

1 JANUARY–30 SEPTEMBER 2023

Elo interim report

Elo interim report 1 January–30 September 2023: Return on investment was 2.7 per cent, as returns were reduced by write-downs on real estate investments

The reported comparison figures in brackets are figures for 30 September 2022.

January–September in brief

- The total surplus was EUR -90.9 (-1,382.5) million.
- Return on investment was 2.7 (-4.9) per cent, or EUR 0.8 billion. The market value of the investments was EUR 28.8 (28.0) billion. The average 10-year return on investment was 5.3 per cent. This corresponds to an average real return of 3.3 per cent.
- Premiums written amounted to EUR 3.3 (3.3) billion. A total of EUR 3.3 (3.1) billion was paid in pensions and other benefits.
- The solvency ratio was 120.3 (122.2) per cent and solvency capital 1.4 (1.5) times the solvency limit.

Key figures

	1.1.–30.9.2023	1.1.–30.9.2022	1.1.–31.12.2022
Premiums written, EUR million	3,295.9	3,252.5	4,348.3
Net investment income at current value, EUR million	761.0	-1,443.6	-1,078.6
Net return from investment on capital employed, %	2.7 %	-4.9 %	-3.7 %
	30.9.2023	30.9.2022	31.12.2022
Technical provisions, EUR million	24,811.5	23,374.7	24,252.8
Solvency capital, EUR million ¹⁾	5,011.6	5,190.4	5,109.0
ratio to solvency limit	1.4	1.5	1.5
Pension assets, EUR million ²⁾	29,674.0	28,618.3	29,015.0
% of technical provisions ²⁾	120.3 %	122.2 %	121.4 %
TyEL payroll, EUR million ³⁾	16,109.3	15,796.1	15,685.7
YEL earned income sum, EUR million ³⁾	1,876.8	1,812.3	1,811.8

1) Calculated in accordance with the regulations in force at each time (the same principle also applies to other solvency indicators)

2) Technical provisions pursuant to section 11, paragraph 10 of the Ministry of Social Affairs and Health's Decree (614/2008) + solvency capital.

3) Estimate of policyholders' salary and reported earnings for the full year



CEO's review

Elo's performance in the third quarter was fair. Return on investment in January-September was 2.7 per cent. Our solvency remained secure and cost efficiency improved further in spite of high inflation and uncertain economic development.

Growth in the global economy continued to be characterised by geographical divergence in the third quarter. Economic growth in the United States was strong, while the growth outlook in the euro zone and China diminished as the business cycle in industry and construction weakened. In Finland and the other countries in the euro zone, purchasing power declined due to inflation. In the summer, inflation was too high relative to the targets of central banks, which led central banks in Europe and the United States to hike their interest rates. In Finland, the construction sector and the real estate market are in a recession, and a recovery is contingent on interest rates falling.

Investment market returns were moderate. Equity markets and fixed income markets both generated weak returns in the third quarter. Returns in the real estate market were also subject to pressures, and we recognised a write-down of EUR 93 million on direct real estate investments at the end of September.

The weakened economic situation is, unfortunately, reflected among some of Elo's customers. The number of Elo's TyEL customers placed in bankruptcy in January–September 2023 was nearly one-third higher than in the corresponding period in 2022. The number of payment plans prepared with customers is also substantially higher than in the previous year. TyEL credit losses amounted to EUR 14.9 million, representing an increase of 62 per cent year-on-year. The bankruptcies and special arrangements pertaining to the due dates of payments mainly concern companies in the construction sector.

We have continued to review the earned income of self-employed persons. By the end of the review period, we had reviewed the earned income of almost 16,000 self-employed persons. The number of contacts from customers increased to some degree, and the feedback indicated that our review process was perceived to be clear. For some of our customers, the timing of the increases to

earned income is difficult, as inflation creates significant cost pressures. Dialogue between the customer and the pension company is particularly important in these circumstances.

Our customers' willingness to recommend Elo was very high, and 96 per cent of our customers felt that they had received enough information about applying for a pension. Elo has various service channels for managing insurance, pension and rehabilitation issues. During the review period, we focused particularly on directing our customers to the service channels that suit them the best.

We have good news for our customers. Elo's projected surplus of EUR 7.7 million will be refunded to customers. Elo is the only employment pension company to do this. In addition, our improved efficiency means that our customers will pay substantially lower management fees in 2024.

Carl Pettersson

Economic operating environment

Growth in the global economy continued to be characterised by geographical divergence after the midpoint of 2023. Economic growth in the United States was stronger than expected, mainly due to the increased deficit in general government finances. At the same time, the growth outlook in the euro zone and China diminished as the service sector alone could not support growth while the business cycle in industry and construction weakened. Finland and the other countries in the euro zone are broadly suffering from a decline in purchasing power caused by inflation.

In the summer, inflation was too high relative to the targets of central banks, which led central banks in Europe and the United States to hike their interest rates. The European Central Bank raised its key interest rates twice and the Federal Reserve once during the third quarter. Wages rising too rapidly and accelerating inflation – in spite of moves to tighten monetary policy – remained a key concern for central banks.

Current issues pertaining to the earnings-related pension system

The need to reform the pension system is a topic in the Government Programme. The long-term target set for the reform is to strengthen general government finances by 0.4 percentage points relative to GDP. The Government Programme also mentions the development of self-employed persons' pensions (YEL). The pension reform includes the possibility of structural changes, and increasing the investment risk will be considered. The Ministry of Social Affairs and Health established a working group to investigate the reform of the earnings-related pension system. The proposal to the Government is due to be completed by the end of January 2025.

Confidence in pension security amongst Finns is at a good level. According to the pension barometer of the Finnish Centre for Pensions published in July, approximately 66 per cent of Finns trust the pension system. This represents a decrease of about 6 percentage points when compared to the previous year's barometer. Knowledge of pension security was at the previous year's level, with 45 per cent of the respondents indicating that they have good or relatively good knowledge about pensions. At the same

time, nearly 30 per cent of the respondents stated that their knowledge of pensions is either poor or fairly poor.

According to the preliminary data obtained during the quarter, the earnings-related pension index will increase significantly due to rising consumer prices, as was the case in the previous year. However, the situation is dissimilar to the previous year as the difference to the wage coefficient is not significant. The final data will be available in October and the indices will be confirmed by the end of October.

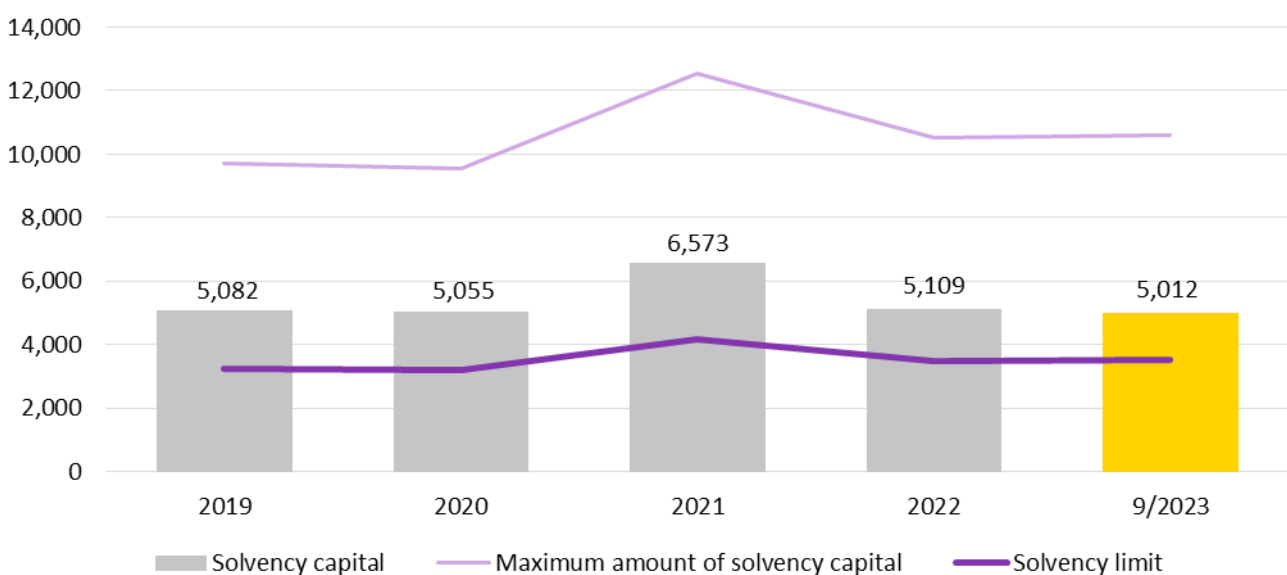
Elo's financial performance

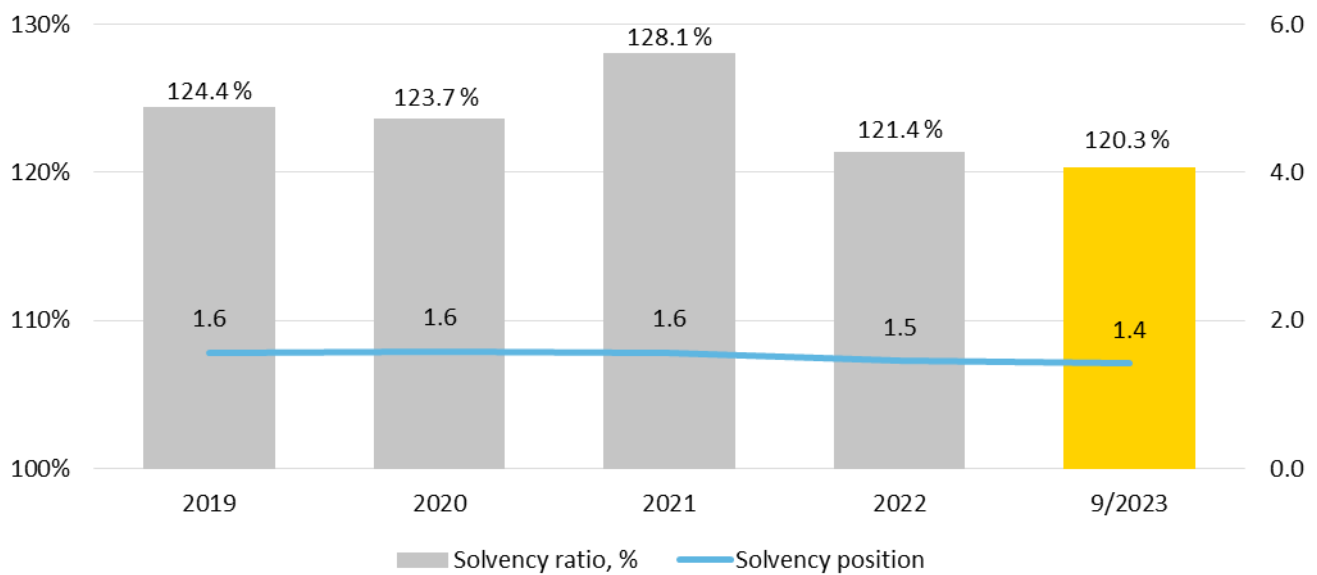
Elo's combined total result at fair values was EUR -90.9 (-1,382.5) million. The result of investment operations was EUR -108.8 (-1,445.2) million, the insurance business surplus was EUR 5.8 (30.4) million, and other income amounted to EUR 6.2 (9.0) million. The operating expenses covered by the expense loading were EUR 58.3 (62.7) million and the expense loading profit was EUR 5.8 (23.4) million.

The amount of solvency capital decreased from the end of 2022 by EUR 97.4 million and amounted to EUR 5,011.6 (5,190.4) million at the end of September. The ratio of pension assets to technical provisions, i.e. the solvency ratio, was 120.3 (122.2) per cent. The solvency capital was 1.4 (1.5) times the solvency limit.

The net return of investment operations at fair values was EUR 761.0 (-1,443.6) million. The result of investment operations at fair values was EUR -108.8 (-1,445.2) million, with EUR 685.1 (850.8) million of interest credited on technical provisions and EUR 184.6 million of provision linked to equity income increased (849.2 reversed).

Solvency





Solvency	1.1.–30.9.2023	1.1.–30.9.2022	1.1.–31.12.2022
Solvency limit, EUR million	3,531.6	3,500.5	3,502.2
Maximum amount of solvency capital, EUR million	10,594.7	10,501.5	10,506.5
Solvency capital, EUR million	5,011.6	5,190.4	5,109.0
Solvency ratio, % ¹⁾	120.3	122.2	121.4
Solvency position ²⁾	1.4	1.5	1.5

¹⁾ Pension assets in relation to technical provisions as referred to in section 11, subsection 10 of the Ministry of Social Affairs and Health decree 614/2008.

²⁾ Solvency capital in relation to the solvency limit

Insurance business

At the end of September, Elo administered 48,700 (47,600) TyEL and 84,100 (84,600) YEL insurance policies. In the period under review, the total number of self-employed persons and employees insured by Elo was over half a million. We are the market leader in YEL pension insurance, and one in three employer companies use Elo to insure their employees.

The customer acquisition of TyEL insurance amounted to a net of EUR +30 (+29) million, measured in terms of premiums written. The net result of YEL insurance customer acquisition was +6,974 (+7,747) in terms of the number of customers.

The statutory reviews of YEL earned income, which began in June, continued during the period under review. The reviews were targeted at YEL earned income below EUR 15,000 that had not been changed for three years. Most of the reviews led to a EUR 4,000 increase to earned income in accordance with the transition period regulations. The number of contacts from customers increased to some degree and, according to the feedback we received, self-employed persons felt that our review process was clear and responding to the review was smooth. The customer satisfaction of our telephone service was excellent.

TyEL credit losses for the period 1 January–30 September 2023 amounted to EUR 14.9 million, an increase of 62 per cent year-on-year. Many companies have faced difficulties as a result of rising prices and falling demand, and have gone bankrupt. Construction companies in particular have faced challenges.

Pension and rehabilitation

Approximately 248,100 (242,800) pensioners were paid their pensions by Elo at the end of September. EUR 3,136.6 (2,852.1) million was paid in pensions in January–September. The number of pension decisions issued on the basis of an application was 20,899 (21,036), representing a year-on-year decrease of 0.7 per cent.

The number of applications for partial early old-age pension increased during the review period. A total of 2,394 (2,214) decisions on partial early old-age pension were issued. The number of decisions on old-age pension decreased to 5,209 (6,737). A total of 2,160 (1,875) decisions on survivors' pension were issued.

A total of 1,263 (1,304) disability pension decisions were issued, representing a year-on-year decrease of 3 per cent. We issued 860 rehabilitation decisions in conjunction with disability pension. Vocational rehabilitation increasingly starts only at a later stage when applying for disability pension. Of the vocational rehabilitation cases in the first three quarters of the year, as many as 30 per cent were already applying for disability pension, but the vocational rehabilitation we offered at the application stage enabled them to remain in working life.

Of the persons in Elo's vocational rehabilitation in the first three quarters of the year, 79 per cent remained in working life and avoided going on disability pension. Among self-employed persons in rehabilitation, as many as 84 per cent returned to working life.

A total of 5,176 (4,504) new disability pension decisions were issued, representing a year-on-year increase of 15 per cent. Decisions involving musculoskeletal disorders and mental health reasons both increased by 14 per cent. The rising trend of disability decisions among those over 60 years of age continued. The number of decisions has increased by a quarter this year. The number of decisions due to mental health reasons among those under 34 years of age has also increased by 27 per cent, with the increase in decisions concerning young men being particularly significant.

Investments

Equity markets and fixed income markets both generated weak returns in the third quarter. Returns in the real estate market were also subject to pressures. The common denominator between the weak returns was the uncertainty regarding whether the inflation problem has now been permanently overcome, or will interest rate hikes by central banks continue. The United States economy was again relatively stronger, and the US dollar appreciated against the euro.

At the end of September, the average 10-year nominal return of Elo's investments was 5.3 per cent and the average 10-year real return was 3.3 per cent. The average 5-year nominal return was 5.0 per cent and the average 5-year real return was 1.5 per cent.

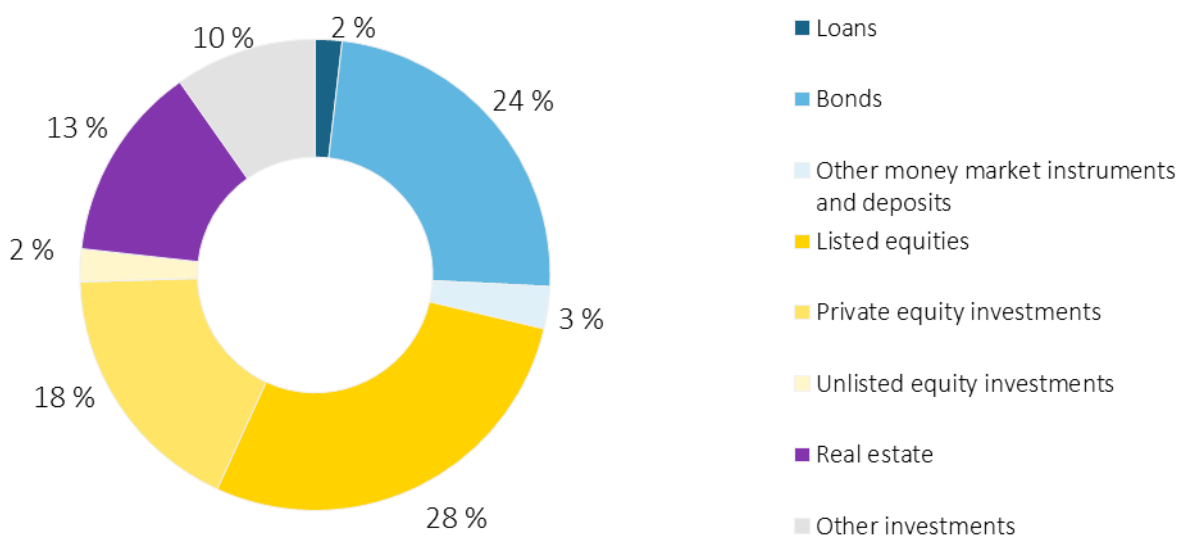
Elo’s equity investments generated a return of 4.0 (-10.1) per cent. The return on equity investments was still at a good level for the year to date in spite of the returns on listed equities being negative in the third quarter. Concerns over the sustainability of economic growth have increased as tight monetary policy is expected to have a delayed impact on the economy. Equity market returns were characterised by geographical divergence. While the equity markets in the United States and Japan generated good returns, the year-to-date returns for Finland and China were negative by a clear margin. The return on Elo’s private equity investments improved in the third quarter. Listed equities generated a return of 4.5 (-20.3) per cent for the year to date, while the return on private equity investments was 3.8 (11.4) per cent.

Central banks continued to raise their key interest rates, but there were already signs of the hike cycle ending. In emerging markets, some central banks changed their monetary policy towards decreasing interest rates. Further sovereign bond issues are expected in the fixed income markets, as the supply of sovereign bonds increases as governments take on more debt. Indeed, longer-term market interest rates in the United States and the euro zone turned upward again, and yield curves steepened in the third quarter. The returns on sovereign bonds were negative as measured by market indices. Returns on corporate bond investments remained positive in spite of rising interest rates as the number of credit defaults was still low. Elo’s fixed income investments generated a return of 2.4 (-3.2) per cent since the start of the year.

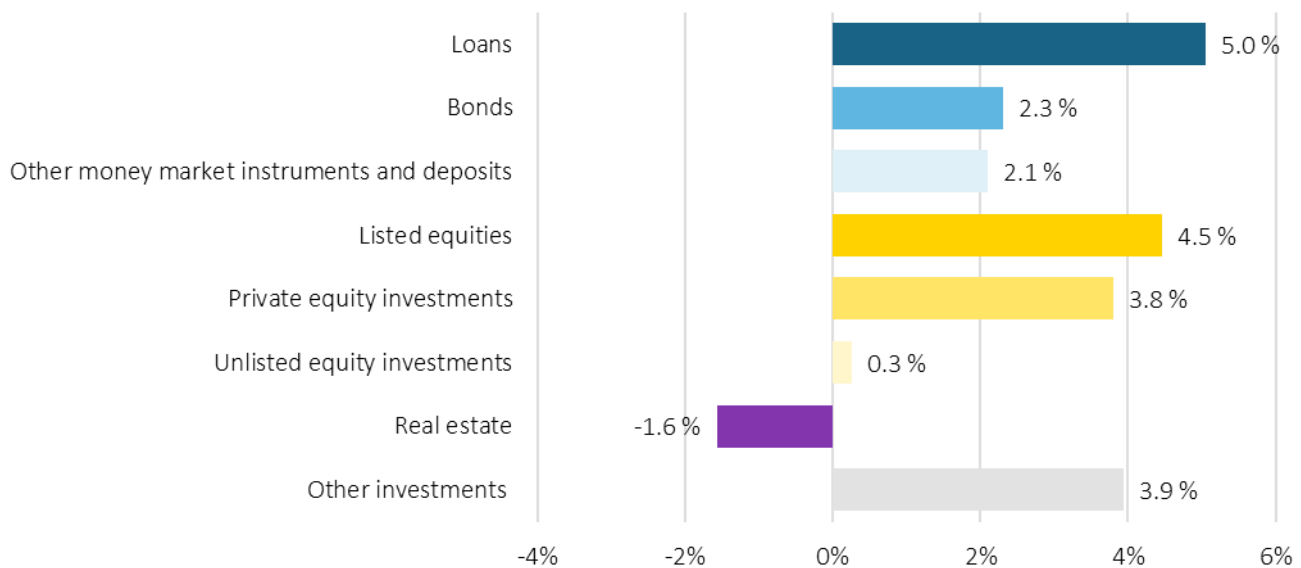
The occupancy rates of Elo’s real estate remained at a good level, but returns on real estate investments were weighed down by the general situation in the real estate investment market and rising yield requirements. Returns on real estate investments were pushed into negative territory by the review of the values of Elo’s direct real estate investments. The diversification of the real estate portfolio was effective even in the challenging market conditions, and the long-term outlook has remained good. The return on real estate investments was -1.6 (5.3) per cent.

Elo’s other investments generated a return of 3.9 (4.2) per cent. Elo’s other investments consisted mainly of hedge fund investments, which generated a return of 4.3 (7.0) per cent.

Distribution of investments



Return on investment



Return-risk table

	Basic allocation by market value		Actual risk position		Return	Volatility
	EURm	%	EURm	%	%	%
Fixed-income investments	8,212.0	28.5	8,298.1	28.8	2.4	
Loans	531.6	1.8	531.6	1.8	5.0	
Bonds	6,616.8	23.0	6,885.8	23.9	2.3	3.4
Public bonds	1,771.6	6.2	1,857.8	6.5	-1.5	
Other bonds	4,845.2	16.8	5,028.1	17.5	3.5	
Other money market instruments and deposits incl. any receivables and liabilities related to investments	1,063.5	3.7	880.7	3.1	2.1	
Equities	13,873.1	48.2	13,836.9	48.1	4.0	
Listed equities	8,137.8	28.3	8,101.6	28.2	4.5	13.1
Private equity investments	5,089.9	17.7	5,089.9	17.7	3.8	
Unlisted equity investments	645.4	2.2	645.4	2.2	0.3	
Real estate	3,877.6	13.5	3,877.6	13.5	-1.6	
Direct real estate investments	2,601.1	9.0	2,601.1	9.0	-0.9	
Real estate funds and joint investment companies	1,276.5	4.4	1,276.5	4.4	-3.0	
Other investments	2,803.2	9.7	2,803.2	9.7	3.9	
Hedge fund investments	2,797.4	9.7	2,797.4	9.7	4.3	4.8
Commodity investments	0.0	0.0	0.0	0.0	-	
Other investments	5.8	0.0	5.8	0.0	-	
Total investments	28,765.9	100.0	28,815.8	100.2	2.7	4.4
Effect of derivatives			-49.9	-0.2		
Total	28,765.9	100.0	28,765.9	100.0		

The return on foreign currency derivatives is estimated for asset classes in proportion to the average foreign currency-denominated assets during the reporting period. The total return includes returns, expenses and operating expenses not allocated to investment classes. The modified duration of bonds is 4.2. The open currency exposure is 24.7% of market value.

Personnel

In January–September, Elo had an average of 470 (521) employees and the average amount of work performed was 436 (478) person-years. Personnel expenses amounted to EUR 28.9 (28.8) million.

Elo continued to develop tools and processes to improve the personnel experience. Elo launched the Elo Quantum Leap Leadership Development Programme for senior and middle management. The participating supervisors received training on diversity, equity and inclusion. The training strengthens and deepens the skills required by Elo's strategy.

Elo's HR policy was approved during the period under review. The aim of the HR policy is to promote the realisation of a consistent leadership culture and increase the visibility of sustainability perspectives in every process.

Corporate governance

Maria Löfgren, President of Akava, the Confederation of Unions for Professional and Managerial Staff in Finland, was elected as the First Deputy Chair of Elo's Board of Directors at a meeting of the Board of Directors held on 21 August 2023.

Up-to-date information on positions of trust in Elo's administrative bodies is available on Elo's website. A Corporate Governance Statement based on the recommendations of the Finnish Corporate Governance Code is also provided on Elo website.

Responsibility

Elo joined the Nature Action 100 initiative. Launched by 190 investors, the initiative is aimed at driving corporate ambition and action to reverse nature and biodiversity loss. The aim is to particularly engage companies that have a significant role in addressing biodiversity and halting nature loss.

Elo participated in the Responsible Summer Job campaign and offered 32 summer jobs across the organisation. The summer workers helped assess and develop our responsibility-related efforts as part of a programme we have created specifically for that purpose. Elo also participated in the Zero Emissions Day challenge carried out by upper secondary school students and communicated our climate actions as part of the challenge.

Risk management and compliance

In an employment pension company, the most significant risk in terms of impact concerns a considerable impairment of solvency. The overall risk of Elo's investments is proportioned to the risk-bearing capacity, and thus the solvency position and ratio have remained at a secure level. Elo's Board of Directors reviews the key analyses of the own risk and solvency assessment (ORSA) on a quarterly basis. Elo carried out preparatory risk surveys related to ORSA in the third quarter. The key observations of the climate risk assessment conducted during the year will be incorporated into ORSA.

Elo's compliance and risk management functions presented their regular half-year reports to the Board of Directors and its Audit and Risk Committee. The reports did not include any critical observations pertaining to the company's risk position or realised risks, nor have any issues have arisen that would have warranted an update to this year's action and monitoring plans. In compliance monitoring, particular attention has been paid to the continued development of Know Your Customer and anti-money laundering principles and procedures at Elo.

Near-term outlook

Expectations of economic growth next year are modest, but the forecasts suggest that an extensive recession will be avoided. The global economy will grow by approximately 2.5 per cent this year, with the United States and the euro zone growing by approximately one per cent and China by 4.5 per cent. Growth of just under one per cent is projected for Finland. More negative outcomes can also be identified alongside this fairly moderate economic slowdown, as tightened monetary policy will have a delayed impact, likely weakening the economic growth outlook for the next year as well. The sufficient slowing of inflation remains unclear, and further interest rate hikes are possible. There is no indication of a quick turn towards interest rate cuts by central banks.

Higher interest rates have had a significant impact on the Finnish economy. The construction sector and the real estate market are in a recession, and a recovery from the recession is contingent on interest rates falling, which would restore confidence among households and construction companies. The weak global industrial cycle is limiting Finnish exports and corporate investment, and economic growth is now more reliant on private consumption than before. Although inflation has slowed in Finland, the purchasing power of households is not quick to recover.

The key risks affecting Elo's operations are related to the development of employment and the payroll, the uncertainty in the financial market and the start and duration of pensions. Payroll growth will likely be lower during the second half than the first half of the year. This will affect the development of Elo's premiums written. The amount of credit losses on premiums written is estimated to increase by EUR 6 million from the previous year. The overall risk level of investments in relation to the risk-bearing capacity is kept at a secure level. Careful and comprehensive risk management ensures the interests of the insured, the achievement of objectives and the continuity of the company.

Asset allocation at fair value

	Basic allocation by market value						Actual risk position ⁸⁾					
	30.9.2023		30.9.2022		31.12.2022		30.9.2023		30.9.2022		31.12.2022	
	EURm	%	EURm	%	EURm	%	EURm	% ¹⁰⁾	EURm	% ¹⁰⁾	EURm	% ¹⁰⁾
Fixed-income investments	8,212.0	28.5	8,531.8	30.5	8,395.6	29.8	8,298.1	28.8	8,576.9	30.6	7,000.9	24.8
Loans ¹⁾	531.6	1.8	474.1	1.7	497.5	1.8	531.6	1.8	474.1	1.7	497.5	1.8
Bonds	6,616.8	23.0	6,078.0	21.7	6,588.9	23.4	6,885.8	23.9	4,336.7	15.5	4,611.8	16.4
Other money market instruments and deposits including any receivables and liabilities related to investments ¹⁾²⁾	1,063.5	3.7	1,979.7	7.1	1,309.2	4.6	880.7	3.1	3,766.1	13.5	1,891.6	6.7
Equities	13,873.1	48.2	12,800.1	45.7	13,221.0	46.9	13,836.9	48.1	12,409.9	44.3	13,072.5	46.4
Listed equities ³⁾	8,137.8	28.3	7,444.4	26.6	7,795.8	27.7	8,101.6	28.2	7,054.2	25.2	7,647.3	27.1
Private equity investments ⁴⁾	5,089.9	17.7	4,789.0	17.1	4,775.7	16.9	5,089.9	17.7	4,789.0	17.1	4,775.7	16.9
Unlisted equity investments ⁵⁾	645.4	2.2	566.8	2.0	649.5	2.3	645.4	2.2	566.8	2.0	649.5	2.3
Real estate	3,877.6	13.5	3,876.4	13.8	3,941.6	14.0	3,877.6	13.5	3,876.4	13.8	3,941.6	14.0
Direct real estate investments	2,601.1	9.0	2,648.9	9.5	2,638.0	9.4	2,601.1	9.0	2,648.9	9.5	2,638.0	9.4
Real estate funds and joint investment companies	1,276.5	4.4	1,227.4	4.4	1,303.5	4.6	1,276.5	4.4	1,227.4	4.4	1,303.5	4.6
Other investments	2,803.2	9.7	2,781.6	9.9	2,624.2	9.3	2,803.2	9.7	2,818.2	10.1	2,624.2	9.3
Hedge fund investments ⁶⁾	2,797.4	9.7	2,803.3	10.0	2,623.5	9.3	2,797.4	9.7	2,803.3	10.0	2,623.5	9.3
Commodity investments	0.0	0.0	-2.2	0.0	0.0	0.0	0.0	0.0	34.3	0.1	0.0	0.0
Other investments ⁷⁾	5.8	0.0	-19.5	-0.1	0.7	0.0	5.8	0.0	-19.5	-0.1	0.7	0.0
Total	28,765.9	100.0	27,989.9	100.0	28,182.3	100.0	28,815.8	100.2	27,681.3	98.9	26,639.1	94.5
Effect of derivatives ⁹⁾							-49.9	-0.2	308.6	1.1	1,543.2	5.5
Total at fair values	28,765.9	100.0	27,989.9	100.0	28,182.3	100.0	28,765.9	100.0	27,989.9	100.0	28,182.3	100.0
Modified duration of bond portfolio	4.2											

1) Includes accrued interest

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

3) Includes also mixed funds if these cannot be allocated elsewhere

4) Includes private equity funds, mezzanine funds and also 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 cannot be included in other investment classes

8) Risk breakdown can be shown from reference periods as the knowledge accumulates (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 the effect of derivatives on the difference between the risk distribution and the basic distribution.

The effect of derivatives can be +/- . After the adjustment, the final sum of the risk distribution will equal that of the basic distribution.

10) The proportion is calculated by using the total amount of the line "Total investments at current value" as the divisor

Net return on investment operations for capital employed

	Net return on investments at current value, EUR million	Invested capital ⁹⁾ , EUR million	Return on invested capital, %	Return on invested capital, %	Return on invested capital, %
	1.1.–30.9.2023	1.1.–30.9.2023	1.1.–30.9.2023	1.1.–30.9.2022	1.1.–31.12.2022
Fixed-income investments	206.1	8,438.5	2.4	-3.2	-2.8
; ¹⁾	25.9	512.2	5.0	1.6	3.1
s	150.9	6,523.0	2.3	-4.4	-4.1
Other money market instruments and deposits including any receivables and liabilities related to investments ¹⁾²⁾	29.4	1,403.3	2.1	-0.2	0.5
Equities	529.1	13,193.9	4.0	-10.1	-6.9
l equities ³⁾	343.2	7,696.6	4.5	-20.3	-15.5
re equity investments ⁴⁾	184.3	4,848.4	3.8	11.4	9.0
ted equity investments ⁵⁾	1.6	648.8	0.3	5.2	20.2
Real estate	-61.8	3,940.8	-1.6	5.3	5.3
t real estate investments	-22.7	2,641.7	-0.9	2.8	3.6
estate funds and joint investment companies	-39.0	1,299.1	-3.0	11.2	9.3
Other investments	106.2	2,689.5	3.9	4.2	-0.5
e fund investments ⁶⁾	115.4	2,683.6	4.3	7.0	2.3
modity investments	0.0	0.0	-	-	-
r investments ⁷⁾	-9.3	5.9	-	-	-
Total investments	779.7	28,262.6	2.8	-4.8	-3.6
Unallocated income, costs and operating expenses from investment operations	-18.7	0.0	-0.1	-0.1	-0.1
Net investment income at current value	761.0	28,262.6	2.7	-4.9	-3.7

1) Includes accrued interest

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

3) Includes also mixed funds if these cannot be allocated elsewhere

4) Includes private equity funds, mezzanine funds and also 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 cannot be included in other investment classes

8) Change in market value between the beginning and end of the reporting period less cash flows during the period.

Cash flow means the difference between purchases/costs and sales/revenues.

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