnover from the production of coal, lignite or peat or from their use in energy production. We will make investments only in companies with the lowest carbon footprint in carbon-intensive sectors, which include energy (oil and gas companies), public utilities, waste management, aviation and shipping, and materials. Investment limitations do not apply to green bond investments issued by any of the above companies. Green bond investments support the green transition. Exceptions may also occur in climate index investments, such as the LocalTapiola Europe and USA Climate Index funds, which comply with the limitations and weights of the relevant Paris Agreement-aligned index.

The means of active ownership include voting at General Meetings, and engagement both through investor collaborative engagement projects and investor opinions and at company meetings attended by portfolio managers. The corporate governance policy of LocalTapiola Asset Management contains more detailed information about how engagement projects are selected and about the voting policy to be followed at General Meetings. The voting policy is consistent with the tailored policy agreed with the asset management company of a European mutual insurance undertaking and

which contains binding instructions for climate change mitigation and biodiversity loss prevention. Furthermore, the Sustainable Investment Steering Group of LocalTapiola Asset Management Group has defined climate change mitigation and the supporting of biodiversity as engagement priorities for 2024.

LocalTapiola Asset Management is participating in the following investor collaborative engagement projects, among others: ClimateAction 100+, CDP Non-Disclosure Campaign, the CDP Science-based Targets campaign, and the ISS Stoxx engagement project programme. The ISS Stoxx programme comprises four thematic projects, one of which is the Net Zero climate initiative. Furthermore, the programme also includes a separate Norms-based initiative engaging companies that have broken international norms. An infringement, whether confirmed or suspected, may also relate to environmental infringements, and thus the infringements also include companies that have been blacklisted for climate-associated reasons. Through engagement projects, LocalTapiola Asset Management can influence systemic risks such as climate change on a wider scale than merely within its range of investments.

Regarding investee companies, LocalTapiola Asset Management portfolio managers draw up a sustainability analysis, alongside a financial analysis. In their sustainability analysis, portfolio managers evaluate the sustainability risks created by the operations or products and services of the company, and the likelihood of these risks. This analysis is, in part, about risk management, but in evaluating the return-risk ratio importance is also placed on current and future sustainability opportunities from which the company may benefit through its operations or products and services. Many of these opportunities relate to green transition solutions. At company meetings, portfolio managers get to discuss directly with the management and to put further questions. In addition, for many years now, portfolio managers have separately been contacting, in writing, the portfolio companies which do not yet report their carbon footprint or which are not currently committed to the SBT.

The metrics of LocalTapiola Asset Management Group have not been externally validated.

### *Real estate operations of LocalTapiola Group*

The LocalTapiola Group companies engaged in real estate operations, LocalTapiola Real Estate Asset Management Ltd and LocalTapiola Alternative Investment Funds Ltd, have signed the international Net Zero Carbon Buildings Commitment (NZCB). In real estate operations, our aim is to be carbon neutral in terms of energy consumption and refrigerant leaks (tCO<sub>2</sub>e) by the end of 2025 and in terms of embodied carbon by 2030.

GHG emissions (tCO<sub>2</sub>e) from the energy consumption and refrigerants of real estate operations originate in the use of managed and leased-out investment real estate. Energy and refrigerant emission sources include delivered energy (electricity, district heat, district cooling), fuel consumed by reserve power units and refrigerants consumed by ventilation units. GHG emissions (tCO<sub>2</sub>e) from these are included in the LocalTapiola Group carbon footprint Scope 1 and 2 emissions (the real estate investments of which LocalTapiola Group owns more than 50 per cent) and in Scope 3 category 13 (the real estate investments in which ownership is less than 50 per cent, as well as the special mutual fund).

Embodied carbon emissions are generated by the construction of new investment real estate managed by the real estate division. We calculate embodied carbon emissions from the construction of investment real estate in accordance with the 'Method for the whole life carbon assessment of buildings' publication prepared by the Ministry of the Environment. In this calculation, we address emissions across the entire construction life cycle, which divide into the product stage (A1-3), the construction process (A4-5), the use stage (B) and the end-of-life stage (C). Our reported embodied emissions cover stages A1-A5, which reflect the climate impacts of construction. In compliance with the NZCB commitment, the embodied carbon neutrality target includes the product stage and construction (A1-5). Embodied emissions are included in the LocalTapiola Group carbon footprint Scope 3 category 2 emissions.

Our carbon neutrality targets support the Paris Agreement goal. The target has not been externally assured.

Operational carbon neutrality is pursued by increasing the energy efficiency of real estate, acquiring renewable electricity and heat for real estate and

self-generating renewable energy on the premises. When building new real estate properties, we calculate the life-cycle carbon footprint for all new projects. In construction projects, construction-stage emissions will be reduced in the coming years until 2030 by continuously increasing the level of requirements. Project emissions are compared to the normal baseline of emissions from construction projects.

**Achievement of the real estate division's operational carbon neutrality target** is facilitated by energy companies transitioning towards lower-emission energy sources, which will improve the availability of renewable district heat and reduce costs. Tenant and investor demand for lower-emission real estate **has grown. We expect demand to grow further due to clients' own emission reduction targets.** Reducing embodied emissions is more challenging, and it requires cooperation between construction companies, designers, construction product manufacturers and building owners. The sector is developing rapidly, and new technical solutions for low-carbon construction are being constantly developed. The new Building Act that entered into force in Finland at the start of 2025 requires new construction projects to draw up a climate statement, in which the carbon footprint and handprint of the **project are calculated for the building's 50-year life cycle.** In the future, for new buildings, we will also see the setting of a so-called building type-specific 'carbon budget', or maximum emission thresholds. For many years already, we have voluntarily been carrying out the calculation required by unfolding regulation, and our embodied carbon neutrality target is more ambitious than what is demanded by regulation. However, as a result of the reporting undertaken under the Corporate Sustainability Reporting Directive, we have identified a need to update our emission reduction targets excluding offsetting.

Starting from 2025 emissions, we will offset the residual emissions from the use of fuels and refrigerants. Starting from 2030, at the completion of construction projects, we will offset the GHG emissions (tCO<sub>2</sub>e) generated from their construction.

In 2025, we will specify our emission reduction target for LocalTapiola Group's common base year without emission offsetting. In the NZCB commitment, the base year for the operational carbon neutrality target of

real estate operations is 2022, when operational emissions (including refrigerant leaks) were 9,902 tCO<sub>2</sub>e.

#### Insurance-related climate goals of LocalTapiola Group

Traditionally, the insurance sector has provided protection against shocks to the finances of clients. Recognition of the environmental and social impacts of insured activities, such as climate impacts, is emerging alongside the enabling of economic activities. In its role as sharer of risk, risk management expert and major investor, the insurance sector plays a key part in transitioning to a low-carbon economy.

Insurance-associated GHG emissions mean GHG emissions generated in the real economy from entities in insurance portfolios or from their activities. Insurance-associated emissions arise in the value chain of insurers. They do not include GHG emissions from claims handling. The calculation of insurance-associated GHG emissions is guided by the Insurance-Associated Emissions (Part C) standard guidance prepared by the Partnership for Carbon Accounting Financials (PCAF), a global financial-sector cooperation body.

In its sustainability programme, LocalTapiola Group has pledged to bring insurance-associated GHG emissions down to net zero by 2050. As insurance-associated emissions are about emissions generated from the **activities of entities in LocalTapiola's insurance portfolio**, the achievement of the target is significantly affected by, inter alia, how widely and how quickly low-emission solutions gain prominence and are deployed.

We are still in the early phases of working towards the insurance-associated emissions target. We have begun calculating the insurance-associated emissions of our corporate clients, but we do not yet report insurance-associated emissions as part of **LocalTapiola Group's GHG inventory in the 2024 sustainability statement**. In future, we will endeavour to include insurance-associated emissions in the reporting.

#### Climate goals of own operations

LocalTapiola Group has set a goal to achieve direct carbon neutrality with respect to Scope 1 and 2 emissions from own operations (excluding real estate operations) in 2025. The targeted level is measured as an absolute

quantity. This goal applies to the LocalTapiola Group companies whose GHG emissions (tCO<sub>2</sub>e) are reported in Scope 1 and 2 emissions, with the exception of Finnish P&C Insurance, LocalTapiola Remuneration Services Ltd, Turva Mutual Insurance Company, which is a subsidiary within the meaning of E1-6, 50 b), and the real estate companies reported in Scope 1 and 2 emissions. The climate goals set for real estate companies are described in further detail **above, in the section 'Real estate operations of LocalTapiola Group'**.

Above all, the climate goal set for own operations is about the use of our commercial premises, and about reducing emissions from the use of company cars. Emissions covered by this goal account for less than one per cent of the 2024 GHG emissions of LocalTapiola Group. The reduction of direct emissions (tCO<sub>2</sub>e) covered by the goal is guided by the LocalTapiola Group Carbon Neutrality Roadmap, which describes the most important actions we need to take to achieve carbon neutrality by the end of 2025. Our emission reduction efforts support the Paris Agreement goals and align with the Science Based Targets initiative (SBTi), but the goals have not been externally validated. In preparing the emission reduction targets, we made use of the SBTi tool.

Our goal is to reduce direct GHG emissions (Scope 1) from company cars, from refrigerant leaks at our commercial premises and from self-generating energy on the premises by 37 per cent (-59 tCO<sub>2</sub>e) by 2025 from the 2021 level (159 tCO<sub>2</sub>e). In terms of indirect market-based GHG emissions (Scope 2) from the energy delivered to commercial premises and from the energy consumed by company cars, we will achieve a 60 per cent reduction (-655 tCO<sub>2</sub>e) by 2025 from the 2021 level (1,092 tCO<sub>2</sub>e). These goals do not cover investment real estate managed by the real estate division and reported in Scope 1 and 2 emissions. Having set the carbon neutrality goal for our own operations in 2022, we describe the progress made in relation to the year 2021, when the use of our commercial premises and company cars started to recover towards normal levels from the worst phase of the COVID-19 pandemic. As regards the direct emissions that we cannot avoid, they are intended to be offset starting from 2025 emissions, which we discuss more in section E1-7. Regarding our own operations, our aim is to set milestones for 2030 during 2025.

**The key measures to cut the group's emissions include reducing the energy consumption from the use of our commercial premises, transitioning to**

renewable electricity at all offices and reducing the GHG emissions from company cars. The more specific measures for each company are described in the LocalTapiola Group Carbon Neutrality Roadmap. When determining the measures, consideration has been given to the goals of the Paris Agreement. No significant quantitative resources have been allocated to measures that support decarbonisation.

For self-generation of energy and refrigerant leaks at our own commercial premises, and for the fuels of our company cars, we monitor, as tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e), in Scope 1 emissions how GHG emissions develop. For our own commercial premises, in Scope 2 emissions, we annually monitor the following: emissions (tCO<sub>2</sub>e) from our commercial premises; energy consumption in megawatt hours (MWh); and the amount (MWh) and proportion (%) of renewable electricity in the electricity we consume.

Through the carbon footprint calculated both at group-wide level and on a company specific basis, we monitor the progress made with the direct carbon neutrality goal. The achievement of the targets to reduce direct emissions is influenced by, inter alia, reduction in emissions from the Finnish energy sector, and by the development of the costs of energy-efficient solutions and the development of the costs of low-emission mobility.

## ESRS E1-5 Energy consumption and mix

E1-5, 37; E1-5, 38; E1-5, 40; E1-5, 41; E1-5, 42; E1-5, 43; E1-5, AR32, E1-5, AR33; MDR-M

In this sustainability statement, we report on both the energy consumption of our own commercial premises and the energy consumption generated from our activities in high climate impact sectors.

LocalTapiola has real estate asset management-related economic activities in sectors defined as high climate impact sectors under Section L (Real estate activities) in Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council. For Section L economic activities, energy consumption is generated from the upkeep of managed real estate, for which we monitor energy consumption. The investment real estate of which LocalTapiola Group companies own more than 50 per cent is considered falling under high climate impact economic activities. Energy consumption consists of the electricity, district heat, district cooling and reserve power unit fuels consumed at investment real estate sites, and it also comprises the heat self-generated by heat pumps and the solar power generated at these sites.

In 2024, the LocalTapiola Group companies operated a total of 195 commercial premises, taking into account the premises taken into and removed from use during the year. The energy consumption (MWh) of commercial premises is monitored annually on a group-wide level in respect of the consumption of electricity and heat. The energy consumed at commercial premises is monitored either by measuring actual consumption or, where actual consumption data are not available, by calculation. The heat consumption at commercial premises is mainly monitored by calculation, but for some premises measured consumption data are available. The energy consumption (MWh) measurement has not been externally validated.

In 2024, our total energy consumption was 109,326 MWh. In 2024, the share of renewable sources in our total energy consumption was 52.8 per cent. Renewable electricity means electricity or heat which we have agreed by agreement or for which we have acquired renewable-energy Guarantees of Origin.

Our energy consumption is illustrated in the following table, and it covers energy consumption from our own commercial premises as well as from our investment real estate of which the group owns more than 50 per cent.

Own offices and company cars of LocalTapiola Group *,**	2024
1) Fuel consumption from coal and coal products (MWh)	-
2) Fuel consumption from crude oil and petroleum products (MWh)	678
3) Fuel consumption from natural gas (MWh)	-
4) Fuel consumption from other fossil sources (MWh)	-
5) Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (MWh)	50,894
<b>6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)</b>	<b>51,572</b>
<b>Share of fossil sources in total energy consumption (%)</b>	<b>47.2%</b>
<b>7) Consumption from nuclear sources (MWh)</b>	<b>75</b>
<b>Share of consumption from nuclear sources in total energy consumption (%)</b>	<b>0.1%</b>
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	56,583
10) Consumption of self-generated non-fuel renewable energy (MWh)	1,096
<b>11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)</b>	<b>57,679</b>
<b>Share of renewable sources in total energy consumption (%)</b>	<b>52.8%</b>
<b>Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)</b>	<b>109,326</b>

\* Energy consumption includes the fuel consumed at offices occupied by LocalTapiola Group for own use, the fuel consumed by company cars insofar as data for the amount of fuel consumed have been available, and the electricity, heat and district cooling consumed at LocalTapiola's own offices. The energy consumption data for own commercial premises are reported for the LocalTapiola head office, the premises of the regional companies and the premises of Seligson and Finnish P&C Insurance Ltd (a total of 195 premises as at 20 December 2024). The energy consumption data for premises take into account all premises acquired and divested during the calendar year, over the entire period for which the premises have been in use.

\*\* Energy consumption for real estate operations includes the real estate companies reported in Scopes 1 and 2.

\*\*\* Consumption of self-generated energy covers energy generated by heat pumps and solar power.

Energy intensity associated with activities in high climate impact sectors (MWh/Milj. €)	779.8
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Net revenue from activities in high climate impact sectors used to calculate energy intensity *	124,220,025.50 €
Net revenue (other)	2,819,594,129.31 €
Total net revenue (Financial statements)**	2,943,814,154.81 €

\* Includes net revenue from LocalTapiola's real estate operations in Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council.

\*\* For the definition of LocalTapiola Group's net revenue (turnover), please see section 11.4.1 of the Report of the Board of Directors.

### ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

E1-6, 44; E1-6, 47; E1-6, 48; E1-6, 49; E1-6, 50; E1-6, 51; E1-6, 52; E1-6, 53; E1-6, 54; E1-6, 55; E1-6, AR 39; E1-6, AR 41; E1-6, AR 42; E1-6, AR 43; E1-6, AR 45; E1-6, AR 46; E1-6, AR 48; E1-6, AR 50; E1-6, AR 52; E1-6, AR 55, MDR-M, ESRS 2 BP-2; 10

Calculation of the GHG emissions of LocalTapiola Group, and the methodologies, boundaries and emission factors applied for the calculation

We calculate the GHG emissions (tCO<sub>2</sub>e) of LocalTapiola Group in accordance with the GHG Protocol Corporate Standard, monitoring them on an annual basis. In the GHG calculation, we take into account direct (Scope 1) and indirect (Scope 2) emissions from our own operations as well as other material indirect emissions (Scope 3) from the value chain of LocalTapiola Group.

The GHG emission calculation covers the companies consolidated into the consolidated financial statements of LocalTapiola General. The calculation boundary is based on operational control as determined in the GHG protocol and on financial control required by the ESRS standard. The emission calculation takes into account the following: the value chains of LocalTapiola Group in accordance with the ESRS 1 standard section '5.1 Reporting undertaking and value chain', and the results of the double materiality assessment (ESRS 1 paragraphs from 62 to 67).

Turva Mutual Insurance Company, a subsidiary of LocalTapiola Group, is not included in the consolidated financial statements of LocalTapiola Group, and



its Scope 1 and 2 emissions are disclosed, in accordance with E1-6 paragraph 50 (b), separately from the emissions of LocalTapiola Group. The Scope 1 emissions of Turva were 56 tCO<sub>2</sub>e and Scope 2 emissions were 219 tCO<sub>2</sub>e in 2024. **Turva's Scope 1 and 2 emissions do not cover emissions from investment real estate.**

As for Scope 1 and 2 emissions of the LocalTapiola Group associates, Pihlajalinna Plc, Noja Holding Oy and Noja Rahoitus Oy, as well as those of Mehiläinen, the ownership of which we divested in 2024, we take them into account in category 15 of Scope 3 emissions. However, no emission data were available for Noja Holding Oy and Noja Rahoitus Oy.

As regards the housing and real estate companies consolidated into LocalTapiola Group, we take them into account in Scope 1 and 2 when the **group's ownership is more than 50 per cent, in which case 100 per cent of the emissions from the real estate concerned is calculated as attributed to LocalTapiola.** We take the housing and real estate companies consolidated into LocalTapiola Group into account in category 13 of Scope 3 when the **group's ownership is less than 50 per cent.** The same applies to the underlying

investments of the special mutual fund. Emissions are then taken into account in proportion to ownership. We have excluded from the emission calculation sites over whose energy supply contracts our real estate division does not exercise operational control. There are approximately 20 sites of this kind. Furthermore, for investment real estate, excluded from the emission calculation are real estate companies whose emissions are not material (for example, plots), which are not covered by the emission monitoring (for example, car parks), over which the group does not exercise control or whose emissions for some other reason cannot be reported. The investment real estate managed by regional companies are also excluded. The other emission calculation boundaries are given in the table below.

The tables here illustrate the boundaries and significant assumptions related to calculating the emissions of LocalTapiola Group, and they also show the sources of the emission factors used as well as the planned measures to improve the accuracy of the calculation of emissions for Scope 1 and 2 and for those Scope 3 emissions that are assessed to be material and that are therefore included in the GHG inventory.

**Direct (Scope 1) GHG emissions**

Source of emissions	Calculation boundaries and significant assumptions	Calculation criteria	Sources of emission factors	Planned measures to improve the accuracy
<b>Fuels</b>	Covers CO <sub>2</sub> e emissions from the use of vehicles owned or managed by LocalTapiola Group (leasing cars).	Calculated as a product of car model-specific or fuel type-based emission factors and kilometres driven. The amount of fuel consumed is also utilised, if known.	Car manufacturers Defra 2024: UK Government GHG Conversion Factors for Company Reporting. Greenhouse gas reporting. Conversion factors 2024: full set (for advanced users). Statistics Finland 2024: Fuel classification.	-
<b>Self-generation of energy</b>	Covers CO <sub>2</sub> e emissions from reserve power unit use at investment real estate sites and own premises.	Calculated as a product of the emission factor determined for the type of fuel consumed and the estimated amount of fuel consumed.	Statistics Finland 2024: Fuel classification.	-
<b>Refrigerant leaks</b>	Covers CO <sub>2</sub> e emissions from refrigerant leaks at investment real estate sites and own premises.	The calculation is based on the amount of leaked refrigerant. Emission factors are based on the GWP values of different refrigerants over a period of 100 years.	IPCC 2021: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (AR6).	-

**Energy indirect (Scope 2) GHG emissions**

Source of emissions	Calculation boundaries and significant assumptions	Calculation criteria	Sources of emission factors	Planned measures to improve the accuracy
<b>Electricity, market-based</b>	Covers CO <sub>2</sub> e emissions from the production of electricity consumed at investments real estate sites and at commercial premises occupied by the LocalTapiola Group companies, and CO <sub>2</sub> e emissions from the production of electricity consumed by company cars.  Biogenic CO <sub>2</sub> emissions are not included in the calculation, but other biogenic GHGs are.	Investment real estate sites and commercial premises: The amount of electricity consumed (MWh) is based on measured consumption or, if this is not available, consumption is estimated by calculation on the basis of surface area and LocalTapiola Real Estate Asset Management's estimate of the specific electricity consumption of the premises. For purchased electricity, the emission factor is based on the electricity supply contract. In the case of acquired electricity when there is no specific knowledge of the electricity supply contract or the electricity supplier, we use the 2023 emission factor for residual energy mix reported by the Energy Authority.  Electric cars: Emissions are calculated as a product of the average electricity generation emission factor of Finland and the kilometres driven with electric cars.	Energy companies, Statistics Finland 2022 and the Energy Authority 2024	-

**Energy indirect (Scope 2) GHG emissions**

Source of emissions	Calculation boundaries and significant assumptions	Calculation criteria	Sources of emission factors	Planned measures to improve the accuracy
<b>Electricity, location-based</b>	<p>Covers CO<sub>2</sub>e emissions from the production of electricity consumed at investments real estate sites and at commercial premises occupied by the LocalTapiola Group companies, and CO<sub>2</sub>e emissions from the production of electricity consumed by company cars.</p> <p>Biogenic CO<sub>2</sub> emissions are not included in the calculation, but other biogenic GHGs are.</p>	<p>Investment real estate sites and commercial premises: For electricity consumption, the calculation is as with market-based, but the average electricity generation emission factor of Finland (the sliding 5-year average) for 2022 is the emission factor used. Electric cars: Emissions are calculated using the average electricity generation emission factor of Finland (the sliding 5-year average) and the kilometres driven with electric cars.</p>	Statistics Finland 2022	-
<b>Heat, market-based</b>	<p>Covers CO<sub>2</sub>e emissions from the production of heat consumed at investment real estate sites and at commercial premises occupied by the LocalTapiola Group companies.</p> <p>For own commercial premises, biogenic CO<sub>2</sub> emissions are not included in the calculation, but other biogenic GHGs are.</p> <p>For investment real estate sites, biogenic CO<sub>2</sub> emissions are not included in the calculation, but other biogenic GHGs are for real estate for whose heat consumption no Guarantees of Origin have been acquired.</p>	<p>Heat consumption (MWh) is based on measured consumption or, if this is not available, consumption is estimated by calculation on the basis of surface area and an estimate of the specific heat consumption of the premises. The emission factors used are municipality-specific emission factors for district heat based on the efficiency method. For emission calculation purposes, renewable energy in district heat is taken into account as renewable energy. For emission calculation purposes, renewable energy in district heat is taken into account as renewable energy.</p>	The District Heat Emissions Calculator maintained by Local Power	Developing the monitoring of measured district heat consumption.
<b>Heat, location-based</b>	<p>Covers CO<sub>2</sub>e emissions from the production of heat consumed at investment real estate sites and at commercial premises occupied by the LocalTapiola Group companies.</p>	<p>Heat consumption (MWh) is based on measured consumption or, if this is not available, on surface area-based apparent consumption and an estimate of the specific heat consumption of the premises. The emission factor used is the average heat generation emission factor of Finland (the sliding 5-year average) for 2022.</p>	Statistics Finland 2022	-
<b>District cooling, market-based</b>	<p>Covers CO<sub>2</sub>e emissions from the district cooling consumed at investment real estate sites and at commercial premises occupied by the LocalTapiola Group companies.</p>	<p>District cooling consumption (MWh) is determined by calculation on the basis of the building square meterage in use. The emission factor used is the district cooling supplier's emission factor.</p>	Energy companies	-
<b>District cooling, location-based</b>				

**Other indirect (Scope 3) GHG emissions**

Source of emissions	Calculation boundaries and significant assumptions	Calculation criteria	Sources of emission factors	Planned measures to improve the accuracy
<b>Category 1: Purchased goods and services</b>	Covers the products and services purchased by LocalTapiola Group companies, and the energy consumption of server rooms. Delivered energy of commercial premises is included in Scope 2. Does not cover waste management costs. LTC Otso is taken into account for emission calculation purposes through purchases made by LocalTapiola from LTC Otso.	Calculated as a product of the book value of acquisitions and the emission factor determined for each category of acquisition. The emission factor for server room energy consumption is based on the type of electricity acquired by the entity managing the server rooms.	EPA 2022 Manager of server rooms	-
<b>Category 2: Capital goods</b>	Covers the long-term car acquisitions made by LocalTapiola Group companies, and investments made by the LocalTapiola real estate division in new construction and repair construction projects.	Car acquisitions: Based on the number of cars acquired and the type-specific emission factor. New construction developments: Based on the site-specific life-cycle carbon footprint calculated in accordance with the Ministry of the Environment's valid assessment method. Repair construction: calculated as a product of the investments made in repair construction and EPA's applicable emission factors.	Car acquisitions: Autokalkulaattori New construction: Estimates by the LocalTapiola real estate division (no constructed sites in 2024) Repair construction: EPA 2022	-
<b>Category 5: Waste generated in operations</b>	Covers waste fractions generated at commercial premises occupied by the LocalTapiola Group companies and at investment real estate sites, and CO2e emissions from their treatment.	For investment real estate sites, we utilise measured data only. For own commercial premises, emissions from waste are calculated as a product of the waste volumes (t) generated at the head office and the emission factor defined for each waste fraction treatment method, on the basis of which emissions are estimated for each group company based on the company's number of staff.	EPA 2024	-
<b>Category 6: Business travel</b>	Covers the LocalTapiola Group companies' kilometre-reimbursed business travel by car, overnight hotel accommodation for contract hotels, and centrally booked flights and train journeys. The calculation does not cover flights and train journeys personally booked by staff.	Emissions from kilometre-reimbursed travel by car are calculated as a product of the amount of travel (km) and the average passenger car emission factor. Emissions from air travel are based on a supplier-specific emission report. Overnight hotel accommodation is based on the number of nights spent in hotel accommodation and the applicable emission factors. Emissions from rail travel are calculated as a product of the euros spent and the emission factor for electricity acquired by VR.	Kilometre-reimbursed travel by car: Defra 2024 Overnight hotel accommodation: Statistics Finland 2024, EEA 2023, and EPA 2022 and 2015 Rail travel: VR	-

**Other indirect (Scope 3) GHG emissions**

Source of emissions	Calculation boundaries and significant assumptions	Calculation criteria	Sources of emission factors	Planned measures to improve the accuracy
<b>Category 7: Employee commuting</b>	Covers CO <sub>2</sub> e emissions from employee travelling between home and workplace and from telework.	Emissions from travelling are based on the 2017 mobility survey carried out for staff. Emissions from telework are based on the share of telework reported for 2024 and on the electricity consumption of computers (MWh). The average electricity generation emission factor of Finland (the sliding 5-year average) for 2022 is the emission factor used.	Travelling: Defra 2024: UK Government GHG Conversion Factors for Company Reporting. Greenhouse gas reporting. Conversion factors 2024: full set (for advanced users). Statistics Finland 2022	Updating the travel survey
<b>Category 11: Use of sold products</b>	Covers operational CO <sub>2</sub> e emissions from the claims handling activity of the LocalTapiola Group insurance companies, and those generated from vehicles financed by LocalTapiola Finance Ltd over their financing period. Paid claims include all claims paid to customers. Deductibles or similar are not subtracted from the paid claims.	For paid claims, the calculation covers all paid claims and claim types. Based on the amount of paid claims (€) and the emission factors defined for claim types. For financed vehicles, the calculation is based on the finance portfolio, an estimate of the average length of financing, the average mileage, and vehicle type-specific emission factors.	Claims handling activity: EPA 2022 Financed vehicles: Defra	-
<b>Category 13: Downstream leased assets</b>	Covers operational Scope 1 and 2 CO <sub>2</sub> e emissions from the LocalTapiola real estate division-managed real estate sites of which the group owns less than 50%, and Scope 1 and 2 emissions from the real estate sites of the special mutual fund.	The calculation is based on measured data on the consumption of electricity, heat and fuels of, and refrigerant leaks at, the premises. The emission factors are based on contracts signed with energy suppliers.	Data reported by LocalTapiola Real Estate Asset Management  Refrigerant leaks: IPCC 2021: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (AR6).	-
<b>Category 15: Investments</b>	Covers Scope 1 and 2 CO <sub>2</sub> e emissions from the listed equity and corporate bond investments of the LocalTapiola Group companies, with the exception of the following: derivatives and cash that are outside the fund, and unit-linked investments for which the policyholder bears the investment risk. The calculation does not cover all asset classes, including, for example, investments in government bonds, and private equity investments or investment loans. Also includes Scope 1 and/or 2 CO <sub>2</sub> e emissions of the LocalTapiola-owned associates and joint ventures over which LocalTapiola does not have control.	Equity and corporate bond investments: The calculation covers investee entities' Scope 1 and 2 emissions, which are either 2023 CO <sub>2</sub> e emissions reported by the entities themselves or, where these have not been available, CO <sub>2</sub> e emissions estimated by MorningStar.	Equity and corporate bond investments: MorningStar LocalTapiola associates and joint ventures over which LocalTapiola does not exercise control: emissions reported by the companies themselves for 2023 insofar as data on emissions have been available	Improving the coverage of emission calculation for the investments of group companies, by including new asset classes in the emission calculation.  Including insurance-associated emissions in the emission calculation.

A small number of Scope 3 emissions categories are excluded from the GHG inventory of LocalTapiola Group. In terms of upstream emissions, categories 4 'Upstream transportation and distribution' and 8 'Upstream leased assets' are excluded from the calculation, for the activities of LocalTapiola Group do not involve major upstream transportation or distribution or leased assets. With regard to downstream emissions, categories 9 'Downstream transportation', 10 'Processing of sold products' and 12 'End-of-life treatment of sold products' are excluded from the calculation, for the activities of LocalTapiola Group do not involve any major product-related transportation, processing or end-of-life treatment. Also excluded from the calculation is category 14 'Franchises', for even though LocalTapiola Group does engage in franchising, its relevance for emissions is estimated to be low, and we consider some of the commercial premises occupied for franchising purposes in Scope 2 emissions.

The GHG emissions of LocalTapiola Group are calculated by an external entity. The calculation of GHG emission or the measurement of metrics have not been externally validated.

GHG emissions of LocalTapiola Group

In 2024, the total market-based GHG emissions of LocalTapiola Group were 448,876 tCO<sub>2</sub>e.

Our direct GHG Scope 1 emissions of LocalTapiola Group were 266 tCO<sub>2</sub>e. LocalTapiola Group does not have any Scope 1 emissions from regulated emission trading schemes. Nor does LocalTapiola Group have any biogenic emissions included in Scope 1 emissions.

Our indirect Scope 2 market-based emissions from own operations were 6,614 tCO<sub>2</sub>e, and our location-based Scope 2 emissions were 13,376 tCO<sub>2</sub>e. Scope 2 biogenic CO<sub>2</sub> emissions were 7,031 tCO<sub>2</sub> in 2024. 53 per cent of the energy we consume, which is reflected in Scope 2, is from renewable energy for which European Energy Certificate System (EECS RES-GO) renewable-energy Guarantees of Origin have been acquired or which has been granted a Renewable Energy Certificate. In the section E1-5 'Energy consumption and mix', we report the proportions of the consumption of renewable electricity and heat in total energy consumption.

In 2024, our indirect Scope 3 emissions from our value chain were 441,996 tCO<sub>2</sub>e. Our greatest Scope 3 emissions were from the use of sold products (72 per cent), investments (22 per cent) and purchased goods and services (2 per cent) of the Scope 3 emissions.

The share of our Scope 3 emissions calculated using primary data obtained from suppliers or other value chain partners is 0 per cent.

In the value chain of LocalTapiola Group, biogenic emissions of CO<sub>2</sub>e from the combustion or bio-degradation of biomass may be generated from, inter alia, the operational energy consumption at our own commercial premises and at real estate sites owned by real estate companies consolidated into the financial statements. They may also be generated from the activities of investments. We monitor biogenic emissions for LocalTapiola real estate division-managed category 13 real estate for which no renewable-energy Guarantees of Origin have been acquired. These biogenic CO<sub>2</sub> emissions from our value chain were 1,126 tCO<sub>2</sub> in 2024.

Total emissions	Retrospective				Milestones and target years	
	Base year (2021) **	Comparative (2023)	2024	% N / N-1	2025	Annual % target / Base year
<b>Scope 1 GHG emissions</b>						
<b>Gross Scope 1 GHG emissions (tCO<sub>2</sub>e)</b>			266		-	-
Gross Scope 1 GHG emissions, excl. real estate operations	159	172	149	86.6%	100***	-7.4%***
Gross Scope 1 GHG emissions, real estate operations	-	-	117	-	-	-
<b>Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)</b>	-	-	-	0.0%	-	-
<b>Scope 2 GHG emissions</b>						
<b>Gross location-based Scope 2 GHG emissions (tCO<sub>2</sub>e) *</b>			13,376		-	-
Gross location-based Scope 2 GHG emissions, excl. real estate operations	1,766	1,418	1,467	103.5%	-	-
Gross location-based Scope 2 GHG emissions, real estate operations ***	-	-	11,909	-	-	-
<b>Gross market-based Scope 2 GHG emissions (tCO<sub>2</sub>e) *</b>			6,614		-	-
Gross market-based Scope 2 GHG emissions, excl. real estate operations	1,092	666	496	74.4%	437***	-12.0%
Gross market-based Scope 2 GHG emissions, real estate operations ***	-	-	6,118	-	-	-
<b>Scope 3 GHG emissions (categories)</b>						
<b>Total Gross indirect (Scope 3) GHG emissions (tCO<sub>2</sub>e)</b>	-	-	<b>441,996</b>	-	-	-
1 Purchased goods and services [Optional sub-category: Cloud computing and data centre	-	15,254	9,188	60.2%	-	-
2 Capital goods ***	-	11,091	3,753	33.8%	-	-
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	-	-	-	-	-	-
4 Upstream transportation and distribution	-	-	-	-	-	-
5 Waste generated in operations	-	36	666	1850.0%	-	-
6 Business travel	-	1,261	1,344	106.5%	-	-
7 Employee commuting	-	3,238	3,400	105.0%	-	-
8 Upstream leased assets	-	-	-	-	-	-
9 Downstream transportation	-	-	-	-	-	-
10 Processing of sold products	-	-	-	-	-	-
11 Use of sold products	-	-	322,590	-	-	-
12 End-of-life treatment of sold products	-	-	-	-	-	-
13 Downstream leased assets ****	-	13,253	1,385	10.5%	-	-
14 Franchises	-	-	-	-	-	-
15 Investments *****	-	76,681	99,671	130.0%	-	-
<b>Total GHG emissions</b>						
Total GHG emissions (location-based) (tCO <sub>2</sub> e)	-	-	<b>455,638</b>	-	-	-
Total GHG emissions (market-based) (tCO <sub>2</sub> e)	-	-	<b>448,876</b>	-	<b>537</b>	-

\* For Scope 1 and 2, 2021 is the base year that we use (excl. real estate operations). 2021 emissions do not cover the emissions of Finnish P&C Insurance Ltd and LocalTapiola Remuneration Services Ltd.

\*\* The target for reducing Scope 1 and 2 market-based CO<sub>2</sub>e emissions applies to the LocalTapiola Group companies, with the exception of Finnish P&C Insurance Ltd, purchased in 2023, and LocalTapiola Remuneration Services Ltd, founded in 2024. In 2023, Scope 1 emissions without Finnish P&C Insurance Ltd were 149 tCO<sub>2</sub>e, and Scope 2 market-based emissions were 655 tCO<sub>2</sub>e. Read more about the targets in section E1-4.

\*\*\* The emission reduction targets set by the LocalTapiola real estate division apply to construction projects (category 2) and operational emissions from leased-out real estate (Scope 1 and 2, and category 13 of Scope 3). Read more about the targets in section E1-4.

\*\*\*\* In 2023, 100% of the emissions from the energy consumption of the investment real estate sites managed by the real estate division are attributed to LocalTapiola, regardless of the size of the group's ownership. From 2024, investment real estate sites of which LocalTapiola Group owns more than 50% are reported in Scopes 1 and 2. From 2024, emissions from waste generated at these investment real estate sites are reported in category 5. From 2024, category 13 includes only those investment real estate sites of which LocalTapiola Group owns less than 50%. The energy consumption of these sites is calculated in proportion to the size of the group's ownership.

\*\*\*\*\* We aim to bring our financed emissions down to net zero by 2050 or sooner. This aim is supported by LocalTapiola Asset Management Group's target to bring emissions from assets under management down to net zero by 2050 and the target to bring emissions from the investments of the group's insurance companies down to net zero by 2050. Read more about the targets in section E1-4.

GHG intensity based on net revenue

In 2024, the market-based GHG intensity of LocalTapiola Group was 152.48 tCO<sub>2</sub>e per million euro, and the location-based GHG intensity was 154.78 tCO<sub>2</sub>e per million euro. The net revenue used in the calculation is calculated in accordance with the regulations and guidelines of the Financial Supervisory Authority (FIN-FSA). The formula for calculating net revenue is presented in the financial statements in the section 11.4.1 'General key figures describing financial development'.

In the table below, we show the GHG intensity (tCO<sub>2</sub>e / mil. €) of LocalTapiola Group in relation to net revenue, based on the information for 2024.

GHG intensity per net revenue	2024
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> e/€)	152.48
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> e/€)	154.78

### ESRS E1-7 GHG removals and GHG mitigation projects financed through carbon credits

E1-7, 56; E1-7, 58; E1-7, 58; E1-7, 59; E1-7, 61; E1-7, AR 60; E1-7, AR61; E1-7, AR62, MDR-M

For the time being, as part of achieving the climate goals, LocalTapiola Group does not take advantage of any GHG removals or GHG mitigation projects financed through carbon credits. Our aim is to attain carbon neutrality by the end of 2025 for both our own operations (Scope 1 and 2 excluding real estate operations) and the energy consumption of investment real estate (Scope 1 and 2 real estate operations, and Scope 3 category 13), which will require not only a reduction of emissions but also the offsetting of the remaining GHG emissions. We estimate the maximum carbon credits to be acquired for the 2025 emissions at some 540 tCO<sub>2</sub>e in respect of own operations (Scope 1 and 2 excluding real estate operations) and 450 tCO<sub>2</sub>e in respect of the energy consumption of investment real estate (Scope 1 and 2 real estate operations, and Scope 3 category 13). Our aim is to create for the group a common model for offsetting emissions in 2025. Emissions are expected to be offset by acquiring carbon credits produced outside the LocalTapiola Group value chain. The carbon credits must comply with regulation and good practice. Voluntary carbon markets are surrounded by various uncertainties related to,

inter alia, supply and regulation, which may make it more difficult to acquire carbon credits that comply with good practice.

LocalTapiola Finance acquires carbon credits outside its value chain in order to mitigate the climate impacts from the use of cars it finances. LocalTapiola offsets the emissions generated from the use of cars in its fleet that have calculated emissions of less than 160 gCO<sub>2</sub>/kilometre (less than 200 gCO<sub>2</sub>/kilometre for offsets made before 1 January 2022). Carbon offsetting covers cars financed by LocalTapiola Finance for which motor liability insurance has been obtained from LocalTapiola (Scope 3). For every car covered by carbon offsetting, specific consumption figures are retrieved from the system maintained by Traficom. The average mileage (13,794 kilometres per year) published by Traficom and Statistics Finland is applied to annual consumption. The amount of carbon credits needed is calculated on a forward-looking basis by applying the average duration of finance contracts, which is 24 months. The amount of carbon credits to be purchased for the following year is estimated in compliance with the annual wheel in October. In estimating the carbon credit need for the following year, we take into account the carbon credits purchased according to the calculation carried out for the previous period and from which we deduct the emissions realised during the period. We acquire carbon credits through the UN Carbon Offset Platform.

In 2024, LocalTapiola Finance purchased 50,000 tCO<sub>2</sub>e in emission reductions. At the time of reporting, LocalTapiola Finance does not intend to purchase carbon credits in 2025. According to current estimates, the amount of the carbon credits of previous years is enough to cover generated emissions up to 2026. The table below illustrates the carbon credits cancelled by LocalTapiola Finance in 2023 and 2024.

Carbon credits cancelled in the reporting year	2023	2024
<b>Total (tCO<sub>2</sub>e)</b>	<b>50,000</b>	<b>100,000</b>
Share from removal projects (%)	0%	0%
Share from reduction projects (%)	100%	100%
<i>Carbon credits aligned with the United Nations Framework Convention on Climate Change (%)</i>	100%	100%
Share from projects within the EU (%)	0%	0%
Share of carbon credits that qualifies as a corresponding adjustment under Article 6 of the Paris Agreement	0%	0%



The details of the emission reductions reported in the table can be publicly verified at the UN Carbon Offset Platform website, under project IDs 4964 and 8960.

## ESRS E1-8 Internal carbon pricing

E1-8, 62

LocalTapiola Group does not apply internal carbon pricing.

## 7.3 ESRS S Social information

In the Social information section of this sustainability statement, we address the following topics:

- S1-1 Policies related to own workforce
- S1-2 Processes for engaging with own workers and workers' representatives about impacts
- S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns
- S1-4 Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches
- S1-5 Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities
- S1-6 Characteristics of the undertaking's employees
- S1-11 Social protection
- S1-13 Training and skills development metrics
- S1-14 Health and safety metrics
- S1-15 Work-life balance metrics
- S1-17 Incidents, complaints and severe human rights impacts

### 7.3.1 ESRS S1 Own workforce

#### ESRS S1-1 Policies related to own workforce

S1-1, 19; S1-1, 20; S1-1, 21; S1-1, 23; S1-1, 24

LocalTapiola Group is committed to developing an equal and appreciative work community that supports diversity. We are mindful of the occupational wellbeing, working capacity, safety and integrity of our staff, ensuring

equitable and appreciative treatment both in day-to-day work and in recruitment, by applying the following policies:

The LocalTapiola Group Code of Conduct guides our daily work and decision-making, promoting actions and a corporate culture that are aligned with our values. In our Code of Conduct, we pledge to respect human rights under international human rights conventions. As outlined in our Code of Conduct, we do not accept any discrimination, harassment or other inappropriate treatment based on age, origin, nationality, language, religion, conviction, opinion, political activity, trade union activity, family relations, health, disability, sexual orientation or other reasons specific to a person.

Our Leadership Promises and Employee Promises form a foundation of person-driven values for how we treat each other as people at the workplace. Our Leadership Promises and Employee Promises thus support the development of our corporate culture.

The Human Resources Strategy, the Remuneration Policy, the Equality and Non-Discrimination Plan and work community development plans support and promote the development of our corporate culture, ensuring equitable treatment for all our employees.

The LocalTapiola Group Human Rights Policy contains a human rights commitment, our main adverse human rights impacts, and information about mitigation and prevention measures and means of monitoring and controlling human rights. LocalTapiola Group is committed to respecting internationally recognised human rights in all its activities. We comply with current applicable legislation and official regulations.

**Our above key policies are discussed in the section 'ESRS 2 MDR-P Policies adopted to manage material sustainability matters'.**

Through dialogue, we foster the proper and timely flow of information between the employer and staff. We have in place common approaches for threatening customer service situations, and a whistleblowing channel for reporting abuse. Our employees and superiors have access to instructions for addressing inappropriate treatment. The occupational accident prevention policy is described in the occupational health and safety policy and in the occupational health care action plan.

## ESRS S1-2 Processes for engaging with own workers and workers' representatives about impacts

S1-2, 27; S1-2, 28

There is continuous dialogue between the employer and staff to develop activities and the work community. This dialogue is implemented at either quarterly or semi-annual meetings attended by employer and staff representatives. Regular dialogue improves the flow of information and the empowerment of staff. In accordance with the Co-operation Act, the LocalTapiola Group companies, in cooperation with staff representatives, have drawn up company-specific work community development plans, in which companies record the areas needing development and the related measures that have been agreed in dialogue with the staff representative.

The minimum working conditions are laid down in the collective agreements and wage agreements for the insurance and financial sector. At LocalTapiola Group, the Director, People and Culture has operational responsibility for ensuring the conduct of interaction. As for the healthiness and safety of work, we promote them through occupational health and safety cooperation, in which Occupational Health and Safety Representatives represent employees.

Annual employee survey maps employee experience relating to own work, the immediate work community, leadership and the business culture. Carried out by an external service provider, the employee survey aims to identify strengths and areas for improvement within the organisation. Furthermore, LocalTapiola Group has in place an Equality and Non-Discrimination Plan, and we monitor the achievement of the objectives of the plan on an annual basis.

## ESRS S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

S1-3, 32; S1-3, 33; S1-3, 34

LocalTapiola Group has in place several processes to remediate negative impacts to workers, as well as several channels to communicate concerns. These channels are publicly available to all employees and employee representatives. Through continuous dialogue between staff and the employer, and through occupational health and safety actions, we remediate negative impacts to our employees. We foster an open and honest culture of communication, encouraging staff to express their concerns. Anonymously

through a whistleblowing channel maintained by an external service provider, staff can report abuses or concerns observed in the activities of LocalTapiola Group companies or its business partners.

Our staff have access to approaches for threatening customer service situations, and to guidelines for addressing situations of harassment and bullying and inappropriate conduct. We support superiors in dealing with situations by way of a specific guideline and the daily activity of HR management.

LocalTapiola Group follows the legal guidelines of LocalTapiola Group, available to our staff in the LocalTapiola intranet. We do not assess the effectiveness of our approaches and measures.

## ESRS S1-4 Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches

S1-4, 37; S1-4, 38; S1-4, 39; S1-4, 41; S1-4, 43, MDR-A

Across the entire LocalTapiola Group, we apply the following actions to employees belonging to our own workforce.

Quality HR services and HR processes

Through quality human resources services and human resources processes, we support the development of LocalTapiola Group's strategic objective, strong lifelong security expertise and culture of cooperation. The time horizon for developing HR processes varies from short-term to long-term.

Ensuring the interests, rights and occupational safety of employees through policies and agreements

We comply with current legislation and the in-force collective agreement, and develop our related processes. The time horizon for implementing these measures varies between short-, medium- and long-term.

Equality and Non-Discrimination Plan

We have prepared an Equality and Non-Discrimination Plan, which includes the objectives and measures at the workplace that are laid down in the Act on Equality between Women and Men and the Non-discrimination Act. The objective is that all employees are treated in a non-discriminatory manner, regardless of sex, and that everyone is offered equal opportunities. The time horizon for the measures varies from short-term to long-term.

Dialogue and work community development plan pursuant to the Co-operation Act

We carry out dialogue pursuant to the Co-operation Act, and draw up company-specific staff development plans. The purpose is to promote the flow of information and the empowerment of staff in matters concerning work, working conditions and the status of staff. The time horizon for the measures varies from short-term to medium-term.

Enhancing the anticipation of work capacity risks, and reducing risk  
By identifying work capacity-related risks, we can take measures to mitigate or eliminate them. We strive to continuously develop our work capacity management processes. Through these actions and smooth cooperation with occupational healthcare, we strive to develop better occupational wellbeing of staff as well as the reduction of sick leaves and occupational accidents. The time horizon for the measures varies from short-term to long-term.

Leadership

Quality leadership plays an important role in achieving our strategic goals. We invest in leadership development and in developing the skills of superiors, measuring the success of leadership. The time horizon for the measures varies from short-term to long-term.

Whistleblowing channel, guidance and policies to prevent and deal with situations

We aspire to prevent potential misconduct through competence development and guidelines. Staff have the opportunity to report potential cases of misconduct for example through the whistleblowing channel. LocalTapiola Group has a specific procedure in place to resolve cases of misconduct. The time horizon for the measures varies from short-term to medium-term.

Protecting the privacy of own employees

LocalTapiola Group ensures the protection of the privacy of its own employees and processes personal data as required by law and in line with good data management and data processing practice.

Upskilling of employees

We encourage our staff to embrace continuous learning, and offer role-specific learning pathways to all our personnel groups. In addition to learning pathways, we provide our staff with versatile upskilling opportunities, including training events, coaching programmes and online courses.

ESRS S1-5 Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

S1-5, 46; S1-5, 47, MDR-T, MDR-M

Supporting our daily work and decision-making, the LocalTapiola Group Code of Conduct guides how we operate in various situations. We comply with international conventions, national legislation, collective agreements and established practices regarding working hours, salaries, benefits and overtime work. The employer and staff engage in continuous dialogue, which promotes the flow of information and the empowerment of staff in matters concerning work, working conditions and the status of staff. In occupational health and safety cooperation, we promote the healthiness and safety of work, with Occupational Health and Safety Representatives representing employees.

LocalTapiola Group has joined the Zero Accidents forum set up by the Finnish Institute of Occupational Health, which aims to disseminate information, best practices, ideas and materials to improve occupational safety and occupational wellbeing. In addition, we also have zero tolerance for bullying and harassment at the workplace. We have in place common approaches for threatening customer service situations, and staff have access to a whistleblowing channel to report misconduct.

The LocalTapiola Equality and Non-Discrimination Plan lays down the objectives and policies for equality and non-discrimination work, lending support to compliance with the goals outlined in the Group Strategy and the Human Resources Strategy and to achieving the obligations set out in the Act on Equality between Women and Men and the Non-discrimination Act. In 2024, LocalTapiola Group does not monitor the effectiveness of the objectives set for own workforce.

We measure staff commitment and satisfaction by the People Power index that is part of the annual employee survey. The index compares the commitment and satisfaction of LocalTapiola Group staff to the results of other participating companies. We use the results from the index in defining development areas and measures that improve the occupational wellbeing and commitment of staff. A goal laid down in the LocalTapiola sustainability programme is to achieve and maintain an employee experience level of AAA, which means ranking among the top six per cent of all companies as measured by the People Power index. The results of the employee survey are mirrored with comparable companies in the sector. Based on the results, it can be assessed in what areas LocalTapiola Group performs better than

comparable companies and what issues should be developed. In 2024, the index score was 77.5, giving LocalTapiola Group an employee experience level of AA+. Development as from 2023 was positive, but we did not attain the targeted level.

#### Employee experience results

Year	Score	Change	Change, %	Level	Response rate, %
2024	77.5	1.2	1.57%	AA+	92.8%
2023	76.3	-1.5	-1.93%	AA+	90.4%
2022	77.8	0.6	0.78%	AAA	90.5%
2021	77.2	0.1	0.13%	AAA	89.3%
2020	77.1	0.1	0.13%	AAA	85.1%
2019	77.0	-	-	AAA	89.5%

An external service provider conducts the employee survey, but the results have not been validated by a third party. Stakeholders were not engaged in the target setting. During the ongoing period, we have not made any changes to the target. The staff of Finnish P&C Insurance and LTC-Otso are not included in the employee survey and its response rate.

#### ESRS S1-6 Characteristics of the undertaking's employees

S1-6, 50; S1-6, 52

LocalTapiola Group employs 4,269 employees, of whom approximately one half work at the regional non-life insurance companies around Finland. The figures are reported as head count on the last day of the reporting period. As a rule, contracts of employment are full-time contracts for an indefinite term. However, a fixed-term employment contract is possible in the following situations: when requested by the person concerned; when required by the nature of the work; when the contract is for a temporary replacement or on-the-job training; or if the position is tied to calendar time.

All employees of LocalTapiola Group work in Finland. During the reporting period, 222 employees left LocalTapiola Group, representing a turnover of 5.2 per cent. The data is given as head count on the last day of the financial period. The data is retrieved from the LocalTapiola HR system and companies' in-house HR systems (Finnish P&C Insurance, Seligson & Co Fund Management Company and LTC-Otso), and they have not been validated by a third party. For the number of full-time equivalent employees, please see section '11.4.2. Average number of personnel during the financial period'.



2024				
Female	Male	Other	Not reported	Total
Number of employees (head count)				
2,744	1,524	-	1	4,269
Number of permanent employees (head count)				
2,544	1,416	-	1	3,961
Number of temporary employees (head count)				
200	108	-	-	308
Number of non-guaranteed hours employees (head count)				
141	95	-	-	236
Number of full-time employees (head count)				
2,394	1,398	-	-	3,792
Number of part-time employees (head count)				
209	31	-	1	241

Gender	Number of employees (head count)
Male	1,524
Female	2,744
Other	
Not reported	1
Total employees	4,269

#### ESRS S1-11 Social protection

S1-11, 74

In addition to the statutory healthcare services, all our staff are covered by working capacity insurance, which supplements occupational healthcare, and by leisure-time accident insurance. At LocalTapiola Group, an employment relationship that has lasted for more than five years will extend the length of time over which sick pay is paid.

The occupational healthcare services, and insurances, are also in force during sick leave and parental leave. The above benefits will be in force until the end of the period of notice. As for our employees with partial work capacity, we support them through an early support model and rehabilitation solutions. Retirement takes place according to the Finnish pension system. LocalTapiola Group has been providing employees with a supplementary pension benefit. Persons whose employment with LocalTapiola Group commenced before 31

December 2012 have this benefit in force. Periods of notice are determined in accordance with the valid collective agreement. The employees of LocalTapiola Group are governed by the collective agreements for the insurance and the financial sector, depending on the employee's job description.

### ESRS S1-13 Training and skills development metrics

S1-13, 83, MDR-M

We encourage our personnel to embrace continuous learning, and provide versatile upskilling opportunities, including training events, coaching programmes and online courses, to all our personnel groups.

In 2024, 97 per cent of the female employees of LocalTapiola Group and 89 per cent of the male employees participated in regular performance reviews. The performance reviews are based on discussions for achieving the targets determined for the annual performance-related bonuses that are valid for entire staff. It is worthwhile to note that the Disclosure does not include career development reviews or employee success reviews. In 2024, the average number of hours spent on training was as follows: for men, an average of 21 hours per year, and for women an average of 24 hours per year. The metrics have not been validated by a third party.

### ESRS S1-14 Health and safety metrics

S1-14, 88; S1-14, 90, MDR-M

All our staff are covered by the statutory healthcare services and workers' compensation insurance. In 2024, no fatalities resulting from work-related injuries or ill health occurred at LocalTapiola Group. In 2024, LocalTapiola Group recorded 25 accidents at work and 42 commuting accidents, but no cases of work-related ill health were recorded that are subject to legal restrictions on the collection of data. The Lost-Time Injury Frequency Rate was 3.39 (per 1,000,000 hours worked). In 2024, accidents at work resulted in 200 days of absence, while commuting accidents resulted in 200 days of absence. The data on employee accident metrics are retrieved from the LocalTapiola Yrityspulssi system and information provided by the companies (Finnish P&C Insurance, Seligson & Co Fund Management Company and LTC-Otso). The system provides at row level data about accidents to employees and about the days of work incapacity arising as a result of them. The metrics have not been validated by a third party.

### ESRS S1-15 Work-life balance metrics

S1-15, 93; S1-15, 94, MDR-M

In Finland, all employees have a statutory right to parental leave, and the entire LocalTapiola Group staff (one hundred per cent) have an opportunity to take parental leave. The metric has not been validated by a third party.

	Number of staff	Percentage
<b>Those entitled to family-related leave</b>	<b>4,491</b>	<b>100.00%</b>
<b>Those that took family-related leave</b>	<b>310</b>	<b>6.90%</b>
<i>Female</i>	206	66.45%
<i>Male</i>	104	33.55%

### ESRS S1-17 Incidents, complaints and severe human rights impacts

S1-17, 103; MDR-M

At LocalTapiola Group, no incidents of discrimination affecting staff were reported in 2024. We are monitoring the total number of reports filed through the whistleblowing channel and the other available channels, but in other respects monitoring is not implemented yet. Reported cases cannot thus be disaggregated by their type. We will begin work to develop the monitoring process in 2025.

## 7.4 ESRS G Governance information

In the Governance information section of this sustainability statement, we address the following topics:

- G1-1 Corporate culture and business conduct policies and corporate culture
- G1-2 Management of relationships with suppliers
- G1-3 Prevention and detection of corruption and bribery
- G1-4 Confirmed incidents of corruption or bribery.

### 7.4.1 ESRS G1 Business conduct

#### ESRS G1-1 Business conduct policies and corporate culture

G1-1, 7; G1-1, 9; G1-1,10, MDR-T, MDR-M

At LocalTapiola Group, the conduct of business is guided not only by applicable legislation and official regulations, but also by the values of benevolence, courage and passion approved by the Boards of Directors of the LocalTapiola Group companies. In addition, our conduct is guided by the

codes, principles and policies of LocalTapiola Group (ESRS 2 MDR-P The LocalTapiola Group policies table). We adhere to mutual corporate governance, which is based on the legislation governing the insurance and financial sector, the regulations and guidelines issued by the Financial Supervisory Authority and, where applicable to mutual insurance companies, the Finnish Corporate Governance Code for listed companies. In addition, the activities of LocalTapiola Group are also guided by the principles of good insurance and banking practice published by Finance Finland.

Corporate culture is one of the priorities of our Group Strategy. On a regular basis, we gauge measures related to the development of corporate culture and how well we succeed in them. Annually, the Board of Directors of LocalTapiola General also examines the results of the employee survey, which an external service provider conducts for LocalTapiola Group, and addresses the conclusions derived from them. The employee survey allows us to measure employee experience, which includes satisfaction with own work, the immediate work community, leadership and the activities of the organisation. **We discuss the target and the result in further detail in the section 'ESRS S1-5 Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities'. Furthermore, for members of governance bodies, we conduct an annual satisfaction survey, in which they evaluate issues such as performance of the Owner Intent goals and the implementation of mutual corporate governance.**

Through our Leadership Promises and Employee Promises, we cherish and promote in a goal-oriented manner a positive corporate and business culture at LocalTapiola Group. The Leadership Promises represent a common promise made by all our superiors about what we understand to be the building blocks of good management and leadership. At LocalTapiola, we lead with respect, actively, and focusing on targets. For us, good management and leadership are means to further improve our employee experience and foster a positive business culture. Following on from the Leadership Promises, we engaged our staff to work on a set of Employee Promises, which apply to everyone working at LocalTapiola. We make a promise to ourselves, each other and our customers: I shoulder responsibility, develop, respect and dare. We will be consolidating these Employee Promises as part of the HR management policies, and will define an Employee Promise Index for measuring how our culture of cooperation develops.

The Boards of Directors of the LocalTapiola Group companies approve the LocalTapiola Group Code of Conduct, in which we determine the principles to

which we as a group are committed. The Code of Conduct is included in the induction and training programmes of the LocalTapiola Group governance bodies, management and staff. In compliance with the internal control mechanisms, we monitor compliance with and the timeliness of the Code of Conduct on a regular basis. Any breach of the Code will be evaluated on a case-specific basis under normal labour law principles. Our Partner Code of Conduct illustrates the approaches to which we require our partners to commit and which we as a cooperation partner also respect.

**LocalTapiola Group is committed to the UN's Principles for Sustainable Insurance.** These Principles lay down, for the insurance sector, the sustainable approaches that support the UN's Sustainable Development Goals and the goals of the Paris Agreement. LocalTapiola Asset Management Group is committed to the UN-supported Principles for Responsible Investment (PRI).

The Board of LocalTapiola General confirms the LocalTapiola Group Human Resources Strategy in force from time to time, and it annually discusses a report on the implementation of the Human Resources Strategy. Furthermore, on a semi-annual basis, the Board is provided with a human resources report reviewing, inter alia, how the Human Resources Strategy has been implemented and what the plans and objectives are from that point on.

The induction of all new salaried employees includes familiarisation with the LocalTapiola Group Code of Conduct and the guidelines for identifying and managing conflicts of interest. These guidelines are available to all staff in the LocalTapiola intranet, **in addition to which the group's electronic learning environment hosts online courses on the Code of Conduct and the identification of conflicts of interest.** Superiors are responsible for inducting their subordinates in the internal guidelines of LocalTapiola Group.

The LocalTapiola Code of Conduct online course is mandatory for the entire organisation, to be taken each year. We monitor participation in the Code of Conduct training by measuring the number of people who complete the course. In our sustainability programme, we have set the target rate of completion at one hundred per cent of the organisation. For this target, we include in the calculation office personnel and insurance agents, specialists, superiors, and management and intermediaries. In 2024, the course was completed by 97 per cent of the organisation. Other stakeholders were not involved in target setting. We measure the rate of completion annually, and no milestones have been set for achieving this target. The following group companies are not covered by the target: Finnish P&C Insurance, Seligson &

Co Fund Management Company and LTC-Otso. The metric has not been validated by a third party.

**Completion rates for the Code of Conduct online course**

Organisation	2024
Office personnel and insurance agents	100%
Specialists	95%
Superiors and management	89%
Insurance intermediaries	96%
<b>Total</b>	<b>97%</b>

In compliance with the whistleblower act, LocalTapiola Group operates a whistleblowing channel for reporting suspicions of abuse, and has in place a common group policy for investigating internal abuses. We encourage our personnel and stakeholders to bring to our attention detected abuse cases and conduct that is in breach of the Code of Conduct. Through the whistleblowing channel, both staff and external stakeholders can anonymously and confidentially report suspicions of abuse and conduct that is in breach of the Code of Conduct or other regulations. The whistleblowing channel keeps secret the identity of the person lodging the report while ensuring the security of data. The responsibility for examining reported cases lies with the Internal Audit function of LocalTapiola Group. The whistleblowing channel can be found at the LocalTapiola Group website. In addition, the group has published guidance relating to, inter alia, the processing of reports and the confidentiality of reporting.

At LocalTapiola Group, we have put in place a defined and documented approach for investigating internal abuses, available to all employees in the LocalTapiola intranet. According to the whistleblower act, an organisation that has established an internal reporting channel must designate a person or persons responsible for handling reports who must be able to discharge their function impartially and independently. At LocalTapiola Group, it is for the **Group’s Management Group to designate the staff receiving reports. Reports are handled only by persons who are designated by the Group’s Management Group and who can in this duty function impartially and independently.** The handling of reports complies with the act on the protection of persons who report breaches of European Union and national law, which is the national implementation of Directive (EU) 2019/1937. LocalTapiola does not have in place specific whistleblower protection policies, but we will be drawing them up and taking them into use during 2025.

As part of the normal internal control of business operations, superiors are responsible for monitoring deviations and incidents within their own field of responsibility and, where necessary, for reacting to them. The employer and the relevant superior are always under an obligation to act, regardless of whether the incident occurs between employees or between an employee and a superior. The human resources guidance of LocalTapiola Group also contains sections for incident management (for example, harassment and bullying). Furthermore, LocalTapiola Group employs anti-corruption or anti-bribery policies that are consistent with the UN Convention. In addition to managerial activities and HR management, grievances can be raised in the independent control functions of LocalTapiola Group that are set out in the Insurance Contracts Act (compliance, risk management, internal audit). At **LocalTapiola Group, customer contacts and the management’s decision-making situations** have been identified as the functions most exposed to corruption and bribery.

**ESRS G1-2 Management of relationships with suppliers**

G1-2, 14; G1-2, 15

At LocalTapiola Group, it is our duty to act responsibly, transparently and sustainably. Our cooperation partners are required to comply with agreements and the agreed cooperation principles. Moreover, we also want to be a great partner with whom to cooperate. The LocalTapiola Group Partner Code of Conduct, which governs partnerships and acquisitions, is a collection of key policies with which we at the group are committed to complying and which we as a rule require our cooperation partners to follow. In the Code, we set out the policies that we require from our cooperation partners and want to promote together with them. The Code also describes the action of which we at LocalTapiola do not approve. In the Code, we also determine how we treat each other and our shared customers. With regard to claim processes, our suppliers also include claim partners, alongside direct business acquisitions.

We agree terms of payment separately with each supplier, and they range from seven to forty-five days. The most common term of payment, determined in the general acquisition guidelines, is thirty days. We classify suppliers from one-off suppliers to strategic partners, and for each of them we apply the monitoring or leadership model that the cooperation relationship requires. At LocalTapiola Group, acquisitions are largely decentralised and happening locally, which is why there are also some discrepancies between policies. Suppliers that are external to the

procurement system, which represent the majority of our suppliers, are subject to the same principles and practices as apply to suppliers that are included in the procurement system. It is our principle to always pay purchase invoices on the invoice due date through the purchase invoice system, and in 2024 this was achieved for 94.7 per cent of invoices. 5.3 per cent of invoices required further clarifications, after the completion of which the invoices were processed either by approving them for payment or through the credit note procedure. Purchase invoices are approved in the purchase invoice system, from which on the due date they are transferred to the payment system and entered in the accounts. This calculation does not cover the purchase invoices of the following companies: Finnish P&C Insurance Ltd, Seligson & Co Fund Management Company Plc and LTC Otso Oy.

The Insurance Contracts Act requires that we pay insurance contract-based claims within thirty days of the date on which a compensation demand is presented and all necessary information is at our disposal. In the event of delayed claim payment, we will pay on the claim the interest for late payment **laid down in law. In claims for the statutory insurance lines, such as workers' compensation insurance and motor liability insurance, we closely monitor processing times from the initiation of the processing to the resolving of the claim. We provide regular reporting on the duration of processing to the Financial Supervisory Authority. With external invoicers, we mainly use electronic invoicing, which streamlines the invoicing process and reduces the risk of payments being delayed.**

### ESRS G1-3 Prevention and detection of corruption and bribery

G1-3, 18; G1-3, 20; G1-3, 21

In the 'Anti-corruption and anti-bribery efforts' section of the LocalTapiola Group Code of Conduct, which the Boards of Directors of the LocalTapiola companies have approved, we define our intent and measures for preventing grievances. In addition, LocalTapiola Group has in place commonly accepted policies for preventing and managing conflicts of interest. One identified conflict of interest is the giving and receiving of gifts and hospitality, which is why a specific guideline has been issued for appropriately dealing with these situations. Furthermore, LocalTapiola Group has adopted disqualification guidelines, which contain specific guidance on disqualification in claims handling and on Board member disqualification.

The induction of new employees covers familiarisation with the internal guidelines of LocalTapiola Group, including the LocalTapiola Group Code of

Conduct and the guidelines on identifying conflicts of interest. The guidelines are available to all staff in the intranet. In addition, these topics are the subject of online courses which can be found in the electronic learning environment of LocalTapiola Group and which the entire LocalTapiola Group staff complete as mandatory on a regular basis. Superiors are responsible for the induction of employees, and monitor their completion of the online courses. We report the rates of completion of the online courses annually to the Boards of Directors as part of the compliance reporting. The Code of Conduct and the online courses on managing conflicts of interest are also included in the induction programmes of the members of the Boards of the LocalTapiola Group companies. The senior management of the companies and, ultimately, their Boards are responsible for ensuring that the companies have in place the procedures and processes required by the guidelines.

Enforcement of the policies and guidelines of the group is part of the work carried out by internal control, and it is the responsibility of every superior. Staff are required to notify, through the whistleblowing channel or directly to their superior, the company compliance officer, a contact person or internal audit, of any conduct that they observe to be in breach of the guidelines. Independent of business operations, the compliance function contributes to the enforcement of the Code of Conduct and the related guidelines, reporting any non-compliance to the relevant organisation and, in its regular compliance reports, to the Management Groups and Boards of Directors.

### ESRS G1-4 Incidents of corruption or bribery

G1-4, 24; G1-3,25; MDR-M; MDR-A; MDR-T

Our target is for zero incidents of corruption or bribery during the year, which is included as part of our Code of Conduct. This target applies to own workforce. On an annual basis, we measure the target in absolute terms, using the number of incidents as the unit measured. Stakeholders have not participated in the setting of the target. The number of incidents of corruption and bribery is a metric that includes the incidents of corruption and bribery discovered across entire LocalTapiola Group during the year.

During the reporting period, LocalTapiola Group did not discover any incidents of corruption or bribery, and we also did not have any incidents initiated before 2024 where the outcome would have been established in the current reporting period. That is why there has been no need to take action at LocalTapiola Group in relation to discovered incidents of corruption and bribery during the reporting period.



## 7.5 Sustainability report

We will give further discussion about the sustainability and 2024 activities of LocalTapiola Group in a separate sustainability report to be published in spring 2025 at [www.lahitapiola.fi/tietoa-lahitapiolasta/lahitapiola-ryhma/lahitapiola-ryhman-raportit/](http://www.lahitapiola.fi/tietoa-lahitapiolasta/lahitapiola-ryhma/lahitapiola-ryhman-raportit/).

## 8 Proposal for the use of profit

### Proposal by the Board of Directors

The Board of Directors proposes to the Annual General Meeting of LocalTapiola General that the profit for the 2024 financial period, EUR 246,306,099.24, be transferred into the security reserve and that, from there, EUR 5,000,000.00 be transferred into the contingency reserve.

If the Board's proposal for the use of the profit is adopted, the company's capital and reserves will thereafter be as shown in the table below.

#### Capital and reserves after the proposal:

Capital and reserves, EUR	2,018,105,300.21
Initial reserve	8,641,380.35
Revaluation reserve	85,090.31
Security reserve	2,000,145,737.95
Contingency reserve	9,233,091.60

# Financial statements for 1 January–31 December 2024

## 9 Consolidated financial statements, LocalTapiola Group

### 9.1 Profit and loss account, LocalTapiola Group

	Note	1.1.2024-31.12.2024	1.1.2023-31.12.2023
<b>TECHNICAL ACCOUNT - NON-LIFE INSURANCE</b>			
<b>Premiums earned</b>			
Premiums written	K1	1,533,449,263.78	1,434,617,541.46
Reinsurers' share		-54,048,489.95	-56,361,183.26
Premium income on own account		1,479,400,773.83	1,378,256,358.20
Change in provision for unearned premiums			
Total change		-24,903,153.89	-26,188,719.58
Reinsurers' share			
Total change		-1,305,218.46	-2,042,557.75
Change in provision for unearned premiums, total		-26,208,372.35	-28,231,277.33
<b>Total premiums earned</b>		<b>1,453,192,401.48</b>	<b>1,350,025,080.87</b>
<b>Claims incurred</b>			
Claims paid		-1,184,400,319.08	-1,081,098,952.87
Reinsurers' share		41,044,348.24	36,398,420.90
Claims management expenses on own account		-1,143,355,970.84	-1,044,700,531.97
Change in provision for outstanding claims			
Total change		47,737,185.76	200,680,389.38
Reinsurers' share			
Total change		-5,964,667.10	-20,831,179.84
Change in provision for outstanding claims, total		41,772,518.66	179,849,209.54
<b>Total claims incurred</b>		<b>-1,101,583,452.18</b>	<b>-864,851,322.43</b>
<b>Operating expenses</b>	K3	<b>-315,232,289.83</b>	<b>-304,902,079.05</b>
<b>Balance on technical account before change in equalization provision</b>		<b>36,376,659.46</b>	<b>180,271,679.39</b>
<b>Change in equalization provision</b>			
Total change		10,644,028.13	-103,443,849.06
<b>Total change in equalization provision</b>		<b>10,644,028.13</b>	<b>-103,443,849.06</b>
<b>Balance on technical account</b>	K2	<b>47,020,687.59</b>	<b>76,827,830.33</b>
<b>TECHNICAL ACCOUNT - LIFE INSURANCE</b>			
<b>Premium income on own account</b>			
Premiums written	K1	415,992,311.97	333,412,040.77
Reinsurers' share		-5,443,034.47	-3,701,610.75
<b>Total premium income on own account</b>		<b>410,549,277.50</b>	<b>329,710,430.02</b>
<b>Investment income</b>	K4	<b>301,417,198.81</b>	<b>221,716,219.47</b>
<b>Revaluations of investments</b>	K4	<b>253,560,940.67</b>	<b>174,330,238.34</b>
<b>Claims incurred</b>			
Claims paid	K2	-415,444,748.57	-376,128,368.87
Reinsurers' share		884,607.77	467,149.53
Claims management expenses on own account		-414,560,140.80	-375,661,219.34
Change in provision for outstanding claims			
Total change		5,041,318.00	21,493,540.00
Change in provision for outstanding claims, total		5,041,318.00	21,493,540.00
<b>Total claims incurred</b>		<b>-409,518,822.80</b>	<b>-354,167,679.34</b>
<b>Change in provision for unearned premiums</b>			
Total change		-167,120,372.49	-64,946,879.87
<b>Change in provision for unearned premiums, total</b>		<b>-167,120,372.49</b>	<b>-64,946,879.87</b>
<b>Operating expenses</b>	K3	<b>-55,317,768.92</b>	<b>-51,308,280.45</b>
<b>Investment charges</b>	K4	<b>-113,182,162.44</b>	<b>-121,214,377.95</b>
<b>Revaluation adjustments on investments</b>	K4	<b>-61,902,769.52</b>	<b>-63,150,576.98</b>
<b>Balance on technical account before change in equalization provision</b>		<b>158,485,520.80</b>	<b>70,969,093.24</b>

**NON-TECHNICAL ACCOUNT**

<b>Balance on technical account, non-life insurance</b>		<b>47,020,687.59</b>	<b>76,827,830.33</b>
<b>Balance on technical account, life insurance</b>		<b>158,485,520.80</b>	<b>70,969,093.24</b>
<b>Net investment income, non-life insurance</b>			
Investment income	K4	523,267,707.61	357,326,466.87
Investment charges	K4	-169,237,749.27	-160,956,171.07
<b>Total net investment income, non-life insurance</b>		<b>354,029,958.34</b>	<b>196,370,295.80</b>
<b>Other income</b>			
Deduction of negative goodwill on consolidation		5,538,066.61	386,487.14
Other		254,911,346.60	199,443,617.00
<b>Total other income</b>	K4	<b>260,449,413.21</b>	<b>199,830,104.14</b>
<b>Other expenses</b>			
Depreciation of consolidated goodwill		-13,130,803.86	-9,388,417.74
Other		-205,525,669.76	-164,657,820.15
<b>Total other expenses</b>	K4	<b>-218,656,473.62</b>	<b>-174,046,237.89</b>
<b>Result from ordinary activities</b>		<b>601,329,106.33</b>	<b>369,951,085.62</b>
Share of profit (loss) from group associated undertakings		4,346,650.74	-9,013,949.16
<b>Result before appropriations and taxes</b>		<b>605,675,757.07</b>	<b>360,937,136.46</b>
<b>Direct taxes on ordinary activities</b>			
Taxes for the financial period		-102,659,157.25	-84,160,231.27
Change in deferred tax liabilities		98,768.68	104,363.56
<b>Total direct taxes on ordinary activities</b>		<b>-102,560,388.57</b>	<b>-84,055,867.71</b>
Minority interests		-14,185,236.87	-4,800,106.21
<b>Result for the financial year</b>		<b>488,930,131.63</b>	<b>272,081,162.54</b>

## 9.2 Balance sheet, LocalTapiola Group

ASSETS	Note	31.12.2024	31.12.2023
<b>Intangible assets</b>	K9		
Intangible rights		1,446,506.88	1,840,018.54
Goodwill		0.00	400,000.00
Goodwill on consolidation		33,653,003.72	46,781,561.96
Other expenses with long-term effects		77,355,339.82	83,598,214.09
Provisional premiums		84,567,777.24	47,854,011.87
<b>Total intangible assets</b>		<b>197,022,627.66</b>	<b>180,473,806.46</b>
<b>Investments</b>	K5 K6		
Real estate investments			
Real estate and shares in real estate		1,343,678,340.73	1,349,171,717.65
Total real estate investments		1,343,678,340.73	1,349,171,717.65
Investments in group companies and participating interests			
Shares and holdings in group companies		7,097,056.07	7,097,056.07
Shares and holdings in participating interests		43,862,169.18	36,418,928.84
Debt securities issued by and loans to participating interests		17,105,707.71	19,671,011.01
Total investments in group companies and participating interests	K7	68,064,932.96	63,186,995.92
Other investments			
Shares and holdings	K7	4,981,644,666.53	4,685,255,802.65
Debt securities	K7	1,257,773,264.25	1,096,509,841.85
Loans guaranteed by mortgages		301,839,456.78	413,670,652.85
Other loans	K8	465,596,565.22	461,021,776.66
Deposits		11,000,000.00	17,500,000.00
Other investments		293,088.19	342,213.95
Total other investments		7,018,147,040.97	6,674,300,287.96
Deposits with ceding undertakings		590,336.58	626,806.96
<b>Total investments</b>		<b>8,430,480,651.24</b>	<b>8,087,285,808.49</b>
<b>Assets covering unit linked policies</b>	K10	<b>3,089,666,823.92</b>	<b>2,855,617,571.47</b>
<b>Debtors</b>	K16		
Arising out of direct insurance operations			
Policyholders		301,470,544.01	279,021,682.69
Arising out of reinsurance operations		20,569,205.42	23,593,708.97
Receivables from hire-purchase transactions		430,268,761.00	455,948,203.18
Other debtors		72,056,434.01	85,833,627.92
Deferred tax claim	K15	2,015,504.54	2,015,504.54
<b>Total debtors</b>		<b>826,380,448.98</b>	<b>846,412,727.30</b>
<b>Other assets</b>	K9		
Tangible assets			
Machinery and equipment		9,890,688.68	9,986,525.15
Other tangible assets		128,346,648.04	122,211,833.25
Total tangible assets		138,237,336.72	132,198,358.40
Cash at bank and in hand		607,675,442.43	485,245,651.42
Other assets		227,831,423.01	252,722,449.27
<b>Total other assets</b>		<b>973,744,202.16</b>	<b>870,166,459.09</b>
<b>Prepayments and accrued income</b>			
Accrued interest and rent		17,541,765.48	18,124,876.06
Other prepayments and accrued income		69,517,608.78	85,780,140.25
<b>Total prepayments and accrued income</b>		<b>87,059,374.26</b>	<b>103,905,016.31</b>
<b>Total assets</b>		<b>13,604,354,128.22</b>	<b>12,943,861,389.12</b>

<b>LIABILITIES</b>	Note	<b>31.12.2024</b>	<b>31.12.2023</b>
<b>Capital and reserves</b>	K11		
Initial fund		8,641,380.35	8,641,380.35
Revaluation reserve		1,432,326.43	1,432,326.43
Other reserves			
Other reserves		1,763,072,730.31	1,689,847,677.29
The share of voluntary provisions and depreciation difference transferred to capital and reserves		991,135.51	1,377,422.52
Total other reserves		<u>1,764,063,865.82</u>	<u>1,691,225,099.81</u>
Profit/loss for previous accounting periods		-41,364,727.34	-29,172,083.71
Profit for the accounting period			
Profit for the accounting period		488,930,131.63	272,081,162.54
Change in depreciation difference and voluntary provisions included in the profit for the accounting period		386,287.01	387,078.07
Share of the other mutual insurance companies' result for the financial year included in the profit for the financial year		-261,121,520.59	-210,058,855.36
Total profit for the accounting period		<u>228,194,898.05</u>	<u>62,409,385.25</u>
Capital and reserves of the other mutual insurance companies		1,844,875,435.91	1,587,648,993.78
<b>Total equity</b>		<b><u>3,805,843,179.22</u></b>	<b><u>3,322,185,101.91</u></b>
<b>Minority interests</b>		<b>184,501,223.27</b>	<b>150,761,836.85</b>
<b>Negative goodwill on consolidation</b>		<b>4,600.00</b>	<b>4,600.00</b>
<b>Technical provisions</b>			
Provision for unearned premiums in non-life insurance		535,324,503.84	510,421,349.96
Reinsurers' share		-9,718,895.91	-11,024,114.37
Total provision for unearned premiums in non-life insurance		<u>525,605,607.93</u>	<u>499,397,235.59</u>
Provision for unearned premiums in life insurance		1,402,922,854.38	1,460,117,409.89
Total provision for unearned premiums in life insurance		<u>1,402,922,854.38</u>	<u>1,460,117,409.89</u>
Provision for outstanding claims in non-life insurance		2,181,998,260.76	2,229,735,446.53
Reinsurers' share	K13	-37,375,258.34	-43,339,925.44
Total provision for outstanding claims in non-life insurance		<u>2,144,623,002.42</u>	<u>2,186,395,521.09</u>
Provision for outstanding claims in life insurance		653,879,196.00	666,384,883.00
Total provision for outstanding claims in life insurance		<u>653,879,196.00</u>	<u>666,384,883.00</u>
Equalization provision		1,046,826,365.30	1,057,470,393.43
<b>Total technical provisions</b>		<b><u>5,773,857,026.03</u></b>	<b><u>5,869,765,443.00</u></b>
<b>Technical provisions for unit-linked policies</b>			
Technical provisions		3,056,850,712.00	2,825,071,415.00
<b>Total technical provisions for unit-linked policies</b>		<b><u>3,056,850,712.00</u></b>	<b><u>2,825,071,415.00</u></b>
<b>Obligatory provisions</b>			
Other obligatory provisions	K14	3,470,973.77	2,400,353.09
<b>Total obligatory provisions</b>		<b><u>3,470,973.77</u></b>	<b><u>2,400,353.09</u></b>
<b>Deposits received from reinsurers</b>		<b>1,345,768.32</b>	<b>1,314,248.55</b>
<b>Creditors</b>	K16		
Arising out of direct insurance operations		39,078,192.42	34,819,772.73
Arising out of reinsurance operations		13,012,815.78	8,154,675.65
Bonds		200,000,000.00	180,000,000.00
Loans from financial institutions		4,681,885.04	79,860,891.16
Other creditors		409,745,051.89	353,237,558.32
Deferred tax liabilities	K15	451,987.84	550,756.53
<b>Total liabilities</b>		<b><u>666,969,932.97</u></b>	<b><u>656,623,654.39</u></b>
<b>Accruals and deferred income</b>		<b>111,510,712.64</b>	<b>115,734,736.33</b>
<b>Total liabilities</b>		<b><u>13,604,354,128.22</u></b>	<b><u>12,943,861,389.12</u></b>

### 9.3 Indirect cash flow statement, LocalTapiola Group

	<b>2024</b>	<b>2023</b>
<b>Cash flow from operations</b>		
Profit from ordinary activities/profit before extraordinary items	503,115,368.50	276,881,268.75
Adjustments		
Changes in technical provisions	135,870,880.03	54,084,146.24
Value adjustments and revaluation of investments	-188,125,931.53	-206,644,441.65
Changes in other obligatory provisions	1,070,620.68	384,661.91
Depreciation according to plan	111,866,476.73	131,538,923.48
Other adjustments	-121,341,898.87	135,052,391.97
<i>Cash flow before change in working capital</i>	442,455,515.54	391,296,950.70
Change in working capital:		
Increase (-) / decrease (+) in non-interest-bearing short-term receivables	26,560,437.93	6,970,705.16
Increase (-) / decrease (+) in non-interest-bearing short-term debts	66,398,182.57	17,221,848.76
<i>Cash flow from operations before financial items and taxes</i>	535,414,136.04	415,489,504.62
Other financial income and expenses paid/received	-77,535,048.94	-65,059,555.82
Direct taxes paid	-101,336,082.72	-66,462,121.78
<b>Cash flow from operations</b>	<b>356,543,004.38</b>	<b>283,967,827.02</b>
<b>Cash flow from investments</b>		
Investments in assets (excl. cash and c. equivalents)	-414,836,155.99	-107,396,446.48
Capital gains from investments (excl. cash and c. equivalents)	301,536,104.98	14,167,395.32
Change in minority interest	19,554,149.55	23,059,617.11
Investments in tangible and intangible assets as well as other assets and capital gains (net)	-83,845,257.66	-212,083,496.56
<b>Cash flow from investments</b>	<b>-177,591,159.12</b>	<b>-282,252,930.61</b>
<b>Cash flow from financial</b>		
Loans raised	831,000,000.00	755,000,000.00
Repayment of debt	-882,250,000.00	-931,034,733.33
Interest on guarantee capital paid and other distribution of profit	-5,272,054.25	-3,092,891.15
<b>Cash flow from financial</b>	<b>-56,522,054.25</b>	<b>-179,127,624.48</b>
<b>Change in cash and cash equivalents</b>	<b>122,429,791.01</b>	<b>-177,412,728.07</b>
<b>Cash and cash equivalents at the start of the year</b>	<b>485,245,651.42</b>	<b>662,658,379.49</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>607,675,442.43</b>	<b>485,245,651.42</b>

## 9.4 Key figures, LocalTapiola Group

	EUR million				
<b>General key figures describing financial development</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Operating profit	630.8	494.2	194.0	387.9	174.5
Total result	835.6	628.3	-469.9	773.9	222.5
Return on assets, %	7.6	6.0	-3.8	8.1	2.8
Average number of personnel during financial year	3,996	3,912	3,682	3,639	3,613
<b>Key figures describing the financial development of non-life insurance</b>					
Premium income	1,533.4	1,434.6	1,333.5	1,293.9	1,300.2
Loss ratio (excl. unwinding of discount expense), %	74.5	63.1	67.9	71.5	73.8
Loss ratio, %	75.8	64.1	68.6	72.8	75.5
Expense ratio, %	21.7	22.6	22.7	20.3	21.2
Combined ratio (excl. unwinding of discount expense), %	96.2	85.7	90.6	91.8	95.0
Combined ratio, %	97.5	86.6	91.4	93.1	96.7
Equalisation provision in reporting currency	1,046.8	1,057.5	953.9	948.4	945.9
<b>Key figures describing the financial development of life insurance</b>					
Premium income	416.0	333.4	428.7	480.4	434.0
Expense ratio, %	96.1	95.4	101.7	108.8	123.7



## 9.5 Notes, LocalTapiola Group

### 9.5.1 Notes to the profit and loss account, LocalTapiola Group

<b>K1. Premiums written</b>	<b>2024</b>	<b>2023</b>
<b>Non-life insurance</b>		
Direct insurance		
Finland	1,506,620,360.20	1,403,656,533.64
Other countries	4,252,396.48	4,407,967.53
Direct insurance total	1,510,872,756.68	1,408,064,501.17
Reinsurance	22,576,507.10	26,553,040.29
<i>Total</i>	1,533,449,263.78	1,434,617,541.46
<b>Life-insurance</b>		
Direct insurance		
Finland	415,992,311.97	333,412,040.77
Direct insurance total	415,992,311.97	333,412,040.77
<i>Total</i>	415,992,311.97	333,412,040.77
<b>Gross premiums written before reinsurers' share</b>	<b>1,949,441,575.75</b>	<b>1,768,029,582.23</b>

#### K1.1 Items depreciated from premiums written

	<b>2024</b>	<b>2023</b>
Credit loss on outstanding premiums	4,637,285.27	3,875,555.94
PAYG system fees	75,034,359.99	63,847,391.15
Premium tax	273,821,415.10	254,569,940.98
Fire brigade charge	3,901,943.56	3,714,188.13
Road safety charge	3,201,526.06	3,128,511.01
Labour protection charge	2,695,586.52	2,652,906.07
<i>Total</i>	363,292,116.50	331,788,493.28

<b>K1.2 Premiums written, life insurance</b>	<b>2024</b>	<b>2023</b>
Direct insurance		
Life-insurance		
Unit-linked individual life insurance	87,807,488.86	66,320,981.53
Other individual life insurance	24,272,844.29	25,065,780.51
Unit-linked capital redemption policy	74,733,042.08	22,286,235.09
Other redemption policy	15,153.34	29,085.98
Employees' group life insurance	15,120,263.22	13,861,010.79
Other group life insurance	111,045,683.92	101,486,314.89
<i>Total</i>	<u>312,994,475.71</u>	<u>229,049,408.79</u>
Pension insurance		
Unit-linked individual pension insurance	27,713,106.66	27,142,544.14
Other individual pension insurance	8,493,015.37	9,097,676.03
Unit-linked group pension insurance	45,557,075.54	41,968,321.90
Other group pension insurance	21,234,638.69	26,154,089.91
<i>Total</i>	<u>102,997,836.26</u>	<u>104,362,631.98</u>
Total direct premiums written	415,992,311.97	333,412,040.77
<b>Gross premiums written before reinsurers' share</b>	<b><u>415,992,311.97</u></b>	<b><u>333,412,040.77</u></b>
<i>Gross premiums written before reinsurers' share</i>		
Regular premiums	344,728,247.13	294,890,516.08
Single premiums	71,264,064.84	38,521,524.69
<i>Total</i>	<u>415,992,311.97</u>	<u>333,412,040.77</u>
Premiums from contracts entitled to bonuses	180,181,598.83	175,693,958.11
Premiums from unit-linked insurance	235,810,713.14	157,718,082.66
	<u>415,992,311.97</u>	<u>333,412,040.77</u>
<b>K1.3 Impact of life insurance rebates and discounts on the result</b>		
	<b>2024</b>	<b>2023</b>
Rebates		
Life-insurance	9,646,238.00	9,181,972.65
Pension insurance	5,745,190.90	4,319,191.75
Rebates total	<u>15,391,428.90</u>	<u>13,501,164.40</u>
Discounts		
Life-insurance	7,043,191.43	4,742,442.46
Total discounts	<u>7,043,191.43</u>	<u>4,742,442.46</u>
Change in the liability for future additional benefits for the financial year	23,584,341.49	21,824,995.87
<b>Rebates and discounts total</b>	<b><u>46,018,961.82</u></b>	<b><u>40,068,602.73</u></b>

## K2. Claims paid under life insurance and profit for insurance groups for non-life insurance

### K2.1 Claims paid before reinsurers' share, life insurance

	2024	2023
Direct insurance		
Life-insurance	282,874,041.84	247,235,969.44
Pension insurance	132,570,706.73	128,892,399.43
<i>Total</i>	<u>415,444,748.57</u>	<u>376,128,368.87</u>
Reinsurers' share	-884,607.77	-467,149.53
<b>Total claims paid</b>	<b><u>414,560,140.80</u></b>	<b><u>375,661,219.34</u></b>
Of which:		
Surrenders	184,280,075.04	146,135,544.74
Repayments of benefits	25,934,243.52	30,749,385.39
Other	<u>205,230,430.01</u>	<u>199,243,438.74</u>
	415,444,748.57	376,128,368.87
Share of unit-linked insurance of claims paid	203,807,404.74	160,680,217.03

## K2.2 Profit by insurance groups

		Premiums written before reinsurers' share	Premiums earned before reinsurers' share	Claims incurred before reinsurers' share	Operating expenses before commissions for reinsurance and profit shares	Reinsurers' share	Balance on technical account before net investment income
Statutory workers' compensation	2024	167,694,413.94	168,350,144.94	-120,214,319.82	-29,739,875.24	-225,995.49	18,169,954.39
	2023	166,162,544.67	167,842,973.67	-90,419,218.87	-28,707,275.89	-211,785.20	48,504,693.71
	2022	161,940,181.26	160,484,704.05	-113,671,323.64	-27,428,593.56	-208,807.13	19,175,979.72
Non-statutory accident and health	2024	240,560,759.69	232,012,582.81	-194,003,247.03	-46,606,000.24	-314,476.39	-8,911,140.85
	2023	215,430,630.96	208,859,796.09	-168,679,024.24	-45,941,112.94	-211,997.78	-5,972,338.87
	2022	201,374,994.81	199,713,375.81	-140,788,975.73	-42,937,683.42	-233,069.24	15,753,647.42
Motor vehicle liability	2024	246,809,648.12	245,669,226.63	-115,712,061.07	-55,874,591.50	-2,462,994.04	71,619,580.02
	2023	231,839,181.56	228,882,306.12	-55,015,265.71	-54,907,074.19	-3,097,939.02	115,862,027.20
	2022	213,290,622.95	209,956,695.95	-71,148,667.91	-50,778,959.64	1,230,981.59	89,260,049.99
Land vehicles	2024	329,793,214.54	320,590,583.71	-299,055,229.65	-68,056,857.46	602,487.05	-45,919,016.35
	2023	298,324,456.28	290,911,985.42	-249,731,044.60	-67,307,874.38	-600,519.26	-26,727,452.82
	2022	269,623,887.65	266,493,108.65	-215,798,264.35	-60,503,924.72	-315,277.40	-10,124,357.82
Marine, aviation, railway rolling stock and transport	2024	21,040,860.84	20,713,762.52	-12,175,578.73	-5,115,187.23	-234,338.07	3,188,658.49
	2023	19,894,875.39	19,423,403.02	-9,568,075.86	-4,779,450.43	-102,207.41	4,973,669.32
	2022	17,968,678.54	16,495,756.54	-8,168,259.82	-4,032,984.51	-51,053.95	4,243,458.26
Fire and other damage to property	2024	397,617,641.64	390,528,949.08	-305,139,117.05	-85,237,079.88	-14,003,462.93	-13,850,710.78
	2023	371,942,761.25	363,139,723.37	-251,795,238.82	-83,864,197.76	-11,089,508.53	16,390,778.26
	2022	344,247,504.60	342,417,912.60	-255,739,517.17	-79,231,457.76	-7,323,827.47	123,110.20
General liability	2024	52,768,145.24	52,750,138.65	-24,807,829.00	-11,703,234.99	-1,324,380.77	14,914,693.89
	2023	53,981,394.90	52,969,214.07	-24,539,464.77	-11,522,364.55	-1,378,016.02	15,529,368.73
	2022	51,763,450.59	51,004,419.59	-27,030,103.93	-10,621,930.37	-376,050.03	12,976,335.26
Credit and suretyship	2024	3,220,651.66	3,918,576.53	-835,145.09	-794,896.24	-1,665,377.15	623,158.05
	2023	2,784,318.89	3,603,201.44	-800,024.70	-655,791.98	-1,522,035.48	625,349.28
	2022	3,833,763.72	3,656,586.72	-106,179.15	-625,372.26	-748,505.40	2,176,529.91
Legal expenses	2024	34,910,748.43	34,318,701.68	-26,436,241.73	-7,514,710.35	-1,271.12	366,478.48
	2023	32,458,506.52	31,900,959.58	-24,409,561.73	-7,319,983.52	-4,227.05	167,187.28
	2022	29,790,946.32	29,255,522.32	-21,649,608.99	-6,525,551.55	0.00	1,080,361.78
Other	2024	16,456,672.58	16,460,008.24	-31,405,336.85	-3,278,448.77	10,824,451.96	-7,399,325.42
	2023	15,245,830.75	15,057,097.81	-8,699,148.50	-3,225,580.07	-2,406,659.49	725,709.75
	2022	13,858,669.87	13,719,008.87	-8,743,229.01	-2,983,788.77	-2,608,722.10	-616,731.01
<b>Direct insurance total</b>	2024	<b>1,510,872,756.68</b>	<b>1,485,312,674.79</b>	<b>-1,129,784,106.02</b>	<b>-313,920,881.90</b>	<b>-8,805,356.95</b>	<b>32,802,329.92</b>
	2023	<b>1,408,064,501.17</b>	<b>1,382,590,660.59</b>	<b>-883,656,067.80</b>	<b>-308,230,705.71</b>	<b>-20,624,895.24</b>	<b>170,078,991.84</b>
	2022	<b>1,307,692,700.31</b>	<b>1,293,197,091.10</b>	<b>-862,844,129.70</b>	<b>-285,670,246.56</b>	<b>-10,634,331.13</b>	<b>134,048,383.71</b>
Reinsurance	2024	22,576,507.10	23,233,435.10	-6,879,027.30	-9,359,478.29	-3,420,599.97	3,574,329.54
	2023	26,553,040.29	25,838,161.29	3,237,504.31	-9,331,398.44	-9,551,579.61	10,192,687.55
	2022	25,791,235.75	26,089,986.75	-56,521,465.94	-8,847,051.82	15,225,602.88	-24,052,928.13
<b>Total</b>	2024	<b>1,533,449,263.78</b>	<b>1,508,546,109.89</b>	<b>-1,136,663,133.32</b>	<b>-323,280,360.19</b>	<b>-12,225,956.92</b>	<b>36,376,659.46</b>
	2023	<b>1,434,617,541.46</b>	<b>1,408,428,821.88</b>	<b>-880,418,563.49</b>	<b>-317,562,104.15</b>	<b>-30,176,474.85</b>	<b>180,271,679.39</b>
	2022	<b>1,333,483,936.06</b>	<b>1,319,287,077.85</b>	<b>-919,365,595.64</b>	<b>-294,517,298.38</b>	<b>4,591,271.75</b>	<b>109,995,455.58</b>
Change in equalization provision	2024						10,644,028.13
	2023						-103,443,849.06
	2022						-5,396,146.23
<b>Balance on technical account</b>	2024						<b>47,020,687.59</b>
	2023						<b>76,827,830.33</b>
	2022						<b>104,599,309.35</b>

### K3. Operating expenses and notes concerning personnel and members of corporate bodies

#### K3.1 Total operating expenses by activity

	2024	2023
Claims management expenses	125,769,069.79	117,146,725.51
Operating expenses	370,550,058.75	356,210,359.50
Investment operating expenses	32,218,133.54	32,901,337.40
Other expenses	84,058,618.51	77,261,658.49
<i>Total</i>	<u>612,595,880.59</u>	<u>583,520,080.90</u>

#### K3.2 Profit and loss account item operating expenses

	2024	2023
Insurance policy acquisition costs		
Commissions for direct insurance	39,852,524.03	39,929,519.86
Commissions for reinsurance assumed and profit shares	3,493,144.24	3,866,995.09
Other insurance policy acquisition costs	138,564,122.25	134,301,139.24
	<u>181,909,790.52</u>	<u>178,097,654.19</u>
Insurance policy management expenses	115,500,102.17	113,900,385.73
Administrative expenses	82,580,192.47	77,928,417.85
Commissions for reinsurance ceded and profit shares	-9,440,026.41	-13,716,098.27
<i>Total</i>	<u>370,550,058.75</u>	<u>356,210,359.50</u>

#### K3.3 Notes concerning personnel and members of corporate bodies

##### K3.3.1 Personnel expenses

	2024	2023
Salaries and remunerations	270,708,798.33	254,196,079.23
Pension expenses	51,764,769.12	50,967,848.09
Other personnel expenses	6,071,873.95	10,203,357.28
<i>Total</i>	<u>328,545,441.40</u>	<u>315,367,284.60</u>

##### K3.3.2 Managements' salaries and remunerations, pension commitments, monetary loans and terms thereof, as well as

Managing directors and deputy managing directors		
Salaries and remunerations	10,437,178.77	10,474,072.38
Pension commitments	The retirement age of the managing director and deputy managing director is stated by the law.	
Monetary loans and terms thereof	No monetary loans granted.	
Guarantees and contingent liabilities	No guarantees or contingent liabilities granted.	
Board members and deputy board members		
Salaries and remunerations	5,079,638.59	4,816,819.73
Pension commitments	The retirement age/resignation age of a full time Board member is 63 years and the retirement age of the Chair and the other members is stated by law.	
Monetary loans and terms thereof	No monetary loans granted.	
Guarantees and contingent liabilities	No guarantees or contingent liabilities granted.	
Supervisory boards		
Salaries and remunerations	1,607,525.00	1,581,816.67
Pension commitments	No pension commitments.	
Monetary loans and terms thereof	No monetary loans granted.	
Guarantees and contingent liabilities	No guarantees or contingent liabilities granted.	

##### K3.3.3 Average number of personnel during the financial year

Staff	3,996	3,912
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### K3.4 Auditor's fees by assignment category

	2024	2023
Auditing	724,932.35	700,730.72
Assignments referred to in section 1, subsection 1, paragraph 2 of the Auditing Act	3,465.18	3,209.12
Other services	129,528.64	104,566.08
<i>Total</i>	<u>857,926.17</u>	<u>808,505.92</u>

### K4. Net investment income and other income and expenses

#### K4.1 Specification of net investment income

Investment income	2024	2023
<b>Income from group companies</b>		
Dividend income	177,401.26	77,131.00
Interest income	8,088.21	10,217.48
<i>Total</i>	<u>185,489.47</u>	<u>87,348.48</u>
<b>Income from participating interests</b>		
Interest income	1,589,962.49	1,485,107.20
<i>Total</i>	<u>1,589,962.49</u>	<u>1,485,107.20</u>
<b>Income from real estate investments in group companies</b>		
Other income	1,000.00	0.00
<i>Total</i>	<u>1,000.00</u>	<u>0.00</u>
<b>Income from real estate investmets in other companies</b>		
Dividend income	552,581.28	246,110.82
Interest income	244,502.55	250,186.12
Other income	108,278,082.34	100,497,669.25
<i>Total</i>	<u>109,075,166.17</u>	<u>100,993,966.19</u>
<b>Income from other investments</b>		
Dividend income	126,517,466.24	92,484,606.96
Interest income	81,946,974.94	74,246,617.98
Other income	41,624,733.40	34,106,142.56
<i>Total</i>	<u>250,089,174.58</u>	<u>200,837,367.50</u>
<b>Total</b>	<b>360,940,792.71</b>	<b>303,403,789.37</b>
Value readjustments	103,937,310.73	193,716,094.73
Realized gains	359,806,802.98	81,922,802.24
<b>Total investment income</b>	<b>824,684,906.42</b>	<b>579,042,686.34</b>

<b>Investment charges</b>	<b>2024</b>	<b>2023</b>
Expenses arising from real estate investments	-47,155,604.67	-45,725,204.84
Expenses arising from other investments	-34,343,884.70	-33,658,711.60
Interest paid and other expenses on liabilities		
From other companies	-2,592,753.07	-4,282,097.05
<i>Total</i>	<u>-2,592,753.07</u>	<u>-4,282,097.05</u>
<b>Total</b>	<b>-84,092,242.44</b>	<b>-83,666,013.49</b>
Value adjustments and depreciation		
Value adjustments	-110,132,078.36	-101,405,067.42
Planned depreciation on buildings	-29,924,892.91	-29,344,061.19
<i>Total</i>	<u>-140,056,971.27</u>	<u>-130,749,128.61</u>
Realized losses	-58,270,698.00	-67,755,406.92
<b>Total investment charges</b>	<b>-282,419,911.71</b>	<b>-282,170,549.02</b>
<b>Net investment income before revaluations and revaluation adjustments</b>	<b>542,264,994.71</b>	<b>296,872,137.32</b>
Revaluations of investments	253,560,940.67	174,330,238.34
Revaluation adjustments on investments	-61,902,769.52	-63,150,576.98
	<u>191,658,171.15</u>	<u>111,179,661.36</u>
<b>Net investment income in the profit and loss account</b>	<b><u>733,923,165.86</u></b>	<b><u>408,051,798.68</u></b>

#### **K4.2 Investment income and expenses for unit-linked insurance policies (included in 4.1. investment specification)**

	<b>2024</b>	<b>2023</b>
Investment income	71,190,599.04	55,397,756.29
Investment charges	-7,486,859.27	-13,285,287.98
<b>Net investment income before revaluations and their adjustment as well as value adjustments and readjustments</b>	<b>63,703,739.77</b>	<b>42,112,468.31</b>
Revaluations of investments	253,560,940.67	174,330,238.34
Revaluation adjustments on investments	-61,902,769.52	-63,150,576.98
Value adjustments	-14,672,378.63	-10,301,702.04
Value readjustments	3,295,289.48	21,303,106.08
	<u>180,281,082.00</u>	<u>122,181,065.40</u>
<b>Net investment income in the profit and loss account</b>	<b><u>243,984,821.77</u></b>	<b><u>164,293,533.71</u></b>

#### **K4.3 Specification of other income and expenses**

<b>Other income</b>	<b>2024</b>	<b>2023</b>
Services sold to partner companies	241,361,879.00	186,415,523.10
Other other income	13,549,467.60	13,028,093.90
<i>Total</i>	<u>254,911,346.60</u>	<u>199,443,617.00</u>
<b>Other expenses</b>		
Depreciation of consolidated goodwill	-13,130,803.86	-9,388,417.74
Expenses for services sold	-204,909,644.06	-163,872,166.74
Other expenses	-616,025.70	-785,653.41
<i>Total</i>	<u>-218,656,473.62</u>	<u>-174,046,237.89</u>

## 9.5.2 Notes to the balance sheet, LocalTapiola Group

### K5.1 Current value of investments and difference in valuation as well as difference in valuation of derivatives

#### K5.1 Current value of investments and difference between in valuation

Investments	Remaining acquisition cost	2024	
		Book value	Current value
Real estate investments			
Real estate	1,151,159,233.92	1,172,978,411.45	1,497,478,534.34
Other real estate shares	170,699,929.28	170,699,929.28	212,307,236.19
	<u>1,321,859,163.20</u>	<u>1,343,678,340.73</u>	<u>1,709,785,770.53</u>
Investments in group companies			
Shares and holdings	7,097,056.07	7,097,056.07	7,097,056.07
	<u>7,097,056.07</u>	<u>7,097,056.07</u>	<u>7,097,056.07</u>
Investments in participating interests			
Shares and holdings	43,862,169.18	43,862,169.18	64,054,336.50
Loans receivable	17,105,707.71	17,105,707.71	17,105,707.71
	<u>60,967,876.89</u>	<u>60,967,876.89</u>	<u>81,160,044.21</u>
Other investments			
Shares and holdings	4,347,309,912.20	4,981,644,666.53	5,751,675,558.76
Debt securities	1,257,773,264.25	1,257,773,264.25	1,163,792,656.36
Loans guaranteed by mortgages	301,839,456.78	301,839,456.78	301,839,456.64
Other loans	465,596,565.22	465,596,565.22	465,595,184.06
Deposits	11,000,000.00	11,000,000.00	11,000,000.00
Other investments	293,088.19	293,088.19	440,163.52
	<u>6,383,812,286.64</u>	<u>7,018,147,040.97</u>	<u>7,694,343,019.34</u>
Deposits with ceding undertakings	590,336.58	590,336.58	590,336.58
	<u>7,774,326,719.38</u>	<u>8,430,480,651.24</u>	<u>9,492,976,226.73</u>

The remaining acquisition cost of debt securities includes:

Difference between the nominal value and acquisition cost released (+) or charged (-) to interest income

**2024**

-348,672.24

Book value comprises

Revaluations released to income

21,819,177.67

Difference in valuation (difference between current value and book value)

1,062,495,575.49



Investments	Remaining acquisition cost	2023	Current value
		Book value	
Real estate investments			
Real estate	1,153,578,202.05	1,175,773,579.58	1,498,060,474.40
Real estate shares in participating interests	1.00	1.00	1.00
Other real estate shares	173,398,137.07	173,398,137.07	218,941,835.53
	<u>1,326,976,340.12</u>	<u>1,349,171,717.65</u>	<u>1,717,002,310.93</u>
Investments in group companies			
Shares and holdings	7,097,056.07	7,097,056.07	7,097,056.07
	<u>7,097,056.07</u>	<u>7,097,056.07</u>	<u>7,097,056.07</u>
Investments in participating interests			
Shares and holdings	36,418,928.84	36,418,928.84	38,632,863.56
Loans receivable	19,671,011.01	19,671,011.01	19,671,011.01
	<u>56,089,939.85</u>	<u>56,089,939.85</u>	<u>58,303,874.57</u>
Other investments			
Shares and holdings	4,235,609,431.10	4,685,255,802.65	5,275,374,968.70
Debt securities	1,096,509,841.85	1,096,509,841.85	994,024,263.42
Loans guaranteed by mortgages	413,670,652.85	413,670,652.85	413,670,652.73
Other loans	461,021,776.66	461,021,776.66	461,021,776.68
Deposits	17,500,000.00	17,500,000.00	17,500,000.00
Other investments	342,213.95	342,213.95	426,640.38
	<u>6,224,653,916.41</u>	<u>6,674,300,287.96</u>	<u>7,162,018,301.91</u>
Deposits with ceding undertakings	626,806.96	626,806.96	626,806.96
	<u>7,615,444,059.41</u>	<u>8,087,285,808.49</u>	<u>8,945,048,350.44</u>
The remaining acquisition cost of debt securities includes:			
Difference between the nominal value and acquisition cost released (+) or charged (-) to interest income			-2,766,637.06
Book value comprises			
Revaluations released to income			22,195,377.67
Difference in valuation (difference between current value and book value)			<u>857,762,541.95</u>

## K5.2 Difference in valuation of derivatives

Derivative contracts	Remaining acquisition cost	2024	
		Book value	Current value
Other debtors			
Prepayments for option contracts	-2,756,353.00	-2,756,353.00	-2,756,353.00
Assets pledged as security for derivatives	4,530,000.00	4,530,000.00	4,530,000.00
Other creditors			
Prepayments for option contracts	2,858,185.00	2,858,185.00	2,858,185.00
Assets received as security for derivatives	-5,310,000.00	-5,310,000.00	-5,310,000.00
Other deferred income and credits			
Futures and forward contracts	-128,260.44	-128,260.44	4,227,853.85
	-806,428.44	-806,428.44	3,549,685.85
Difference in valuation (difference between current value and book value)			<u>4,356,114.29</u>

Derivative contracts	Remaining acquisition cost	2023	
		Book value	Current value
Other debtors			
Prepayments for option contracts	5,749,794.00	5,749,794.00	5,749,794.00
Assets pledged as security for derivatives	5,420,000.00	5,420,000.00	5,420,000.00
Other creditors			
Prepayments for option contracts	-10,549,382.00	-10,549,382.00	-10,549,382.00
Assets received as security for derivatives	-4,270,000.00	-4,270,000.00	-4,270,000.00
Other deferred income and credits			
Futures and forward contracts	-490,316.56	-490,316.56	3,734,478.79
	-4,139,904.56	-4,139,904.56	84,890.79
Difference in valuation (difference between current value and book value)			<u>4,224,795.35</u>

## K6. Real estate investment

### Changes in real estate investments:

	<b>2024</b>
	<b>Real estate and shares in real estate</b>
Acquisition cost on 1 Jan.	1,630,538,545.97
Increase	40,549,519.05
Decrease	-12,739,229.12
Acquisition cost on 31 Dec.	<u>1,658,348,835.90</u>
Accumulated depreciation on 1 Jan.	-256,086,679.63
Accumulated depreciation related to deductions and transfers	-14,095.28
Depreciation for the financial year	-24,545,966.94
Accumulated depreciation on 31 Dec.	<u>-280,646,741.85</u>
Value adjustments on 1 Jan.	-47,475,526.36
Value adjustments related to deductions and transfers	286,043.21
Value adjustments for the financial year	-10,010,879.82
Value readjustments	1,357,431.98
Value adjustments on 31 Dec.	<u>-55,842,930.99</u>
Revaluations on 1 Jan.	22,195,377.67
Decrease	-376,200.00
Revaluations on 31 Dec.	<u>21,819,177.67</u>
Book value on 31 Dec.	<u><u>1,343,678,340.73</u></u>
<b>Real estate and shares in real estate occupied for own activities:</b>	
Remaining acquisition cost	121,978,726.49
Book value	122,593,677.79
Current value	134,285,648.59

Starting from 2024, Real estate and shares in real estate occupied for own activities also cover real estate investment funds.

## K7. Investments in group companies and participating interests

Shares and holdings in group companies	2024	2023
Acquisition cost on 1 Jan.	7,097,056.07	7,097,056.07
Book value on 31 Dec.	<u>7,097,056.07</u>	<u>7,097,056.07</u>
<b>Shares and holdings in participating interests</b>		
Acquisition cost on 1 Jan.	38,074,301.91	47,108,251.06
Increase	13,755,824.11	2,694.19
Decrease	-6,312,583.78	-9,016,643.35
Transfers between items	0.00	-20,000.00
Acquisition cost on 31 Dec.	<u>45,517,542.24</u>	<u>38,074,301.90</u>
Value adjustments on 1 Jan.	-1,655,373.06	-1,675,373.06
Value adjustments related to deductions and transfers	0.00	20,000.00
Value adjustments on 31 Dec.	<u>-1,655,373.06</u>	<u>-1,655,373.06</u>
Book value on 31 Dec.	<u><u>43,862,169.18</u></u>	<u><u>36,418,928.84</u></u>
<b>Debt securities issued by and loans to participating interests</b>		
Acquisition cost on 1 Jan.	21,201,011.01	22,701,011.01
Increase	1,500,000.00	1,500,000.00
Decrease	-2,050,000.00	-3,000,000.00
Acquisition cost on 31 Dec.	<u>20,651,011.01</u>	<u>21,201,011.01</u>
Value adjustments on 1 Jan.	-1,530,000.00	-980,000.00
Value adjustments for the financial year	-2,565,303.30	-550,000.00
Value readjustments	550,000.00	0.00
Value adjustments on 31 Dec.	<u>-3,545,303.30</u>	<u>-1,530,000.00</u>
Book value on 31 Dec.	<u><u>17,105,707.71</u></u>	<u><u>19,671,011.01</u></u>
<b>Total</b>	<u><u>68,064,932.96</u></u>	<u><u>63,186,995.92</u></u>

## K7.1 Investments in companies included in LocalTapiola Group's consolidated financial statements

Shares and holdings		Domicile	Share of stocks %	Equity	Profit for the accounting period
Kauppakeskus Seppä Oy	2)	Espoo	100.0 %	57,226.62	11,957.60
Keskinäinen Vakuutusyhtiö Turva	4)	Tampere	76.0 %	68,547,966.52	5,013,404.44
LTC-Otso Oy	2)	Helsinki	54.0 %	8,293,010.56	6,572,264.13
LähiTapiola Aluekiinteistot Ky -group	3)	Espoo	96.2 %	79,274,540.64	3,158,624.16
LähiTapiola Core Kiinteistot Ky -group	3)	Espoo	55.6 %	49,551,896.68	-5,250,484.14
LähiTapiola Etelä Keskinäinen Vakuutusyhtiö	3)	Salo	100.0 %	72,097,606.92	8,805,258.51
LähiTapiola Etelä-Pohjanmaa Keskinäinen Vakuutusyhtiö	3)	Seinäjäki	100.0 %	67,508,340.86	4,762,520.88
LähiTapiola Etelärannikko Keskinäinen Vakuutusyhtiö	3)	Parainen	100.0 %	12,854,262.75	494,558.43
LähiTapiola Itä Keskinäinen Vakuutusyhtiö	3)	Iisalmi	100.0 %	84,630,198.03	8,965,873.64
LähiTapiola Kaakkois-Suomi Keskinäinen Vakuutusyhtiö	3)	Lappeenranta	100.0 %	80,000,722.60	7,867,209.70
LähiTapiola Kainuu-Koillismaa Keskinäinen Vakuutusyhtiö	3)	Kajaani	100.0 %	36,503,477.76	4,877,105.70
LähiTapiola Keskinäinen Henkivakuutusyhtiö	3)	Espoo	100.0 %	888,565,654.39	144,858,978.81
LähiTapiola Keski-Suomi Keskinäinen Vakuutusyhtiö	3)	Jyväskylä	100.0 %	59,392,392.15	6,000,586.31
LähiTapiola Kiinteistösijoitus I GP Oy	1)	Espoo	100.0 %	1,653.94	-60.00
LähiTapiola Kiinteistösijoitus I Ky	3)	Espoo	100.0 %	25,529,241.01	7,904,454.13
LähiTapiola KR PK2 Ky -group	1)	Espoo	100.0 %	118,658,125.86	1,112,255.35
LähiTapiola Lappi Keskinäinen Vakuutusyhtiö	3)	Rovaniemi	100.0 %	27,821,241.84	4,476,613.83
LähiTapiola Loimi-Häme Keskinäinen Vakuutusyhtiö	3)	Loimaa	100.0 %	36,575,690.50	3,578,019.36
LähiTapiola Länsi-Suomi Keskinäinen Vakuutusyhtiö	3)	Rauma	100.0 %	102,988,905.53	12,352,334.08
LähiTapiola Palkitsemispalvelut Oy	3)	Espoo	100.0 %	1,156,393.71	-491,445.33
LähiTapiola Palvelut Oy	1)	Espoo	100.0 %	20,712,365.38	7,152,849.69
LähiTapiola Pirkanmaa Keskinäinen Vakuutusyhtiö	3)	Tampere	100.0 %	55,491,084.61	5,463,801.53
LähiTapiola Pohjanmaa Keskinäinen Vakuutusyhtiö	3)	Vaasa	100.0 %	80,178,361.52	11,706,144.47
LähiTapiola Pohjoinen Keskinäinen Vakuutusyhtiö	3)	Oulu	100.0 %	109,294,811.02	14,297,321.71
LähiTapiola Pääkaupunkiseutu Keskinäinen Vakuutusyhtiö	3)	Helsinki	100.0 %	87,456,917.64	8,768,698.73
LähiTapiola Pääomasijoitus GP Oy	3)	Espoo	100.0 %	294.71	-60.00
LähiTapiola Pääomasijoitus I Ky	3)	Espoo	87.6 %	54,837,749.25	17,307,863.42
LähiTapiola Pääomasijoitus II GP Oy	1)	Espoo	100.0 %	1,356.22	-60.00
LähiTapiola Pääomasijoitus II Ky	3)	Espoo	92.0 %	179,594,251.84	25,157,975.64
LähiTapiola Pääomasijoitus III GP Oy	1)	Espoo	100.0 %	1,552.71	-60.00
LähiTapiola Pääomasijoitus III Ky	3)	Espoo	97.2 %	47,235,406.63	6,624,778.49
LähiTapiola Pääomasijoitus IV Ky	3)	Espoo	83.1 %	251,499,055.94	9,193,891.61
LähiTapiola Pääomasijoitus V Ky	3)	Espoo	76.1 %	126,616,372.65	695,950.67
LähiTapiola Pääomasijoitus VI Ky	3)	Espoo	82.3 %	8,921,702.43	-2,964,798.17
LähiTapiola Rahoitus Oy	1)	Espoo	100.0 %	113,637,037.78	5,052,576.20
LähiTapiola Rahoitusyhtiö I Ky	3)	Espoo	99.1 %	506,373,194.69	19,894,735.84
LähiTapiola Rahoitusyhtiö II Ky	3)	Espoo	100.0 %	50,926,296.64	2,643,565.26
LähiTapiola Savo Keskinäinen Vakuutusyhtiö	3)	Kuopio	100.0 %	56,519,020.89	4,567,433.80
LähiTapiola Savo-Karjala Keskinäinen Vakuutusyhtiö	3)	Mikkeli	100.0 %	33,046,323.65	5,533,050.48
LähiTapiola Tampereen Tornit Ky	3)	Espoo	95.6 %	40,473,128.87	-910,783.28
LähiTapiola Tontit GP I Oy	3)	Espoo	97.6 %	143,281.12	4,425.99
LähiTapiola Tontit GP II Oy	1)	Espoo	100.0 %	104,358.72	3,947.68
LähiTapiola Tontit I Ky	3)	Espoo	80.0 %	43,699,918.65	2,599,918.57
LähiTapiola Tontit II Ky	3)	Espoo	95.1 %	62,887,714.56	3,377,795.83
LähiTapiola Uusimaa Keskinäinen Vakuutusyhtiö	3)	Porvoo	100.0 %	60,931,464.15	4,157,529.81
LähiTapiola Varainhoito Oy -group	1)	Espoo	100.0 %	66,346,833.84	-2,736,012.89
LähiTapiola Varsinais-Suomi Keskinäinen Vakuutusyhtiö	3)	Turku	100.0 %	50,998,631.26	1,735,638.53
LähiTapiola Velkasijoitus I GP Oy	1)	Espoo	100.0 %	1,539.79	0.00
LähiTapiola Velkasijoitus I Ky	3)	Espoo	98.5 %	127,534,763.38	6,329,178.96
LähiTapiola Velkasijoitus II Ky	3)	Espoo	93.5 %	213,997,565.21	10,160,416.99
LähiTapiola Velkasijoitus III Ky	3)	Espoo	86.6 %	53,814,533.68	-262,694.84
LähiTapiola Vellamo Keskinäinen Vakuutusyhtiö	3)	Lahti	100.0 %	76,424,111.67	9,419,256.74
LähiTapiola Yhteiset Kiinteistöt Ky	3)	Espoo	100.0 %	167,801,227.96	3,623,555.45
LähiTapiola Yritysrahoitus I GP Oy	1)	Espoo	100.0 %	6,194.80	-188.22
LähiTapiola Yritysrahoitus I Ky	3)	Espoo	100.0 %	506,493,804.71	32,377,447.42
Suomen Vahinkovakuutus Oy	1)	Espoo	70.0 %	42,130,409.35	10,018,995.22
Tapiola KR IV Ky	3)	Espoo	90.2 %	730,601.26	-28,653.34
Tieto-Tapiola Oy	1)	Espoo	100.0 %	5,049,427.99	-19,148.95

Shares and holdings		Domicile	Share of stocks %	Equity	Profit for the accounting period
Tietotyö Oy	1)	Espoo	100.0 %	849,879.15	0.00
Vakuutusneuvonta Aura Oy	2)	Espoo	66.7 %	10,634.40	0.00
Vakuutusneuvonta Pohja Oy	2)	Espoo	66.7 %	10,577.17	0.00
Total				5,122,792,306.76	446,016,314.63

In addition, 60 (61) housing associations and real estate companies are integrated into the consolidated financial statements of LocalTapiola Group.

1) A subsidiary belonging to the consolidated financial statements of LocalTapiola Group

2) A subsidiary, which belongs to the consolidated financial statements of LocalTapiola Group, and is a participating interest for the group in accordance with the Accounting Act.

3) A subsidiary, which belongs to the consolidated financial statements of LocalTapiola Group, and is classified as other investment in the group in accordance with the Accounting Act.

4) A subsidiary in accordance with the Accounting Act, not consolidated

## K7.2 Investments in participating interests

Shares and holdings		Domicile	Share of stocks %	Equity	Profit for the accounting period
Noja Holding Oy	2)	Turku	22.1 %	2,411,501.79	-67,633.44
Noja Rahoitus Oy	2)	Turku	22.1 %	18,047,321.71	2,311,316.13
Pihlajalinna Oyj -group	3)	Tampere	27.0 %	170,700,000.00	27,400,000.00
Total				191,158,823.50	29,643,682.69

In addition, 0 (1) housing associations and real estate companies are integrated into the consolidated financial statements of LocalTapiola Group.

2) Participating interest

3) A participating interest, which belongs to the consolidated financial statements of LocalTapiola Group, and is classified as other investment in the group in accordance with the Accounting Act.

## K7.3 Other investments

Security	Share of stocks %	Number	Book value	Current value	Home country
<b>Finnish companies, listed</b>					
Kone Oyj B	0.01	30,000.00	1,044,804.36	1,410,000.00	Finland
Loihde Oyj	2.65	152,800.00	1,814,515.72	1,833,600.00	Finland
Nokia Oyj	0.01	386,000.00	1,649,957.00	1,649,957.00	Finland
Nordea Bank Abp	0.01	240,000.00	2,520,000.00	2,520,000.00	Finland
Stora Enso R	0.01	52,000.00	500,984.43	505,336.00	Finland
Terveystalo Oy	2.05	2,600,000.00	27,352,000.00	27,352,000.00	Finland
UPM-Kymmene Oyj	0.01	66,050.00	1,653,414.73	1,754,288.00	Finland
Wulff-Yhtiöt Oyj	5.95	411,100.00	1,262,077.00	1,262,077.00	Finland
Other		1,256,000.00	3,395,573.02	5,157,664.41	
Total		5,193,950.00	41,193,326.26	43,444,922.41	
<b>Finnish companies, non-listed</b>					
Beely Oy	12.50	8,610.00	2,000,103.00	2,000,103.00	Finland
Gebwell oy	13.65	113,200.00	2,490,400.00	2,490,400.00	Finland
GlucModicum Oy B-osake	6.36	11,446.00	3,500,186.80	3,500,186.80	Finland
GlucModicum Oy C-osake	10.85	2,610.00	1,000,674.00	1,000,674.00	Finland
GT Invest Oy	13.28	1,328.00	1,974,070.75	1,974,070.75	Finland
Metsä1-lisäosuus	0.00	437,581.14	530,900.71	530,900.71	Finland
Sofigate Group Oy	5.95	1,209,400.00	4,058,785.26	6,288,880.00	Finland
Other		31,564,190.25	2,481,984.52	2,671,483.01	
Total		33,348,365.39	18,037,105.04	20,456,698.27	

<b>Foreign companies, listed</b>	<b>%</b>	<b>Number</b>	<b>Book value</b>	<b>Current value</b>	<b>Home country</b>
ABB Ltd	0.00	27,000.00	1,295,724.72	1,407,660.43	Switzerland
AbbVie Inc	0.00	18,500.00	1,091,277.10	3,164,356.54	USA
Adobe Systems Inc	0.00	1,600.00	684,847.44	684,847.44	USA
Air Liquide	0.00	24,100.00	3,781,772.00	3,781,772.00	France
Aker BP ASA	0.02	132,000.00	2,481,085.20	2,481,085.20	Norway
Alcon Inc	0.00	23,000.00	1,169,199.02	1,879,196.77	Switzerland
Alphabet Inc Class C	0.00	25,500.00	1,631,801.85	4,674,386.37	USA
Amazon.com Inc	0.00	24,000.00	1,949,027.96	5,068,206.76	USA
Amundi SA	0.01	13,000.00	834,600.00	834,600.00	France
Apple Inc	0.00	19,600.00	3,465,106.35	4,724,450.86	USA
ASML Holding NV	0.00	4,500.00	1,057,000.78	3,054,150.00	The Netherlands
Assa Abloy Ab B	0.01	72,000.00	1,381,241.62	2,053,372.90	Sweden
AstraZeneca PLC	0.00	24,000.00	1,662,762.23	3,029,884.95	UK
Atlas Copco AB	0.00	141,000.00	1,759,681.70	2,077,655.12	Sweden
Automatic Data Processing Inc	0.00	8,200.00	779,379.88	2,310,507.26	USA
Axa Sa	0.00	98,000.00	2,009,683.55	3,363,360.00	France
Boliden AB	0.02	45,000.00	1,189,897.58	1,219,347.24	Sweden
Brenntag AG	0.01	16,000.00	742,990.65	926,080.00	Germany
Broadcom Ltd	0.00	8,000.00	1,020,054.49	1,785,272.88	USA
Credit Agricole SA	0.01	190,000.00	2,025,271.38	2,525,100.00	France
Danone	0.01	34,000.00	2,052,717.72	2,214,080.00	France
Dassault Systemes Sa	0.00	39,000.00	1,087,497.09	1,306,500.00	France
Deutsche Telekom AG	0.00	140,000.00	2,244,381.35	4,044,600.00	Germany
DSV Panalpina A/S	0.00	9,000.00	949,877.10	1,845,182.22	Denmark
Eaton Corp PLC	0.00	3,700.00	974,694.78	1,181,941.48	Ireland
Eli Lilly & Co	0.00	2,300.00	1,709,115.41	1,709,115.41	USA
Epiroc AB	0.01	115,000.00	1,114,840.81	1,932,389.39	Sweden
Equinor ASA	0.00	49,000.00	1,102,551.93	1,102,551.93	Norway
Exelon Corp	0.01	55,000.00	1,992,684.57	1,992,684.57	USA
Givaudan SA	0.00	320.00	1,348,406.29	1,348,406.29	Switzerland
Heineken Nv	0.00	17,500.00	1,202,250.00	1,202,250.00	The Netherlands
Illinois Tool Works Inc	0.00	5,300.00	661,172.54	1,293,548.95	USA
ING Groep NV	0.01	220,011.00	2,299,896.95	3,328,766.43	The Netherlands
Investor AB	0.00	68,000.00	1,679,097.67	1,736,940.40	Sweden
JPMorgan Chase & Co	0.00	8,500.00	1,588,002.78	1,961,242.66	USA
Linde PLC	0.00	6,500.00	1,226,231.20	2,619,458.08	USA
L'Oreal SA	0.00	6,300.00	2,153,655.00	2,153,655.00	France
Lowe's Cos Inc	0.00	6,500.00	824,493.01	1,544,133.21	USA
LVMH Moet Hennessy Louis Vuitton Sa	0.00	2,750.00	1,747,625.00	1,747,625.00	France
Medtronic Inc	0.00	20,400.00	1,219,072.18	1,568,535.96	Ireland
Mercedes-Benz Group AG	0.00	28,000.00	1,506,400.00	1,506,400.00	Germany
Merck & Co Inc	0.00	10,500.00	1,005,428.82	1,005,428.82	USA
Merck KGAA	0.01	16,000.00	1,409,699.01	2,238,400.00	Germany
Meta Platforms Inc	0.00	3,800.00	1,847,537.11	2,141,628.64	USA
Microsoft Corp	0.00	11,000.00	2,477,478.87	4,462,893.45	USA
Mondelez International Inc	0.00	23,000.00	957,175.92	1,322,350.57	USA
National Grid PLC	0.01	310,832.00	3,053,001.32	3,561,233.99	UK
Nestle Sa	0.00	33,000.00	2,625,414.37	2,625,414.37	Switzerland
NIKE Inc	0.00	15,000.00	1,036,965.35	1,092,549.81	USA
Novo-Nordisk A/S B	0.00	42,800.00	2,738,298.27	3,582,257.50	Denmark
NVIDIA Corp	0.00	27,500.00	1,213,167.51	3,554,697.27	USA
Palo Alto Networks Inc	0.00	7,000.00	1,036,762.17	1,226,027.53	USA
PepsiCo Inc	0.00	19,700.00	1,765,116.18	2,883,417.08	USA
Procter & Gamble Co	0.00	12,000.00	908,352.38	1,936,471.27	USA
Roche Holding Ag	0.00	12,700.00	2,988,907.88	3,447,566.93	Switzerland
salesforce.com Inc	0.00	4,300.00	984,380.91	1,383,789.58	USA
SAP Ag	0.00	17,000.00	2,449,722.75	4,017,100.00	Germany
Schneider Electric Sa	0.00	11,501.00	979,696.99	2,770,590.90	France
Siemens Ag	0.00	14,000.00	1,845,538.95	2,639,840.00	Germany
Siemens Healthineers AG	0.00	39,062.00	1,277,792.88	1,999,974.40	Germany

Skandinaviska Enskilda Banken AB	0.01	260,000.00	2,448,341.81	3,436,338.25	Sweden
Swiss Re Ltd	0.01	22,000.00	1,784,939.68	3,066,723.34	Switzerland
Synopsys Inc	0.00	1,600.00	747,013.89	747,498.32	USA
Tesco PLC	0.01	390,000.00	1,369,962.94	1,732,277.67	UK
Var Energi ASA	0.02	575,000.00	1,644,999.41	1,720,368.80	Norway
Veolia Environnement	0.01	60,000.00	1,626,600.00	1,626,600.00	France
Visa Inc	0.00	11,200.00	995,646.59	3,407,111.37	USA
Other		9,000.00	919,273.86	2,965,141.83	
<b>Total</b>		<b>3,711,576.00</b>	<b>106,834,284.70</b>	<b>156,978,991.39</b>	

<b>Foreign companies, non-listed</b>	<b>%</b>	<b>Number</b>	<b>Book value</b>	<b>Current value</b>	<b>Home country</b>
European Alliance Partners Company AG	12.73	9,248.00	599,314.68	1,073,649.77	Switzerland
Sos International A/S	4.69	133,720.00	2,172,782.56	0.00	Denmark
Other		70,337.00	31,787.68	45,682.72	
<b>Total</b>		<b>213,305.00</b>	<b>2,803,884.92</b>	<b>1,119,332.49</b>	

<b>Mutual funds</b>			<b>Book value</b>	<b>Current value</b>	<b>Home country</b>
AMUNDI PLANT EM GRN 1-SEURH			23,125,251.30	23,125,251.30	Luxembourg
Amundi Stoxx Europe 600 UCITS ETF			9,907,555.90	10,153,626.80	Luxembourg
BNP Paribas FPS FPE			1,002,653.15	1,007,973.82	France
BNP Paribas Global Senior Corporate Loans			44,649,542.79	45,249,562.75	France
CapMan Nordic Property Income Fund E			788,982.45	788,982.45	Finland
Db X-Trackers Dj Eurostoxx 50			3,655,025.70	3,690,332.40	Luxembourg
EGP Fund Ky I Evli Growth Partners I			895,000.00	987,102.00	Finland
eQ Yhteiskuntakiinteistöt			1,728,400.12	1,728,400.12	Finland
Erikoissijoitusrahasto Evli Healthcare I Feeder B, Tuotto-osuus, osuussarja A			478,521.12	701,039.29	Finland
Euro Choice VII SCS			930,142.69	1,203,556.52	Luxembourg
Evli Infrastructure Fund I			772,313.85	927,252.00	Finland
Evli Infrastructure Fund II			380,000.00	381,862.00	Finland
Evli Private Debt Fund I Ky			1,066,567.74	1,112,186.25	Finland
Evli Private Equity II Ky			449,021.69	540,977.18	Finland
Evli Rental Yield Fund			689,911.19	689,911.19	Finland
Evli/EAI Residential I Ky			854,100.00	854,100.00	Finland
GS Emerging Markets Equity			16,345,647.90	19,388,207.71	Luxembourg
iShares EUR Govt Bond 15-30yr UCITS ETF			103,964,743.31	104,063,760.79	Ireland
LähiTapiola Aasia-Tyynimeri			496,952.76	508,721.66	Finland
LähiTapiola Eurooppa High Yield ESG A			1,008,005.17	1,022,274.35	Finland
LähiTapiola Eurooppa HY ESG A			217,398,801.68	234,702,391.78	Finland
LähiTapiola Eurooppa Ilmastoindeksi A			112,065,516.77	141,636,476.76	Finland
LähiTapiola Eurooppa Ilmastoindeksi A			1,955,608.27	1,955,608.27	Finland
LähiTapiola Eurooppa Keskisuuret ESG A			19,270,218.86	24,299,014.80	Finland
LähiTapiola High Yield A			266,167,636.62	290,462,869.68	Finland
LähiTapiola Hyvinvointi ESG A			27,691,022.57	40,011,717.46	Finland
LähiTapiola Kehittynyt Aasia ESG A			101,563,479.16	130,904,265.15	Finland
LähiTapiola Kehittävät Korkomarkkinat A			257,059,763.59	261,598,345.78	Finland
LähiTapiola Kehittävät Markkinat A			40,836,892.59	46,001,405.94	Finland
LähiTapiola Kestävä Vaikuttajakorko A			200,566,147.69	204,032,002.93	Finland
LähiTapiola Kestävä Ympäristö A			29,563,039.48	41,697,936.79	Finland
LähiTapiola Korkomaailma A			14,261,841.63	17,004,489.11	Finland
LähiTapiola Lyhytkorko ESG A			81,578,839.43	84,970,970.76	Finland
LähiTapiola Pitkäkorko ESG A			32,474,782.38	33,120,142.48	Finland
LähiTapiola Pohjoinen Yrityskorko ESG A			134,118,692.16	162,940,347.65	Finland
LähiTapiola Pohjoismaat ESG A			20,613,684.66	25,311,979.32	Finland
LähiTapiola Reaalikorko ESG A			78,588,974.74	78,588,974.74	Finland
LähiTapiola Sijoituskiinteistöt A			49,749,957.95	52,734,955.44	Finland
LähiTapiola Skandinavia A			269,907.59	288,479.55	Finland
LähiTapiola Suoja A			13,464,298.41	16,421,069.51	Finland
LähiTapiola Tulevaisuus A			33,313,163.14	62,449,316.54	Finland
LähiTapiola USA Ilmastoindeksi A			87,083,188.63	164,618,375.38	Finland
LähiTapiola USA Ilmastoindeksi A			2,618,664.01	2,786,692.58	Finland
LähiTapiola USA Keskisuuret ESG A			12,262,601.88	25,123,954.98	Finland
LähiTapiola Vastuullinen Lyhytkorko A			2,195,539.04	2,243,391.70	Finland
LähiTapiola Vastuullinen Pohjoinen Yrityskorko A			5,536,125.42	5,603,195.50	Finland



LähiTapiola Yhteisö Eurooppa ESG IV A	99,688,289.47	130,778,467.83	Finland
LähiTapiola Yhteisö Pitkäkorko ESG IV A	245,115,973.17	248,411,994.23	Finland
LähiTapiola Yhteisö USA ESG IV A	73,876,823.08	129,563,975.55	Finland
LähiTapiola Yhteisö Yrityskorko ESG IV A	331,553,572.75	349,758,057.95	Finland
LähiTapiola Yrityskorko ESG A	195,416,220.41	216,190,874.02	Finland
Mandatum Opportunistic Loan Strategy	17,854,720.98	17,854,720.98	Finland
MSCI World UCITS ETF 1C	3,546,555.88	3,912,151.60	USA
PIMCO GIS Emerging Markets Bond ESG Fund	69,828,113.64	72,305,304.04	Ireland
Seligson & Co Aasia Indeksirahasto A	11,136,955.64	12,151,750.63	Finland
Seligson & Co Euro-obligaatio A	10,000,000.04	10,748,357.62	Finland
Seligson & Co Eurooppa Indeksirahasto A	19,048,510.67	19,831,072.70	Finland
Seligson & Co Global Top 25 Brands A	9,640,895.56	10,698,108.84	Finland
Seligson & Co Global Top 25 Pharmaceuticals A	3,889,908.80	3,889,908.80	Finland
Seligson & Co Kehittyvät Markkinat -A-	499,153.54	524,950.91	Finland
Seligson & Co OMX Helsinki 25 -indeksiosuus	1,558,879.05	1,582,500.00	Finland
Seligson & Co OMX Helsinki 25-indeksiosuusrahasto ETF (EUR)	2,240,056.00	2,240,056.00	Finland
Seligson & Co Phoebus A	7,500,000.00	11,382,585.18	Finland
Seligson & Co Pohjois-Amerikka Indeksirahasto A	11,994,095.49	13,730,325.56	Finland
Seligson & Co Rahamarkkinarahasto A	8,634,877.49	9,088,679.92	Finland
Seligson & Co Suomi Indeksirahasto A	693,810.59	693,810.59	Finland
S-Pankki Fenno Osake	27,739,183.20	41,314,700.08	Finland
S-Pankki High Yield Eurooppa ESG Korko	10,000,000.00	11,497,502.22	Finland
S-Pankki Kehittyvät Markkinat ESG Osake	36,064,864.57	45,121,397.01	Finland
S-Pankki Toimitila	9,487,476.98	9,487,476.98	Finland
Xtrackers (IE) PLC - Xtrackers MSCI World UCITS ETF	433,481.03	453,160.00	Ireland
Xtrackers MSCI Emerging Markets UCITS ETF (Acc)	37,475,453.64	42,351,198.50	Luxembourg
X-trackers MSCI USA Index UCITS ETF (DR)	3,447,361.15	4,541,625.00	USA
Ålandsbanken Tuulivoima C	2,000,000.00	2,353,333.32	Finland
Other	1,896,083.92	2,030,639.78	
<b>Total</b>	<b>3,307,718,043.92</b>	<b>3,794,122,137.00</b>	

<b>Capital mutual funds</b>	<b>Book value</b>	<b>Current value</b>	<b>Home country</b>
Altor Fund II (No. 1)	559,962.59	559,962.59	Jersey
Altor Fund III (No. 2)	4,844,879.71	6,179,665.67	Jersey
Altor Fund IV (No.2) AB	11,723,018.94	13,576,733.72	Sweden
Altor Fund V (No. 2) AB	14,515,466.87	16,209,669.05	Sweden
Altor Fund VI (No.2) AB	6,773,942.41	7,969,860.75	Sweden
Amanda V East L.P.	1,019,958.80	1,168,645.00	Finland
Antin Infrastructure Partners V-C SCSp	6,442,778.60	6,833,223.96	Luxembourg
Apax IX L.P.	8,208,210.35	14,472,691.72	Guernsey
Apax VIII - A L.P.	2,055,705.00	2,055,705.00	Guernsey
Apax X L.P.	16,791,285.47	22,407,502.24	Guernsey
Apax XI	4,360,275.09	4,360,275.09	Guernsey
Arcmont Senior Loan Fund II (EUR) SLP	22,115,296.81	22,115,296.81	UK
Ares Capital Europe VI (E) Unlevered SCSp	8,186,992.66	8,596,052.17	USA
Ares Private Credit Solutions II, L.P.	16,818,505.02	19,001,666.93	USA
Ares Private Credit Solutions, L.P.	8,180,989.77	9,899,285.87	Cayman Islands
Ares Special Opportunities Fund II	19,406,176.58	23,365,968.81	USA
Armada Mezzanine IV Ky	634,583.82	1,022,910.96	Finland
Arrow Credit Opportunities II SCSP, SICAV-RAIF	14,591,242.66	16,184,255.00	Luxembourg
Arrow Lending Opportunities I B SCSp, SICAV-RAIF	12,494,622.00	12,500,957.00	UK
AXA LBO Fund V Core	209,381.21	209,381.21	France
AXA LBO Fund V Supplementary	153,422.00	1,127,016.00	France
Beechbrook Mezzanine II L.P.	2,694,076.00	2,694,076.00	UK
Beechbrook Private Debt III L.P.	9,547,844.00	9,547,844.00	UK
Beechbrook UK SME Credit I L.P.	1,453,766.76	1,453,766.76	UK
Blue Owl GP Stakes IV LP	5,459,925.75	10,235,777.84	Cayman Islands
Blue Owl GP Stakes V LP	8,543,589.40	8,543,589.40	Cayman Islands
Bowmark Capital Partners V, L.P.	2,083,361.88	2,083,361.88	UK
Bowmark Capital Partners VI, L.P.	25,360,485.20	29,537,675.78	UK
Bowmark Capital Partners VII, L.P.	0.00	-371,650.31	UK

Bridgepoint Direct Lending II Unlevered SCSp	20,076,358.58	20,076,358.58	Luxembourg
Bridgepoint Europe IV F L.P.	1,878,937.45	1,878,937.45	UK
Bridgepoint Europe V C L.P.	5,523,142.60	9,262,064.00	UK
Bridgepoint Europe VI A L.P.	16,214,002.10	23,235,622.68	UK
Cheyne CRECH IX Capital Solutions Fund SCSp	11,760,000.00	11,760,000.00	UK
Cheyne European Strategic Value Credit Fund II	18,821,409.33	20,850,110.24	Luxembourg
Committed Advisors Secondary Fund V S.L.P.	12,199,990.95	15,028,196.81	France
Cordet Direct Lending II SCSp	17,884,541.52	18,184,351.00	Luxembourg
Cordet Direct Lending SCSp	9,523,686.34	14,520,531.59	Luxembourg
Crescent Mezzanine Partners VI, L.P.	2,445,688.71	2,445,688.71	USA
Cross Ocean EUR ESS Fund IV Closed L.P	20,907,450.00	27,137,803.00	Cayman Islands
Cross Ocean EUR ESS Fund V Closed SCSp	4,333.00	4,333.00	Luxembourg
Crown European Private Debt II SCSp	17,490,687.80	17,490,687.80	Luxembourg
Dasos Habitat Fund Ky	3,530,534.36	4,397,668.00	Finland
Dasos Kestävä Metsä ja Puu III	19,756,101.38	23,906,832.30	Finland
Dasos Timberland Fund II	34,000,686.37	48,116,803.65	Luxembourg
DEAS Property Fund Finland I Ky	28,186,091.63	28,186,091.63	Finland
DEAS Property Fund Finland I Ky	9,748,620.02	9,748,620.02	Finland
DWS European Direct Lending Fund	16,328,000.00	16,584,801.85	Germany
eQ PE IX US Feeder	1,211,809.41	2,078,353.98	Finland
eQ PE VIII North LP	3,486,701.85	3,821,357.00	Finland
eQ PE X North Feeder	2,314,285.71	2,985,824.00	Finland
eQ PE XI US Feeder	2,779,401.78	3,382,569.52	Finland
eQ PE XII North Feeder	2,099,502.68	2,574,342.00	Finland
Eurazeo Private Debt VI SCSp SICAV-RAIF	21,092,500.00	21,605,762.11	Luxembourg
Euro Choice Secondary II L.P.	8,054,681.16	12,839,283.92	UK
Everside International Fund IV, LP	7,709,469.37	8,419,126.96	USA
FIM Lapset ja nuoret I Ky	895,365.64	993,229.10	Finland
FPCI Indigo Capital	451,600.00	451,600.00	France
FSN Capital V L.P.	13,122,489.67	19,525,698.23	Jersey
FSN Capital VI L.P.	16,883,179.28	18,158,932.00	Jersey
Fundu Fund Ky	2,952,512.90	3,217,838.25	Finland
GreenOak Europe Secured Lending II SLP	8,961,614.00	9,043,217.00	UK
Hayfin Direct Lending Fund IV	24,015,797.54	24,147,189.02	Luxembourg
Hollyport Secondary Opportunities Fund VIII	19,515,765.54	31,360,361.92	Jersey
Hollyport Secondary Opportunities IX Feeder SCSp	0.00	0.00	Luxembourg
HPS Special Situations Opportunity Offshore Fund II, SCSp	6,961,275.62	8,050,593.57	USA
ICECAPITAL Residential Property Fund I Ky	11,078,740.15	12,597,166.85	Finland
ICG Europe Fund V	2,329,496.49	2,329,496.49	Jersey
ICG Europe Fund VI	7,366,505.13	7,366,505.13	Jersey
ICG Europe Fund VII Feeder SCSp	16,594,184.63	22,352,178.00	Luxembourg
ICG Europe Fund VIII Feeder SCSp	18,652,477.49	20,202,385.71	Luxembourg
ICG Senior Debt Partners Fund 2	10,212,168.00	10,212,168.00	Luxembourg
ICG Senior Debt Partners Fund 3	14,082,551.00	14,082,551.00	Luxembourg
ICG Senior Debt Partners Fund 4	21,323,424.00	21,323,424.00	Luxembourg
IK Small Cap III DC Fund No.2 SCSp	4,649,859.89	5,150,467.97	Luxembourg
IK Small Cap III Fund No.2 SCSp	16,786,984.59	18,613,712.24	Luxembourg
Infranode I (No. 1) AB	18,541,899.64	18,541,899.64	Sweden
Juuri Rahasto I Ky	12,364,585.97	12,573,129.41	Finland
Juuri Rahasto II Ky	8,263,298.59	9,051,215.00	Finland
Kartesia Credit Opportunities V SCS	18,901,134.49	18,901,134.49	Luxembourg
Kartesia Credit Opportunities VI SCS	8,147,361.11	8,585,145.00	Luxembourg
Kartesia Senior Opportunities I SCS	25,259,908.29	25,259,908.29	Luxembourg
Kasvurahastojen Rahasto III Ky	7,394,072.02	8,477,550.95	Finland
Kasvurahastojen Rahasto IV Ky	3,633,734.26	3,633,734.26	Finland
Kasvurahastojen Rahasto V Ky	554,150.00	554,150.00	Finland
Korona Fund III Ky	606,682.30	606,682.30	Finland
KSK Parking I Ky	2,379,881.29	2,379,881.29	Finland
KSK Parking I Ky	2,379,881.29	2,379,881.29	Finland
KSK Redi Ky	12,680,118.71	12,680,118.71	Finland
KSK Redi Ky	12,680,118.71	12,680,118.71	Finland

LLR Equity Partners VII, L.P.	0.00	-811,028.01	USA
Luotsi Asuntorahasto Ky	5,608,360.77	6,188,710.96	Finland
LähiTapiola Asuntorahasto Prime Ky	9,397,310.99	9,397,310.99	Finland
LähiTapiola Asuntosijoitus Suomi Ky	44,997,359.74	44,997,359.74	Finland
LähiTapiola Keskustakiinteistöt Ky	70,955,656.00	70,955,656.00	Finland
LähiTapiola Yhteiskuntakiinteistöt Suomi Ky	49,611,355.86	49,611,355.86	Finland
MB Equity Fund V Ky	479,106.36	11,167,687.00	Finland
MB Equity Fund VI Ky	7,556,400.13	7,858,412.00	Finland
mcp Opportunity Secondary Program III, L.P.	3,315,910.96	6,833,438.39	UK
mcp Opportunity Secondary Program IV, L.P.	2,330,243.26	14,845,766.36	UK
mcp Opportunity Secondary Program V, S.L.P.	19,474,962.50	24,933,844.84	UK
MML Partnership Capital VIII S.C.Sp.	9,879,386.49	10,752,285.87	Luxembourg
NB Private Debt Fund II LP	1,283,245.74	1,283,245.74	USA
Nest Capital 2015 Fund Ky	0.00	82,095.00	Finland
New Mountain Partners VI	21,896,652.26	31,080,739.24	USA
New Mountain Partners VII Luxembourg, SCSp	2,497,629.22	2,497,629.22	Luxembourg
Nordic Mezzanine Fund III	828,915.00	828,915.00	UK
North Savo Startup Fund Ky	620,250.00	620,250.00	Finland
Oakley Capital V-B1 SCSp	13,750,000.00	14,253,066.00	Luxembourg
One Equity Partners IX-B, SCSP	7,576,785.06	7,576,785.06	USA
Partners Group Direct Equity IV (EUR) L.P. S.C.Sp	22,260,043.13	25,800,093.00	Luxembourg
Private Debt Co-Investor Fund II	7,605,329.52	7,605,329.52	Luxembourg
Rantum Capital GmbH & Co. Private Debt Fund I KG	3,279,371.05	5,390,132.00	Germany
Rantum Capital GmbH & Co. Private Debt Fund II KG	20,563,354.21	20,807,731.70	Germany
Rantum Capital GmbH & Co. Private Debt Fund III KG	22,130,300.82	23,430,991.96	Germany
Real Estate Debt & Secondaries Ky	279,117.97	279,117.97	Finland
Real Estate Fund of Funds II Ky	9,862.55	9,862.55	Finland
Rivean Capital Fund VII	7,009,284.76	7,083,254.72	The Netherlands
RoundShield Fund V LP	4,404,295.36	5,342,246.25	UK
Saga VI EUR K/S	8,854,477.00	8,854,477.00	Denmark
Saga VI USD K/S	8,225,774.46	12,895,932.24	Denmark
Saga VII EUR K/S	7,682,114.00	9,341,000.00	Denmark
Saga VII USD K/S	8,865,231.54	11,928,885.36	Denmark
Sentica Buyout V Ky	5,553,350.00	5,553,350.00	Finland
Siguler Guff Small Business Credit Opportunities Fund II, LP	17,962,829.12	17,962,829.12	USA
Siguler Guff Small Business Credit Opportunities Fund LP	5,261,042.22	7,051,836.48	USA
StepStone Secondary Opportunities Fund IV, L.P.	9,287,383.72	13,384,434.50	Luxembourg
StepStone Secondary Opportunities Fund V Europe SCSp	9,634,096.59	11,071,742.23	Luxembourg
Tikehau Direct Lending III	1,463,307.84	1,463,307.84	Luxembourg
Tikehau Direct Lending IV	12,649,177.57	13,385,221.07	Luxembourg
TPG Partners VII, L.P.	9,290,395.61	9,290,395.61	USA
TPG Partners VIII	23,578,517.86	32,846,494.37	USA
Tuohex Kiinteistörahasto I Ky	25,825,829.26	25,825,829.26	Finland
UB Forest Industry Green Growth Fund I Ky	877,363.49	877,363.49	Finland
Vaaka Partners Buyout Fund III Ky	7,762,209.61	11,133,579.63	Finland
Vaaka Partners Buyout Fund IV Ky	6,673,393.46	6,673,393.46	Finland
VSS Structured Capital Parallel III, L.P.	15,094,531.54	19,800,556.36	USA
WasaGroup Fund II Ky	718,005.25	1,188,476.13	Finland
WasaGroup Fund III Ky	1,806,270.97	2,364,833.01	Finland
Other	57,511,053.19	72,410,702.59	
<b>Total</b>	<b>1,505,058,021.69</b>	<b>1,735,553,477.20</b>	
<b>Total other investments, shares and holdings</b>	<b>4,981,644,666.53</b>	<b>5,751,675,558.76</b>	

#### K7.4 Assets covering unit linked policies

Security	Current value	Book value	Home country
<b>Shares</b>			
Evli PLC	2,502,937.50	2,502,937.50	Finland
Kesko Oyj B	552,926.52	552,926.52	Finland
Kone Oyj B	1,508,935.00	1,508,935.00	Finland
Metso Oyj	615,543.08	615,543.08	Finland
Nokia Oyj	1,879,489.10	1,879,489.10	Finland
Nordea Bank Abp	1,529,871.00	1,529,871.00	Finland
Orion Oyj B	509,723.70	509,723.70	Finland
Sampo Oyj A	899,833.00	899,833.00	Finland
Stockmann Oyj B	1,877,006.68	1,877,006.68	Finland
UPM-Kymmene Oyj	637,413.44	637,413.44	Finland
Wärtsilä Oyj B	1,384,660.97	1,384,660.97	Finland
Other	19,406,723.36	19,406,723.35	
<b>Total</b>	<b>33,305,063.35</b>	<b>33,305,063.34</b>	
<b>Mutual funds</b>			
JPMorgan Europe Research Enhanced Index Equity ESG	5,092,297.92	5,092,297.92	Ireland
JPMorgan US Research Enhanced Index Equity ESG UCI	1,759,517.00	1,759,517.00	Ireland
Vanguard FTSE All-World UCITS	673,959.98	673,959.98	Ireland
iShares Core S&P 500 UCITS	7,226,479.31	7,226,479.31	Ireland
iShares European Property Yield UCITS ETF	3,957,585.72	3,957,585.72	Ireland
iShares MSCI EM ESG Enhanced U	8,022,577.86	8,022,577.86	Ireland
iShares MSCI Europe SRI UCITS ETF	748,049.20	748,049.20	Ireland
iShares MSCI Japan ESG Enhanced UCITS ETF	1,158,042.40	1,158,042.40	Ireland
iShares MSCI USA ESG Enhanced	9,809,673.34	9,809,673.34	Ireland
iShares NASDAQ 100 UCITS ETF U	696,996.40	696,996.40	Ireland
iShares S&P 500 Financials Sector UCITS ETF USD AC	4,719,077.89	4,719,077.89	Ireland
Emerging Markets Debt Opportunities Fund	6,380,785.90	6,380,785.90	Luxembourg
Amundi ETF Stoxx Europe 50 UCITS ETF	1,071,658.00	1,071,658.00	France
Evli Swedish Small Cap B	4,827,572.12	4,827,572.12	Sweden
Slättö Core Plus AB	3,711,048.17	3,711,048.17	Sweden
Slättö VII AB- B Shares	2,970,712.17	2,970,712.17	Sweden
iShares Core MSCI Emerging Markets IMI UCITS ETF	597,974.05	597,974.05	Germany
ALANDBANKEN EURO BOND-B	857,786.39	857,786.39	Finland
Alandsbanken Euro High Yield B	531,522.53	531,522.53	Finland
Alandsbanken Global Equity	647,064.15	647,064.15	Finland
EAB Private Equity Oy Project Fourth Ky	1,972,115.60	1,972,115.60	Finland
EAB Renewable Energy Infrastructure Fund II Ky	1,329,495.17	1,329,495.17	Finland
EAI Residential asuntorahasto 2015	1,260,360.00	1,260,360.00	Finland
EAI Residential asuntorahasto 2018	553,300.00	553,300.00	Finland
EQ Eurooppa Indeksi-1 K	1,035,840.78	1,035,840.78	Finland
EQ Eurooppa Osinko 1 K	1,337,152.36	1,337,152.36	Finland
EQ Pohjoismaat Pienyhtiö 2 K	676,330.68	676,330.68	Finland
EVLI EMERGING FRONTIER-B	9,494,136.82	9,494,136.82	Finland
EVLI EMERGING MKT CREDIT-B	8,667,390.47	8,667,390.47	Finland
EVLI EQUITY FACTOR USA-B	8,050,145.48	8,050,145.48	Finland
EVLI FINNISH SMALL CAP	7,617,417.32	7,617,417.32	Finland
EVLI GEM-B	5,922,582.91	5,922,582.91	Finland
EVLI NORTH AMERICA-B	5,208,598.96	5,208,598.96	Finland
EVLI PRIVATE DEBT FUND I KY	5,998,520.95	5,998,520.95	Finland
EVLI RENTAL YIELD AIF-A	12,931,502.66	12,931,502.66	Finland
Erikoissijoitusrahasto Elite	1,880,439.21	1,880,439.21	Finland
Erikoissijoitusrahasto UB Metsä A	671,651.94	671,651.94	Finland
Erikoissijoitusrahasto UB Nordic Property	2,057,154.61	2,057,154.61	Finland
Euro Choice VII Feeder voitonjakolaina	4,166,910.10	4,166,910.10	Finland
Evli Eurooppa B	7,184,948.39	7,184,948.39	Finland
Evli Eurooppa Kasvu B	5,227,701.88	5,227,701.88	Finland

Evli European High Yield B	21,902,332.12	21,902,332.12	Finland
Evli Green Corporate Bond B	8,348,777.88	8,348,777.88	Finland
Evli Growth Partners I yhtiöosuus	7,697,944.80	7,697,944.80	Finland
Evli Growth Partners II yhtiöosuus	3,819,157.02	3,819,157.02	Finland
Evli Healthcare I yhtiöosuus	19,124,800.80	19,124,800.80	Finland
Evli Impact Equity B	3,940,886.89	3,940,886.89	Finland
Evli Impact Forest Fund I	5,934,244.57	5,934,244.57	Finland
Evli Impact Forest Fund II	1,319,418.90	1,319,418.90	Finland
Evli Infrastructure Fund I Ky	9,828,871.20	9,828,871.20	Finland
Evli Infrastructure Fund II Ky	2,806,938.40	2,806,938.40	Finland
Evli Leveraged Loan Fund	756,348.19	756,348.19	Finland
Evli Lyhyt Yrityslaina B	10,001,396.67	10,001,396.67	Finland
Evli Maailma B	1,403,860.53	1,403,860.53	Finland
Evli Nordic Senior Secured Loan B	3,465,642.55	3,465,642.55	Finland
Evli Private Debt Fund II	2,148,557.07	2,148,557.07	Finland
Evli Private Equity II yhtiöosuus	13,499,243.14	13,499,243.14	Finland
Evli Private Equity III yhtiöosuus	2,423,997.36	2,423,997.36	Finland
Evli Residential I yhtiöosuus (2020)	4,270,500.00	4,270,500.00	Finland
Evli Residential II yhtiöosuus	4,744,860.12	4,744,860.12	Finland
Evli Suomi Select B	4,806,890.76	4,806,890.76	Finland
Evli Takt.Alpha-Korko B	27,058,766.31	27,058,766.31	Finland
Evli Varainhoito 50 B	1,777,921.63	1,777,921.63	Finland
Harkitseva Varainhoito	3,043,428.56	3,043,428.56	Finland
Kiinteistö-sijoitussalkku	129,242,570.92	129,242,570.92	Finland
Kiinteistö-sijoitussalkku A	1,746,023.79	1,746,023.79	Finland
Korkostrategia	3,193,457.51	3,193,457.51	Finland
Laaja Maltti	19,109,601.11	19,109,601.11	Finland
Laaja Rohkea	40,066,330.88	40,066,330.88	Finland
Laaja Tasapaino	59,598,215.09	59,598,215.09	Finland
LähiTapiola 2025 ESG A	200,891,485.70	200,891,485.70	Finland
LähiTapiola 2035 ESG A	138,166,937.95	138,166,937.95	Finland
LähiTapiola 2045 A	35,774,137.84	35,774,137.84	Finland
LähiTapiola Asuntosijoitus Prime	7,982,882.74	7,982,882.74	Finland
LähiTapiola Asuntosijoitus Suomi	3,859,814.93	3,859,814.93	Finland
LähiTapiola Eurooppa HY ESG A	2,610,802.25	2,610,802.25	Finland
LähiTapiola Eurooppa Ilmastoindeksi A	11,751,545.73	11,751,545.73	Finland
LähiTapiola Eurooppa Keskisuuret ESG A	24,062,303.62	24,062,303.62	Finland
LähiTapiola High Yield A	4,862,290.44	4,862,290.44	Finland
LähiTapiola Hyvinvointi ESG A	30,850,308.35	30,850,308.35	Finland
LähiTapiola Kehittynyt Aasia ESG A	15,035,796.60	15,035,796.60	Finland
LähiTapiola Kehittyvät Korkomarkkinat A	1,805,966.13	1,805,966.13	Finland
LähiTapiola Kehittyvät Markkinat A	3,637,748.03	3,637,748.03	Finland
LähiTapiola Kestävä Ympäristö A	10,536,424.01	10,536,424.01	Finland
LähiTapiola Korkomaailma A	52,117,002.68	52,117,002.68	Finland
LähiTapiola Lyhytkorko ESG A	37,404,070.79	37,404,070.79	Finland
LähiTapiola Lyhytkorko ESG VI A	3,563,148.83	3,563,148.83	Finland
LähiTapiola Maailma 20 A	28,235,433.69	28,235,433.69	Finland
LähiTapiola Maailma 50 A	111,563,672.75	111,563,672.75	Finland
LähiTapiola Maailma 80 A	105,814,354.92	105,814,354.92	Finland
LähiTapiola Metsäsijoitus	5,432,094.61	5,432,094.61	Finland
LähiTapiola Pitkäkorko ESG A	4,626,502.36	4,626,502.36	Finland
LähiTapiola Pohjoinen Yrityskorko ESG A	38,854,314.93	38,854,314.93	Finland
LähiTapiola Pohjoinen Yrityskorko ESG VI A	15,486,026.29	15,486,026.29	Finland
LähiTapiola Pohjoismaat ESG A	1,801,625.23	1,801,625.23	Finland
LähiTapiola Suoja A	4,532,874.72	4,532,874.72	Finland
LähiTapiola Tapiolan Keskus	1,139,768.10	1,139,768.10	Finland
LähiTapiola Tulevaisuus A	54,438,620.87	54,438,620.87	Finland
LähiTapiola USA Ilmastoindeksi A	41,426,210.58	41,426,210.58	Finland
LähiTapiola USA Keskisuuret ESG A	13,705,196.45	13,705,196.45	Finland
LähiTapiola Yrityskorko ESG A	5,223,202.51	5,223,202.51	Finland
Momentum-varainhoito	18,512,457.11	18,512,457.11	Finland

Project Third KY	785,600.00	785,600.00	Finland
Pääomasijoitukset-sij.salkku A	9,125,483.69	9,125,483.69	Finland
Pääomasijoitusalkku I	21,962,067.51	21,962,067.51	Finland
Reipas Varainhoito	10,685,303.37	10,685,303.37	Finland
Rohkea Varainhoito	22,726,480.30	22,726,480.30	Finland
S-Pankki Fenno Osake	16,604,065.63	16,604,065.63	Finland
S-Pankki Kehittyvät Markkinat ESG Osake	32,183,375.58	32,183,375.58	Finland
S-Pankki USA Osake A	666,493.48	666,493.48	Finland
S-Sijoituskori Kohtuullinen	1,684,759.34	1,684,759.34	Finland
S-Sijoituskori Varovainen	1,533,357.13	1,533,357.13	Finland
Saari I Ky	850,786.14	850,786.14	Finland
Seligson & Co Aasia Indeksirahasto A	10,030,844.46	10,030,844.46	Finland
Seligson & Co Euro Corporate Bond A	671,309.86	671,309.86	Finland
Seligson & Co Euro-obligaatio A	867,816.53	867,816.53	Finland
Seligson & Co Eurooppa Indeksirahasto A	14,238,626.36	14,238,626.36	Finland
Seligson & Co Global Top 25 Brands A	48,815,250.09	48,815,250.09	Finland
Seligson & Co Global Top 25 Pharmaceuticals A	25,987,913.48	25,987,913.48	Finland
Seligson & Co OMX Helsinki 25 -indeksiosuus	773,715.90	773,715.90	Finland
Seligson & Co Perheyhtiö A	1,905,666.40	1,905,666.40	Finland
Seligson & Co Pharos A	3,386,789.31	3,386,789.31	Finland
Seligson & Co Phoebus A	9,031,193.80	9,031,193.80	Finland
Seligson & Co Pohjois-Amerikka Indeksirahasto A	27,013,304.71	27,013,304.71	Finland
Seligson & Co Rahamarkkinarahasto A	10,219,669.54	10,219,669.54	Finland
Seligson & Co Suomi Indeksirahasto A	19,546,951.61	19,546,951.61	Finland
Seligson & Co Tropico LatAm A	991,161.40	991,161.40	Finland
Seligson & Co Varainhoito 100	29,288,063.51	29,288,063.51	Finland
Seligson & Co Varainhoito 25	29,511,187.44	29,511,187.44	Finland
Seligson & Co Varainhoito 50	123,005,358.72	123,005,358.72	Finland
Seligson & Co Varainhoito 75	101,707,876.60	101,707,876.60	Finland
Sijoitusrahasto Evli USA Kasvu B	18,609,150.45	18,609,150.45	Finland
Strategia 10	4,993,117.22	4,993,117.22	Finland
Strategia 30	16,282,412.67	16,282,412.67	Finland
Strategia 50	15,795,063.48	15,795,063.48	Finland
Strategia 70	5,999,640.28	5,999,640.28	Finland
Strategia varainhoito 30	7,721,564.93	7,721,564.93	Finland
TOP-indeksivarainhoito 25	11,449,021.56	11,449,021.56	Finland
TOP-indeksivarainhoito 50	1,677,120.00	1,677,120.00	Finland
UB NORDIC FOREST FUND III KY	555,020.91	555,020.91	Finland
Vakaa Varainhoito	6,290,451.78	6,290,451.78	Finland
Varainhoito 100	67,924,470.77	67,924,470.77	Finland
Varainhoito Eurooppa Plus	30,080,466.46	30,080,466.46	Finland
Varainhoito Maltillinen	96,467,466.86	96,467,466.86	Finland
Varainhoito Nordic Plus	17,120,735.86	17,120,735.86	Finland
Varainhoito Suomi Plus	33,778,399.37	33,778,399.37	Finland
Varainhoito Tasapainoinen	109,372,777.75	109,372,777.75	Finland
Varainhoito Tuottohakuinen	74,202,424.85	74,202,424.85	Finland
Varainhoito Varovainen	94,716,076.58	94,716,076.58	Finland
Varainhoitosalkku 10	15,008,410.35	15,008,410.35	Finland
Varainhoitosalkku 30	45,455,075.75	45,455,075.75	Finland
Varainhoitosalkku 50	28,129,795.00	28,129,795.00	Finland
Varainhoitosalkku 70	7,658,669.10	7,658,669.10	Finland
eQ Asunnot (Erikoissijoitusrahasto)	4,250,000.00	4,250,000.00	Finland
eQ Asunnot II (Erikoissijoitusrahasto)	2,250,000.00	2,250,000.00	Finland
eQ Euro Investment Grade 1 T	760,705.92	760,705.92	Finland
eQ Eurooppa Aktiivi 1 K	638,875.97	638,875.97	Finland
eQ High Yield Bond 1 T	784,264.00	784,264.00	Finland
eQ High Yield Bond 1 K	591,538.55	591,538.55	Finland
eQ Kehittyvät Markkinat Osinko 1 T	643,331.84	643,331.84	Finland
eQ Kehittyvät Markkinat Osinko 1K	2,043,818.62	2,043,818.62	Finland
eQ Kehittyvät Markkinat Pienyhtiö 1 K	760,744.01	760,744.01	Finland
eQ Liikeinteistöt-1T	29,590,971.91	29,590,971.91	Finland

eQ Maailma 2 K	4,873,902.96	4,873,902.96	Finland
eQ Mandaatti-2K	2,872,913.16	2,872,913.16	Finland
eQ PE IX US Feeder	6,479,913.50	6,479,913.50	Finland
eQ PE SF IV (Erikoissijoitusrahasto)	5,530,979.60	5,530,979.60	Finland
eQ PE VIII North Ky	1,266,888.31	1,266,888.31	Finland
eQ PE X North Feeder	7,074,000.03	7,074,000.03	Finland
eQ PE XI US Feeder	1,486,664.26	1,486,664.26	Finland
eQ PE XII North Feeder (Erikoissijoitusrahasto)	1,735,588.88	1,735,588.88	Finland
eQ PE XIII US Feeder	1,112,330.35	1,112,330.35	Finland
eQ PE XIV North Feeder (Erikoissijoitusrahasto)	4,235,000.00	4,235,000.00	Finland
eQ PE XV US Feeder	1,046,780.25	1,046,780.25	Finland
eQ Pikujättiläiset 1 K	860,865.84	860,865.84	Finland
eQ Rahamarkkina 1 K	723,918.27	723,918.27	Finland
eQ Sininen Planeetta 1 K	1,761,932.74	1,761,932.74	Finland
eQ Sininen Planeetta 1 T	551,455.50	551,455.50	Finland
eQ USA Indeksi 1 K	3,325,821.65	3,325,821.65	Finland
eQ USA Indeksi-1 T	928,132.42	928,132.42	Finland
eQ VC (Erikoissijoitusrahasto)	2,866,734.05	2,866,734.05	Finland
eQ Yhteiskuntakiinteistöt	33,912,824.60	33,912,824.60	Finland
Ålandsbanken Asuntorahasto C	1,423,996.31	1,423,996.31	Finland
Ålandsbanken Europe Value B	965,623.77	965,623.77	Finland
Ålandsbanken Green Bond ESG C	736,015.40	736,015.40	Finland
Other	19,319,750.01	19,319,750.00	
<b>Total</b>	<b>3,043,984,169.85</b>	<b>3,043,984,169.84</b>	

<b>Debt securities</b>	<b>Current value</b>	<b>Book value</b>	<b>Home country</b>
Eurooppa High Yield 4/2024	525,195.00	525,195.00	Luxembourg
Eurooppa High Yield Super Senior 12/2022	1,017,300.00	1,017,300.00	Finland
Eurooppa Investment Grade 02/2024	743,280.00	743,280.00	Finland
Europe High Yield Super Senior 1/23	695,520.00	695,520.00	Finland
Evli Eurooppa High Yield 9/2023	636,415.00	636,415.00	Finland
Other	3,605,152.54	3,605,152.54	
<b>Total</b>	<b>7,222,862.54</b>	<b>7,222,862.54</b>	

**Total** **3,084,512,095.74** **3,084,512,095.72**

#### K8. Other investments

##### Other loans, itemised by type of security

	<b>2024</b>	<b>2023</b>
Bank guarantee	0.00	3,975.02
Insurance policy	62,798.94	75,936.09
Other security	433,196,291.40	409,713,060.34
Remaining acquisition cost	433,259,090.34	409,792,971.45
Unsecured, total remaining acquisition cost	32,337,474.88	51,228,805.21
Other loan receivables, total	465,596,565.22	461,021,776.66

#### K9. Changes in tangible and intangible assets

	<b>2024</b>				
	<b>Intangible rights, other expenses with long-term effects and development expenses</b>	<b>Goodwill and goodwill on consolidation</b>	<b>Provisional premiums</b>	<b>Machinery and equipment</b>	<b>Other tangible assets</b>
Acquisition cost on 1 Jan.	309,753,273.64	66,769,657.33	47,854,011.87	41,719,643.43	123,975,637.85
Increase	7,940,104.93	51,937.67	45,970,277.57	2,747,348.15	425,335,659.81
Decrease	-64,877.37	0.00	0.00	-671,195.79	-419,073,432.87
Transfers between items	9,256,512.20	0.00	-9,256,512.20	0.00	0.00
Acquisition cost on 31 Dec.	326,885,013.40	66,821,595.00	84,567,777.24	43,795,795.79	130,237,864.79
Accumulated depreciation on 1 Jan.	-224,315,041.01	-19,588,095.37	0.00	-31,733,118.28	-1,763,804.60
deductions and transfers	539,034.69	0.00	0.00	33,241.90	525,988.49
Depreciation for the financial year	-24,307,160.38	-13,580,495.91	0.00	-2,205,230.73	-653,400.64
Accumulated depreciation on 31 Dec.	-248,083,166.70	-33,168,591.28	0.00	-33,905,107.11	-1,891,216.75
Book value on 31 Dec.	78,801,846.70	33,653,003.72	84,567,777.24	9,890,688.68	128,346,648.04

## K10. Assets covering unit linked policies

	2024		2023	
	Original acquisition cost	Current value (= book value)	Original acquisition cost	Current value (= book value)
Shares and holdings	2,223,071,906.43	3,077,289,227.59	2,161,521,586.46	2,834,707,294.17
Debt securities	7,513,603.14	7,222,862.25	7,892,834.59	8,496,405.26
Recovery from insurance premium mediators	98,224.32	98,224.32	20,000.65	20,000.65
Cash at bank and in hand	5,012,142.48	5,012,142.48	12,343,155.57	12,343,155.57
Accrued interest	44,367.28	44,367.28	50,715.82	50,715.82
Total	<u>2,235,740,243.65</u>	<u>3,089,666,823.92</u>	<u>2,181,828,293.09</u>	<u>2,855,617,571.47</u>
Investments acquired in advance	0.00	0.00	24,760,025.06	15,992,097.58
<b>Investments corresponding to the technical provisions for unit linked insurance</b>	<b><u>2,235,740,243.65</u></b>	<b><u>3,089,666,823.92</u></b>	<b><u>2,157,068,268.03</u></b>	<b><u>2,839,625,473.89</u></b>

Cash at bank and in hand, and other debtors includes net premiums for paid insurance policies valid at the closing of the accounts that have not yet been invested.

5,110,366.80 12,363,156.22

## K11. Capital and reserves and itemization of revaluation reserve

### K11.1 Changes in capital and reserves

	1.1.2024	Increase	Decrease	31.12.2024
Initial fund	8,641,380.35	0.00	0.00	8,641,380.35
Initial fund, other mutual insurance companies	64,298,464.27	120,343,962.80	0.00	184,642,427.07
Revaluation reserve	1,432,326.43	0.00	0.00	1,432,326.43
Security reserve	1,685,737,609.90	73,102,028.87	0.00	1,758,839,638.71
Security reserve, other mutual insurance companies	1,302,061,162.44	219,434,381.45	-120,343,962.80	1,401,151,581.09
Contingency reserve	4,110,067.39	1,500,000.00	-1,376,975.79	4,233,091.60
Contingency reserve, other mutual insurance companies	12,598,168.41	5,619,738.95	-3,895,078.46	14,322,828.90
The share of voluntary provisions and depreciation difference transferred to capital and reserves	1,377,422.52	0.00	-386,287.01	991,135.51
Profit/loss for previous accounting periods	-29,172,083.71	-12,192,643.63	0.00	-41,364,727.34
Profit/loss for previous accounting periods, other mutual insurance companies	-1,367,656.70	-14,995,265.04	0.00	-16,362,921.74
Profit for the accounting period	272,081,162.54	488,930,131.63	-272,081,162.54	488,930,131.63
Change in depreciation difference and voluntary provisions included in the profit for the accounting period	387,078.07	386,287.01	-387,078.07	386,287.01
Share of the other mutual insurance companies' result for the financial year included in the profit for the financial year	-210,058,855.36	-261,121,520.59	210,058,855.36	-261,121,520.59
Profit/loss for the accounting period, other mutual insurance companies	210,058,855.36	261,121,520.59	-210,058,855.36	261,121,520.59
<b>Total changes in capital and reserves</b>	<b><u>3,322,185,101.91</u></b>	<b><u>882,128,622.04</u></b>	<b><u>-398,470,544.67</u></b>	<b><u>3,805,843,179.22</u></b>
of which capital and reserves of the other mutual insurance companies	1,587,648,993.78	591,524,338.75	-334,297,896.62	1,844,875,435.91

### K11.2 Itemisation of revaluation reserve

	2024
Revaluation of fixed assets	1,432,326.43
Total	<u>1,432,326.43</u>



## K12. Accumulated appropriations

<b>Depreciation difference</b>	<b>2024</b>	<b>2023</b>
Depreciation difference on 1 Jan.	2,737,840.20	3,081,654.33
Decrease	-493,843.39	-343,814.13
Depreciation difference on 31 Dec.	<u>2,243,996.81</u>	<u>2,737,840.20</u>
<b>Voluntary provisions</b>		
Transition provision 1 Jan.	15,942.48	15,942.48
Transition provision 31 Dec.	<u>15,942.48</u>	<u>15,942.48</u>
<b>Total voluntary provisions</b>	15,942.48	15,942.48
<b>Total accumulated appropriations</b>	<b><u>2,259,939.29</u></b>	<b><u>2,753,782.68</u></b>
<b>Divided into</b>		
Capital and reserves	1,793,803.02	2,180,856.86
Minority interest	14,148.42	22,169.29
Deferred tax liabilities	451,987.86	550,756.54
Tax base	20.00 %	20.00 %

## K13. Provision for claims outstanding

	<b>2024</b>	<b>2023</b>
Uncontested recourse receivables deducted from provisions for claims outstanding		
Statutory workers' compensation	<u>37,062,747.00</u>	<u>36,963,210.00</u>

## K14. Other obligatory provisions

	<b>2024</b>	<b>2023</b>
Provision for interest on late payments for unfinished claims	1,266,037.00	670,221.00
Provision for unemployment security deductible	298,505.72	239,503.87
Provision for ICT projects	1,906,431.05	1,490,628.22
	<u>3,470,973.77</u>	<u>2,400,353.09</u>

## K15. Deferred tax claim and deferred tax liabilities

### K15.1 Deferred tax claim

	<b>2024</b>	<b>2023</b>
Deferred tax relating to the group adjustments	2,015,504.54	2,015,504.54
	<u>2,015,504.54</u>	<u>2,015,504.54</u>

### K15.2 Deferred tax liabilities

	<b>2024</b>	<b>2023</b>
Deferred tax liabilities arising from the division of depreciation difference and provisions	451,987.84	550,756.53
	<u>451,987.84</u>	<u>550,756.53</u>

### Off-balance-sheet deferred tax liabilities

Tax liability calculated on the basis of timing differences and other temporary differences between taxable profit and accounting profit	891,492.99	891,492.99
Tax debt calculated based on valuation gains/losses that is deemed likely to become payable during the next year	29,606,900.00	24,544,771.00
	<u>30,498,392.99</u>	<u>25,436,263.99</u>

## K16. Receivables and liabilities

### K16.1 Itemisation of receivables

<b>Receivables from group companies</b>	<b>2024</b>	<b>2023</b>
Other receivables	<u>32,226.57</u>	<u>221,722.66</u>



	2024	2023
<b>Rental guarantees</b>		
On own behalf	30,523.92	30,523.92
<b>Leasing liabilities</b>		
Amount to be paid in the current financial year	2,044,776.19	1,915,151.10
Amount to be paid in the coming years	2,204,712.37	2,227,834.10
	<u>4,249,488.56</u>	<u>4,142,985.20</u>
<b>Rent liabilities</b>		
Amount to be paid in the current financial year	3,161,883.62	4,223,468.71
Amount to be paid in the coming years	8,115,814.51	7,461,337.57
	<u>11,277,698.13</u>	<u>11,684,806.28</u>
<b>Value-added tax liabilities</b>		
Joint liability relating to collective value-added tax registration		
Group companies	74,770.69	229,429.57
Partner companies	3,969,064.33	3,436,908.89
	<u>4,043,835.02</u>	<u>3,666,338.46</u>
VAT liability with a positive sign = VAT debt		
VAT liability with a negative sign = VAT receivable		
Inspection responsibility of real estate investments under section 120 of the Value Added Tax Act		
Company	21,477,367.83	26,851,421.58
Other companies of the group	47,647,619.28	40,020,884.95
	<u>69,124,987.11</u>	<u>66,872,306.53</u>
The distribution of Inspection responsibility between the group and other companies was specified in 2024. The details of the comparison period were updated to correspond to the details of the financial period.		
<b>Other commitments</b>		
Investment commitments	993,812,316.50	929,918,524.43
Granted limit	47,623,000.97	51,965,230.20
Installment portfolio securitization	1,679,514,019.78	1,585,483,416.59
Other commitments *	33,292,595.91	33,486,489.30
	<u>2,754,241,933.16</u>	<u>2,600,853,660.52</u>

\*LocalTapiola General has pledged to purchase the other investors' shares in the named investment in 2028. The amount of liability is based on the shareholder agreement and on the estimated development of the indicators for the valuation mechanism determined in the agreement.

A joint liability agreement concluded between LocalTapiola General Mutual Insurance Company and regional mutual insurance companies of the LocalTapiola group determines the principles for ensuring the solvency of the companies in the group. More information regarding the joint liability agreement can be found in the Report of the Board of Directors, section Solvency and risk management.

## K18. Related party loans and transactions and subordinated loans

### K18.1 Related party loans and transactions

The related parties register of the company has been compiled in accordance with the related parties definition in the Insurance Companies Act.

The company has not carried out related party transactions involving any other than conventional commercial terms and conditions.

Loans to related parties, liabilities and contingent liabilities

Loans granted to parties belonging to the insider register of LocalTapiola General Mutual Insurance Company 1,500,000.00

Loans granted to related parties are subject to market-based credit conditions. The loan period is 5-10 years and the floating rate of the loans is bound to commonly used rates.

Information on contingent liability relating to group registration of VAT can be found in Note K17.

### 9.5.3 Performance analysis, LocalTapiola Group

#### Performance analysis

	2024	2023	2022	2021	€1,000 2020
<b>Non-life insurance</b>					
Premiums earned	1,453,192	1,350,025	1,271,943	1,235,882	1,246,433
Claims incurred	-1,101,583	-864,851	-872,921	-899,607	-940,888
Operating expenses	-315,232	-304,902	-289,026	-251,425	-264,318
<b>Balance on technical account before change in equalization provision</b>	<b>36,377</b>	<b>180,272</b>	<b>109,995</b>	<b>84,850</b>	<b>41,228</b>
<b>Life insurance</b>					
Premium income	410,549	329,710	425,157	477,556	431,395
Investment income and expenses as well as revaluations and adjustments thereof	379,893	211,682	-265,463	448,237	133,787
Claims paid	-414,560	-375,661	-369,649	-352,042	-396,187
Change in technical provisions before change in customer benefits and equalization provision	-126,334	-13,659	328,193	-428,341	-62,277
Operating expenses	-55,318	-51,308	-52,484	-54,136	-57,614
<b>Balance on technical account before change in customer benefits and equalization provision</b>	<b>194,230</b>	<b>100,764</b>	<b>65,754</b>	<b>91,273</b>	<b>49,105</b>
Investment income and expenses as well as revaluations and adjustments thereof (non-life insurance)	354,030	190,238	-21,068	168,325	39,669
Other income and expenses	41,793	31,916	43,908	40,835	41,140
Share of profit/loss from group associated undertakings	4,347	-9,014	-4,631	2,620	3,381
<b>Operating profit</b>	<b>630,777</b>	<b>494,176</b>	<b>193,958</b>	<b>387,902</b>	<b>174,522</b>
Change in equalization provision (non-life insurance)	10,644	-103,444	-5,396	-2,543	5,277
Change in equalization provision (life insurance)	10,274	10,274	10,274	10,274	10,274
Additional benefits (customer benefits)	-46,019	-40,069	-2,968	-17,426	16,309
<b>Profit before extraordinary items</b>	<b>605,676</b>	<b>360,937</b>	<b>195,868</b>	<b>378,207</b>	<b>206,382</b>
Direct taxes	-102,560	-84,056	-44,323	-82,614	-35,337
Minority interest	-14,185	-4,800	-10,646	-11,197	-7,365
<b>Profit for the financial period</b>	<b>488,930</b>	<b>272,081</b>	<b>140,899</b>	<b>284,397</b>	<b>163,680</b>
Operating profit	630,777	494,176	193,958	387,902	174,522
Change in the difference between current and book values	204,864	134,164	-663,844	385,997	69,544
<b>Total result</b>	<b>835,641</b>	<b>628,340</b>	<b>-469,886</b>	<b>773,899</b>	<b>244,066</b>

## 9.5.4 Notes on the additional benefits of life insurance

### 9.5.4.1 *Application of the principle of reasonability, and targets for the distribution of additional benefits*

According to the principle of reasonability concerning additional benefits, as referred to in chapter 13, section 2 of the Insurance Companies Act, an **insurance company must, the company's solvency permitting, return a reasonable portion of surplus in the form of additional benefits to insurance policies that are entitled to additional benefits distributed on the basis of surplus.**

LocalTapiola Mutual Life Insurance Company applies the principle of reasonability in such a way that it spends its surplus mainly on additional benefits and on boosting solvency, and pays a market-based return to risk capital subscribers.

By its nature, the additional benefit target of the company is a long-term target, that is to say, it is necessary to examine its implementation over a period of several years. In individual years, the company may fall short of the targets.

Over the long term, LocalTapiola Mutual Life Insurance Company aims to provide, on the insurance savings that are entitled to the distribution of surplus, a total return before taxes and expenses which, in the case of pension insurance, exceeds the interest rate level of euro-area government bonds with a minimum maturity of 10 years and, in the case of savings life insurance, exceeds the interest rate level of 5-year bonds. As for pure risk policies that feature a funded component, the target is for the real total interest rate to be positive.

In respect of pure risk policies, the principle of reasonability is followed in such a way that the portion of surplus not reserved to cover fluctuations in claims expenditure and in operating expenses is returned to customers in the form of reduced premiums or free-of-charge increase of risk benefits.

The total return target defined above collectively for all pension insurance and savings life insurance policies is applied to individual insurance contracts by taking account, when determining the bonuses, of the general interest rate level and the magnitude of the **fluctuations in it, the company's investment success, the technical rate of interest of each insurance, all policy management costs, the policy items needed to cover operating expenses, and the company's solvency.** The level of customer bonuses takes into account, on an insurance line specific basis, the need to prepare for significant increases in claims expenditure in the future that are due to factors such as mortality developments.

With regard to the level of customer bonuses, the intention is for stability by levelling out fluctuations in investment income by allocating, in good investment years, a portion of the surplus for distribution in later years.

The solvency target is to achieve qualitative and quantitative solvency that does not restrict the **company's activities or the payment to policyholders** of additional benefits that are aligned with the additional benefits targets.

The additional benefits targets are not binding on the company, and they are in force until further notice. Each year, the Board of Directors of the company decides on the additional benefits and on the necessary changes to the targets concerning the distribution of additional benefits. In addition to this report, the company publishes on its website a more detailed report on the realisation of the additional benefits targets

### 9.5.4.2 *Realisation of the targets for the distribution of LocalTapiola Life's additional benefits, 2015–2024*

For 2024, the company was able to pay all contract groups a total rate of interest that was in line with the additional benefits target, with the exception of the so-called Interest Bonus that was decided for 2024 in advance in 2023, owing to the high interest rates that continued in 2024. Non-achievement of the target reduced the amount of additional benefits given out by EUR 45 thousand. Examining, over the long term, the five-year sliding averages for the lowest total interest rates and for the targets, total interest rates exceeded the additional benefits target in all pension and savings life insurance contract groups in 2015–2024, and for pure risk policies that feature a funded component they exceeded the additional benefits target in 2015–2021 and in 2024. It can therefore be said that, in the longer term, the company has achieved its additional benefits target.

In 2015–2024, the interest rate used as the additional benefits target was the euro-area government bond yield index, published by the European Central Bank, for maturities of 5 and 10 years. The annual returns are calculated as averages of daily or monthly quotes.

### 9.5.4.3 *LocalTapiola Life's report on the total interest paid on insurance savings, by line of insurance, in 2015–2024*

#### Individual pension insurance

For 2024, the total rate of interest paid on the insurance savings of individual pension insurance policies averaged 3.8 per cent (3.8%). Depending on the product and the technical rate of interest, the total interest rate ranged from 3.0 per cent to 4.5 per cent. The total rate of interest exceeded the target

10-year interest rate, which averaged 2.4 per cent in 2024.

#### Savings life insurance and capital redemption contracts

For 2024, the total rate of interest paid on the insurance savings of savings life insurance policies and capital redemption contracts averaged 3.1 per cent (2.7%). Depending on the product and the technical rate of interest, the total interest rate ranged from 2.2 per cent to 4.5 per cent. The total interest rate exceeded the target 5-year interest rate, which averaged 2.2 per cent in 2024 (excl. contracts receiving Interest Bonus. The Interest Bonus is confirmed in advance).

#### Group pension insurance

For 2024, the total rate of interest paid on the insurance savings of group pension insurance policies averaged 3.4 per cent (3.2%). In group pension insurance, the total interest rate ranged from 3.0 per cent to 4.25 per cent. The total rate of interest exceeded the target 10-year interest rate, which averaged 2.4 per cent in 2024.

##### *9.5.4.4 LocalTapiola Life's report on the additional benefits provided in respect of pure risk policies*

In 2024, pure risk policies were paid EUR 9.3 million (EUR 6.0 million) in additional benefits in the form of increased compensation amounts or reduced premiums. In 2024, the level of additional benefits for pure risk policies was maintained at an equivalent level to the year before. For pure risk policies, the additional benefits are confirmed in advance.

##### *9.5.4.5 LocalTapiola Life's report on the use of the provision for future additional benefits to cover loss arising from changing the actuarial basis*

The actuarial basis used for calculating the provision for future additional benefits allows a liability to be used to cover a loss that has arisen from changing the actuarial basis for calculating the technical provisions. In the 2024 financial statements, the provision for future additional benefits is not used to cover any loss arising from changing the actuarial basis.

The provision for future additional benefits is EUR 86.8 million, and the change in the provision for future additional benefits in the financial period totals EUR 23.6 million. The additional benefits have a EUR -46.0 million impact on the result for the financial period.

# 10 Parent company, LocalTapiola General

## 10.1 Profit and loss account, LocalTapiola General

TECHNICAL ACCOUNT	Note	1.1.2024 - 31.12.2024	1.1.2023 - 31.12.2023
<b>Premiums earned</b>			
Premiums written	1	329,827,491.97	321,919,068.55
Reinsurers' share		-44,526,193.73	-47,952,317.06
Premiums written on own account		285,301,298.24	273,966,751.49
Change in provision for unearned premiums		3,780,595.00	1,137,611.00
Reinsurers' share		-1,304,774.46	-932,263.76
Change in provision for unearned premiums, total		2,475,820.54	205,347.24
<b>Total premiums earned</b>		<b>287,777,118.78</b>	<b>274,172,098.73</b>
<b>Claims incurred</b>			
Claims paid		-291,516,925.69	-270,650,879.61
Reinsurers' share		38,774,044.05	34,291,499.26
Claims paid on own account		-252,742,881.64	-236,359,380.35
Change in provision for outstanding claims		33,244,465.54	108,762,153.82
Reinsurers' share		-2,926,675.51	-18,768,157.83
Change in provision for outstanding claims, total		30,317,790.03	89,993,995.99
<b>Total claims incurred</b>		<b>-222,425,091.61</b>	<b>-146,365,384.36</b>
<b>Operating expenses</b>	3	<b>-51,807,250.83</b>	<b>-45,764,426.68</b>
<b>Balance on technical account before change in equalization provision</b>		<b>13,544,776.34</b>	<b>82,042,287.69</b>
<b>Change in equalization provision</b>			
Total change		-12,607,470.00	-80,349,473.00
<b>Total change in equalization provision</b>		<b>-12,607,470.00</b>	<b>-80,349,473.00</b>
<b>Balance on technical account</b>	2	<b>937,306.34</b>	<b>1,692,814.69</b>
<b>NON-TECHNICAL ACCOUNT</b>	Note	<b>1.1.2024 - 31.12.2024</b>	<b>1.1.2023 - 31.12.2023</b>
<b>Balance on technical account</b>		<b>937,306.34</b>	<b>1,692,814.69</b>
<b>Net income from investment activities</b>			
Investment income	4	336,180,495.84	163,422,783.34
Investment charges	4	-71,316,695.49	-70,874,450.48
<b>Total net income from investment activities</b>		<b>264,863,800.35</b>	<b>92,548,332.86</b>
<b>Other income</b>			
Other	4	15,385,945.94	15,132,459.05
<b>Other expenses</b>			
Other	4	-14,113,571.92	-13,554,857.87
<b>Result from ordinary activities</b>		<b>267,073,480.71</b>	<b>95,818,748.73</b>
<b>Result before appropriations and taxes</b>		<b>267,073,480.71</b>	<b>95,818,748.73</b>
<b>Appropriations</b>			
Change in depreciation difference		-3,840.47	-7,932.79
<b>Total appropriations</b>		<b>-3,840.47</b>	<b>-7,932.79</b>
<b>Direct taxes on ordinary activities</b>			
Taxes for the financial period		-20,737,963.31	-20,751,867.07
Taxes for previous financial periods		-25,577.69	-456,920.04
<b>Total direct taxes on ordinary activities</b>		<b>-20,763,541.00</b>	<b>-21,208,787.11</b>
<b>Result for the financial year</b>		<b>246,306,099.24</b>	<b>74,602,028.83</b>

## 10.2 Balance sheet, LocalTapiola General

ASSETS	Note	31.12.2024	31.12.2023
<b>Intangible assets</b>	9		
Intangible rights		0.00	57,654.35
Goodwill		0.00	400,000.00
Other expenses with long-term effects		7,525,784.39	6,250,957.42
Provisional premiums		9,133,619.62	4,989,565.30
<b>Total intangible assets</b>		<b>16,659,404.01</b>	<b>11,698,177.07</b>
<b>Investments</b>			
Real estate investments	6		
Real estate and shares in real estate		192,641,773.37	194,941,568.44
Loans to group companies		73,552,941.84	74,205,162.84
Real estate investments		266,194,715.21	269,146,731.28
Investments in group companies and participating interests	7		
Shares in group companies		1,219,801,861.96	1,215,976,836.96
Shares and holdings in participating interests		39,994,794.00	25,279,685.46
Debt securities and loans in participating interests		5,985,707.71	8,551,011.01
Total investments in group companies and participating interests		1,265,782,363.67	1,249,807,533.43
Other investments			
Shares and holdings	7	1,214,513,863.08	1,095,093,137.35
Debt securities		282,050,426.51	191,717,881.64
Loans guaranteed by mortgages		51,882,132.35	59,272,588.57
Other loans	8	4,096,011.74	4,901,486.76
Total other investments		1,552,542,433.68	1,350,985,094.32
Deposits with ceding undertakings		590,336.58	626,806.96
<b>Total investments</b>		<b>3,085,109,849.14</b>	<b>2,870,566,165.99</b>
<b>Debtors</b>	15		
Arising out of direct insurance operations			
Policyholders		41,191,432.89	39,461,120.13
Total arising out of direct insurance operations		41,191,432.89	39,461,120.13
Arising out of reinsurance operations		20,530,602.88	23,171,923.12
Other debtors		49,039,165.36	54,505,546.19
<b>Total debtors</b>		<b>110,761,201.13</b>	<b>117,138,589.44</b>
<b>Other assets</b>			
Tangible assets			
Machinery and equipment	9	837,993.38	850,919.55
Other tangible assets		230,531.47	144,269.18
Total tangible assets		1,068,524.85	995,188.73
Cash at bank and in hand		79,106,206.13	74,668,985.28
Other assets		3,921,186.16	3,915,606.16
<b>Total other assets</b>		<b>84,095,917.14</b>	<b>79,579,780.17</b>
Accrued interest and rent		5,190,800.38	5,277,099.14
Other prepayments and accrued income		1,951,101.82	7,666,301.38
<b>Total prepayments and accrued income</b>		<b>7,141,902.20</b>	<b>12,943,400.52</b>
<b>TOTAL ASSETS</b>		<b>3,303,768,273.62</b>	<b>3,091,926,113.19</b>



LIABILITIES	Note	31.12.2024	31.12.2023
<b>Capital and reserves</b>	10		
Initial reserve		8,641,380.35	8,641,380.35
Revaluation reserve		85,090.31	85,090.31
Other reserves			
Other reserves		1,763,072,730.31	1,689,847,677.27
Total other reserves		1,763,072,730.31	1,689,847,677.27
Profit for the accounting period		246,306,099.24	74,602,028.83
<b>Total capital and reserves</b>		<b>2,018,105,300.21</b>	<b>1,773,176,176.76</b>
<b>Accumulated appropriations</b>	11		
Accumulated depreciation difference		182,662.27	178,821.80
<b>Total accumulated appropriations</b>		<b>182,662.27</b>	<b>178,821.80</b>
<b>Technical provisions</b>			
Provision for unearned premiums		36,998,749.00	40,779,344.00
Reinsurers' share		-9,703,269.91	-11,008,044.37
Total provision for unearned premiums		27,295,479.09	29,771,299.63
Provision for outstanding claims		942,232,926.86	975,477,392.40
Reinsurers' share		-20,251,636.32	-23,178,311.83
Total provision for outstanding claims		921,981,290.54	952,299,080.57
Equalization provision		268,463,015.00	255,855,545.00
<b>Total technical provisions</b>		<b>1,217,739,784.63</b>	<b>1,237,925,925.20</b>
<b>Obligatory provisions</b>			
Other obligatory provisions	13	65,722.11	17,388,814.78
<b>Total obligatory provisions</b>		<b>65,722.11</b>	<b>17,388,814.78</b>
<b>Deposits received from reinsurers</b>		<b>3,583.14</b>	<b>3,232.85</b>
<b>Creditors</b>	15		
Arising out of direct insurance operations		16,168,390.37	13,898,278.49
Arising out of reinsurance operations		22,331,140.61	19,557,848.82
Other creditors		14,790,958.24	16,369,954.01
<b>Total creditors</b>		<b>53,290,489.22</b>	<b>49,826,081.32</b>
<b>Accruals and deferred income</b>	15	<b>14,380,732.04</b>	<b>13,427,060.48</b>
<b>TOTAL LIABILITIES</b>		<b>3,303,768,273.62</b>	<b>3,091,926,113.19</b>

### 10.3 Indirect cash flow statement, LocalTapiola General

	2024	2023
<b>Cash flow from operations</b>		
Profit on ordinary activities	267,073,480.71	95,818,748.73
Adjustments		
Changes in technical provisions	-20,186,140.57	-9,849,870.23
Value adjustments and revaluation of investments	-27,816,064.05	-21,266,403.60
Changes in other obligatory provisions	-17,323,092.67	6,049,500.00
Depreciation according to plan	3,695,303.92	3,844,959.34
Other adjustments	-136,038,207.29	4,679,830.05
<i>Cash flow before change in working capital</i>	69,405,280.05	79,276,764.29
Change in working capital:		
Increase (-) / decrease (+) in non-interest-bearing short-term receivables	6,400,309.30	-9,595,165.39
Increase (-) / decrease (+) in non-interest-bearing short-term debts	4,418,429.75	3,831,812.15
<i>Cash flow from operations before financial items and taxes</i>	80,224,019.10	73,513,411.05
Direct taxes paid	-14,984,963.67	-14,548,961.11
<b>Total cash flow from operations</b>	<b>65,239,055.43</b>	<b>58,964,449.94</b>
<b>Cash flow from investments</b>		
Investments in assets (excl. cash and c. equivalents)	-186,853,457.73	-64,120,624.28
Capital gains from investments (excl. cash and c. equivalents)	136,038,207.29	-4,679,830.05
Investments in tangible and intangible assets as well as other assets and capital gains (net)	-8,609,608.35	-5,095,702.49
<b>Total cash flow from investments</b>	<b>-59,424,858.79</b>	<b>-73,896,156.82</b>
<b>Cash flow from financial</b>		
Interest on guarantee capital paid and other distribution of profit	-1,376,975.79	-834,272.32
<b>Total cash flow from financial</b>	<b>-1,376,975.79</b>	<b>-834,272.32</b>
<b>Change in cash and cash equivalents</b>	<b>4,437,220.85</b>	<b>-15,765,979.20</b>
<b>Cash and cash equivalents at the start of the year</b>	<b>74,668,985.28</b>	<b>90,434,964.48</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>79,106,206.13</b>	<b>74,668,985.28</b>

## 10.4 Key figures, LocalTapiola General

<b>General key figures describing financial development</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Operating profit	279.7	176.2	18.0	145.4	50.9
Total result	325.4	206.4	-122.0	257.7	94.3
Return on capital employed (at current value), %	9.4	3.8	-4.0	8.2	3.5
Return on assets, %	9.6	6.4	-3.5	8.2	3.4
Average number of personnel during the financial year	355	332	345	348	338
Number of employees in relation to payroll	355	332	345	348	338
<b>Key figures describing the financial development of non-life insurance</b>					
Premiums written	329.8	321.9	310.1	305.3	344.9
Loss ratio (excl. unwinding of discount expense), %	74.1	51.2	77.2	80.8	83.3
Loss ratio, %	77.3	53.4	78.8	83.6	86.4
Expense ratio, %	18.0	16.7	18.3	14.7	17.0
Combined ratio (excl. unwinding of discount expense), %	92.1	67.9	95.5	95.5	100.2
Combined ratio, %	95.3	70.1	97.1	98.3	103.3

## 10.5 Notes, LocalTapiola General

### 10.5.1 Notes to the profit and loss account, LocalTapiola General

<b>1. Premiums written</b>	<b>2024</b>	<b>2023</b>
Direct insurance		
Finland	259,134,158.73	250,424,830.79
Other countries	4,053,187.13	4,113,658.89
Direct insurance total	<u>263,187,345.86</u>	<u>254,538,489.68</u>
Reinsurance	66,640,146.11	67,380,578.87
<b>Gross premiums written before reinsurers' share</b>	<u><b>329,827,491.97</b></u>	<u><b>321,919,068.55</b></u>
<b>1.1 Items depreciated from premiums written</b>	<b>2024</b>	<b>2023</b>
Credit loss on outstanding premiums	1,074,425.95	980,651.53
PAYG system fees	37,203,568.10	33,533,607.86
Premium tax	15,356,716.00	13,529,032.36
Fire brigade charge	429,562.26	402,001.85
Road safety charge	88,917.83	76,371.82
Labour protection charge	2,695,586.52	2,652,906.07
<b>Total</b>	<u><b>56,848,776.66</b></u>	<u><b>51,174,571.49</b></u>

## 2. Profit by insurance groups

		Premiums written before reinsurers' share	Premiums earned before reinsurers' share	Claims incurred before reinsurers' share	Operating expenses before commissions for reinsurance and profit shares	Reinsurers' share	Balance on technical account before net investment income
Statutory workers' compensation	2024	167,694,413.94	168,350,144.94	-120,918,868.51	-31,880,428.90	-225,995.49	15,324,852.04
	2023	166,162,544.67	167,842,973.67	-90,935,234.20	-30,917,046.05	-211,785.20	45,778,908.22
	2022	161,940,181.26	160,484,704.05	-114,340,894.34	-28,958,523.06	-208,807.13	16,976,479.52
Non-statutory accident and health	2024	26,497,155.70	26,517,076.70	-25,580,381.59	-3,237,666.40	-56,572.92	-2,357,544.21
	2023	22,234,878.69	22,217,544.69	-23,157,586.59	-3,172,312.99	15,962.97	-4,096,391.92
	2022	20,646,532.89	20,676,962.89	-17,601,904.81	-2,964,666.87	-59,560.73	50,830.48
Motor vehicle liability	2024	6,855,385.33	6,837,349.33	-3,788,979.17	-1,269,440.16	-168,267.14	1,610,662.86
	2023	5,897,326.24	5,872,077.24	-3,810,581.81	-1,240,799.10	-1,015,986.77	-195,290.44
	2022	5,804,731.13	5,795,840.13	-520,230.33	-1,160,202.44	611,966.71	4,727,374.07
Land vehicles	2024	11,366,394.59	11,280,669.59	-13,341,948.10	-2,489,901.38	136,180.99	-4,414,998.90
	2023	9,525,196.00	9,442,419.00	-9,375,220.59	-2,438,557.43	-26,097.26	-2,397,456.28
	2022	8,219,685.26	8,118,057.26	-7,463,308.26	-2,279,228.89	-16,984.72	-1,641,464.61
Marine, aviation, railway rolling stock and transport	2024	2,111,584.86	2,086,068.86	-804,020.26	-1,141,181.18	-86,164.21	54,703.21
	2023	2,013,348.16	2,053,722.16	25,825.71	-1,106,441.70	-84,900.70	888,205.47
	2022	2,164,536.06	2,120,478.06	-1,116,615.04	-1,036,446.69	-38,724.55	-71,308.22
Fire and other damage to property	2024	23,641,254.12	23,778,201.12	-14,557,602.41	-3,454,858.69	-6,555,544.01	-789,803.99
	2023	20,943,976.80	20,821,312.80	-9,069,743.66	-3,466,158.99	-3,953,433.96	4,331,976.19
	2022	17,604,823.43	17,535,693.43	-18,198,635.24	-3,222,769.06	-1,563,390.32	-5,449,101.19
General liability	2024	14,177,012.96	14,328,709.96	-9,077,576.85	-3,189,348.34	-1,270,848.44	790,936.33
	2023	16,832,171.82	16,199,301.82	-10,355,962.42	-3,087,979.35	-1,345,896.52	1,409,463.53
	2022	16,483,092.66	16,242,576.66	-6,976,348.93	-2,893,236.29	-340,648.35	6,032,343.09
Credit and suretyship	2024	1,447,532.17	3,752,168.17	-838,113.70	-731,377.09	-1,665,377.15	517,300.23
	2023	2,497,300.47	3,607,157.47	-804,077.18	-701,047.35	-1,522,035.48	579,997.46
	2022	3,833,763.72	3,656,586.72	-111,437.53	-658,321.66	-748,505.40	2,138,322.13
Legal expenses	2024	2,995,636.13	2,994,387.13	-3,010,104.28	-585,020.76	0.00	-600,737.91
	2023	2,779,774.41	2,765,375.41	-1,797,529.02	-577,003.87	0.00	390,842.52
	2022	2,549,941.39	2,539,417.39	-3,735,674.92	-538,477.57	0.00	-1,734,735.10
Other	2024	6,400,976.06	6,426,237.06	-23,084,001.73	-1,077,155.40	10,499,187.68	-7,235,732.39
	2023	5,651,972.42	5,569,095.42	-2,890,095.60	-1,050,981.69	-1,825,718.53	-197,700.40
	2022	4,760,477.71	4,733,466.71	-2,988,118.31	-983,133.35	-2,050,245.83	-1,288,030.78
<b>Direct insurance total</b>	2024	<b>263,187,345.86</b>	<b>266,351,012.86</b>	<b>-215,001,596.60</b>	<b>-49,056,378.30</b>	<b>606,599.31</b>	<b>2,899,637.27</b>
	2023	<b>254,538,489.68</b>	<b>256,390,979.68</b>	<b>-152,170,205.36</b>	<b>-47,758,328.52</b>	<b>-9,969,891.45</b>	<b>46,492,554.35</b>
	2022	<b>244,007,765.51</b>	<b>241,903,783.30</b>	<b>-173,053,167.71</b>	<b>-44,695,005.88</b>	<b>-4,414,900.32</b>	<b>19,740,709.39</b>
Reinsurance	2024	66,640,146.11	67,257,074.11	-43,270,863.55	-10,094,671.63	-3,246,399.86	10,645,139.07
	2023	67,380,578.87	66,665,699.87	-9,718,520.43	-10,117,930.50	-11,279,515.60	35,549,733.34
	2022	66,113,129.98	66,411,880.98	-80,305,829.54	-9,408,480.05	11,257,243.15	-12,045,185.46
<b>Total</b>	2024	<b>329,827,491.97</b>	<b>333,608,086.97</b>	<b>-258,272,460.15</b>	<b>-59,151,049.93</b>	<b>-2,639,800.55</b>	<b>13,544,776.34</b>
	2023	<b>321,919,068.55</b>	<b>323,056,679.55</b>	<b>-161,888,725.79</b>	<b>-57,876,259.02</b>	<b>-21,249,407.05</b>	<b>82,042,287.69</b>
	2022	<b>310,120,895.49</b>	<b>308,315,664.28</b>	<b>-253,358,997.25</b>	<b>-54,103,485.93</b>	<b>6,842,342.83</b>	<b>7,695,523.93</b>
Change in equalization provision	2024						-12,607,470.00
	2023						-80,349,473.00
	2022						-6,372,230.23
<b>Balance on technical account</b>	2024						<b>937,306.34</b>
	2023						<b>1,692,814.69</b>
	2022						<b>1,323,293.70</b>

### 3. Operating expenses and notes concerning personnel and members of corporate bodies

#### 3.1 Total operating expenses by activity

	2024	2023
Claims management expenses	26,561,492.40	24,968,030.97
Operating expenses	51,807,250.83	45,764,426.68
Investment operating expenses	4,752,525.34	5,065,183.12
Other expenses	14,050,020.73	13,106,212.67
<i>Total</i>	<u>97,171,289.30</u>	<u>88,903,853.44</u>

#### 3.2 Profit and loss account item operating expenses

	2024	2023
Insurance policy acquisition costs		
Commissions for direct insurance	1,818,103.78	2,227,198.73
Commissions for reinsurance assumed and profit shares	8,495,843.11	9,802,397.65
Other insurance policy acquisition costs	11,001,207.99	10,466,754.38
	<u>21,315,154.88</u>	<u>22,496,350.76</u>
Insurance policy management expenses	18,955,176.30	18,217,314.13
Administrative expenses	18,880,718.75	17,162,594.13
Commissions for reinsurance ceded and profit shares	-7,343,799.10	-12,111,832.34
<i>Total</i>	<u>51,807,250.83</u>	<u>45,764,426.68</u>

### 3.3 Notes concerning personnel and members of corporate bodies

#### 3.3.1 Personnel expenses

	2024	2023
Salaries and remunerations	29,537,351.75	27,182,172.00
Pension expenses	5,649,790.23	6,516,764.24
Other personnel expenses	673,307.54	1,152,426.52
<i>Total</i>	<u>35,860,449.52</u>	<u>34,851,362.76</u>

#### 3.3.2 Managements' salaries and remunerations, pension commitments, monetary loans and terms thereof, as well as

Managing director and deputy managing director		
Salaries and remunerations	539,073.00	536,837.00
Pension commitments	The retirement age of the managing director and deputy managing director is stated by the law.	
Monetary loans and terms thereof	No monetary loans granted	
Guarantees and contingent liabilities	No guarantees or contingent liabilities granted	
Board members and deputy board members		
Salaries and remunerations	2,096,074.00	1,730,077.00
Pension commitments	The retirement age/resignation age of a full time Board member is 63 years and the retirement age of the Chair and the other members is stated by law.	
Monetary loans and terms thereof	No monetary loans granted	
Guarantees and contingent liabilities	No guarantees or contingent liabilities granted	
Supervisory board and deputy supervisory board members		
Salaries and remunerations	292,800.00	238,500.00
Pension commitments	No pension commitments	
Monetary loans and terms thereof	No monetary loans granted	
Guarantees and contingent liabilities	No guarantees or contingent liabilities granted	

#### 3.3.3 Average number of personnel during the financial year

Staff	355	332
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### 3.4 Auditor's fees by assignment category

	2024	2023
Auditing	52,851.00	58,738.80
Other services	15,275.64	45,302.40
<i>Total</i>	68,126.64	104,041.20

## 4. Net investment income and other income and expenses

### 4.1 Specification of net investment income

Investment income	2024	2023
<b>Income from group companies</b>		
Dividend income	56,415,418.19	32,569,831.21
Interest income	679,915.74	735,020.31
<i>Total</i>	57,095,333.93	33,304,851.52
<b>Income from participating interests</b>		
Interest income	670,214.26	675,477.19
<i>Total</i>	670,214.26	675,477.19
<b>Income from real estate investments in group companies</b>		
Interest income	2,809,848.77	2,857,296.07
Other income	122,853.71	82,438.36
<i>Total</i>	2,932,702.48	2,939,734.43
<b>Income from real estate investmets in other companies</b>		
Dividend income	408,486.54	197,990.86
Interest income	22,930.29	12,899.51
Other income	25,920,187.01	26,326,523.02
<i>Total</i>	26,351,603.84	26,537,413.39
<b>Income from other investments</b>		
Dividend income	14,359,286.34	16,298,723.13
Interest income	14,257,213.87	12,826,110.72
Other income	8,558,648.18	5,870,589.56
<i>Total</i>	37,175,148.39	34,995,423.41
<b>Total</b>	<b>124,225,002.90</b>	<b>98,452,899.94</b>
Value readjustments	65,109,887.63	55,684,334.25
Realized gains	146,845,605.31	9,285,549.15
<b>Total investment income</b>	<b>336,180,495.84</b>	<b>163,422,783.34</b>

## Investment charges

Expenses arising from real estate investments		
From group companies	-10,120,164.43	-10,045,979.34
Other companies	-4,264,886.92	-5,432,995.58
<i>Total</i>	<u>-14,385,051.35</u>	<u>-15,478,974.92</u>
Expenses arising from other investments	-6,593,966.07	-4,794,964.50
Interest paid and other expenses on liabilities		
From group companies	-301,449.77	-185,879.10
Other companies	-503,084.96	-383,004.00
<i>Total</i>	<u>-804,534.73</u>	<u>-568,883.10</u>
<b><i>Total</i></b>	<b>-21,783,552.15</b>	<b>-20,842,822.52</b>
Value adjustments and depreciation		
Value adjustments	-37,293,823.58	-34,417,930.65
Planned depreciation on buildings	-1,431,921.74	-1,648,318.11
<i>Total</i>	<u>-38,725,745.32</u>	<u>-36,066,248.76</u>
Realized losses	-10,807,398.02	-13,965,379.20
<b><i>Total investment charges</i></b>	<b>-71,316,695.49</b>	<b>-70,874,450.48</b>
<b><i>Net investment income before revaluations and revaluation adjustments</i></b>	<b>264,863,800.35</b>	<b>92,548,332.86</b>
<b><i>Net investment income in the profit and loss account</i></b>	<b><u>264,863,800.35</u></b>	<b><u>92,548,332.86</u></b>

## 4.2 Specification of other income and expenses

<b>Other income</b>	<b>2024</b>	<b>2023</b>
Services sold to partner companies	14,429,808.57	14,119,532.30
Other income	956,137.37	1,012,926.75
<i>Total</i>	<u>15,385,945.94</u>	<u>15,132,459.05</u>
<b>Other expenses</b>		
Expenses for services sold	-14,050,020.73	-13,106,212.67
Other expenses	-63,551.19	-448,645.20
<i>Total</i>	<u>-14,113,571.92</u>	<u>-13,554,857.87</u>

## 10.5.2 Notes to the balance sheet, LocalTapiola General

### 5. Current value of investments and difference between in valuation as well as difference in valuation of non-hedging

#### 5.1 Current value of investments and difference between in valuation

Investments	2024		
	Remaining acquisition cost	Book value	Current value
Real estate investments			
Real estate	3,299,950.39	3,299,950.39	5,020,000.00
Real estate shares in group companies	118,612,046.03	121,770,049.45	226,361,006.99
Other real estate shares	67,571,773.53	67,571,773.53	96,799,901.11
Loans to group companies	73,552,941.84	73,552,941.84	73,552,941.85
	<u>263,036,711.79</u>	<u>266,194,715.21</u>	<u>401,733,849.95</u>
Investments in group companies			
Shares and holdings	1,219,801,861.96	1,219,801,861.96	1,295,681,352.68
	<u>1,219,801,861.96</u>	<u>1,219,801,861.96</u>	<u>1,295,681,352.68</u>
Investments in participating interests			
Shares and holdings	39,994,794.00	39,994,794.00	39,994,794.00
Loans receivable	5,985,707.71	5,985,707.71	5,985,707.71
	<u>45,980,501.71</u>	<u>45,980,501.71</u>	<u>45,980,501.71</u>
Other investments			
Shares and holdings	1,214,513,863.08	1,214,513,863.08	1,343,342,852.25
Debt securities	282,050,426.51	282,050,426.51	269,690,505.38
Loans guaranteed by mortgages	51,882,132.35	51,882,132.35	51,882,132.21
Other loans	4,096,011.74	4,096,011.74	4,096,011.75
	<u>1,552,542,433.68</u>	<u>1,552,542,433.68</u>	<u>1,669,011,501.59</u>
Deposits with ceding undertakings	590,336.58	590,336.58	590,336.58
	<u>3,081,951,845.72</u>	<u>3,085,109,849.14</u>	<u>3,412,997,542.51</u>
The remaining acquisition cost of debt securities includes:			
Difference between the nominal value and acquisition cost released (+) or charged (-) to interest income			629,000.82
Book value comprises			
Revaluations released to income		2,441,051.81	
Other revaluations		716,951.61	3,158,003.42
Difference in valuation (difference between current value and book value)			<u>327,887,693.37</u>

Investments	2023		
	Remaining acquisition cost	Book value	Current value
Real estate investments			
Real estate	3,302,072.66	3,302,072.66	5,020,000.00
Real estate shares in group companies	120,504,246.03	123,662,249.45	228,597,929.38
Other real estate shares	67,977,246.33	67,977,246.33	99,944,819.60
Loans to group companies	74,205,162.84	74,205,162.84	74,205,162.85
	<u>265,988,727.86</u>	<u>269,146,731.28</u>	<u>407,767,911.83</u>
Investments in group companies			
Shares and holdings	1,215,976,836.96	1,215,976,836.96	1,286,938,634.52
	<u>1,215,976,836.96</u>	<u>1,215,976,836.96</u>	<u>1,286,938,634.52</u>
Investments in participating interests			
Shares and holdings	25,279,685.46	25,279,685.46	25,279,685.46
Loans receivable	8,551,011.01	8,551,011.01	8,551,011.01
	<u>33,830,696.47</u>	<u>33,830,696.47</u>	<u>33,830,696.47</u>
Other investments			
Shares and holdings	1,095,093,137.35	1,095,093,137.35	1,179,095,514.65
Debt securities	191,717,881.64	191,717,881.64	180,153,257.68
Loans guaranteed by mortgages	59,272,588.57	59,272,588.57	59,272,588.43
Other loans	4,901,486.76	4,901,486.76	4,901,486.77
	<u>1,350,985,094.32</u>	<u>1,350,985,094.32</u>	<u>1,423,422,847.53</u>
Deposits with ceding undertakings	626,806.96	626,806.96	626,806.96
	<u>2,867,408,162.57</u>	<u>2,870,566,165.99</u>	<u>3,152,586,897.31</u>

The remaining acquisition cost of debt securities includes:

Difference between the nominal value and acquisition cost released (+) or charged (-) to interest income

42,468.66

Book value comprises

Revaluations released to income

2,441,051.81

Other revaluations

716,951.61

3,158,003.42

Difference in valuation (difference between current value and book value)

282,020,731.32

## 5.2 Difference in valuation of non-hedging derivatives

Derivative contracts	2024		
	Remaining acquisition cost	Book value	Current value
Other deferred income and credits			
Futures and forward contracts	0.00	0.00	0.00
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Difference in valuation (difference between current value and book value)			<u>0.00</u>

Derivative contracts	2023		
	Remaining acquisition cost	Book value	Current value
Other deferred income and credits			
Futures and forward contracts	0.00	0.00	175,966.82
	<u>0.00</u>	<u>0.00</u>	<u>175,966.82</u>
Difference in valuation (difference between current value and book value)			<u>175,966.82</u>



## 6. Real estate investments

Changes in real estate investments:	2024	
	Real estate and shares in real estate	Loans to group companies
Acquisition cost on 1 Jan.	196,873,145.94	74,205,162.84
Increase	-2,148,322.64	0.00
Decrease	-5,633.80	-652,221.00
Acquisition cost on 31 Dec.	<u>194,719,189.50</u>	<u>73,552,941.84</u>
Accumulated depreciation on 1 Jan.	-1,511,767.84	
Depreciation for the financial year	-125,838.63	
Accumulated depreciation on 31 Dec.	<u>-1,637,606.47</u>	
Value adjustments on 1 Jan.	-3,577,813.08	
Value adjustments for the financial year	-400,000.00	
Value readjustments	380,000.00	
Value adjustments on 31 Dec.	<u>-3,597,813.08</u>	
Revaluations on 1 Jan.	3,158,003.42	
Revaluations on 31 Dec.	<u>3,158,003.42</u>	
Book value on 31 Dec.	<u><u>192,641,773.37</u></u>	<u><u>73,552,941.84</u></u>

### Real estate and shares in real estate occupied for own activities

Remaining acquisition cost	7,342,594.53
Book value	7,342,594.53
Current value	7,875,437.04

## 7. Investments in group companies and participating interests

Shares in group companies	2024	2023
Acquisition cost on 1 Jan.	1,226,731,628.10	1,099,832,743.24
Increase	186,788,751.56	140,579,163.44
Decrease	-168,034,393.47	-13,680,278.58
Acquisition cost on 31 Dec.	<u>1,245,485,986.19</u>	<u>1,226,731,628.10</u>
Value adjustments on 1 Jan.	-10,754,791.14	-10,815,863.69
Value adjustments for the financial year	-16,526,728.55	-3,706,302.41
Value readjustments	1,597,395.46	3,767,374.96
Value adjustments on 31 Dec.	<u>-25,684,124.23</u>	<u>-10,754,791.14</u>
Book value on 31 Dec.	<u><u>1,219,801,861.96</u></u>	<u><u>1,215,976,836.96</u></u>

**Shares and holdings in participating interests**

Acquisition cost on 1 Jan.	45,988,956.09	45,988,956.09
Increase	5,319,689.98	0.00
Decrease	-4,713,529.48	0.00
Acquisition cost on 31 Dec.	<u>46,595,116.59</u>	<u>45,988,956.09</u>
Value adjustments on 1 Jan.	-20,709,270.63	-15,440,477.22
Value adjustments for the financial year	-699,300.00	-5,268,793.41
Value readjustments	14,808,248.04	0.00
Value adjustments on 31 Dec.	<u>-6,600,322.59</u>	<u>-20,709,270.63</u>
Book value on 31 Dec.	<u><u>39,994,794.00</u></u>	<u><u>25,279,685.46</u></u>

**Debt securities issued by and loans to participating interests**

Acquisition cost on 1 Jan.	9,101,011.01	9,101,011.01
Decrease	-550,000.00	0.00
Acquisition cost on 31 Dec.	<u>8,551,011.01</u>	<u>9,101,011.01</u>
Value adjustments on 1 Jan.	-550,000.00	0.00
Value adjustments for the financial year	-2,565,303.30	-550,000.00
Value readjustments	550,000.00	0.00
Value adjustments on 31 Dec.	<u>-2,565,303.30</u>	<u>-550,000.00</u>
Book value on 31 Dec.	<u><u>5,985,707.71</u></u>	<u><u>8,551,011.01</u></u>
<b>Total</b>	<u><u>1,265,782,363.67</u></u>	<u><u>1,249,807,533.43</u></u>

## 7.1 Investments in companies belonging to the LocalTapiola Group's consolidated financial statements

Shares and holdings, fixed assets		Domicile	Share of stocks %	Equity	Profit for the accounting period
Keskinäinen Vakuutusyhtiö Turva	4)	Tampere	67.4	68,547,966.52	5,013,404.44
LTC-Otso Oy	2)	Helsinki	36.0	8,293,010.56	6,572,264.13
LokalTapiola Sydkusten Ömsesidigt Försäkringsbolag	3)	Parainen	100.0	12,854,262.75	494,558.43
LähiTapiola Etelä Keskinäinen Vakuutusyhtiö	3)	Salo	100.0	72,097,606.92	8,805,258.51
LähiTapiola Etelä-Pohjanmaa Keskinäinen Vakuutusyhtiö	3)	Seinäjoki	100.0	67,508,340.86	4,762,520.88
LähiTapiola Itä Keskinäinen Vakuutusyhtiö	3)	Iisalmi	100.0	84,630,198.03	8,965,873.64
LähiTapiola Kaakkois-Suomi Keskinäinen Vakuutusyhtiö	3)	Lappeenranta	100.0	80,000,722.60	7,867,209.70
LähiTapiola Kainuu-Koillismaa Keskinäinen Vakuutusyhtiö	3)	Kajaani	100.0	36,503,477.76	4,877,105.70
LähiTapiola Keskinäinen Henkivakuutusyhtiö	3)	Espoo	66.7	888,565,654.39	144,858,978.81
LähiTapiola Keski-Suomi Keskinäinen Vakuutusyhtiö	3)	Jyväskylä	100.0	59,392,392.15	6,000,586.31
LähiTapiola Lappi Keskinäinen Vakuutusyhtiö	3)	Rovaniemi	100.0	27,821,241.84	4,476,613.83
LähiTapiola Loimi-Häme Keskinäinen Vakuutusyhtiö	3)	Loimaa	100.0	36,575,690.50	3,578,019.36
LähiTapiola Länsi-Suomi Keskinäinen Vakuutusyhtiö	3)	Rauma	100.0	102,988,905.53	12,352,334.08
LähiTapiola Palvelut Oy	1)	Espoo	64.4	20,712,365.38	7,152,849.69
LähiTapiola Pirkanmaa Keskinäinen Vakuutusyhtiö	3)	Tampere	100.0	55,491,084.61	5,463,801.53
LähiTapiola Pohjanmaa Keskinäinen Vakuutusyhtiö	3)	Vaasa	100.0	80,178,361.52	11,706,144.47
LähiTapiola Pohjoinen Keskinäinen Vakuutusyhtiö	3)	Oulu	100.0	109,294,811.02	14,297,321.71
LähiTapiola Pääkaupunkiseutu Keskinäinen Vakuutusyhtiö	3)	Helsinki	100.0	87,456,917.64	8,768,698.73
LähiTapiola Rahoitus Oy	1)	Espoo	53.6	113,637,037.78	5,052,576.20
LähiTapiola Savo Keskinäinen Vakuutusyhtiö	3)	Kuopio	100.0	56,519,020.89	4,567,433.80
LähiTapiola Savo-Karjala Keskinäinen Vakuutusyhtiö	3)	Mikkeli	100.0	33,046,323.65	5,533,050.48
LähiTapiola Uusimaa Keskinäinen Vakuutusyhtiö	3)	Porvoo	100.0	60,931,464.15	4,157,529.81
LähiTapiola Varainhoito Oy -konserni	1)	Espoo	67.7	66,346,833.84	-2,736,012.89
LähiTapiola Varsinais-Suomi Keskinäinen Vakuutusyhtiö	3)	Turku	100.0	50,998,631.26	1,735,638.53
LähiTapiola Vellamo Keskinäinen Vakuutusyhtiö	3)	Lahti	100.0	76,424,111.67	9,419,256.74
Suomen Vahinkovakuutus Oy	1)	Espoo	70.0	42,130,409.35	10,018,995.22
Tieto-Tapiola Oy	1)	Espoo	66.7	5,049,427.99	-19,148.95
Tietotyö Oy	1)	Espoo	100.0	849,879.15	0.00
Vakuutusneuvonta Aura	2)	Espoo	33.3	10,634.40	0.00
Vakuutusneuvonta Pohja	2)	Espoo	33.3	10,577.17	0.00
<b>Total</b>				<b>2,404,867,361.88</b>	<b>303,742,862.89</b>

Shares and holdings, investment assets		Domicile	Share of stocks %	Equity	Profit for the accounting period
Kauppakeskus Seppä Oy	2)	Kuopio	30.0	57,226.62	11,957.60
LähiTapiola Aluekiinteistöt Ky -group	2)	Espoo	28.3	79,274,540.64	3,158,624.16
LähiTapiola Kiinteistösijoitus I GP Oy	1)	Espoo	100.0	1,653.94	-60.00
LähiTapiola Kiinteistösijoitus I Ky	2)	Espoo	30.0	25,529,241.01	7,904,454.13
LähiTapiola KR PK2 Ky -group	1)	Espoo	100.0	118,658,125.86	1,112,255.35
LähiTapiola Pääomasijoitus GP Oy	3)	Espoo	12.9	294.71	-60.00
LähiTapiola Pääomasijoitus I Ky	3)	Espoo	12.9	54,837,749.25	17,307,863.42
LähiTapiola Pääomasijoitus II GP Oy	1)	Espoo	100.0	1,356.22	-60.00
LähiTapiola Pääomasijoitus II Ky	2)	Espoo	30.0	179,594,251.84	25,157,975.64
LähiTapiola Pääomasijoitus III GP Oy	1)	Espoo	100.0	1,552.71	-60.00
LähiTapiola Pääomasijoitus III Ky	3)	Espoo	12.5	47,235,406.63	6,624,778.49
LähiTapiola Pääomasijoitus IV Ky	2)	Espoo	31.1	251,499,055.94	9,193,891.61
LähiTapiola Pääomasijoitus V Ky	2)	Espoo	26.3	126,616,372.65	695,950.67
LähiTapiola Pääomasijoitus VI Ky	2)	Espoo	31.7	8,921,702.43	-2,964,798.17
LähiTapiola Rahoitusyhtiö I Ky	2)	Espoo	26.9	506,373,194.69	19,894,735.84
LähiTapiola Rahoitusyhtiö II Ky	2)	Espoo	43.7	50,926,296.64	2,643,565.26
LähiTapiola Tampereen Tornit Oy	2)	Espoo	32.2	40,473,128.87	-910,783.28
LähiTapiola Tontit GP I Oy	3)	Espoo	7.3	143,281.12	4,425.99
LähiTapiola Tontit GP II Oy	1)	Espoo	100.0	104,358.72	3,947.68
LähiTapiola Tontit I Ky	3)	Espoo	7.3	43,699,918.65	2,599,918.57
LähiTapiola Tontit II Ky	3)	Espoo	16.2	62,887,714.56	3,377,795.83
LähiTapiola Velkasijoitus I GP Oy	1)	Espoo	100.0	1,539.79	0.00
LähiTapiola Velkasijoitus I Ky	2)	Espoo	37.0	127,534,763.38	6,329,178.96
LähiTapiola Velkasijoitus II Ky	2)	Espoo	34.5	213,997,565.21	10,160,416.99
LähiTapiola Velkasijoitus III Ky	2)	Espoo	31.3	53,814,533.68	-262,694.84
LähiTapiola Yhteiset Kiinteistöt Ky	3)	Espoo	3.0	167,801,227.96	3,623,555.45
LähiTapiola Yritysrahoitus I GP Oy	1)	Espoo	100.0	6,194.80	-188.22
LähiTapiola Yritysrahoitus I Ky	2)	Espoo	38.4	506,493,804.71	32,377,447.42
Tapiola KR IV Ky	3)	Espoo	2.5	730,601.26	-28,653.34
<b>Total</b>				<b>2,667,216,654.49</b>	<b>148,015,381.21</b>

In addition, LocalTapiola General Mutual Insurance Company has invested in 34 (34) housing associations and real estate companies that are integrated into the consolidated financial statements of LocalTapiola Group, out of which 13 (13) are its own subsidiaries.

1) Subsidiary

2) A subsidiary, which belongs to the consolidated financial statements of LocalTapiola Group, and is a participating interest for the reporting entity.

3) A subsidiary, which belongs to the consolidated financial statements of LocalTapiola Group, and is classified as other investment in the reporting entity.

4) A subsidiary, which belongs to the consolidated financial statements of LocalTapiola Group, and is not consolidated.

## 7.2 Investments in participating interests

Shares and holdings, fixed assets		Domicile	Share of stocks %	Equity	Profit for the accounting period
Pihlajalinna Oyj -group	3)	Helsinki	16.8	170,700,000.00	27,400,000.00
Total				170,700,000.00	27,400,000.00

Shares and holdings, investment assets		Domicile	Share of stocks %	Equity	Profit for the accounting period
Noja Holding Oy	2)	Espoo	22.1	2,411,501.79	-67,633.44
Noja Rahoitus Oy	2)	Turku	22.1	18,047,321.71	2,311,316.13
Total				20,458,823.50	2,243,682.69

In addition, LocalTapiola General Mutual Insurance Company has invested in 0 (0) housing associations and real estate companies that are integrated into the consolidated financial statements of LocalTapiola Group as participating interests.

2) Participating interest

3) A participating interest, which belongs to the consolidated financial statements of LocalTapiola Group, and is classified as other investment in the reporting entity.

## 7.3 Other investments

Security	Share of stocks %	Number	Book value	Current value	Home country
<b>Finnish companies, listed</b>					
Kone Oyj B	0.01	23,000.00	876,874.67	1,081,000.00	Finland
Loihde Oyj	1.30	75,000.00	900,000.00	900,000.00	Finland
Nokia Oyj	0.01	303,000.00	1,295,173.50	1,295,173.50	Finland
Nordea Bank Abp	0.01	180,000.00	1,890,000.00	1,890,000.00	Finland
Terveystalo Oy	2.05	2,600,000.00	27,352,000.00	27,352,000.00	Finland
UPM-Kymmene Oyj	0.01	40,000.00	1,062,400.00	1,062,400.00	Finland
Wulff-Yhtiöt Oyj	4.11	283,900.00	871,573.00	871,573.00	Finland
Others		930,232.00	1,865,827.91	3,153,249.80	
Total		4,435,132.00	36,113,849.08	37,605,396.30	
<b>Finnish companies, non-listed</b>					
Beely Oy	12.50	8,610.00	2,000,103.00	2,000,103.00	Finland
Gebwell oy	6.27	52,000.00	1,144,000.00	1,144,000.00	Finland
GlucModicum Oy B-osake	3.18	5,723.00	1,750,093.40	1,750,093.40	Finland
GlucModicum Oy C-osake	5.42	1,305.00	500,337.00	500,337.00	Finland
Sofigate Group Oy	2.98	604,700.00	2,029,392.63	3,144,440.00	Finland
Others		584,469.00	241,481.87	253,213.39	
Total		1,256,807.00	7,665,407.90	8,792,186.79	

### Foreign companies, listed

ABB Ltd	0.00	20,000.00	959,796.09	1,042,711.43	Switzerland
ASML Holding NV	0.00	3,500.00	678,365.23	2,375,450.00	The Netherlands
AbbVie Inc	0.00	14,000.00	829,275.11	2,394,648.19	USA
Adobe Systems Inc	0.00	1,200.00	513,635.58	513,635.58	USA
Air Liquide	0.00	18,100.00	2,840,252.00	2,840,252.00	France
Aker BP ASA	0.02	100,000.00	1,879,610.00	1,879,610.00	Norway
Alcon Inc	0.00	19,000.00	974,715.65	1,552,379.94	Switzerland
Alphabet Inc Class C	0.00	19,000.00	1,317,951.32	3,482,876.12	USA
Amazon.com Inc	0.00	18,000.00	1,682,142.29	3,801,155.07	USA
Amundi SA	0.00	10,000.00	642,000.00	642,000.00	France
Apple Inc	0.00	14,000.00	2,458,674.03	3,374,607.76	USA
Assa Abloy Ab B	0.01	55,000.00	1,033,606.34	1,568,548.74	Sweden
AstraZeneca PLC	0.00	19,000.00	1,342,730.67	2,398,658.92	UK
Atlas Copco AB	0.00	115,000.00	1,419,246.94	1,694,541.41	Sweden
Automatic Data Processing Inc	0.00	6,000.00	598,355.63	1,690,615.07	USA
Axa Sa	0.00	75,000.00	1,545,101.80	2,574,000.00	France
Boliden AB	0.01	35,000.00	925,485.55	948,381.19	Sweden
Brenntag AG	0.01	12,000.00	557,560.57	694,560.00	Germany
Broadcom Ltd	0.00	6,000.00	765,049.64	1,338,954.66	USA
Credit Agricole SA	0.00	150,000.00	1,587,560.63	1,993,500.00	France
DSV Panalpina A/S	0.00	7,000.00	774,585.01	1,435,141.73	Denmark
Danone	0.00	27,000.00	1,630,072.25	1,758,240.00	France
Dassault Systemes Sa	0.00	32,000.00	904,925.30	1,072,000.00	France
Deutsche Telekom AG	0.00	110,000.00	1,708,627.94	3,177,900.00	Germany
Eaton Corp PLC	0.00	2,500.00	658,579.51	798,609.11	Ireland
Eli Lilly & Co	0.00	1,700.00	1,263,259.22	1,263,259.22	USA
Epiroc AB	0.01	90,000.00	822,548.63	1,512,304.74	Sweden
Equinor ASA	0.00	40,000.00	900,042.39	900,042.39	Norway
Exelon Corp	0.00	40,000.00	1,449,225.14	1,449,225.14	USA
Givaudan SA	0.00	250.00	1,053,442.41	1,053,442.41	Switzerland
Heineken Nv	0.00	12,500.00	858,750.00	858,750.00	The Netherlands
ING Groep NV	0.01	170,000.00	1,704,615.01	2,572,100.00	The Netherlands
Illinois Tool Works Inc	0.00	4,000.00	501,436.49	976,263.36	USA
Investor AB	0.00	50,000.00	1,234,444.49	1,277,162.06	Sweden
JPMorgan Chase & Co	0.00	6,000.00	1,121,070.49	1,384,406.58	USA
L'Oreal SA	0.00	4,800.00	1,640,880.00	1,640,880.00	France
LVMH Moet Hennessy Louis Vuitton Sa	0.00	2,200.00	1,398,100.00	1,398,100.00	France
Linde PLC	0.00	4,500.00	883,950.94	1,813,470.98	USA
Lowe's Cos Inc	0.00	4,500.00	658,363.82	1,069,015.30	USA
Medtronic Inc	0.00	15,400.00	931,634.52	1,184,090.87	Ireland
Mercedes-Benz Group AG	0.00	20,000.00	1,076,000.00	1,076,000.00	Germany
Merck & Co Inc	0.00	7,500.00	718,163.44	718,163.44	USA
Merck KGAA	0.01	12,000.00	1,071,944.95	1,678,800.00	Germany
Meta Platforms Inc	0.00	2,700.00	1,307,842.30	1,521,683.51	USA
Microsoft Corp	0.00	8,000.00	1,951,846.12	3,245,740.69	USA
Mondelez International Inc	0.00	17,000.00	716,822.90	977,389.55	USA
NIKE Inc	0.00	10,000.00	693,167.23	728,366.54	USA
NVIDIA Corp	0.00	21,000.00	927,322.35	2,714,496.10	USA
National Grid PLC	0.00	235,000.00	2,290,072.53	2,692,419.02	UK
Nestle Sa	0.00	26,000.00	2,068,508.29	2,068,508.29	Switzerland
Novo-Nordisk A/S B	0.00	33,000.00	2,068,464.67	2,762,020.97	Denmark
Palo Alto Networks Inc	0.00	5,000.00	740,544.41	875,733.95	USA
PepsiCo Inc	0.00	15,000.00	1,341,574.87	2,195,495.24	USA
Procter & Gamble Co	0.00	8,000.00	643,871.00	1,290,980.85	USA
Roche Holding Ag	0.00	9,500.00	2,233,085.52	2,578,888.65	Switzerland
SAP Ag	0.00	13,500.00	1,943,985.42	3,190,050.00	Germany
Schneider Electric Sa	0.00	9,500.00	746,268.82	2,288,550.00	France
Siemens Ag	0.00	11,000.00	1,452,157.85	2,074,160.00	Germany
Siemens Healthineers AG	0.00	29,779.00	980,644.43	1,524,684.80	Germany

Skandinaviska Enskilda Banken AB	0.01	195,000.00	1,786,499.32	2,577,253.69	Sweden
Swiss Re Ltd	0.01	17,000.00	1,381,666.66	2,369,740.76	Switzerland
Synopsys Inc	0.00	1,200.00	560,555.70	560,623.74	USA
Tesco PLC	0.00	320,000.00	1,132,232.00	1,421,356.04	UK
Var Energi ASA	0.02	425,000.00	1,214,018.23	1,271,576.94	Norway
Veolia Environnement	0.01	45,000.00	1,219,950.00	1,219,950.00	France
Visa Inc	0.00	8,000.00	719,283.89	2,433,650.98	USA
salesforce.com Inc	0.00	3,000.00	686,777.38	965,434.59	USA
Others		6,500.00	678,908.79	2,134,976.31	
<b>Total</b>		<b>2,848,329.00</b>	<b>81,001,847.70</b>	<b>118,552,184.62</b>	

#### Foreign companies, non-listed

Sos International A/S	4.69	133,720.00	2,172,782.56	0.00	Denmark
Others		74,165.00	408,668.99	715,728.44	
<b>Total</b>		<b>207,885.00</b>	<b>2,581,451.55</b>	<b>715,728.44</b>	

#### Mutual funds

AMUNDI PLANT EM GRN 1-SEURH			11,562,625.65	11,562,625.65	Luxembourg
BNP Paribas Global Senior Corporate Loans			1,894,799.70	1,969,489.42	France
GS Emerging Markets Equity			8,946,643.16	10,726,815.29	Luxembourg
LähiTapiola Eurooppa HY ESG A			101,468,676.60	108,193,178.42	Finland
LähiTapiola Eurooppa Ilmastoindeksi A			15,013,547.53	15,034,210.70	Finland
LähiTapiola High Yield A			108,019,557.47	113,300,480.43	Finland
LähiTapiola Hyvinvointi ESG A			8,838,071.92	9,844,957.31	Finland
LähiTapiola Kehittynyt Aasia ESG A			27,368,459.29	33,759,672.79	Finland
LähiTapiola Kehittyvät Korkomarkkinat A			100,406,980.76	100,465,349.32	Finland
LähiTapiola Kehittyvät Markkinat A			4,003,776.71	4,251,904.82	Finland
LähiTapiola Kestävä Vaikuttajakorko A			74,562,592.39	75,712,714.41	Finland
LähiTapiola Kestävä Ympäristö A			9,293,933.43	11,783,525.47	Finland
LähiTapiola Lyhytkorko ESG A			30,680,709.31	31,629,983.44	Finland
LähiTapiola Pohjoinen Yrityskorko ESG A			54,178,897.12	63,724,747.45	Finland
LähiTapiola Reaalikorko ESG A			20,499,712.38	20,499,712.38	Finland
LähiTapiola Sijoituskiinteistöt A			5,541,983.27	5,874,502.27	Finland
LähiTapiola Tulevaisuus A			9,687,586.92	15,353,328.90	Finland
LähiTapiola USA Ilmastoindeksi A			21,538,682.80	28,372,545.38	Finland
LähiTapiola Yhteisö Eurooppa ESG IV A			15,832,554.81	18,325,345.14	Finland
LähiTapiola Yhteisö Pitkäkorko ESG IV A			70,000,000.00	73,170,998.30	Finland
LähiTapiola Yhteisö USA ESG IV A			24,200,000.00	34,741,316.04	Finland
LähiTapiola Yhteisö Yrityskorko ESG IV A			114,087,064.53	120,458,288.59	Finland
LähiTapiola Yrityskorko ESG A			60,777,163.75	63,643,956.74	Finland
Mandatum Opportunistic Loan Strategy			8,927,360.49	8,927,360.49	Finland
PIMCO GIS Emerging Markets Bond ESG Fund			13,174,139.53	13,174,139.53	Ireland
S-Pankki High Yield Eurooppa ESG Korko			5,000,000.00	5,748,751.11	Finland
S-Pankki Kehittyvät Markkinat ESG Osake			6,331,114.73	7,234,201.35	Finland
S-Pankki Toimitila			4,743,738.49	4,743,738.49	Finland
Seligson & Co Euro-obligaatio A			5,000,000.00	5,374,178.81	Finland
Seligson & Co Phoebus A			7,500,000.00	11,382,585.18	Finland
Seligson & Co Rahamarkkinarahasto A			5,525,319.09	5,893,363.51	Finland
Others			402,563.86	416,315.29	
<b>Total</b>			<b>955,008,255.69</b>	<b>1,035,294,282.42</b>	

## Capital mutual funds

Altor Fund II (No. 1)	559,962.59	559,962.59	Jersey
Altor Fund III (No. 2)	2,279,856.89	2,908,077.55	Jersey
Altor Fund IV (No.2) AB	5,861,509.47	6,788,366.86	Sweden
Amanda V East L.P.	1,019,958.80	1,168,645.00	Finland
Antin Infrastructure Partners V-C SCSp	3,221,389.30	3,416,611.98	Luxembourg
Apax Europe VII - B, L.P.	150,359.00	150,359.00	UK
Armada Mezzanine IV Ky	317,291.91	511,455.48	Finland
Beechbrook Mezzanine II L.P.	1,347,038.00	1,347,038.00	UK
Beechbrook Private Debt III L.P.	4,773,922.00	4,773,922.00	UK
Beechbrook UK SME Credit I L.P.	726,883.38	726,883.38	UK
Blue Owl GP Stakes V LP	4,271,794.70	4,271,794.70	Cayman Islands
Bowmark Capital Partners V, L.P.	1,041,680.94	1,041,680.94	UK
Bridgepoint Europe III, L.P.	104,026.53	104,026.53	UK
Bridgepoint Europe IV F.L.P.	876,839.62	876,839.62	UK
Bridgepoint Europe V C L.P.	2,761,571.30	4,631,032.00	UK
Dasos Habitat Fund Ky	1,765,267.18	2,198,834.00	Finland
Dasos Kestävä Metsä ja Puu III	9,878,050.69	11,953,416.15	Finland
Dasos Timberland Fund II	18,000,615.83	18,000,964.83	Luxembourg
FIM Lapset ja nuoret I Ky	447,682.82	496,614.55	Finland
Fundu Fund Ky	2,000,169.96	2,259,550.93	Finland
ICG Senior Debt Partners Fund 2	5,673,426.00	5,673,426.00	Luxembourg
Infranode I (No. 1) AB	9,270,949.82	9,270,949.82	Sweden
Kasvurahastojen Rahasto IV Ky	1,816,867.13	1,816,867.13	Finland
Kasvurahastojen Rahasto V Ky	101,075.00	101,075.00	Finland
LähiTapiola Asuntorahasto Prime Ky	954,026.92	954,026.92	Finland
LähiTapiola Asuntosijoitus Suomi Ky	2,565,212.40	2,565,212.40	Finland
LähiTapiola Keskustakiinteistöt Ky	3,524,193.00	3,524,193.00	Finland
LähiTapiola Yhteiskuntakiinteistöt Suomi Ky	19,687,045.97	19,687,045.97	Finland
NB Private Debt Fund II LP	641,622.87	641,622.87	USA
Nordic Mezzanine Fund III	386,827.00	386,827.00	UK
Siguler Guff Small Business Credit Opportunities	2,630,521.11	3,525,918.72	USA
TPG Partners VI, LP	248,932.52	248,932.52	USA
TPG Partners VII, L.P.	4,641,396.67	4,641,396.67	USA
Tikehau Direct Lending III	731,653.92	731,653.92	Luxembourg
Tuohex Kiinteistörahasto I Ky	9,565,121.95	9,565,121.95	Finland
VSS Structured Capital Parallel III, L.P.	7,547,265.77	9,900,278.18	USA
Others	751,042.19	962,449.52	
<b>Total</b>	<b>132,143,051.15</b>	<b>142,383,073.68</b>	

## Total other investments, shares and holdings

**8,748,153.00 1,214,513,863.07 1,343,342,852.25**

## 8. Other investments

### 8.1 Other loans, itemised by type of security

	2024	2023
Bank guarantee	0.00	3,975.02
Remaining acquisition cost	0.00	3,975.02
Unsecured, total remaining acquisition cost	4,096,011.75	4,897,511.75
	<u>4,096,011.75</u>	<u>4,901,486.77</u>



## 9. Changes in tangible and intangible assets

2024

	Intangible rights, other expenses with long-term effects and development expenses	Provisional premiums	Goodwill and Goodwill on consolidation	Machinery and equipment
Acquisition cost on 1 Jan.	85,557,431.96	4,989,565.30	1,200,000.00	35,159,787.34
Increase	1,790,656.60	6,460,704.50	0.00	505,064.96
Decrease	0.00	0.00	0.00	-238,660.00
Transfers between items	2,316,650.18	-2,316,650.18	0.00	0.00
Acquisition cost on 31 Dec.	89,664,738.74	9,133,619.62	1,200,000.00	35,426,192.30
Accumulated depreciation on 1 Jan.	-79,248,820.19	0.00	-800,000.00	-34,308,867.79
Depreciation for the financial year	-2,890,134.16	0.00	-400,000.00	-279,331.13
Accumulated depreciation on 31 Dec.	-82,138,954.35	0.00	-1,200,000.00	-34,588,198.92
Book value on 31 Dec.	7,525,784.39	9,133,619.62	0.00	837,993.38

## 10. Capital and reserves and itemization of revaluation reserve

### 10.1 Changes in capital and reserves

	1.1.2024	Increase	Decrease	31.12.2024
Initial reserve	8,641,380.35	0.00	0.00	8,641,380.35
Revaluation reserve	85,090.31	0.00	0.00	85,090.31
Security reserve	1,685,737,609.88	73,102,028.83	0.00	1,758,839,638.71
Contingency reserve	4,110,067.39	1,500,000.00	-1,376,975.79	4,233,091.60
Muut rahastot yhteensä	1,689,847,677.27	74,602,028.83	-1,376,975.79	1,763,072,730.31
Profit for the accounting period	74,602,028.83	246,306,099.24	-74,602,028.83	246,306,099.24
<i>Total changes in capital and reserves</i>	1,773,176,176.76	320,908,128.07	-75,979,004.62	2,018,105,300.21

### 10.2 Itemisation of revaluation reserve

31.12.2024

Revaluation of fixed assets	85,090.31
<i>Total</i>	85,090.31

### 10.3 Account of distributable profits

31.12.2024

Profit for the accounting period	246,306,099.24
+ Other unrestricted capital and reserves	
Security reserve	1,758,839,638.71
Contingency reserve	4,233,091.60
<i>Total distributable profits</i>	2,009,378,829.55

## 11. Accumulated appropriations

2024

2023

### Depreciation difference

Depreciation difference on 1 Jan.	178,821.80	170,889.01
Increase	3,840.47	7,932.79
Depreciation difference on 31 Dec.	182,662.27	178,821.80
<b>Total accumulated appropriations</b>	182,662.27	178,821.80

<b>12. Provision for outstanding claims</b>	<b>2024</b>	<b>2023</b>
Uncontested recourse receivables deducted from provisions for claims outstanding		
Statutory workers' compensation	37,062,747.00	36,963,210.00
<b>Adequacy of claims provision</b>		
Statutory workers' compensation	26,769,825.69	44,163,695.07
Non-statutory accident and health	-4,053,811.13	-3,557,955.15
Motor vehicle liability	4,128,987.05	1,919,672.30
Land vehicles	-369,679.20	-348,067.40
Marine, aviation, railway rolling stock and transport	177,921.24	1,208,751.19
Fire and other damage to property	4,103,548.38	3,677,837.81
General liability	4,251,601.85	2,230,862.81
Credit and suretyship	869,836.58	677,216.25
Legal expenses	239,024.53	1,354,239.71
Other	1,368,998.87	273,798.24
Reinsurance	5,750,669.08	30,064,699.76
	<u>43,236,922.94</u>	<u>81,664,750.59</u>
<b>13. Other obligatory provisions</b>	<b>2024</b>	<b>2023</b>
Provision for unemployment security deductible	65,722.11	46,914.78
Provision from other commitments	0.00	17,341,900.00
	<u>65,722.11</u>	<u>17,388,814.78</u>
<b>14. Deferred tax liabilities</b>	<b>2024</b>	<b>2023</b>
Tax liability calculated on the basis of timing differences and other temporary differences between taxable profit and accounting profit	143,390.32	143,390.32
Tax debt calculated based on valuation gains/losses that is deemed likely to become payable during the next year	3,800,000.00	2,600,000.00
	<u>3,943,390.32</u>	<u>2,743,390.32</u>
<b>15. Receivables and liabilities</b>		
<b>15.1 Itemisation of receivables</b>	<b>2024</b>	<b>2023</b>
<b>Receivables from group companies</b>		
Other receivables	2,280,314.70	4,768,095.11
	<u>2,280,314.70</u>	<u>4,768,095.11</u>
<b>15.2 Itemisation of liabilities</b>	<b>2024</b>	<b>2023</b>
<b>Liabilities to group companies</b>		
Trade creditors	1,586,009.80	1,657,712.96
Other liabilities	1,003,209.08	3,107,155.90
	<u>2,589,218.88</u>	<u>4,764,868.86</u>
<b>15.3 Itemisation of accruals and deferred income</b>	<b>2024</b>	<b>2023</b>
Liabilities to personnel	10,598,895.06	9,871,469.72
Other accruals and deferred income	3,781,836.98	3,555,590.76
	<u>14,380,732.04</u>	<u>13,427,060.48</u>

## 16. Notes concerning guarantees and contingent liabilities

Other derivative contracts	2024	2023
<b>Interest derivatives</b>		
Forward and futures contracts, open		
Underlying instrument	2,600,000.00	2,900,000.00
<b>Currency derivatives</b>		
Forward and futures contracts, open		
Underlying instrument	0.00	-22,562,158.19
Current value	0.00	175,966.82
<b>Leasing liabilities</b>		
Amount to be paid in the current financial year	120,769.44	141,231.92
Amount to be paid in the coming years	457,753.47	397,398.24
	<u>578,522.91</u>	<u>538,630.16</u>
<b>Rent liabilities</b>		
Amount to be paid in the current financial year	2,291,047.20	2,188,006.80
Amount to be paid in the coming years	7,114,686.26	8,128,777.10
	<u>9,405,733.46</u>	<u>10,316,783.90</u>
<b>Value-added tax liabilities</b>		
Joint liability relating to collective value-added tax registration		
Group companies	1,297,139.64	189,448.11
Partner companies	3,969,064.33	2,204,566.88
	<u>5,266,203.97</u>	<u>2,394,014.99</u>
<i>VAT liability with a positive sign = VAT debt</i>		
<i>VAT liability with a negative sign = VAT receivable</i>		
Inspection responsibility of real estate investments under section 120 of the Value Added Tax Act		
Company	365,395.00	693,426.00
Other companies of the group	68,759,592.11	66,178,880.53
	<u>69,124,987.11</u>	<u>66,872,306.53</u>
<b>Other commitments</b>		
Investment commitments	594,828,104.46	506,829,779.20
Granted limit	102,500,000.00	101,500,000.00
Other commitments *	33,292,595.91	62,697,524.45
	<u>730,620,700.37</u>	<u>671,027,303.65</u>

\*LocalTapiola General has pledged to purchase the other investors' shares in the named investment in 2028. The amount of liability is based on the shareholder agreement and on the estimated development of the indicators for the valuation mechanism determined in the agreement.

A joint liability agreement concluded between LocalTapiola General Mutual Insurance Company and regional mutual insurance companies of the LocalTapiola group determines the principles for ensuring the solvency of the companies in the group. More information regarding the joint liability agreement can be found in the Report of the Board of Directors, section Solvency and risk management.

## 17. Related party loans and transactions

The related parties register of the company has been compiled in accordance with the related parties definition in the Insurance Companies Act.

The company has not carried out related party transactions involving any other than conventional commercial terms and conditions.

The company has not granted loans to related parties.

Information on contingent liability relating to group registration of VAT can be found in Note 16.

### 10.5.3 Performance analysis and other notes, LocalTapiola General

#### Performance analysis

	2024	2023	2022	2021	2020
Premiums earned	287,777	274,172	267,941	265,142	310,074
Claims incurred	-222,425	-146,365	-211,200	-221,618	-267,844
Operating expenses	-51,807	-45,764	-49,045	-38,973	-52,569
<b>Balance on technical account before change in equalization provision</b>	<b>13,545</b>	<b>82,042</b>	<b>7,696</b>	<b>4,551</b>	<b>-10,339</b>
Investment income and expenses as well as revaluations and adjustments thereof	264,864	92,548	9,018	139,044	57,807
Other income and expenses	1,272	1,578	1,253	1,810	3,452
<b>Operating profit</b>	<b>279,681</b>	<b>176,168</b>	<b>17,966</b>	<b>145,404</b>	<b>50,920</b>
Change in equalization provision	-12,607	-80,349	-6,372	0	0
<b>Profit before appropriations and taxes</b>	<b>267,073</b>	<b>95,819</b>	<b>11,594</b>	<b>145,404</b>	<b>50,920</b>
Appropriations	-4	-8	-12	-24	-3
Direct taxes	-20,764	-21,209	-1,621	-26,434	-887
<b>Profit for the accounting period</b>	<b>246,306</b>	<b>74,602</b>	<b>9,961</b>	<b>118,946</b>	<b>50,029</b>
Operating profit	279,681	176,168	17,966	145,404	50,920
Change in the difference between current and book values	45,691	30,248	-139,931	112,325	43,359
<b>Total result</b>	<b>325,372</b>	<b>206,416</b>	<b>-121,965</b>	<b>257,730</b>	<b>94,278</b>

## 10.5.4 Investment allocation at fair value

### Investment allocation at current value

	Basic breakdown				Risk breakdown <sup>8)</sup>		
	31.12.2024		31.12.2023		31.12.2024		31.12.2023
	EUR million	%	EUR million	%	EUR million	% <sup>10)</sup>	% <sup>10)</sup>
<b>Fixed-income investments</b>	<b>1,230.8</b>	<b>35.2</b>	<b>947.2</b>	<b>29.3</b>	<b>1,233.4</b>	<b>35.2</b>	<b>29.3</b>
Loan receivables <sup>1)</sup>	62.9	1.8	75.3	2.3	62.9	1.8	2.3
Bonds	1,050.3	30.0	788.5	24.4	1,052.9	30.1	24.4
Other money market instruments and deposits <sup>1) 2)</sup>	117.6	3.4	83.3	2.6	117.6	3.4	2.6
<b>Equities and shares</b>	<b>1,576.2</b>	<b>45.1</b>	<b>1,730.2</b>	<b>53.5</b>	<b>1,576.2</b>	<b>45.0</b>	<b>53.5</b>
Listed equities and shares <sup>3)</sup>	397.0	11.4	286.6	8.9	397.0	11.3	8.9
Private equity investments <sup>4)</sup>	787.2	22.5	798.4	24.7	787.2	22.5	24.7
Unlisted equities and shares <sup>5)</sup>	392.0	11.2	645.1	20.0	392.0	11.2	20.0
<b>Real estate investments</b>	<b>680.8</b>	<b>19.5</b>	<b>545.7</b>	<b>16.9</b>	<b>680.8</b>	<b>19.5</b>	<b>16.9</b>
Direct real estate investments	401.7	11.5	407.8	12.6	401.7	11.5	12.6
Real estate funds and joint investments	279.0	8.0	137.9	4.3	279.0	8.0	4.3
<b>Other investments</b>	<b>9.1</b>	<b>0.3</b>	<b>9.5</b>	<b>0.3</b>	<b>9.1</b>	<b>0.3</b>	<b>0.3</b>
Hedge fund investments <sup>6)</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commodity investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investments <sup>7)</sup>	9.1	0.3	9.5	0.3	9.1	0.3	0.3
<b>Total investments</b>	<b>3,496.9</b>	<b>100.0</b>	<b>3,232.5</b>	<b>100.0</b>	<b>3,499.5</b>	<b>100.0</b>	<b>100.0</b>
Effect of derivatives <sup>9)</sup>						<b>0.0</b>	<b>0.0</b>
<b>Investments at current value, total</b>	<b>3,496.9</b>	<b>100.0</b>	<b>3,232.5</b>	<b>100.0</b>	<b>3,499.5</b>	<b>100.0</b>	<b>100.0</b>

### The modified duration of bond investments

5.41

1) Accrued interest included

2) Includes cash at bank and in hand and purchase money claims and purchase money obligations

3) Includes also mixed funds if those can't set elsewhere

4) Includes fixed assets and mezzanine funds as well as infrastructure investments

5) Includes also unlisted real estate investment companies

6) Includes all types of hedge fund investments regardless of the strategy of the fund

7) Includes items that can not be included in other investments classes

8) Risk breakdown can be shown from reference periods as the knowledge cumulates (not with retroactive effect).

If the numbers are shown from reference periods and the periods are not completely comparable, it must be informed.

9) Includes derivatives effect on difference between risk and basic allocation. The effect of derivatives can be +/-.

After the difference correction the total sum of the risk allocation tallies with the basic allocation.

10) The ratio is calculated by using the total sum of the row "Investments at current value, total" as divisor.

## 10.5.5 Net investment income on tied capital

### Return on capital employed (at current value), %

	Net investment income at current value <sup>8)</sup>	Capital employed <sup>9)</sup>	Return-% on capital employed				
			2024	2023	2022	2021	2020
	EUR million	EUR million	%	%	%	%	%
<b>Fixed-income investments</b>	<b>49.2</b>	<b>1,097.8</b>	<b>4.5</b>	<b>7.2</b>	<b>-10.2</b>	<b>-0.1</b>	<b>1.1</b>
Loan receivables <sup>1)</sup>	-0.3	67.9	-0.5	3.4	6.1	-4.1	0.7
Bonds	44.3	912.3	4.9	8.4	-12.5	0.4	1.5
Other money market instruments and deposits <sup>1) 2)</sup>	5.2	117.6	4.5	2.5	-0.3	-0.2	-0.7
<b>Equities and shares</b>	<b>246.7</b>	<b>1,601.8</b>	<b>15.4</b>	<b>4.5</b>	<b>-0.7</b>	<b>14.1</b>	<b>4.2</b>
Listed equities and shares <sup>3)</sup>	66.8	317.5	21.0	8.1	-19.9	30.1	-0.9
Private equity investments <sup>4)</sup>	42.1	785.9	5.4	5.2	6.5	12.2	2.6
Unlisted equities and shares <sup>5)</sup>	137.8	498.3	27.7	2.1	3.7	4.7	9.7
<b>Real estate investments</b>	<b>18.7</b>	<b>580.9</b>	<b>3.2</b>	<b>-3.6</b>	<b>0.4</b>	<b>7.6</b>	<b>7.6</b>
Direct real estate investments	12.2	400.2	3.1	-1.0	3.4	8.6	8.7
Real estate funds and joint investments	6.5	180.6	3.6	-12.4	-11.4	2.5	1.7
<b>Other investments</b>	<b>0.5</b>	<b>9.0</b>	<b>5.2</b>	<b>13.2</b>	<b>-4.4</b>	<b>3.3</b>	<b>-23.1</b>
Hedge fund investments <sup>6)</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commodity investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investments <sup>7)</sup>	0.5	9.0	5.2	13.2	-4.4	3.3	-23.1
<b>Total investments</b>	<b>315.1</b>	<b>3,289.3</b>	<b>9.6</b>	<b>4.0</b>	<b>-3.8</b>	<b>8.4</b>	<b>3.6</b>
Unallocated return, costs and operating expenses	-4.5						
<b>Net investment income at current value</b>	<b>310.6</b>	<b>3,289.3</b>	<b>9.4</b>	<b>3.8</b>	<b>-4.0</b>	<b>8.2</b>	<b>3.5</b>

1) Accrued interest included

2) Includes cash at bank and in hand and purchase money claims and purchase money obligations

3) Includes also mixed funds if those can't set elsewhere

4) Includes fixed assets and mezzanine funds as well as infrastructure investments

5) Includes also unlisted real estate investment companies

6) Includes all types of hedge fund investments regardless of the strategy of the fund

7) Includes items that can not be included in other investments classes

8) Change in market values at the end and beginning of the reporting period – cash flows during the period

By cash flow is meant the difference between sales/profits and purchases/expenses.

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

## 11 Accounting principles

The financial statements of LocalTapiola General Mutual Insurance Company (LocalTapiola General) are prepared in accordance with the Finnish Accounting Act, Limited Liability Companies Act and Insurance Companies Act. In addition, compliance is ensured with the Ministry of Social Affairs and Health's Decree on the financial statements and consolidated financial statements of insurance undertakings, with the provisions of the Accounting Decree as provided in the above Decree, and with the decisions, regulations and instructions issued by the authorities regulating insurance companies – the Ministry of Social Affairs and Health and the Financial Supervisory Authority.

### 11.1 Composition of LocalTapiola Group

#### 11.1.1 Grounds for the scope of the consolidated financial statements of LocalTapiola Group

As the leading parent company of LocalTapiola Group, LocalTapiola General prepares the consolidated financial statements for LocalTapiola Group to the extent required from insurance groups under the Insurance Companies Act. They are also necessary for the purposes of group supervision carried out by the Financial Supervisory Authority under the Insurance Companies Act.

In spite of the consolidated financial statements, LocalTapiola Group as a whole does not constitute a group within the meaning of the Accounting Act, mainly because the insurance companies are mutual companies. Mutual insurance companies are owned by the policyholders and, consequently, they do not fulfil the requirement, established in the Accounting Act's definition of 'group', that the parent company holds a majority stake in and a majority of the votes of the subsidiary. LocalTapiola General also does not have the right to nominate a majority of the members of the Boards of Directors of the other mutual LocalTapiola Group insurance companies, nor are there any contractual or other arrangements in force between the LocalTapiola Group companies in accordance with which LocalTapiola General would exercise de facto control over the other mutual insurance companies part of LocalTapiola Group.

All guarantee share owners of Turva Mutual Insurance Company have signed an addendum to the agreement concluded between the guarantee share owners, according to which LocalTapiola General has, where it so wishes, the right to appoint the majority of Turva's Board of Directors. LocalTapiola Group owns 75.79 per cent of the guarantee capital of Turva. In the consolidated financial statements of LocalTapiola Group, Turva Mutual Insurance Company is reported as a subsidiary, yet Turva's financial statements information is not consolidated into the consolidated financial statements of LocalTapiola Group on the basis of chapter 6, section 3, paragraph 1 of the Accounting Act, according to which the financial statements of a subsidiary may be excluded from consolidation if consolidation is not necessary in order to present a true and adequate picture of the operational results and financial position of the group. Owners of the guarantee capital of a mutual company do not have a right to the company's other assets than the guarantee capital and any possible guarantee capital interest paid from retained earnings by decision of a General Meeting. In accordance with the Financial Supervisory Authority's statement, Turva is not consolidated into LocalTapiola Group.

#### 11.1.2 Consolidated financial statements of LocalTapiola Group

The LocalTapiola General corporate group, as determined under the Accounting Act, and the other companies of the insurance group as referred to in chapter 26, section 2 of the Insurance Companies Act, are consolidated into the consolidated financial statements of LocalTapiola Group. LocalTapiola Group comprises LocalTapiola General, 19 regional non-life insurance companies, LocalTapiola Life as well as the other companies consolidated into LocalTapiola Group by way of their control or influence. For the previous financial period, the figures for Finnish P&C Insurance Ltd are included from the date of acquisition, 25 May 2023, and for the 2024 financial period they are included in full. The names of the main LocalTapiola Group companies are shown in the notes to the financial statements and in the report of the Board of Directors. The group-related terms used in the financial statements refer to LocalTapiola Group.

The consolidated financial statements of LocalTapiola Group are prepared as combinations of the profit and loss accounts, balance sheets and notes of LocalTapiola General and of the subsidiaries consolidated into LocalTapiola Group, from which the following are eliminated: inter-company receivables and liabilities, income and expenses, profit distribution, intra-group realised gains and losses, and mutual share ownership. In the event that the

accounting principles of a subsidiary deviate in any material regard from the accounting principles employed in preparing the consolidated financial statements of LocalTapiola Group, the items in question are adjusted in group consolidation to align them with the accounting principles of the group.

The shareholding and guarantee capital ownership internal to the consolidated financial statements of LocalTapiola Group are eliminated using the acquisition cost method. Mutual companies credit a part of their retained earnings from capital and reserves to owner-customers in the form of **customer bonuses. Under capital and reserves, 'Mutual insurance companies' capital and reserves' is shown as a separate balance sheet item. The initial fund, the security reserve and the contingency reserve, as well as the retained earnings not paid as interest to the guarantee capital owners, of the mutual insurance companies consolidated as subsidiaries are shown under the 'Mutual insurance companies' capital and reserves' balance sheet item.** LocalTapiola Group owns 100% of the guarantee capital of the mutual regional non-life insurance companies and of LocalTapiola Life. The profit and loss account items of the housing and real estate companies included in LocalTapiola Life Group are shown in the technical account for life insurance business.

Minority interest in capital and reserves and in profit is shown as a separate item in the profit and loss account and in the balance sheet. Any subsidiaries acquired during the financial period are consolidated as of the acquisition date and any subsidiaries sold up to the moment of sale.

Associates, that is, companies of whose shares or control LocalTapiola Group holds 20–50 per cent, are consolidated into the consolidated financial statements of LocalTapiola Group using the equity method. However, mutual companies, such as limited liability housing companies, real estate companies and mutual funds, are not consolidated as associates into the financial statements of LocalTapiola Group, not even where the above thresholds for control and ownership were met on the closing of the accounts.

In the consolidated financial statements of LocalTapiola Group, deferred taxes and deferred tax liabilities are recognised in the balance sheet. Deferred taxes and deferred tax liabilities deriving from consolidation measures are recognised in the balance sheet whenever their future tax implications are to be deemed probable for the companies which they concern. The change in taxation-based provisions and in accumulated depreciation difference is distributed between the profit and the change in

deferred taxes. The corresponding balance sheet items are divided into deferred taxes and capital and reserves, with due consideration of minority interest.

With regard to housing and real estate companies, revaluations of shares of insurance-sector subsidiaries are allocated as revaluations of **LocalTapiola Group subsidiaries' real estate.**

Goodwill on consolidation arising from elimination is primarily allocated to the relevant asset items of the subsidiary, with due consideration of the fair value of these items. Goodwill on consolidation is amortised according to plan similarly to the corresponding item. Unallocated goodwill on consolidation is disclosed in the balance sheet as a separate item under intangible assets, and it is amortised according to plan. Negative goodwill on consolidation is shown in the balance sheet as a separate item under **liabilities, and it is released to income from the company's retained earnings, where possible.**

The direct business internal to the consolidated financial statements of LocalTapiola Group is not eliminated; internal reinsurance, with the exception of the equalisation provision, is eliminated.

## 11.2 Accounting principles

### 11.2.1 Measurement and recognition of intangible assets

#### Other expenses with long-term effects

Other capitalised expenses with long-term effects include the costs of renovation of apartments and the design and software programming costs of ICT systems. They are shown in the balance sheet at acquisition cost net of planned depreciation.

### 11.2.2 Measurement and recognition of investments

#### Land and buildings

Buildings and structures are shown in the balance sheet at acquisition cost net of planned depreciation or at fair value, whichever is lower.

Real estate shares are shown in the balance sheet at the lower of acquisition cost and fair value. Values of land and buildings may have been revalued if their value at the end of the financial period was permanently and materially higher than the original acquisition cost. The counter-item of a revaluation of



land or buildings classified as investment assets has been recognised as income in the profit and loss account since 1978, and all revaluations made before that are entered in the revaluation reserve under restricted capital and reserves. The counter-item of an investment classified as fixed assets is entered in the revaluation reserve under restricted capital and reserves.

If the fair value increases, any earlier impairment made in respect of investments is reversed (through profit or loss) up to the original acquisition cost.

### Shares and participations

Shares and participations are shown in the balance sheet at the lower of acquisition cost and fair value. Acquisition cost is calculated using the average price. Any previous impairment is reversed into the value of shares and participations insofar as the fair value exceeds the book value.

Any securities lent are included in the balance sheet. The details of lent securities are shown in the notes to the balance sheet.

### Debt securities

Debt securities include bonds and other money market instruments. Debt securities are shown in the balance sheet at acquisition cost. Acquisition cost is calculated using the average price. The difference between the nominal value and the acquisition cost of debt securities is recognised as interest income or as a decrease of that income over the expected life of the debt security in question. The counter-item is recorded as an addition or reduction of the acquisition cost of the debt security. Temporary changes in value that are due to interest rate fluctuations and other reasons are not recorded. Impairments that are due to other reasons are recorded.

Similarly, write-backs are recorded if the fair value of the debt security has later exceeded the reduced acquisition cost, up to the original acquisition cost.

### Loans, deposits, and deposits with ceding undertakings

Loans, deposits, and deposits with ceding undertakings are shown in the balance sheet at nominal value or at a permanently lower probable value. Temporary changes in value that are due to interest rate fluctuations and other reasons are not recorded. Impairments that are due to other reasons are recorded.

Similarly, write-backs are recorded if the fair value has later exceeded the reduced acquisition cost, up to the original acquisition cost.

### Derivative contracts in the insurance business

In the insurance business, derivative contracts are employed as investments that operatively reduce investment risk. In addition to this, in the accounts, derivatives are also employed as hedging instruments, and hedging calculation is applied to these derivatives.

Any negative difference between the fair value and a higher book value of a derivative contract treated operatively or as non-hedging is recorded as expense. Unrealised gains are not recorded.

All income and losses generated during the financial period from the closing or lapsing of contracts are recorded as income or expense for the financial period. Interest allocated to the financial period is recorded in investment interest income/expenses.

### Hedging calculation

The link between a hedged item and the hedging derivative instrument is documented in the manner described in the derivatives strategy, and the effectiveness of hedging is monitored on a continuous basis.

When employing hedging calculation, any negative change in the value of a derivative is not recorded as expense insofar as an increase in the value of the hedged item covers this. That portion of the negative change in the value of a derivative which exceeds the increase in the value of the hedged item is recorded as expense. If no change in value is recorded in the profit and loss account with regard to the hedged balance sheet item, no valuation income or expense will be recorded from the hedging contract.

### Derivative contracts in the finance business

In the finance business, derivative contracts are used for hedging against interest rate risk. In accounting, derivatives are treated as non-hedging and they are recognised at fair value through profit or loss. Changes in value, and the interest allocated to the financial period, are recognised under other income and expenses as stemming from ancillary activity. The hedging interest rate derivative used for bonds is treated as an exception, and the value of this derivative is shown in the financial statements as an off-balance sheet item. Cash flows from hedging interest rate swaps are recognised through profit or loss.

### 11.2.3 Determining the fair values of investments

#### Investments in land and buildings

All land and buildings are valued at market-based fair values. The valuation principles set out in the International Valuation Standards (IVS) and the good property valuation principles (known as the AKA criteria), and the requirements they impose on valuation methods, are applied in the valuation of investments in land and buildings.

Residential sites are primarily evaluated using the sales comparison approach based on comparable sales. The primary valuation method for commercial sites is the cash flow method based on gross rentals. The values of special sites are determined using a market-based evaluation method best suited for the site in question. The assignment compensation defined in section 10 of the Act on the Use, Assignment and Redemption of State-Subsidised (ARAVA) Rental Dwellings and Buildings (1190/1993) is treated as the fair value of investments in land and buildings funded by state housing loans.

In accordance with the requirements of the Financial Supervisory Authority, valuations are carried out by either external authorised property valuers or **LocalTapiola Real Estate Asset Management Ltd's experts, instructed and audited by an external authorised property valuer.**

#### Shares, participations and debt securities

With regard to quoted securities and securities for which there is a market, the latest trading price or, if this is not available, the bid price is used as the fair value. For other investments, the likely transfer price, the book value or a substance-based value is used as the fair value. The fair value used for private equity funds is the acquisition cost or the management company's estimate of the fair value of the fund concerned.

#### Loans, deposits, and deposits with ceding undertakings

The fair value used for loans, deposits, and deposits with ceding undertakings is the nominal value, with due consideration of any reduction of the nominal value to the likely value that may be required by the risk of a potential credit loss.

### 11.2.4 Zillmerisation

Zillmerisation is not applied.

### 11.2.5 Investments covering unit-linked insurance

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

### 11.2.6 Measurement of receivables

#### Premium receivables

Premium receivables are shown in the balance sheet at up to their likely value. From the nominal value of premium receivables is subtracted experience lapsing, which yields their likely value. Receivables not likely to be settled are recorded as credit losses.

#### Foreign currency items

Receivables and liabilities in foreign currencies are converted into euros at the rate quoted by the European Central Bank on the day of the closing of the accounts. For other investments, the lower of the rate valid at the moment of acquisition and the rate valid on the day of the closing of the accounts is used.

Exchange rate differences are allocated as adjustment items of the income and expenses concerned. Exchange rate differences concerning cash at bank, cash in hand and deposits, as well as any items that cannot be directly allocated as an adjustment of income or expense, are recognised as investment exchange gains or losses.

### 11.2.7 Depreciation

The acquisition cost of buildings and their components, fleet, equipment, intangible rights and long-term expenditure is capitalised, and it is depreciated according to plan over its expected useful life.

The estimated depreciation periods of the various commodity groups are as follows:

#### Intangible assets

- Renovations of apartments 3–10 yrs
- Design expenses of ICT system 3–10 yrs.

#### Real estate

- Residential, office and hotel buildings 40–50 yrs
- Department store buildings and other store buildings 30–40 yrs
- Industrial buildings, warehouses and similar buildings 20–30 yrs
- Building components, reducing balance method 25%.

Fleet and equipment

- Office machinery and equipment, reducing balance method 25%, or on a straight-line basis over 3–5 yrs.

The impact of material renovations of buildings on their holding period is assessed separately. Revaluations recognised as income are depreciated according to the holding period of the item in question.

The accumulated difference in the accounts between write-offs and planned depreciation is recorded in the balance sheet under liabilities, under the **'Accumulated appropriations, accumulated depreciation difference' item, and** any increase or decrease in the depreciation difference generated during the financial period is shown separately in the profit and loss account.

## 11.2.8 Accumulated appropriations

### Accumulated depreciation difference

See "Depreciation".

Taxation-based provisions

Some provisions were made through profit or loss under fiscal and accountancy legislation.

## 11.2.9 Obligatory provisions

From income are deducted as obligatory pension provisions the pension expenditure and any possible unemployment pension expenditure that will in future arise from obligations and that concern the financial period ended or an earlier financial period. As other provisions, the provisions for interest on late payments in respect of unsettled claims are deducted from income.

## 11.2.10 Direct taxes

In the profit and loss account, direct taxes are shown on an accrual basis.

## 11.2.11 Deferred taxes and deferred tax liabilities

Deferred taxes and deferred tax liabilities pertaining to timing differences between taxable income and accounting profit, and those referring to other temporary differences, are shown in the notes to the financial statements. The notes show the deferred taxes, calculated based on valuation differences, that are deemed likely to materialise during the following year.

## 11.2.12 Other creditors

Liabilities other than the technical provisions are shown in the balance sheet at nominal value.

## 11.2.13 Subordinated loan

Subordinated loans are recognised in the balance sheet at acquisition cost under liabilities. The difference between the nominal value and the acquisition cost of the loan is amortised as an interest expense, and the counter-item is recognised as an increase of the acquisition cost of the subordinated loan.

## 11.2.14 Description of pension cover and the allocation of pension expenditure

The statutory pension cover of staff is arranged through TyEL insurance.

Any possible supplementary pension cover, under which the benefits include an **old-age pension, a disability pension, a survivors' pension, and a death benefit** for family members, is arranged through insurance. As a general rule, the supplementary pension cover accrues a pension annually at a rate of 0.2 per cent of the pensionable annual income calculated under the Employees Pensions Act.

The retirement age of the Managing Director of LocalTapiola General is determined on the basis of employee pension legislation. The retirement age of all full-time Board members in the employ of LocalTapiola General is determined on the basis of employee pension legislation, unless a retirement age of 63 years is specifically agreed. The retirement/resignation age of other managers is in accordance with the employment pension legislation in force from time to time.

Pension insurance contributions are amortised on an accrual basis

## 11.2.15 Technical provisions, non-life insurance

### Provision for unearned premiums

The provision for unearned premiums includes that portion of the premiums written accrued during the financial period and in previous years in respect of which the risk concerns time after the financial period. The fees of reinsurance acceptances are also amortised similarly. The amount of the provision for unearned premiums is calculated in accordance with the pro rata parte temporis principle. Capitalised insurance acquisition costs are not deducted from the provision for unearned premiums, and the provision for unearned premiums does not include any provisions for unexpired risks.

Compounding is applied in calculating the provision for unearned premiums for perpetual forest and perpetual fire insurance, in which case a technical rate of interest of 4.5 per cent is employed.

## Provision for claims outstanding

The provision for claims outstanding includes the claims outstanding payable by the company after the financial period which accrue from claims and other insured events that occur before or during the financial period. The provision for claims outstanding includes the equalisation provision. The equalisation provision is a buffer reserved for years in which there is a large number of claims. It is used to secure the adequacy of technical provisions also in the event of unfavourable fluctuations in the factors which materially affect the technical provisions.

The Financial Supervisory Authority confirms the calculation rules for the equalisation provision on a company-specific basis.

In calculating the provision for annuities, including unidentified claims, a technical rate of interest of 1.5 (in the 2023 financial statements, 1.2) per cent is applied.

Calculation of the provision for annuities employs the non-life insurance reference mortality rate K2021, prepared in cooperation by the Finnish Workers' Compensation Center and the Insurance Centre.

### 11.2.16 Technical provisions, life insurance

#### Technical provisions

The technical provisions comprise the provision for unearned premiums and the provision for claims outstanding. The equalisation provision is included in the provision for claims outstanding.

For pure risk policies, the provision for unearned premiums is equal to the portion of the premiums written which concerns time after the closing of the accounts, net of any possible unpaid premiums.

For savings-type insurance contracts, the provision for unearned premiums is calculated as the capital value of the future benefits, contract management fees and future premiums. Calculation of the capital value mainly employs the discount rate, mortality, and assumed operating expenses.

The provision for claims outstanding is the debt arising from the costs of claims and claim settlement of known or unknown insured events that have already occurred. The provision for claims outstanding consists of both case-specific claims outstanding and claims outstanding statistically. The technical provisions contain risk provisions, which have been used to adjust the

mortality and morbidity estimates of insurance contracts to correspond to the level observed to deviate from the rating employed.

All decided customer bonuses are taken into account when calculating the technical provisions. The technical provisions include the provision for future additional benefits, which is primarily used for paying future customer bonuses to ensure continuity.

#### Discount rate for technical provisions

With regard to contracts other than unit-linked contracts, the maximum discount rate for technical provisions is limited to the interest rate used to rate the insurance. Policies feature savings with a guaranteed interest rate of 0.0–4.5 per cent. This insurance portfolio is subject to supplementary interest rate provisions, which reduce the discount rate for technical provisions to a level that is lower than the guaranteed interest rate credited to savings.

In respect of life insurance other than pension insurance, the provision for claims outstanding is not discounted.

As for unit-linked insurance contracts, the technical provisions are determined in accordance with the value development of the investment options linked to them.

## 11.3 Changes in the accounting principles affecting the comparability of the result for the financial period with the result for the previous financial period

### 11.3.1 Changes in the calculation of non-life insurance technical provisions

The technical rate of interest was increased in 2024 from 1.2 per cent to 1.5 per cent, and the resulting impact is seen as a non-recurring decrease in the provision for claims outstanding. In the 2024 financial statements, the changed technical rate of interest decreases at LocalTapiola Group the amount of the provision for claims outstanding by a total of EUR 69.8 million and at LocalTapiola General by EUR 30.2 million. This increase of the technical rate of interest is motivated by prudent longer-term investment income from the assets covering technical provisions, as well as by the market return from well-rated long government bonds.

The coefficients used for collective calculation of the provision for claims outstanding in respect of the voluntary lines were updated in 2024, which increased the provision for claims outstanding at LocalTapiola Group on a

non-recurring basis by EUR 5.0 million and at LocalTapiola General by EUR 0.4 million. In addition, the Patient Insurance Centre updated the actuarial principles underlying public patient insurance: at LocalTapiola General these changes reduced the claims incurred and direct premiums written by EUR 1.9 million. Meanwhile, the changes made to the actuarial principles underlying private patient insurance reduced, at LocalTapiola General, the provision for claims outstanding by EUR 0.3 million on a non-recurring basis. In addition, **the actuarial principles of the Motor Insurers' Centre were also updated in 2024**, which decreased the provision for claims outstanding at LocalTapiola Group by EUR 1.6 million on a non-recurring basis, dividing between LocalTapiola General and the regional companies. In addition, a change in the actuarial principles employed by the Pharmaceutical Insurance Pool resulted in a slight decrease in the provision for claims outstanding at LocalTapiola General.

For some group companies, the changed calculation principles underlying the provision for claims outstanding also have an impact on the equalisation provision. In 2024, the combined total impact of these changes increased the equalisation provision at LocalTapiola Group by EUR 36.0 million and at LocalTapiola General by EUR 12.6 million.

The technical rate of interest was also raised in 2023 from 0.7 per cent to 1.2 per cent, and the resulting impact was seen as a non-recurring total decrease in the provision for claims outstanding at LocalTapiola Group by EUR 133.0 million and at LocalTapiola General by EUR 58.1 million. In 2023, the coefficients used for collective calculation of the provision for claims outstanding in respect of the voluntary lines were also updated and the calculation groups for collective calculation of motor liability insurance were changed, which increased the provision for claims outstanding at LocalTapiola Group on a non-recurring basis by EUR 8.1 million and at LocalTapiola General by EUR 0.8 million. In addition, the Patient Insurance Centre updated the actuarial principles underlying public patient insurance: at LocalTapiola General these changes reduced the claims incurred and direct premiums written by EUR 2.6 million. Meanwhile, the changes made to the actuarial principles underlying private patient insurance reduced, at LocalTapiola General, the provision for claims outstanding by EUR 0.9 million on a non-recurring basis. In addition, **the actuarial principles of the Motor Insurers' Centre were also updated in 2023**, which increased at LocalTapiola Group the provision for claims outstanding by EUR 2.7 million on a non-recurring basis, dividing between LocalTapiola General and the regional companies. In addition, a change in the actuarial principles employed by the

Pharmaceutical Insurance Pool resulted in a slight increase in the provision for claims outstanding at LocalTapiola General.

For some companies, the changes made in 2023 to the principles for calculating the provision for claims outstanding also have an impact on the equalisation provision. The combined total impact of these changes at LocalTapiola Group in 2023 increased the equalisation provision by EUR 83.6 million, of which EUR 58.4 million was attributable to LocalTapiola General.

### 11.3.2 Changes affecting the comparability of the life insurance business

In terms of the calculation of technical provisions, no changes affecting comparability were made to the accounting principles.

### 11.3.3 Other changes affecting comparability

## 11.4 Calculation of key figures

### 11.4.1 General key figures describing financial development

#### *Non-life insurance turnover*

= Premiums earned before reinsurers' share

+ Net investment income in the profit and loss account

+ Other income

#### *Life insurance turnover*

= Premiums written before reinsurers' share

+ Net investment income in the profit and loss account

+ Other income

#### *Performance analysis*

Non-life insurance

Premiums earned

Claims incurred

Operating expenses

Other technical income and expenses

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*Balance on the technical account before change in equalisation provision*

Life insurance <sup>1</sup>

Premiums written <sup>1</sup>
Investment income and expenses as well as revaluations, revaluation adjustments and changes in value <sup>1</sup>
Claims paid <sup>1</sup>
Change in technical provisions before additional benefits (customer benefits) and change in the equalisation provision <sup>1</sup>
Operating expenses <sup>1</sup>
Other technical income and expenses <sup>1</sup>
<hr/>
<i>Technical result before (additional benefits) and change in the equalisation provision <sup>1</sup></i>
Non-life insurance investment income and expenses as well as revaluations, revaluation adjustments and changes in value
Other income and expenses
<b>Share of associates' profit and loss <sup>1</sup></b>
<hr/>
Operating profit or loss
Change in the equalisation provision, non-life insurance
Change in the equalisation provision, life insurance <sup>1</sup>
Additional benefits (customer benefits) <sup>1 and 2</sup>
<hr/>
<i>Profit or loss before appropriations and taxes</i>
Appropriations
Income taxes and other direct taxes
Minority interests <sup>1</sup>
<hr/>
Profit or loss for the financial period

<sup>1</sup> Applies to the consolidated financial statements

<sup>2</sup> Additional benefits include interest in excess of the guaranteed interest rate

#### *Total result*

= Operating profit or loss  
+ Change in off-balance-sheet valuation differences, fair value reserve and revaluation reserve

The report of the Board of Directors uses the term 'operating result' to refer to operating profit (loss), and the term 'result for the financial period' to describe the profit (loss) for the financial period.

#### *Net investment income on capital employed (at fair value)*

Net investment income at fair value in proportion to capital employed is calculated for each type of investment and for the entire investment portfolio, taking into account the cash flows during the period.

Income for the period is calculated using the so-called modified Dietz method (a time- and money-weighted method) in such a way that the capital employed is calculated by adding to the market value of the start of the period the cash flows during the period, weighted by the relative proportion in the length of the entire period that remains from the transaction date or from the middle of the transaction month to the end of the period.

#### *Analysis of net investment income*

= Direct net investment income in accounting  
+ Changes in value in accounting  
+ Change in valuation differences

#### *Investment allocation at fair value*

The investments of unit-linked insurance are not included in the investment allocation. Of the fixed-income funds, long-term funds are included in bonds and short-term funds in money market investments.

Investments in mutual funds and in other comparable collective investment undertakings that invest in land, buildings and real estate undertakings are included under investments in land and buildings.

The mathematical valuation differences included in derivative accruals, as well as the premia included in provisional premiums, are allocated to the underlying asset item.

The 'Other money-market instruments and deposits' item of the report includes the 'Cash at bank and in hand, settlement receivables and liabilities and collateral for derivatives' balance sheet item.

#### *Return on total assets without unit-linked policies, % (at fair value)*

$$\begin{aligned} & \text{Operating profit or loss} \\ & + \text{Interest expenses and other financial expenses} \\ & + \text{Unwinding of discount rate} \\ & + \text{Revaluation/reversal entered in the} \\ & \quad \text{revaluation reserve/current value reserve} \\ = & \frac{+ \text{Change in the valuation differences of investments}}{\text{Balance sheet total}} \times 100 \\ & - \text{Technical provisions for unit-linked insurance} \\ & + \text{Valuation differences of investments} \end{aligned}$$

The divisor of this key figure is calculated as the average of the balance sheet values for the financial period and for the previous financial period.

In non-life insurance, unwinding of the discount rate refers to the impact of the dissolution of the discounted provision for claims outstanding on the company's claims incurred, when it discounts pensions in the nature of capital and/or other possible amounts included in the provision for claims outstanding. It is calculated by multiplying the discounted provision for claims outstanding at the beginning of the year by the technical rate of interest applied at the end of the previous year.

In life insurance, unwinding of the discount rate refers to the technical rate of interest credited to insurance policies during the year, plus/minus any possible changes in the supplementary provision for the technical rate of interest.

Under this key figure, other financial expenses include the items, other than interest expenses, that are due to liabilities, such as exchange gains and losses from interest-bearing liabilities recognised in the profit and loss account items.

#### *Average no. of personnel during financial period*

This key figure is calculated as the average of the number of personnel at the end of each calendar month. Any possible part-time nature of employment of the persons employed is taken into account in the number of personnel. All persons receiving a wage or salary during the financial period are included in personnel.

### 11.4.2 Financial development key figures, non-life insurance

#### *Premiums written*

= Premiums written before reinsurers' share

#### *Loss ratio*

Loss ratio, %

$$= \frac{\text{Claims incurred}}{\text{Premiums earned}} \times 100$$

Loss ratio (excl. unwinding of discount rate), %

$$= \frac{\text{Claims incurred (excl. unwinding of discount rate)}}{\text{Premiums earned (excl. unwinding of discount rate)}} \times 100$$

This key figure is calculated after reinsurers' share.

#### *Expense ratio*

$$= \frac{\text{Operating expenses}}{\text{Premiums earned}} \times 100$$

#### *Combined ratio*

Combined ratio, %

= Loss ratio + Expense ratio

Combined ratio (excl. unwinding of discount rate)

= Loss ratio (excl. unwinding of discount rate) + Expense ratio

#### *Risk ratio (report of the Board of Directors)*

Risk ratio, %

$$= \frac{\text{Claims incurred (excl. claims management expense)}}{\text{Premiums earned}} \times 100$$

#### *Risk ratio (excl. unwinding of the discount rate), %*

$$= \frac{\text{Claims incurred (excl. claims management expense, excl. unwinding of discount rate)}}{\text{Premiums earned (excl. unwinding of discount rate)}} \times 100$$

#### *Cost ratio, % (report of the Board of Directors)*

$$= \frac{\text{Operating expenses} + \text{Claims management expense}}{\text{Premiums earned}} \times 100$$

### 11.4.3 Financial development key figures, life insurance

#### *Premiums written*

= Premiums written before reinsurers' share

*Expense ratio, %*

$$= \frac{\text{Operating expenses before change in deferred acquisition costs} + \text{Claim settlement costs}}{\text{Loading income (and balance sheet total)}} \times 100$$

The numerator is separately prorated both to loading income and to balance sheet total. According to the accounting principles, loading income is an item intended for covering operating expenses. Loading income includes all expense loadings. Operating expenses do not include any commissions on reinsurance.

Operating expenses are total operating expenses in relation to the balance sheet total. Balance sheet total is the opening balance sheet total.



## 12 Notes on risk management

### 12.1 General information on the organisation of risk management

Risk management is active and proactive activity that identifies, assesses, limits, utilises and monitors hazards to business operations as well as new opportunities arising from evolving external and internal conditions, or from LocalTapiola's own strategic intent. The aim is to promote the continuity of the financial security of clients and to support the achievement of operational and financial targets. In accordance with the principles of responsible business conduct, the group reliably manages risks and provides information on risks and risk management to clients and other stakeholders.

At LocalTapiola, risk management is guided by the risk management policy, approved by the Boards of Directors of the LocalTapiola Group companies. The policy sets out the general principles that apply as permanent guidelines to the organisation of risk management. The policy specifies the concepts, main areas and processes, as well as the responsibilities for the implementation and supervision, of risk management. The risk management policy is updated annually or whenever there are any significant changes in the business conditions.

In risk management, the main areas and risk categories are:

#### Financial risks

- Solvency management risk
- Market risks
- Credit risks
- Liquidity risks
- Concentration risks
- Insurance risks.

#### Operational risks

- Business planning risks
- Process risks
- Systemic risks
- Personnel risks
- Legal risks
- Event and loss risks.

Risks associated with the operating environment and the strategy



- Risks associated with the general operating environment
- Risks associated with changes in the markets and customer behaviour
- Risks caused by competition and competitors
- Risks associated with strategic choices
- Group-level special risks.

Identification of sustainability risks is linked as part of the periodic operational risk surveys. It is typical of sustainability risks that they do not constitute a specific risk category of their own, instead materialising through the existing risk categories. Sustainability risk means an environmental, social or governance event or condition that, if materialised, might have a negative impact on the value of an investment, the value of a liability, or the company's income or reputation.

### 12.2 Organisation and responsibilities of risk management

The Board of Directors has overall responsibility for organising risk management. The Board defines the risk management targets, risk appetite, limits of risk-taking, responsibilities, metrics and supervision principles. The Board annually confirms the plans that discuss risk management, ensures that they are taken into account in the operational plans, and monitors the implementation of and compliance with these plans. Additionally, on a regular basis, the Board also monitors the state of risk management and the development of key risks. The Board has established a separate Audit and Risk Management Committee, tasked for example with assisting the Board in risk management-related matters.

The delegation of risk management responsibility and the duties of the various parties can be described with the concept of three lines of defence. Every line of defence, and every involved entity, has a role to play in the risk management system.

The managing directors and other company executives constitute the first line of defence, and they are responsible for the practical preparation, implementation and monitoring of risk management. The rules of procedure of the Management Groups of the companies, and the rules of procedure of the various risk management-related committees, define the duties of these organs with respect to the management and supervision of risk. The business units are responsible for identifying risks that relate to their own business operations, and for implementing the related risk management measures. All employees have an obligation to report any risks that they observe and any risk management areas that need improvement which they identify.

The second line of defence consists of the support and control functions. Risk management supervision is always the responsibility of an entity other than the one responsible for the operational activities. The actuarial, risk management and compliance functions assist the Board of Directors and management in risk management supervision.

As the third line of defence, internal audit supports superiors in fulfilling their supervision duty by evaluating the state of internal control within the business functions and by producing to the management and to those in charge of the functions information and proposals for measures to make supervision more effective. In addition, the auditing function oversees the implementation of risk management.

As the Board of Directors of the leading parent company of LocalTapiola Group, the Board of Directors of LocalTapiola General is responsible for arranging and supervising risk management and prudential management at the group. The Risk Management Committee of the group plays a key role in drafting the risk management policies of the group and in monitoring and **supervising the group's risks. The ALM Committee of the group is a decision-making organ which manages, monitors and develops asset liability risks, reporting directly to the Board of Directors. The Committee is responsible for ensuring that asset liability risk management is organised in an appropriate manner and that capital is used efficiently. The Board of Directors appoints the Investment Management Group, which is responsible for the practical organisation of the investment business and for the operational supervision of market risks.**

The risk management function is tasked with assisting the Boards of Directors and other functions of the companies in order to ensure effective risk management. This function monitors, as a whole, the risk profile of the companies and how the risk management system functions, and it reports on risk exposure. In addition, the function assists the Board with risk management issues.

### 12.3 Reporting of risks

As part of the risk management process, the internal risk management reporting of the company aims to provide the Board of Directors and senior management with a comprehensive view into the risk position of the group and to ensure that the risk management measures carried out align with the **organisation's strategic objectives**. The accuracy of information is ensured by sufficiently up-to-date and frequent reporting, regular balancing routines and

timely documentation that includes information on the accounting methods and systems used. In order to ensure efficient risk management, the reporting functions and decision-making of the business functions are organisationally differentiated from one another.

## 12.4 Insurance risk management and processes

### 12.4.1 Non-life insurance

In non-life insurance business, the main insurance risks relate to the pricing and underwriting of insurance products, inflation, interest rate fluctuations, mortality rate changes, occupational diseases, and reinsurance covers.

Pricing risk means that premiums are insufficient to cover the claim payments and operating expenses arising from insurance contracts. The key pricing risks are associated with the adequacy of the risk premia of the tariff models used, as well as with the profitability monitoring and claim monitoring processes and how these processes are taken into account in the pricing of insurances and in the underwriting policy.

The underwriting policy defines the permitted insurance risks. The Board of Directors approves the profitability targets for the insurance business, and the pricing strategy guides risk-based and fair pricing. The business units are responsible for achieving the targets set based on the underwriting policy and the pricing strategy. Risks connected with pricing and with the level of premiums are managed by continuously developing the reporting and calculation systems so as to enable any necessary changes to be made in the level of premiums more rapidly. Insurance risks which are particularly high are underwritten to a limited extent or not at all.

Customer risks are managed by customer selection guidelines and by monitoring compliance with these guidelines, and by the use of the claims register and, for example, taking advantage of the work of insurance investigators. Effective customer selection aims to keep credit losses and claim costs at the targeted level. Large risk concentrations are managed by reviewing these concentrations on a regular basis, carried out by risk experts. When striving for improved customer selection and risk-based pricing, one important tool are the underwriting and pricing authorisations which the business units maintain. The credit file and background details of customers are checked before customer selection.

**The Group's Investigation Team investigates, combats and prevents insurance crime against the insurance business. The settlement of unclear**

claims is an important part of the work of the Investigation Team. More serious cases are handed over to the relevant authorities.

Reserve risk means that the amount reserved in the technical provisions is insufficient to settle the claims becoming payable after the year in which the provision is made. Related subrisks include inflation risk, interest rate risk, longevity risk and occupational disease risk.

Claims involving long-term cash flow that are related to the medical treatment and rehabilitation of bodily injuries imply inflation risk. This risk materialises if, due to inflation, the level of claims payable exceeds the level assumed in pricing and in calculating the provision for claims outstanding, in which case the premiums and the provision for claims outstanding prove to be insufficient.

Interest rate risk and longevity risk mainly concern long-term provisions for **annuities under motor liability insurance and workers' compensation** insurance. When calculating these provisions, cash flows are discounted by the technical rate of interest. Interest rate risk materialises if, in the future, the returns on the assets covering the provisions are lower than the technical rate of interest. Longevity risk means the uncertainty involved in estimating the future mortality trend that relates to determination of the provision for claims outstanding. Longevity risk materialises if, in the coming years, the mortality rate proves to be lower than anticipated, in which case pensions must be paid out longer than expected.

Occupational disease risk concerns only **workers' compensation insurance**. Occupational disease means any health hazard that relates to an **employment relationship in the manner laid down in the Workers' Compensation Act**, usually caused as a result of long-term exposure to a physical, chemical or biological agent and manifesting several years after exposure. Occupational disease risk materialises if more occupational diseases occur than is anticipated, in which case premiums and the provision for claims outstanding prove insufficient.

The principles for calculating the accounting technical provisions determine the rules for establishing technical provisions for the different insurance classes. The technical rate of interest (1.5%) employed to discount the provision for claims outstanding is determined in such a way that it is not to exceed the level of prudent investment income from the assets covering the provision over the estimated period during which the claims will be settled. The calculation principles are prudent with respect to interest rate, mortality

and the other criteria on the basis of which they are determined. The adequacy of technical provisions is monitored annually, and the principles are revised where necessary. In solvency calculation, the valuation of technical provisions differs from valuation undertaken for accounting purposes. In solvency calculation, the valuation of technical provisions strives for market conformity, for example by discounting the technical provisions using the risk-free interest rate term structure.

The accounting provision for unearned premiums is determined as a 'deferred provision' in accordance with the pro rata rule. The provision for annuities is assessed by employing the 2021 mortality model jointly developed by the **Workers' Compensation Center** and the Insurance Centre, under which model pensioner mortality is affected by age, gender, year of birth, and insurance class. On a claim specific basis, funds are reserved in the provision for claims outstanding for large claims which exceed a defined EUR value. The provision for other known and unknown claims outstanding (collective provision) is defined statistically using normal actuarial methods. To increase prudence, a security supplement is provided as part of the collective provision. The provision for medical treatment expenses made in respect of future claim handling fees is determined as a relative proportion of the actual amount of the provision for claims outstanding.

Reinsurance cover risk concerns the trustworthiness of reinsurance enterprises.

Reinsurance cover risk is managed with the Board of Directors-confirmed reinsurance programme and reinsurance cover underwriting policy. When designing the reinsurance covers and reinsurance programmes, account is taken of the insurance portfolio structure, the different volumes of insurance classes, any possible risk accumulation, estimates of maximum claims, and the solvency position. Based on these factors, excess points are set for each insurance class that define the maximum amounts held at own risk with regard to individual risks.

Reinsurers are approved only if they are sufficiently solvent companies in terms of their credit rating. The majority of reinsurance is underwritten by **companies with a Standard & Poor's credit rating of 'A'**. Reinsurance covers are acquired in a diversified manner from a sufficiently large pool of reinsurance providers on the basis of the limits set by the Board of Directors. Through close cooperation between direct insurance and reinsurance, and by implementing all necessary changes to direct insurance contracts and offers

in a timely manner, steps are taken to prepare against risks connected with the availability of reinsurance and the imperviousness of the covers.

#### 12.4.2 Life insurance

In life insurance business, the main insurance risks include the risks associated with technical provisions and the customer behaviour-related risks of termination of contracts and interruption of the payment of premiums. The risks associated with technical provisions include the following: the interest rate risk connected to the technical rate of interest and to surrenders; and the risks relating to mortality, longevity and morbidity.

Interest rate risk is managed by employing interest rate instruments for investment assets, and by maintaining a sufficiently high solvency ratio, by lowering the imputed technical rate of interest of insurance portfolios by supplementing provisions, and by the use of sanctions for surrenders in products. Where necessary, the company can substantially reduce the interest rate risk to which the balance sheet is exposed by coordinating fixed-income investments to better match the maturity profile of technical provisions and/or by employing interest rate derivatives.

Mortality, longevity and morbidity risks are managed through careful product planning and underwriting, as well as by reinsuring the liabilities which exceed the selected deductible and the accumulation of claims caused by catastrophes. Underwriting applies the generally employed life insurance underwriting guidelines, as well as the underwriting policy and related guidelines. Where appropriate, financial underwriting is also carried out in order to confirm that there is an insurable interest. The rate and development of insureds' observed mortality and morbidity are monitored annually, and provisions are supplemented as needed. With regard to sickness insurance, the option exists to increase premiums to reflect the increased claims expenditure.

In the accounting technical provisions, the technical rate of interest used to calculate the with-profit technical provisions varies between zero and 4.5 per cent, taking into account the discount rate reserve. Pension insurance mortality assumptions are material in view of the adequacy of technical provisions. The mortality applied in defined-benefit pension insurance is based on the group pension mortality determined in life insurers' K2012 mortality study and on the mortality model applied in TyEL insurance. In defined-contribution pension insurance, the mortality criteria are based on the generational mortality applied in employment pension insurance and on

the group pension mortality determined in life insurers' K2012 mortality study. Individual pension insurance uses the E87 mortality from 1987 and the gender-independent mortality estimated based on the company's own portfolio.

## 12.5 Investment risk management and processes

### 12.5.1 Market, counterparty and liquidity risks

Investment risks include market risks, credit and counterparty risks, and liquidity risk.

Market risk means changes in the values of assets and liabilities that are due to changes in financial variables such as interest rates, exchange rates, share prices or prices of immovable property. Likewise, concentration risks are included in market risks. Concentration risks arise due to excessive concentration of investments for example to individual counterparties, geographically or by sector.

Credit and counterparty risks mean the risk of a counterparty of a loan, transaction, derivative contract or similar not being able to meet its contractual obligations.

Liquidity risk means funding liquidity risk or market liquidity risk. The former is due to mismatch between the funding needs and funding sources, while the latter refers to the risk of failure to convert investment assets into cash quickly enough without significant losses.

**The company's Board of Directors decides on the objectives of investment activities and on the taking of investment risks, with due consideration to the solvency and strategic goals of the company, the economic environment, and the requirements imposed on investment activities by insurance liabilities. The strategic allocation of investments and its range, presented in the investment plan, give concrete form to the targeted level of the company's investment risk-taking, and risk tolerance and risk profile. In addition, the investment plan also describes the other restrictions on investment and on investment risk-taking, and it sets out the risk and prudential management control and reporting processes and the measures for ensuring that risk-taking and solvency remain within limits determined by the targets.**

The solvency traffic light system described in the Joint Liability Agreement concluded between the group's non-life insurance companies (excl. Finnish P&C Insurance Ltd) is a crucial tool for steering the solvency and market risks of the LocalTapiola companies. The system is based on Solvency II authority-

model solvency, classified into traffic light zones for which measures to be taken by the management have been determined. The green zone means that solvency is at the desired level and asset managers may operate within their mandates as normal. The light-green zone means that monitoring of solvency and market risks should be stepped up. In the yellow zone, it is not acceptable to actively increase any market risks. In the red and black zone, active measures are required to mitigate market risks and to boost solvency.

**The ALM (asset liability management) function of the group's insurance companies drafts for companies proposals for the strategic allocation of investments. The ALM function evaluates the suitability of the company's chosen strategic allocation, utilising for example various stress tests, and submitting a formal opinion on this to the companies. The ALM function of the group monitors the market and asset liability risks to which the company is exposed, giving related recommendations as necessary. Given that the strategic allocation represents long-term targets, it is updated only for weighty reasons that may relate to factors such as changes that occur in the following: the economic environment, the company's solvency, insurance portfolio, long-term investment performance and risk expectations, the company's customer bonus policy or solvency strategy, etc.**

**On at least an annual basis, or where necessary, the company's mathematician-in-charge draws up for the company's Board of Directors a report required by regulation on the requirements imposed by the technical provisions, liquidity and solvency on risk management and investments.**

The risk management function of the group is responsible for identifying, measuring, supervising and reporting on investment risks as part of the risk management function of the company. Risks are measured and monitored in accordance with the Solvency II authority model, as well as by widely-used methods including stress testing and scenario analysis. Risks are managed by the investment and risk-taking limitations laid down in the investment plan, which are also used to ensure the adequate diversification of investments. A key method to reduce risk is to change the strategic allocation of investments **to be less risky, which requires deliberation by the company's Board of Directors.** In the mitigation of risk, we can also use derivative contracts within the derivatives strategies in use. Asset Management is responsible for the portfolio management of listed fixed-income and equity investments and may, within the strategic allocation, shift to a lower-risk tactical allocation if it considers that this is justified.

Changes in interest rates influence the values of investments, interest rate derivatives and liabilities that are sensitive to interest rate movements. This balance-sheet interest rate risk is managed by taking account of the structural interest rate risk of liabilities when creating the strategic allocation of investments. Interest rate derivatives may be used to manage interest rate risk.

Credit risk is managed through standard, comprehensive and careful analysis during the credit-granting process, and by means of collaterals and covenants included in the credit terms, by continuous monitoring of the subject matters and adequate diversification of the credit portfolio.

The use of bank counterparties is monitored and restricted at group-wide level, with due consideration of factors such as the counterparty size and credit rating and in such a way as to ensure adequate diversification of all exposures. The counterparty risk from reinsurance is managed in accordance with the reinsurance programme.

Guaranteeing adequate liquidity, also in an unfavourable situation, both in the short and in the long term, is one of the key issues addressed when drawing up the strategic allocation of investments. Regular liquidity monitoring covers both the insurance business and the investment business, while also considering both funding liquidity and market liquidity perspectives.

Derivatives may be used solely to mitigate risks or to improve effective investment portfolio management. Derivatives use is based on the relevant **derivatives strategy that has been examined by the group's ALM Committee**, and the strategy sets out, among other issues, the purpose for which derivatives are used and the related targets, limitations, accounting treatment, liquidity management and monitoring process. The derivatives strategies are described in the investment plan or its appendices.

The impact of long-term market scenarios on the company's solvency is examined in the Own Risk and Solvency Assessment (ORSA), prepared annually, and in quarterly internal prudential reporting.

## 12.6 Operational risk management and processes

Operational risk means the risk of loss from inadequate or failed internal processes, or from staff, systems and external factors. Legal risks and event/loss risks are included in operational risks. Operational planning risks mean the risks inherent in target-setting and business transitions, as well as

in the choices made during annual planning. The basic position in the management of operational risks is to attempt to prevent the materialisation of risks and to minimise the harm they can cause.

The main elements of operational risk management include comprehensively identifying, assessing and reporting on risks in the different organisations and different risk areas. In addition, they also include ensuring the quality and correctness of all activities through supervision and control measures.

Using a standard risk survey methodology, operational risks are identified as part of the annual planning process and whenever the risk situation is materially affected. The risk management measures identified in surveys are incorporated into the annual plans of the different business units. In addition, a risk survey is carried out separately for each initiative and project and significant change that occurs in business.

The supervision (control) measures included in the processes help ensure the correctness and quality of these activities. As part of operational risk management, all materialised risks and close calls, together with the further measures required, are logged into the risk event register. Any losses caused by operational risks and by disruptions and errors in business operations are reported to the relevant authorities in compliance with the set requirements.

Operational continuity management is ensured by regularly updating and testing the continuity and emergency plans. The group companies are responsible for organising their operations appropriately, discharging the obligations inherent in them and managing operational continuity. This also applies to all operations they outsource.

In addition, there are separate procedures and guidelines for managing operational risks, including for the following purposes:

- management of process risks
- management of system risks
- management of legal risks
- management of security risks
- management of cyber security risks
- management of project risks
- management of insurable risks (own insurance cover).

## 12.7 Management of risks associated with the operating environment and the strategy

Risks associated with the operating environment and strategic intent include risks that relate to the general operating environment; changes in the markets and in customer behaviour; competition and competitors; own strategic choices; operating as a group; and group investments.

Risks associated with the operating environment and strategic intent are identified, and their significance is evaluated, annually in conjunction with the annual planning process. This is undertaken through self-assessment. In order to reduce identified risks and to exploit opportunities, the responsible parties plan and implement risk management measures, to be implemented as part of the annual plans. The risk management work carried out in the context of strategic development projects is an essential component of strategic risk management. The risk situation is discussed on a regular basis at the meetings of project steering groups. Risks associated with the implementation of the strategy are managed by defining strategy indicators and through regular monitoring.

## 12.8 Principles for group-wide risk management

There is regular monitoring and assessment of risks in sectors that are key and critical to the activities of LocalTapiola Group. Group-wide risk management methods focus particularly on identified risk areas that have an effect on all group companies or **the performance of the companies'** statutory obligations, or on activities conducted at the client interface. Examples of group-wide risk surveys include **the group's risks related to compliance, data protection and reputation and to operating as a group.**

## 12.9 Risk management at the group's non-insurance companies

**The group's non-insurance companies** follow the same risk management principles as the insurance companies of the group, insofar as they do not specifically relate to the operations or line of business of an insurance company. The Boards of Directors bear the overall responsibility for risk management at their own company. Executive management is responsible for maintaining and developing the risk management process in collaboration with the risk management function of the group. The following is a more detailed description of risk management at LocalTapiola Asset Management Group.

Risk management at LocalTapiola Asset Management Group is based on current legislation and the regulations and guidelines issued pursuant to current legislation. The group complies with the risk and prudential management principles of LocalTapiola Group, and **the group's risk management process is part of the risk management process of LocalTapiola Group.**

The Board of Directors of Asset Management has overall responsibility for the organisation of the company's risk management. In the risk management plan approved annually, the Board defines the targets and limits for risk-taking, and it is responsible for organising risk management, monitors the level and development of risk-taking on a regular basis and, where appropriate, decides on the necessary risk management measures. **On an annual basis, Asset Management's risk management function submits to the company's Board a statement on the implementation of the risk management plan.** As well as developing risk management capabilities, the risk management function supports business with efforts to implement the risk management process.

The executive management and business units of Asset Management are responsible for ensuring that operational risk management complies with the law and the LocalTapiola risk management frameworks. Internal audit supports the management and the Board with developing supervision and risk management.

The risk management process includes a risk survey, carried out in the context of annual planning, that assesses the financial and operational risks to which the group may be exposed as well as the risks associated with the operating environment and the strategy. The risks assessed to have the greatest operational relevance are recorded in the risk management plan, and risk management measures are defined for them.

The prudential management process of LocalTapiola Asset Management Group comprises Pillar I solvency calculation and reporting under the Investment Firms Regulation and Directive (IFR/IFD), as well as consisting of **the group's own internal capital and risk assessment model (ICARA).** The own risk assessment deepens the Pillar I calculation, taking into account the risks to business not covered by Pillar I calculation. These include risks associated with the operating environment and with the changes taking place in it that **may, by way of the group's results, exercise an impact on solvency.** In the course of annual planning, the Board determines the guidelines for LocalTapiola Asset Management Group's risk appetite, by setting target

levels for the ratio of own funds to the capital requirements, as well as for the quality of own funds. Solvency calculation is carried out, and the results are reported to the Board, on a quarterly basis or more frequently, and as needed.

## Signatures for the report of the Board of Directors and financial statements

In Espoo, 10 March 2025

Jari Eklund  
Chair of the Board of Directors

Ulla-Maija Moisiö  
Deputy Chair of the Board of Directors

Eeva Ahdekivi

Birgitta Forsström

Olli Holmström

Jussi Tolvanen

Timo Vuorinen

Mika Makkonen  
Temporary Managing Director



## Auditor's note

A report has been issued today on the audit performed.

In Espoo, 24 March 2025

KPMG Oy Ab

Timo Nummi

Authorised Public Accountant



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*This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.*

# Auditor's Report

To the Annual General Meeting of LocalTapiola General Mutual Insurance Company

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of LocalTapiola General Mutual Insurance Company (business identity code 0211034-2) for the year ended 31 December, 2024. The financial statements comprise the balance sheets, income statements, cash flow statements and notes for the group as well as for the parent company.

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 3.4 to the consolidated financial statements.

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

### **Materiality**

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

### **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 risks.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.



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**MOST SIGNIFICANT ASSESSED RISKS OF MATERIAL MISSTATEMENT**

**AUDITOR'S RESPONSE TO THE RISKS**

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**1 Valuation of investments (accounting principles pp. 133-135)**

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The investment assets of the group, including assets held to cover unit-linked insurance policies, form the most significant share of the balance sheet assets.

Assets held to cover unit-linked insurance policies are stated at current value. Other investments are, as a rule, stated at historical cost or, as with real estate, at acquisition value from which intended depreciations have been deducted, or at a market value below the aforementioned.

The appendices of the financial statements describe the investment book value as well as the current value of investments and the net investment income at current value.

The current value of assets is based on either market quotation or current values defined by commonly accepted principles. The definition of current value of investments requires discretion especially for those assets and instruments for which a market value from public market quotations is not available; examples of such include private equity investments and real estate investments.

Because of the discretion associated with the significant book value of investment assets and its valuation, investment assets and its presentation has for the purposes of audit been defined as an item that entails a risk of material misstatement.

We have assessed the appropriateness of the accounting principles and valuation methods employed by the company.

We have tested the internal controls related to the valuation process and the recording of securities and real estate assets.

In conjunction with the audit, we have compared the current values used for valuation of investment assets with external price quotations and results yielded by other applied valuation methods, as well as assessed the appropriateness of the company's own valuation methods.

In addition, we have assessed the accuracy of the notes concerning investment assets.

## **2 Technical provisions (accounting principles pp. 136-138)**

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As per Chapter 9 of the Insurance Companies Act, technical provisions form the most significant item of the liabilities.

The calculation of technical provisions is based on complex actuarial calculation models and assumptions requiring management judgement, which are related, for example in pension-type insurance lines, to the life expectancy of the insured and to the discount interest rate used. The definition of the discount rate used in the calculation of provision for pension-type claims and the assessment of incidents of loss must be made securely.

The group's mutual life insurance company's own risk has guaranteed interest rate of pension and savings life insurances with promised technical rate of interest. Promised technical rate of interest involves an investment returns risk. The interest used for calculating technical provisions must be selected securely.

The calculation of technical provisions is based on data produced by and combined from several different information systems. The databases are extensive and the systems process a large amount of data.

Based on these factors, technical provisions have been assessed in the audit to be an item entailing a risk of material misstatement.

We have assessed the principles and calculation bases for the recognition and calculation of technical provisions.

Our actuary has participated in the audit and evaluated the appropriateness of the assumptions and methods used. The evaluation included, for example, assessing the rationale behind the calculation of key figures for collective provision and claims handling provisions as well as benchmarking the calculations of collective provisions. The calculation principles used and the appropriateness of calculation models have been evaluated to verify the adequacy of technical provisions.

We have also examined the appropriateness of transfer of technical provisions and assessed the accuracy of the notes regarding technical provisions.

### **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 a 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 the Financial Statements**

Our objectives are to obtain reasonable assurance about 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 the 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 LocalTapiola General Mutual Insurance Company in 2013 and our appointment represents a total period of uninterrupted engagement of 12 years.



## **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.

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 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. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

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 compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Espoo, 24 March 2025

KPMG OY AB

TIMO NUMMI

*Authorised Public Accountant, KHT*



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*This document is an English translation of the Finnish Assurance Report on the Sustainability Statement. Only the Finnish version of the report is legally binding.*

# Assurance Report on the Sustainability Statement

## To the Annual General Meeting of LocalTapiola General Mutual Insurance Company

We have performed a limited assurance engagement on the group sustainability statement of LocalTapiola General Mutual Insurance Company (business identity code 0211034-2) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1.1.–31.12.2024.

### Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

- 1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
- 2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which LocalTapiola General Mutual Insurance Company has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment) and the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act.

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision in the absence of the ESEF regulation or other European Union legislation.

### Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the *Responsibilities of the Authorized Group Sustainability Auditor* section of our report.

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

### Other Matter

We draw attention to the fact that the group sustainability statement of LocalTapiola General Mutual Insurance Company that is referred to in Chapter 7 of the Accounting Act has been prepared and assurance has been provided for it for the first time for the financial year 1.1.–31.12.2024. Our opinion does not cover the comparative information that has been presented in the group sustainability statement. Our opinion is not modified in respect of this matter.



### **Authorized Group Sustainability Auditor's Independence and Quality Management**

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 engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorized group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorized sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Responsibilities of the Board of Directors and the Managing Director**

The Board of Directors and the Managing Director of LocalTapiola General Mutual Insurance Company are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified as well as the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act and
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

### **Inherent Limitations in the Preparation of a Sustainability Statement**

Preparation of the sustainability statement requires company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty. Furthermore, when reporting forward looking information company has to disclose assumptions related to potential future events and describe company's possible future actions in relation to these events. Actual outcome may differ as forecasted events do not always occur as expected.

### **Responsibilities of the Authorized Group Sustainability Auditor**

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance 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.





- Design and perform assurance procedures responsive to those risks to obtain 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.

### **Description of the Procedures That Have Been Performed**

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We interviewed company's management and persons responsible for the preparation and gathering of the sustainability information.
- We familiarized with interviews to the key processes related to collecting and consolidating the sustainability information.
- We got acquainted with the relevant guidances and policies related to the sustainability information disclosed in the sustainability statement.
- We acquainted ourselves to the background documentation and other records prepared by the company, as appropriate and assessed how they support the information included in the sustainability statement.
- In relation to the double materiality assessment process, we interviewed persons responsible for the process and familiarized ourselves with the process description prepared of the double materiality assessment and other documentation and background materials.
- In relation to the EU taxonomy information we interviewed the management of the company and persons with key roles in reporting taxonomy information to examine how taxonomy eligible activities have been identified, we obtained evidence supporting the interviews and reconciled the reported EU taxonomy information to supporting documents and to the bookkeeping, as applicable.
- We assessed the application of the ESRS sustainability reporting standards reporting principles in the presentation of the sustainability information.

Espoo, 24 March 2025

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