



ELO PENSION COMPANY

Annual and responsibility report 2022

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In this report, we discuss Elo's operations and responsibility in 2022. We will issue the Board of Directors' Report, Financial Statements and Corporate Governance Statement, as separate reports.



We are Elo

Elo Mutual Pension Insurance Company is an earnings-related pension insurer with statutory products and services. The value chain of Elo consists of the sale and management of insurance policies, the investment of pension assets and the payment of pensions.

We insure the employees of customer companies that have taken out employment pension insurance and self-employed persons. Employers are responsible for their employees' pension security with TyEL insurance. Employers and employees jointly employment pension contributions based on employees' wages and salaries. Self-employed persons, on the other hand, are responsible for their own YEL insurance.

Approximately one in three companies and approximately 40 per cent of self-employed persons have selected Elo as their earnings-related pension insurer. We are responsible for the future pensions of more than 500,000 employees and self-employed persons and the current pensions of 247,000 pension recipients.

The sale and management of Elo's insurance policies is complemented by the extensive service network of our non-life insurance partners. Thus, earnings-related pension insurance services are available across Finland.

Elo takes care of EUR 28 billion of investment assets. We ensure the profitable, secure and responsible investment of pension assets. We diversify our investment assets both into different asset classes and geographically. Our investment portfolio consists mainly of fixed income, equity and real estate investments as well as hedge fund investments. We invest the assets on a long-term basis in compliance with the company's strategy and policy. We also offer corporate financing to client companies.

Elo's disability risk management services help customer companies to identify and foresee disability risks and ensure expertise in disability risk management. Operations are directed on a risk-based and systematic basis to reduce the work ability risks and costs.

Elo's shareholders are customers, i.e. policyholders and employees insured by Elo. Our office is located in Tapiola, Espoo.



We make sure that our customers receive the pensions they have earned – today and in the future

Responsibility at Elo

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CEO'S REVIEW 2022

We provide lifelong security

It was a year of change and renewal for Elo. We prepared a new strategy until 2025, revised the governance model and increased the efficiency of operations to respond better to changes in the operating environment and customer behaviour.

The year 2022 continued a series of eventful years. The uncertainty related to the economy and financial markets increased. Russia's war of aggression in Ukraine challenged businesses, as the crisis caused by COVID-19 had not yet completely passed.

Economic growth slowed down towards the end of the year due to tighter financing conditions and weaker real income due to inflation. As a result of Russia's war of aggression in Ukraine, the prices of food and energy increased strongly.

At the same time, the returns of institutional investors were weakened by low yields on fixed income portfolios and equity portfolios. The total return on Elo's investments in 2022 was -3.7 per cent. The return on investments was improved by diversification into real estate and infrastructure investments, which generated a positive return.

Despite the challenging operating environment, Finland's economic growth remained relatively good. Exports were weakened by the slowdown of growth in our main export countries and the collapse of Russian exports. Despite companies' weakened future expectations, investments grew due to strong residential construction and the need to replace capital stock, such as machinery and equipment.

A well-functioning pension system and effective management of pension security contribute to stability in society and security for citizens. The basic task of an earnings-related pension insurer is to manage assets and invest them to secure future pensions. Our core tasks are also reflected in the metrics of our responsibility programme. The development of investment returns, customer satisfaction and the processing times of pension decisions are

Our basic task is to
manage assets and invest
them to secure future
pensions.



key among them. We have a responsible role as an insurer of Finnish pension security. This fundamental task is important, it creates stability and also meaning in the work of us at Elo.

In accordance with Elo's responsibility programme, we work together to create a sustainable society, working life and the environment for future generations. Our responsible investment operations safeguard pensions and lay down a foundation for a sustainable future across generations. Responsible investment is guided by Elo's strategy and investment plan and the principles of responsible investments and ownership steering. Responsible investment is complemented by Elo's climate policy, the objective of which is to ensure sustainable returns for investments. It addresses the challenges that climate change imposes on the financial markets and our investments.

We assess the responsibility of our investment targets from the perspective of environmental responsibility, social responsibility and good corporate governance. Elo is committed to an investment portfolio aligned with the objectives of the Paris Agreement. This will be implemented by reducing the carbon footprint of our portfolio, reducing the share of fossil fuel production in investments and increasing investments in sustainable development solutions.

As a major property owner, Elo plays an important role in reducing emissions from the Finnish building stock. Globally, the building stock accounts for a significant share of energy consumption and CO2 emissions. Through responsible management of real estate assets, high-quality energy management and construction activities, we contribute to the reduction of climate burden and the well-being of our environment. Elo prepared a responsibility programme for direct Finnish real estate investments for 2022–2030, which also updated the carbon neutrality targets and measures.

Several legislative projects to reform the pension system proceeded in decision-making. The amendments to the pension legislation for self-employed persons were confirmed in 2022 and entered into force at the beginning of 2023. A key change is the further specification of the determination of the self-employed person's earned income and new regularity in reviewing earned income.

Due to inflation, the earnings-related pension index increased by 6.8 per cent in 2023. The exceptional situation increased the number of applications for both old-age pensions and partial early old-age pensions in 2022.

In terms of the number of policies, we are a clear market leader in self-employed persons' YEL pension insurance. One in three employer companies are insured by Elo. The total number of self-employed persons and employees insured by us at the end of the year was slightly over half a million. Our service is complemented by the long-term and close partnership with Fennia, LocalTapiola and Turva, which guarantees that earnings-related pension insurance services are available across Finland.

The lengthening of working careers progressed in line with the objective of the earnings-related pension reform. The aim was for the expected effective retirement age to increase to a minimum of 62.4 years by 2025. Positive news came in early 2022 when the expected retirement age had been reached already in 2021, four years ahead of schedule.

From the point of view of future pension recipients' livelihoods, it is important to ensure the work ability of workers and the integrity of their careers. A career need not end prematurely due to a person's reduced capacity for work. Vocational rehabilitation plays an important role in enabling people to continue their careers. In 2022, we developed the work trial process and piloted the service path of mental health rehabilitators, among other things.

For us at Elo, 2022 was a year of change, but above all a year of strong reform. We made changes to the organisation's structure, work tasks and job descriptions. We worked on the new strategy with our entire personnel, and our objective is to become the most preferred pension company in the industry by 2025. To achieve this vision, we will focus on five strategic objectives: the most customer-centric and growing, strong performance in services, excellent personnel experience, a pioneer in work ability services and sufficient solvency.

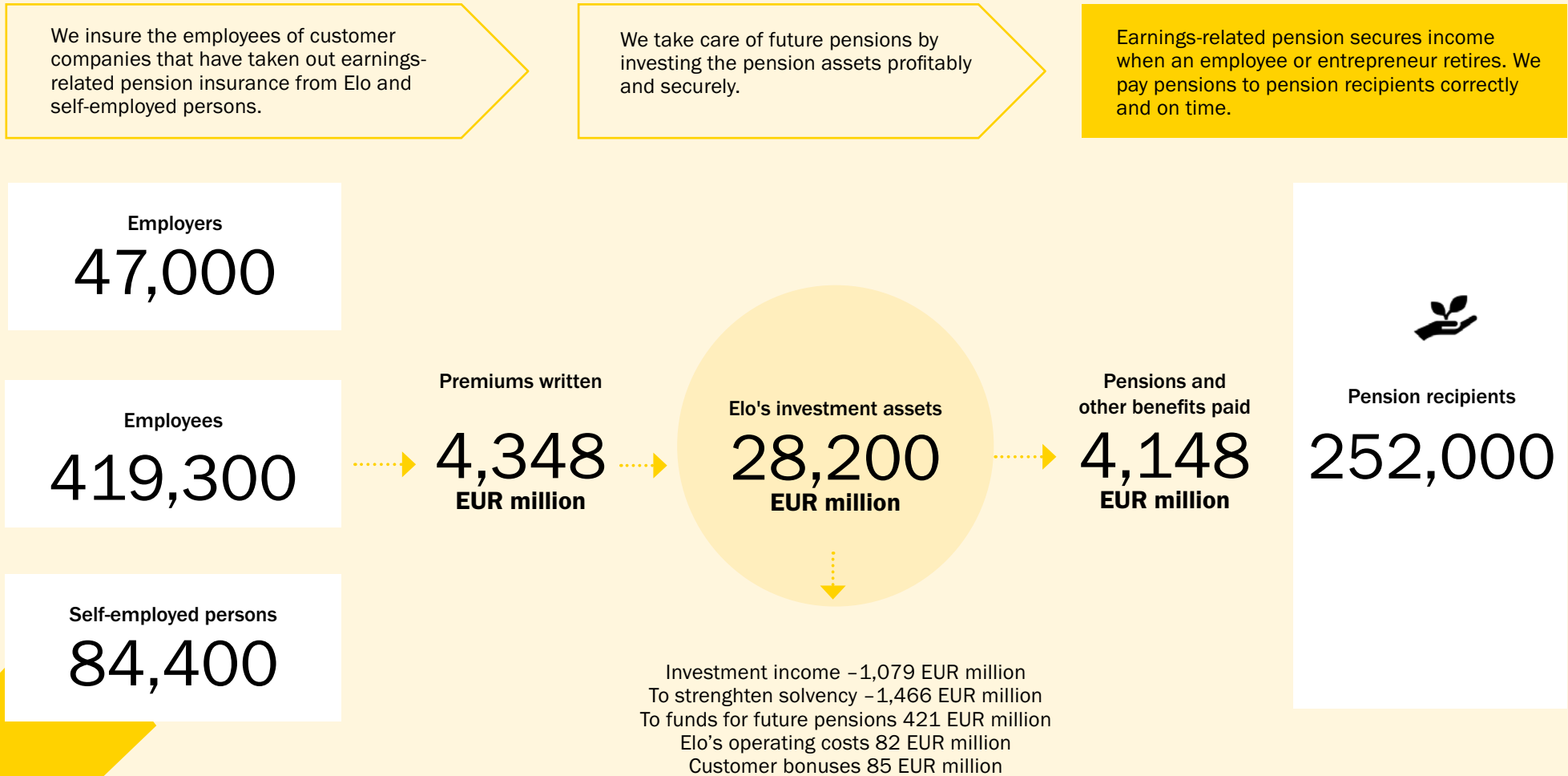
Elo's mission is to create lifelong security for our customers. We make sure that our customers receive the pensions they have earned – today and in the future. A key part of this work is to support our customers in developing work ability management expertise to prevent risks.

We also revised our values of openness, activeness and commitment. They provide us with a solid foundation, as we reformed our governance model, clarified our operations and focused on efficiency. Following the changes, Elo will be more functional and ready to serve our customers even better.

With the reforms, I am pleased to continue this work. I would particularly like to thank all Elo people for their commitment and support in carrying out the change, as well as our partners for their joint efforts over the past year. Let's make 2023 even better together.

Carl Pettersson
CEO

Elo's cash flows





OVERALL RETURN ON INVESTMENTS

-3.7%

PENSIONS AND OTHER
BENEFITS PAID, EUR MILLION

4,148

SUMMARY OF KEY FIGURES

		31.12.2022	31.12.2021	
COMPANY SIZE	Premiums written, EUR million	4,348.3	4,035.9	
	Pensions and other benefits paid, EUR million ¹⁾	4,147.9	4,030.2	
	Technical provisions, EUR million	24,252.8	23,750.4	
	Pension assets, EUR million ²⁾	29,015.0	29,982.5	
	TyEL payroll, EUR million	15,685.7	14,873.9	
	YEL earned income sum, EUR million	1,811.8	1,770.5	
	Number of TyEL policyholders	47,000	51,200	
	Number of TyEL insured	419,300	415,500	
	Number of YEL policyholders	84,400	84,500	
	Number of pensioners	252,000	246,100	
	Number of personnel (average work contribution)	473	490	
	RESULT	Loading profit, EUR million	33.2	34.0
		Operating expenses as % of loading component	71.1%	72.4%
Transfer to client bonuses, EUR million		85.0	100.5	
Transfer to client bonuses (%) of TyEL payroll		0.54%	0.68%	
Solvency capital, EUR million		5,109.0	6,573.4	
ratio to solvency limit		1.5	1.6	
Pension assets, % of technical provisions		121.4%	128.1%	
Net investment income at fair values, EUR million		-1,078.6	3,621.3	
Net return from investment on capital employed, %		-3.7%	14.0%	

¹⁾ Claims paid as shown in the income statement without expense loading components available for claims and working ability maintenance.

²⁾ Technical provisions + solvency capital

RESPONSIBILITY AT ELO

At Elo, we provide lifelong security. We make sure that customers receive the pensions they have earned – today and in the future.

In accordance with the strategy confirmed at the end of 2022, our mission is that We provide lifelong security and our vision is to be the most preferred pension company in 2025. To achieve the vision, we will focus on five key objectives: the most customer-centric and growing, strong performance in services, excellent employee experience, a trailblazer in work ability services and adequate solvency. Adequate solvency is the foundation of our operations, and we keep it strong through profitable, secure and responsible investment. Our values are openness, activeness and commitment.

Values

Openness

Activeness

Commitment

Mission

We provide lifelong security

Vision

The most preferred pension company in 2025

Strategic objectives



The most customer-centric and fastest growing



Strong performance in services



Excellent employee experience



Trailblazer in work ability services



Adequate solvency

Changing operating environment

Sustainability (ESG, climate)

Weakening demographics

Investment peak and inflation

Future workforce

Changing entrepreneurship

AI, robotics

Increase in geopolitical risks

Reforming payments and financial solutions

Advanced analytics

Change in the pricing earnings-related pensions

Elo's responsibility programme and materiality assessment

Elo's responsibility programme for 2020-2022 is based on a materiality assessment, in which Elo's stakeholders were involved through a questionnaire and interviews. The responsibility programme is based on our basic mission as an insurer of statutory pension cover in Finland, as well as on current and future legislation relating to responsibility.

The materiality assessment focused on Elo's economic, social and environmental impacts and how significant they are, as well as our stakeholder expectations. The stakeholder survey for the 2020 materiality assessment was carried out with an electronic questionnaire and supplementary telephone interviews. A total of 662 people completed the survey. Our stakeholders consider the core function of Elo to be the most essential part of responsibility.

The respondents also highlighted the importance of good governance, openness and transparency. The next-most important aspects according to the respondents were social responsibility – including sustainable working life themes and equality – as well as climate change and environmental issues.

The materiality assessment also considered changes in the operating environment, such as climate change, the transformation of working life and future regulation, which will highlight questions pertaining to human rights, for example.

Elo's responsibility programme was defined on the basis of the materiality assessment. It consists of three themes:

1. Sustainable society – financial responsibility and the careful execution of the core task.

2. Sustainable working life – social responsibility in customer operations, investments and own operations.
3. Sustainable environment – mitigation of climate change as well as approaches related to the environment and efficient use of resources.

The metrics related to the responsibility programme are partly metrics of our core business. These metrics are complemented by the GRI standards on sustainability. In addition, Elo has complementary sustainability goals, the development of which is monitored and the achievement of which is reported in the annual and responsibility report.

Responsibility is an area of continuous development. Elo's responsibility programme will be updated with a new strategy and responsibility regulation in 2023. As a result, the metrics will also evolve and in some cases change.

Significance of responsibility aspects based on stakeholder feedback

Aspect	How important do you find the following aspects of Elo's operations as an earnings-related pension insurer?	Business decisionmakers (n=363)	Stakeholders (n=107)	Employees (n=192)
Elo's mission aspects	Safeguarding solvency	4.5	4.8	4.9
	Efficient pension decision processes	4.4	4.7	4.7
	Taking customer needs into consideration in different stages of the customer relationship	4.6	4.4	4.7
	Profitable investment operations	4.2	4.5	4.8
	A good customer experience and service accessibility through various channels	4.4	4.4	4.7
	Corporate governance	4.3	4.6	4.5
Sustainable working life and social responsibility aspects	Employee well-being and competence	4.2	4.4	4.7
	Creating the conditions for sustainable working life	4.2	4.1	4.6
	Social responsibility in investment operations	4.1	4.4	4.5
	Elo's open interaction and active communication	4.0	4.1	4.6
	Promoting equality and diversity in working life	3.9	4.1	4.3
Climate and environmental aspects	Taking climate and environmental impacts into consideration in investments	3.7	4.0	4.3
	Taking environmental and climate impacts into consideration in Elo's own operations	3.7	4.0	4.2
	Average:	4.2	4.3	4.6

The respondents answered statements on scale of 1 (not important at all) to 5 (very important)

KPIs of Elo's responsibility programme

ELO's responsibility themes	Objective in Elo's operations	Indicator	Outcome in 2022	Objective
Sustainable society In a sustainable society, occupational pension provision and our services meet changing customer needs. The basic task of an earnings-related pension insurer is at the core of our responsibility.	Elo is a solvent company.	Solvency ratio	121.4%	The solvency ratio is at a secure and good level.
		Solvency position	1.5	The level of the solvency position is ensured in all circumstances
	Our investment returns are good, sustainable and sufficient in the long term.	Development of investment assets: average real return over 10 years	3.7%	The return is above the Finnish Centre for Pensions' calculated return expectation
	Our efficiency is improved.	Operating expenses covered by the expense loading component	EUR 81,6 million	The operating expenses covered by the expense loading component decrease in the long term.
		Client bonuses in relation to insured persons' payroll	0.54%	
	Our governance is good and transparent.	Elo has implemented governance development measures, implementation rate	Has been fully implemented	Has been fully implemented
		Total number of critical realised compliance risks and their management	There are zero risks and processing is smooth	There are zero risks and processing is smooth.
		Completing the Code of Conduct online training	Management 100%, others 96%	Online training completion rate: management 100%, others 95%.
		Reports to the Data Protection Ombudsman (number)	5	The aim is for there to be no reports to the Data Protection Ombudsman.
		The implementation of pension security is seamless in all situations.	Customer service NPS1 (online and telephone service)	59
		No interruption of livelihood at the beginning of the pension. Processing times for pension decisions	Faster than the industry average	Minimum sector average
Sustainable environment We create a sustainable environment by taking climate and environmental aspects into account in decision-making and operations.	We take environmental aspects into account in our operations and strive to minimise negative impacts.	Elo's carbon footprint (excluding investment operations)	7,070 tCO ₂ e	The aim is to aim to reduce emissions through our own operations and procurement guidelines.
	We reduce the carbon risk in our investment portfolio.	Weighted average carbon intensity of equity and corporate bond investments tCO ₂ e/Turnover MUSD (scope 1+2)	Shares 135.6 and corporate loans 115.6 tCO ₂ e/MUSD turnover	Decrease of 25% in listed shares and corporate bonds from 2019 to 2025.
	Our goal is energy-efficient properties.	Improving energy use of real estate investments	Reduction of heating by 7.3% in commercial properties and 5.8% in residential properties and reduction of electricity consumption of 8.2% in commercial properties, 12.2% in residential properties (kWh/m3/a)	10% reduction in district heating and 5% in electricity from 2019 to 2025
Sustainable working life In sustainable working life, conditions are created for people who are able to work part-time, for young and elderly people and for various minorities to participate in working life. Equality and diversity are taken into consideration in decision-making and supply chains.	Our service is equal, high-quality and smooth.	Applications processed by the Board of Appeal remain unchanged	92%, better than the industry average (91%)	Better personnel retention than the sector average
	We create opportunities for our customers to continue working.	Effectiveness of rehabilitation, % of persons available to the labour market	72%	Target level 70%
	Equality and diversity are taken into account in our operations and supply chains.	Percentage of businesses where human rights risks have been assessed	100%	Human rights risk assessments performed across all businesses
	At Elo, equality is a precondition for diversity.	Incidents of discrimination and corrective measures	None	None
	Elo employees have long careers.	3-year average age at which old-age pension begins	63.8	65 years by 2030
	Elo itself is an example of creating the conditions for a sustainable working life.	PeoplePower index	69.3 (specialist standard 72.5)	Better than the average for Finnish specialist companies.

The organisation of responsibility at Elo

Elo's Board of Directors' approves Elo's strategy. The strategy confirms the company's values, mission and vision, as well as its strategic objectives, while also taking into account the company's sustainability aspects. The Board evaluates the progress of responsibility and the implementation of the strategy on a regular basis. The Board of Directors monitors the implementation of the strategy on a monthly basis and annually in connection with the annual and responsibility report.

The Board of Directors approves the key responsibility policies, such as Elo's responsibility programme. The Board of Directors also approves the annual and responsibility report before its publication. In this context, the Board of Directors evaluates the success of Elo's responsibility work on the basis of the achievement of the set objectives. Before the approval of the Board of Directors, the annual and responsibility report is discussed by the Board of Directors' Audit and Risk Committee. If necessary, the level of responsibility is also assessed by an external evaluator.

Based on the guidelines approved by the Board of Directors, the Executive Group steers responsibility at Elo. Responsibility-related topics are regularly discussed by the Executive Group. The members of the Executive Group participate in the responsibility work of their area of responsibility.

Until autumn 2022, Elo's responsibility work was supported by the responsibility programme steering group, whose members were representatives of management. In addition, Elo has a responsibility network consisting of experts from different business areas. In autumn 2022, the operations of the responsibility network were reorganised and the steering group ceased its operations. The task of the responsibility network is to promote responsibility as part of Elo's strategy and corporate culture, and to update and coordinate Elo's

responsibility programme and its implementation. Elo's environmental work is developed through WWF's Green Office programme. Corporate responsibility reporting is coordinated by communications and the financial support service. Every Elo employee ensures that they apply Elo's responsibility practices in their work.

At Elo, responsible investment is guided by Elo's strategy and investment plan, the responsible investment and ownership policy, as well as the climate policy for investments, all approved by the Board of Directors. The Responsible Investment Steering Group steers responsible investment and reporting, shares information between asset classes and ensures that the investment organisation uses uniform operating methods. Each employee of the investment organisation is responsible for the application of responsible investment principles and practices in their day-to-day work.

Corporate governance

The corporate governance choices of a pension insurance company are determined by legislation. Some of the members of Elo's Supervisory Board and Board of Directors are elected on the proposal of labour market organisations. The election of the Board of Directors is also guided by the principles for the election of the members of the Board of Directors confirmed by Elo's Supervisory Board. There are also legal provisions on the the avoidance of conflicts and associated operating principles. Both genders must be represented on Elo's Supervisory Board and Board of Directors. In addition, the members of the Board of Directors must have good knowledge of the earnings-related pension insurance sector and there must be sufficient investment expertise in the Board of Directors. The Financial Supervisory Authority assesses the reliability and suitability of the members of the Board of Directors.

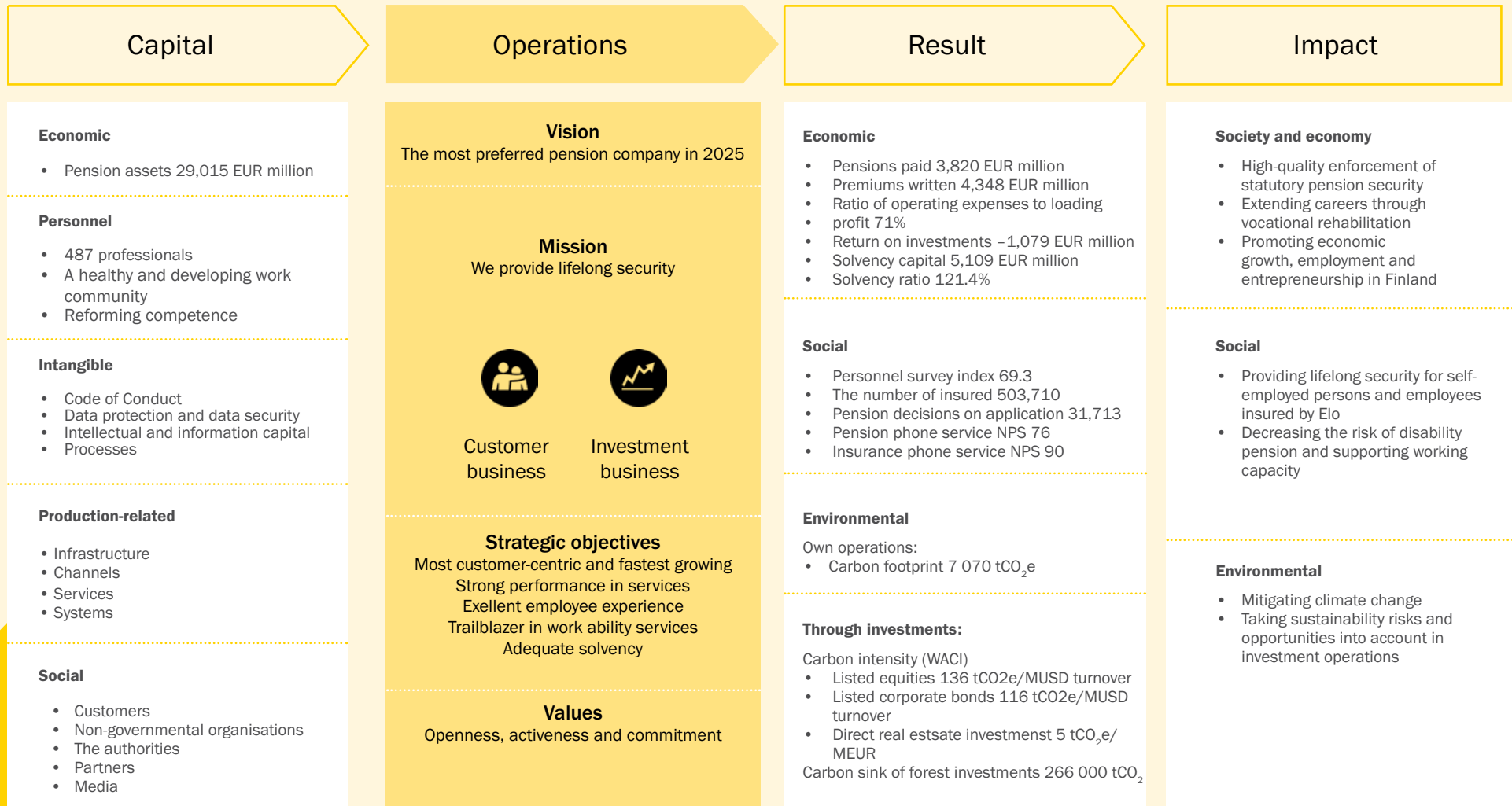


The Chair of Elo's Board of Directors is not in an employment or service relationship with Elo. The Chair can be considered independent of Elo because there is no other material relationship with the company besides being a member of the Board of Directors.

Elo has a written policy on the identification and prevention of situations involving conflicts of interest. Transactions with related parties are carried out in accordance with the related-party guideline. Significant transactions with Elo's management and related parties will always be decided on by Elo's Board of Directors. Moreover, Elo has an anti-bribery and corruption policy and a Code of Conduct, which must be complied with.

This is how we create value

Elo is a Finnish pension insurance company. We make sure that our customers receive the pensions they have earned. We help our customer companies succeed and respond to the challenges presented by changes in working life. We manage our customers' pension assets in a profitable, secure and responsible manner.





Elo and society

As a pension company, Elo plays a responsible role in society. We are in a position of trust in managing statutory pension insurance in Finland.

Pension security has a major impact on both individuals and society. We have major responsibility for managing pension assets and insuring employees and self-employed persons. At the same time, we support our customers and contribute to Finland's economic growth, employment and well-being at work.

The expertise of Elo's employees is utilised and developed in active interaction with our stakeholders. Our key stakeholders include:

- customers
- partners
- labour market organisations
- entrepreneur and industry associations
- the authorities
- the earnings-related pension sector's collaboration and supervision of interest bodies
- media

The impacts of the exceptional economic development on earnings-related pension indices and self-employed persons' pension insurance were themes highlighted in the pension sector in 2022. The Parliament approved amendments to the Self-Employed Persons' Pensions Act that specify the determination of a self-employed person's earned income. Earned income is the basis for pension insurance contributions and the pension and social security of a self-employed person.

Listening to and interacting with stakeholders is important to us. The aim is to raise awareness of Elo and the pension system and to strengthen mutual trust. Our operations are supported by the advisory committees of self-employed persons, employers, the insured and general pension interests. The key task of the advisory boards is to provide feedback on our activities and thus help us in our development work. We also discuss topical issues related to the industry.

Our experts participate in the work of various working groups in the field, such as the Finnish Pension Alliance Tela, Finance Finland and the Finnish Centre for Pensions (ETK). Some of the working groups in the pension sector are permanent and some are temporary. We also issue statements on matters under work to the authorities.

Our stakeholders also include our partners, schools and educational institutions as well as the media. Serving the media and unambiguous communications are also part of our work.

Working together to benefit society

Elo collaborates with non-profit organisations as part of our social role. We promote, for example, Finnish entrepreneurship and employment as well as diversity and we work to prevent marginalisation.

In 2022, we again took part in the Entrepreneur of the Year growth entrepreneur competition and Junior Achievement Finland’s entrepreneurship education program. In the EOU growth Entrepreneur competition, we were involved in awarding the annual growth entrepreneur, family entrepreneur and start-up entrepreneurs of the year awards, as well as awarding the EY Tech award. The year 2022 was the 20th anniversary of Junior Achievement Finland.

In Junior Achievement Finland’s entrepreneur competition final, we recognised Lappia Vocational College’s Salstreet with a “Dreams Alive” special award for the best innovation. As part of the Job Shadow Day, organised by Junior Achievement Finland, three young people took part in Elo managers’ day at work. During the day, leaders from different sectors partnered with a young future maker for the duration of their working day. The young people came from all over Finland and had all participated in the JAF entrepreneurship education programme at their school.

For the fourth time, we took part in organising the Migrant Entrepreneur of the Year competition with Suomen Yrittäjät. The competition highlights entrepreneurs with migrant backgrounds and their significance in the Finnish business sector.

We also participated in the UusioUra event, which promotes employment opportunities for people over 45 years of age, and told how pension and social security are taken care of in a self-employed person’s career.

We donated a total of EUR 15,000 to the Finnish Red Cross Disaster Relief Fund to help those affected by the war in Ukraine. Elo employees also had the option of donating their share of funds reserved for the personnel’s Christmas greetings to the Red Cross, Icehearts ry, Hope ry, MIELI Mental Health Finland or John Nurminen Foundation.

STAKEHOLDER	EXPECTATIONS	INTERACTION
Customer enterprises and self-employed persons	Good service portfolio, expertise and smooth service Support in matters related to earnings-related pensions and work ability management	Meetings and customer encounters Diverse communications
The insured and pension recipients	Easy and smooth service Expert service	Customer service and guidance Diverse service channels
Partners	Expertise and close co-operation	Continuous contact, training and communications
Labour market organisations and decision-makers	Co-operation and expertise in the development of the industry	Contacts and meetings
The authorities	Expertise, responsibility and interaction	Reporting, communication and meetings in working groups, for example
Earnings-related pension and financial organisations	Collaboration and contributing Elo’s expertise to the development of the industry	Contacts and meetings Industry associations and working groups
Media	Transparent, swift and competent communication	Communication through various channels, press releases, events and meetings
Self-employed person and industry associations	Information and expertise on pension insurance, work ability management and entrepreneurship	Joint events, training and communications Regular contacts
Training organisations, research institutions	Information on, for example, the field and career in the financial sector, internship and thesis positions Elo’s expertise	Visits and employer presentations, internships, thesis and summer jobs Research projects
Investment partners and investees	Expert, responsible, long-term and systematic investment operations Transparent communication	Meetings and discussions, communicating about active ownership and the principles of responsible investment

Our tax footprint

Our tax footprint shows the taxes we pay on our various operations and in part illustrates the economic impact of our operations on society.

Tax footprint reporting is voluntary for companies and there are no fixed formats or models for the calculation or presentation of the report. Elo's tax footprint reporting is based on financial statements information.

Our tax footprint is comprised of the taxes on our own operations, our insurance and investment operations, and of the companies in which we have invested. The starting point of the income taxation of private sectors' employment pension system in Finland is to avoid multiple taxation on employment pension assets so that future pensions can be secured in the best way possible by accumulating the pension funds. On the other hand, this also avoids pressure on increasing employment pension premiums. Employment pension assets must also be invested in a profitable and secure way by law.

Employment pension companies are liable to pay income tax, and their taxable income is calculated in accordance with the Act on the Taxation of Business Profits and Income from Professional Activity. Elo receives taxable income from the employment pension contributions paid by its customers and from its investment activities. The majority of the revenue is spent on paying current

pensioners' employment pensions, while the rest is funded to pay future pensions. In accordance with tax legislation, an employment pension company can deduct the provision for future pension liabilities in its taxation. In practice, this tax regulation means that employment pension insurance companies do not usually pay income tax in Finland, and this also avoids multiple taxation of employment pension assets.

According to the legislation, employment pension premiums are deductible in the income taxation of employers, employees and self-employed persons. Correspondingly, pension benefits are taxable income for the recipient upon their payment.

Our main task is to safeguard and pay pensions. In 2022, we paid a total of EUR 3,811.6 million in taxable pensions and benefits, of which EUR 787.5 million was disbursed to the tax authorities in the form of withholding taxes to cover the pension recipients' taxes.

We also employ a significant number of people. The employer's prepayments of withholding tax and social security contributions on paid salaries and other remuneration are included in Elo's tax footprint. In 2022, the withholding taxes paid on the earnings of Elo's personnel totalled EUR 11.2 million.



Our tax footprint is comprised of the taxes on our own operations, our insurance and investment operations

Insurance operations are a service not subject to value added tax and, therefore, employment pension companies are not liable to pay value added tax. This means that the value added tax included in operating expenses and purchases are not deductible for Elo. In 2022, we paid value added tax totalling EUR 4.9 million on our own purchases.

Investment operations are also subject to international taxation

Elo is generally liable for tax on all of its income in Finland, regardless of whether the income comes from Finland or from abroad. In addition, foreign investment income may be taxed in the countries of the investments. In our investment operations, the aim is to ensure that the pension assets managed by Elo are not subject to unnecessary income tax, however complying with tax laws and regulations in Finland and other countries.

We do not accept aggressive tax planning in Elo's investments. We try to avoid international double taxation, which is also a fundamental principle of international tax regulation and the starting point of the international tax treaties signed by Finland. From the point of view of the sustainability of the funding of the employment pension system and the adequacy of pension security, it is also important that investment income from outside Finland can be used to the maximum extent to accumulate statutory employment pension assets in Finland.

We follow a responsible tax policy in our investment operations. We require our investments to comply with local tax legislation and international tax treaties, as well as other international tax regulations and information exchange regulations. Moreover, we emphasise transparency and openness in our ownership steering and encourage companies to report on their tax policy and tax footprint.

In analysing and assessing our investments, we carefully investigate tax consequences as part of responsible payment of taxes. This is also important to foresee the net return from investments.

The taxes paid on our investment operations include tax at source collected by the country of domicile of the party paying the investment income. We pay tax at source in countries outside of Finland on e.g. the dividend we receive in accordance with the provisions of EU legislation and tax treaties. In addition, taxes paid on investment operations include property taxes and non-deductible indirect taxes on expenses related to ownership of real estate investments and on operating expenses of investment operations.


Taxation of investment operations

EUR million	Net return before taxes	Taxes paid	Refunds received	Net return after taxes	Taxes, total
Interest income	111.2			111.2	
Dividend income	771.3	-15.0	7.4	763.6	-7.6
Real estate income and expenses	71.3	-1.7		69.5	-1.7
Other investment income and expenses	-369.0	-2.2		-371.2	-2.2
Value adjustments in bookkeeping	-179.4			-179.4	
Change in valuation differences	-1,472.4	,	,	-1,472.4	,
Investment income, total	-1,067.1	-18.9	7.4	-1,078.6 ¹⁾	-11.5

Taxation of other operations

EUR million	Tax base	Taxes paid
Wages and salaries of personnel	36,6	11,2
Other operating expenses	68,7	4,9
Pensions paid	3 811,6	787,5

¹⁾ Net investment income at current value



The responsibility for pension assets extends decades into the future

Responsible investment

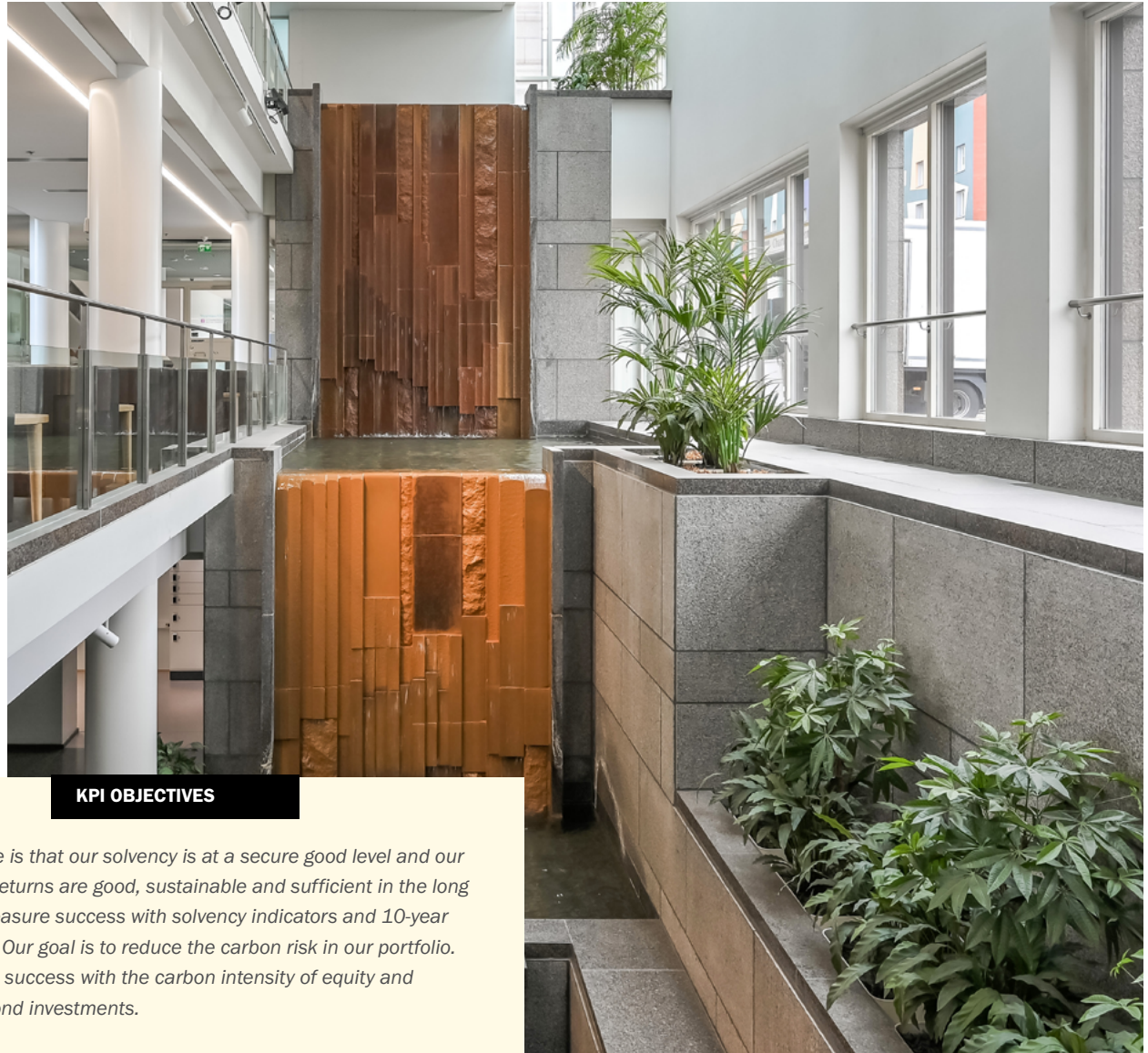
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RESPONSIBLE INVESTMENT

The responsibility for pension assets extends decades into the future

We ensure adequate solvency in all market situations. We manage pension assets in a cost-effective and sustainable manner. As a long-term investor, we believe that responsibility strongly integrated into the investment process plays an essential role in managing the risks, ensuring good returns and identifying societal changes and systemic risks.

**KPI OBJECTIVES**

Our objective is that our solvency is at a secure good level and our investment returns are good, sustainable and sufficient in the long term. We measure success with solvency indicators and 10-year real returns. Our goal is to reduce the carbon risk in our portfolio. We measure success with the carbon intensity of equity and corporate bond investments.

The strategy of our investment operations is to seek to achieve good, sustainable and sufficient returns on investments through a selected strategic allocation and a successful asset allocation. Investment operations across different asset classes are implemented cost-efficiently and transparently throughout the investment process.

Responsibility in investments means that we incorporate not only the financial analysis but also the ESG perspectives, i.e. environment (E), social (S) and governance (G) into investment analysis and decision-making processes. We assess the ability of investee companies or managers to manage the material ESG risks and opportunities of their businesses. The different approaches to responsible investment are integrated into investment processes, taking the special characteristics of different asset classes into consideration.

Responsible investments at Elo are based on the view that only by operating sustainably can companies generate sustainable results over the long term and responsible investors generate sustainable returns. As a long-term investor, we believe that responsibility strongly integrated into the investment process plays an essential role in managing the risks associated with investments and achieving good and sustainable returns on investments. Thus, ESG factors

affects the investment returns and, on the other hand, Elo's investments have an impact on the environment and society ("double materiality assessment"). Through responsible investment, we also aim to identify systemic risks that may affect the business models of our investee companies.

The average 10-year nominal return on Elo's investments was 5.6 per cent and the real return was 3.7 per cent. The average 5-year nominal return of Elo's investments was 4.9 per cent on average and the real return 1.9 per cent. More detailed information about the investment year and risk management is available in the Board of Directors' report.

Our responsible investments are guided by Elo's strategy and investment plan and the responsible investment and ownership policy as well as the climate policy for investments, approved by the Board of Directors. Asset class specific guidelines complement our principles of responsible investment. Principles and policies are available on Elo's website. The governance model for responsible investment is described in more detail in the TCFD section of this report.

Investments are affected by environmental systemic risks

Human beings and the economy are dependant on nature. For investors, biodiversity loss is an economic systemic risk

similar to climate change, and it is necessary to identify risks and opportunities. Biodiversity is significantly affected by climate change, over-exploitation of natural resources, changes in land use, invasive species and pollution of air, water and soil. According to studies, we consume nature unsustainably and burden the environment with waste. The circular economy, among other things, allows us to reduce negative effects.

In the UN Biodiversity Conference in Montreal in December 2022 governments agreed on a new set of goals to guide global action through 2030 to halt and reverse nature loss. The goal of is to protect and restore at least 30% of the world's land and water areas by 2030. Companies and investors must also assess and report more accurately on the environmental impacts, dependencies and risks of their operations.

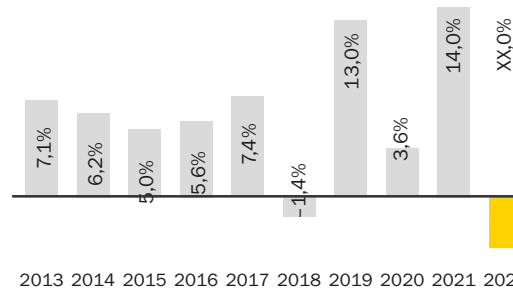
In recent years, Elo has focused particularly on identifying climate risks and opportunities. These are described in more detail in the TCFD section. The risks and opportunities related to biodiversity are also considered by an increasing number of investors. In 2022, the dependencies and impacts on biodiversity of our direct listed equity portfolio were assessed using a two-way analysis tool. The results will be used in identifying high-risk sectors, engagement and further development.

The frameworks and data for investors for assessing risks and opportunities related to biodiversity are still under development. In particular, we monitor the completion of the Task Force on Nature-related Financial Disclosures (TNFD) reporting recommendations and the Science Based Targets for Nature initiative. We will further refine our approaches to environmental issues and biodiversity.

Investment distribution 31 December 2022

- Fixed-income investments (incl. effect of derivatives)
- Equities
- Real estate
- Other investments

Development of return on investment over ten years



Pro forma figures 2013 are the combined figures of Pension Fennia and LocalTapiola Pension Company.



Through the initiatives in collaboration with other investors, we reached more than a thousand companies with regard to the environmental issues.

Monitoring solvency and risk level of investments as part of risk management

Elo employs a solvency management model developed by the company, describing how the company will act in different solvency situations. Solvency is analysed using the internal models and scenario and stress tests available to the company. The solvency management model sets a risk exposure level that accounts for the prevailing market conditions, investment views and solvency.

As a result of the weakening of the financial market, Elo's solvency decreased in 2022, but ended up at a secure level. The total risk level of investments estimated at the solvency limit also decreased compared to the previous financial statements.

The solvency capital at the end of the year amounted to EUR 5,109.0 (6,573.4) million. The ratio of pension assets to technical provisions, i.e. the solvency ratio, was 121.4 (128.1) per cent. The solvency capital was 1.5 (1.6) times the solvency limit.

Working together towards a more sustainable environment and society

Engagement and collaboration are the key ways to implement responsible investment. Engagement means collaboration or dialogue with investee companies and managers and other stakeholders with the aim of more sustainable business practices. We engage either by ourselves or in collaboration with other investors and stakeholders.

We prefer engagement projects involving a significant number of other investors, as engaging with the investments is commonly more effective this way. Public commitments and declarations are a visible way of attracting attention to important matters. Goal-oriented collaboration can significantly increase the value and possibilities of success of engagement.

In 2022, Elo focused particularly on the environment and social in global collaboration projects for institutional investors. We participated in the 2022 Global Investor Statement to Governments on the Climate Crisis letter on more ambitious climate policy. In their statement, the investors want decision-makers to take into account not only the Paris Agreement but also how private capital flows could support the transition to a lower-carbon society.

Through IIGCC, we participated in joint investor letters to corporations on climate change transition plans and more transparent climate lobbying. Elo joined CDP's Non-disclosure campaign to encourage companies to measure, manage and disclose the risks related to climate change, water and deforestation, and the Science Based Target Initiative campaign to encourage companies to set science-based emission reduction targets.

In addition, Elo joined the Transition Pathway Initiative, which can be used to understand whether their holdings align with the pathways set by the Paris Agreement. Elo also continued collaboration work in the Investor Alliance for Human Rights, which focuses on for example forced labour and cybersecurity from the point of view of human rights.

Through the initiatives in collaboration with other investors, we reached more than a thousand companies with regard to the environmental issues and more than a hundred companies with regard to human rights issues. Through collaboration initiatives, we also received information for dialogues with our investee companies.

Engagement initiatives and collaborations

		Year	Commitment	Collaboration	Reporting	Engagement	Analysis tool
GENERAL	PRI	2008	✓	✓	✓	✓	✓
	Finsif	2010	✓	✓			
ENVIRONMENT	CDP	2015		✓		✓	✓
	Montréal Pledge	2015	✓		✓		
	TCFD	2017	✓		✓		✓
	IIGCC	2017		✓		✓	✓
	Climate Action 100+	2017	✓	✓		✓	✓
	TETS and VAETS	2017	✓		✓		
	Investor Agenda	2018	✓	✓	✓	✓	
	Climate Leadership Coalition	2020		✓		✓	
	Net Zero Asset Owner Commitment	2021	✓	✓	✓	✓	✓
	Transition Pathway Initiative	2022					✓
	SOCIAL	Investor Alliance for Human Rights	2021		✓		✓



We participated in 99 general meetings in Finland

Norm-based screening

We monitor how our investments comply with international standards and conventions. We expect investee companies to comply with the following international standards, among others: The UN Global Compact, the OECD Guidelines for Multinational Enterprises, the ILO LABOUR Conventions and Recommendations and the UN Guiding Principles on Business and Human Rights (UNGPR). Companies with an alleged or verified significant violation will be added to the exclusion, engagement or monitoring list according to our processes. Primarily, we aim to have a change in the companies towards more sustainable practices via engagement together with other stakeholders. At the end of 2022, we had a dialogue more than ten companies, based on norm-based screening.

The screening covers all asset classes. In addition to in-house analysis and public sources, screening is carried out with the help of an external service provider. During the reporting year, the external service provider's norm-based screening covered 96 per cent of direct listed equity investments and 68 per cent of direct listed corporate bond investments.

We enhance responsibility – we participated in a total of 356 general meetings

As a long-term shareholder, we aim to improve the responsibility of our investments and monitor the compliance with good corporate governance. We primarily implement active ownership in three ways: by attending the general meetings of the companies in which we are a shareholder either by ourselves or by proxy, participating in nomination



boards and engaging with the management and, if necessary, Boards of Directors of the companies. Elo's ownership policy defines our principles as a significant and active shareholder in more detail.

We usually attend the general meetings of all the listed companies in Finland in which we are shareholders. Outside of Finland, we attend companies' general meetings based on our climate policy implementation, violations of norm-based screening or the assessment of corporate governance, among other things.

The 2022 annual general meetings in Finland were still held mainly remotely and the votes were carried out in advance electronically. We participated in 99 general meetings in Finland and voted against four motions on the agenda at four general meetings. Three of these items were related to issue authorisations, one was a shareholder proposal. In 2022, we were on the nomination committees of 11 Finnish companies.

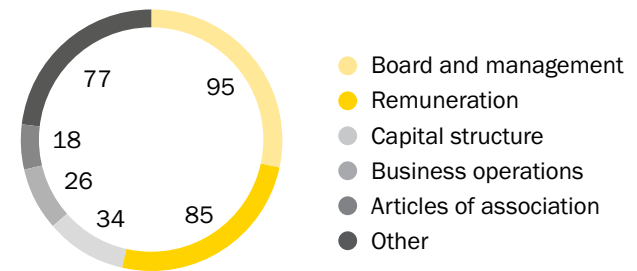
Including international general meetings, we participated in a total of 356 general meetings in 2022 and voted against at least one of the motions on the agenda at 127 general meetings. The number of agenda items that Elo voted against was 335. Most of these agenda items pertained to the Board of Directors or management, remuneration, capital structure or climate affairs.

In our private equity investments, we participated in 177 investor council meetings in 2022. The purpose of investor council meetings is not to participate in the investment decision-making but, for example, to resolve potential conflicts of interest.

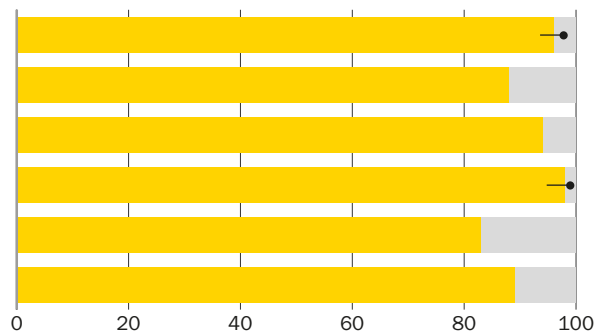
Attendance at general meetings (% , number)

	2022	2021
Direct equity investments		
Attendance at general meetings in Finland (number)	99	77
Attendance at general meetings outside Finland (number)	257	225
Associated companies of real estate investments		
Attendance at general meetings (number)	48	53
Attendance rate (number)	87%	83%
Unlisted investments		
Attendance rate (of AUM)	100%	99%
Infrastructure investments		
Attendance rate (of AUM)	100%	100%

Agenda items voting against in general meetings of listed companies in 2022 (number)



Voting in general meetings of listed companies in 2022



We participated in a total of 356 general meetings in 2022 and voted against at least one of the motions on the agenda at 127 general meetings

Sustainable solutions for the environment and society

Sustainable development refers to development that ensures that present and future generations have a good chance of living. In autumn 2015, the UN published the Sustainable Development Goals (SDGs), which aim to find solutions to the world’s biggest environmental and social challenges. The SDGs comprise 17 Sustainable Development Goals (SDGs), which take the environment, the economy and people into account on an equal basis.

Elo strives to promote the implementation of the UN Sustainable Development Goals. Our goal is to increase investments in sustainable solutions. Sustainable solutions refer to activities that aim to respond to significant societal and ecological challenges. These may include products and services relating to energy efficiency, alternative energy,

pollution reduction, health care, waste management or education, for instance.

In direct listed equity investments, sustainable solutions accounted for 11.9 per cent of companies’ turnovers and for 12.4 per cent in corporate bonds in 2022. For corporate bonds, green bonds have been fully included in the calculation.

The sustainable solutions in infrastructure investments have been assessed at the fund level. The share of sustainable solutions has been calculated by taking into account the market value of the entire fund if there are sustainable solutions in any of the fund’s target companies. The figure does not take into account the turnover. The share of sustainable solutions of the market value in infrastructure investment funds was 85 per cent.

Exclusions based on ethical decisions and climate

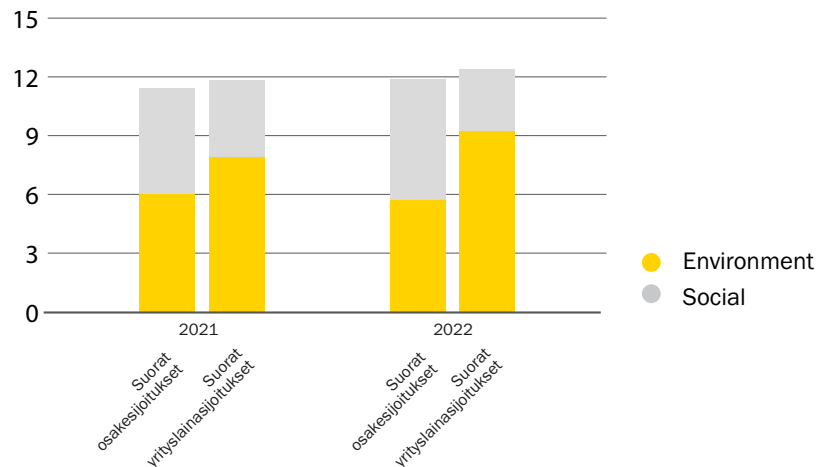
In our principles of responsible investing, we define the sectors in which we do not invest directly. From our direct investments, we exclude the following for ethical reasons: companies in the tobacco industry and companies that manufacture controversial weapons, such as cluster munitions, anti-personnel mines, biological and chemical weapons, nuclear weapons and depleted uranium.

To mitigate climate change, in 2022, we excluded coal companies that derive more than 25 per cent of their turnover from activities related to coal production or the use of coal in energy production without a clear strategy for reducing the use of coal from our direct investments. The climate policy for investments updated in February 2023 tightened the limit to 15 per cent.

At the end of 2022, 193 companies had been excluded from our direct investments on the basis of our criteria.

We evaluate the sovereign bond investment universe annually and exclude countries that are at a very weak level regarding responsibility and are not expected to achieve a turn.

Share of sustainability solutions of the turnover of Elo’s direct listed equity and corporate bond investments (%)



Approaches for responsible investment

The below table shows Elo's asset-class specific approach to responsible investment. Indirect investment (fund investments) approach is based on asset managers' approaches and choices and thus might limit Elo's integration of responsible investment (marked in gray). Infrastructure investments include both direct and fund investments.

		Engagement & Collaboration	Climate policy for investments	Norm-based screening	Sustainable solutions	Ownership policy	Exclusions
Equity investments	Direct equity investments	✓	✓	✓	✓	✓	✓
	Fund investments	✓	✓	✓		✓	
Fixed-income investments	Direct corporate bonds	✓	✓	✓	✓		✓
	Direct sovereign bonds	✓	✓				✓
	Fund investments	✓	✓	✓			
Other investments	Direct real estate	✓	✓	✓	✓	✓	
	Infrastructure	✓	✓	✓	✓	✓	
	Other fund investments (incl. Hedge Funds)	✓	✓	✓	✓		



The taxonomy reflects environmentally sustainable activities

EU taxonomy

The EU taxonomy is part of the ten-point action plan of the EU's sustainable finance legislation. Its purpose is to reorient capital flows towards sustainable investment, integrate sustainability into risk management and to foster greater comparability, transparency and long-termism in the financial sector. Underlying it is the EU's objective of carbon neutrality by 2050.

The taxonomy reflects environmentally sustainable activities. Two environmental objectives are currently defined: climate change mitigation and climate change adaptation. Four other climate objectives are to be set later on in relation to biodiversity, sustainable use and protection of water, the circular economy and prevention of pollution. Taxonomy-eligible activities can support these environmental objectives directly or be enabling activities.

The initial phase will also include transitional activities for climate change mitigation for a limited period of time. While taxonomy-eligible activities must contribute to at least one environmental objective, they must do no significant harm to any other. In addition, all taxonomy-eligible activities must meet certain minimum social safeguards. Currently, the activities specified in the taxonomy focus on those sectors that are seen to have the greatest potential for mitigating climate change or low-carbon transition.

The activities covered by the regulation are known as taxonomy-eligible activities, while taxonomy-alignment refers

to activities compliant with the defined technical screening criteria. Taxonomy-eligibility is not yet sustainable from an environmental point of view; only taxonomy-alignment in accordance with the technical screening criteria, is an expression of "green".

We follow the taxonomy-eligibility of our investments. The taxonomy eligibility of Elo's direct equity investments, which is approximately 40 per cent, is in line with the broad equity market index. Taxonomy eligibility figures are not comparable with those of other investors. Comparability of taxonomy-eligible and taxonomy-aligned figures will increase once companies start to disclose and verify those. The development of taxonomy criteria for the remaining environmental objectives is still in progress. We will disclose more detailed figures of our investments in the future.

Elo's mandatory reporting according to the taxonomy (EU 2021/2178) is available in the non-financial disclosures in the Elo's Board of Directors' report.



Towards carbon neutrality with the real estate sustainability programme

With responsible real estate investment, we take care of the good conditions of the properties and the well-being of our tenants. Our goal is carbon-neutral energy use in direct domestic real estate investments by 2027. The updated real estate sustainability programme supports the achievement of the best overall return on real estate investments in the long term and is an essential part of risk management.

Elo is one of Finland's largest real estate investors and lessors of business premises and housing. Through responsible management of real estate assets, high-quality energy management and construction activities, we contribute to the reduction of climate burden and the well-being of our environment. We have developed the responsibility work of real estate investments in a long-term and successful manner. In 2022, we updated the sustainability programme for properties and set new ambitious responsibility targets for all areas of responsibility.

Towards a carbon-neutral direct real estate portfolio in 2027

Globally, the building stock accounts for a significant share of energy consumption and carbon dioxide emissions. As a major property owner, Elo plays an important role in reducing emissions of the Finnish building stock. We are committed to energy efficiency agreements in the real estate sector (VAETS and TETS), both for business premises and housing. We have also set our own additional targets for reducing specific consumption in direct real estate investments, which are

KPI TARGET

Our goal is energy-efficient properties. We measure success with improving energy use of real estate investments.

more demanding than the targets of energy efficiency agreement for the real estate sector. We will save 5 per cent of the specific consumption of electricity and 10 per cent of the specific consumption of heat from the 2019 level by 2025. In 2022, we achieved the targets for specific electricity consumption savings well. In our housing portfolio, the specific consumption of electricity was more than 12 per cent lower and in commercial properties over 8 per cent lower than in 2019.

We continuously monitor the energy consumption of our properties with an energy management programme and react to deviations. We also monitor the development of the carbon footprint of our direct properties on an annual basis. In 2022, the carbon dioxide emissions of the direct domestic property portfolio decreased. Emission intensity decreased to 15.5 (19.6) kgCO₂e/m². The emissions of the property portfolio can be influenced through active energy management. We systematically implement energy efficiency measures, such as the extensive building automation modernisation project completed in 2022 in the housing and commercial property portfolio. We have been using emissions-free electricity in the properties included in Elo's power procurement portfolio since 2020. In some locations, we also use green district heat.

In line with our updated sustainability targets, we will use carbon-neutral energy in the entire direct Finnish real estate portfolio by 2027. We will achieve carbon neutrality by

gradually switching to green district heat and by increasing our own energy production for the entire portfolio. Several of our commercial properties already feature a solar power plant. We carry out at least one new geothermal or exhaust air heat pump project every year. Our goal is to use renewable energy produced in our own properties in 30 per cent of direct real estate investments by 2030.

According to the results of stakeholder interviews conducted for the real estate sustainability programme, the importance of environmental certification of properties is growing. We will increase the share of certified properties in our real estate portfolio. By 2030, at least 15 of our commercial properties will have been certified with an in-use environmental certificate. This corresponds to approximately 67 per cent of the value of commercial property investments. In addition, we are piloting environmental certification in our own housing production.

We focus on tenant satisfaction and good conditions in properties

The starting point for the productivity of the property portfolio is the satisfaction of tenants and good conditions in the properties. We strive for long-term, profitable lease relationships and creating a good customer experience. We measure the customer satisfaction of business premises customers and residents on a regular basis. Based on the results and customer feedback, we improve our operations

and develop our properties. We have set ambitious NPS and tenant satisfaction targets, which are also taken into account in our partner network's objectives. In 2023, we will introduce a new customer experience programme of commercial properties and we will also continue to develop tenant communications.

As a responsible property owner, we take care of good conditions in the properties and continuously develop the quality level and services of the properties. Housing conditions are monitored by means of apartment-specific sensors. We promptly and carefully address any concerns that our tenants may have. The speed with which we respond to service requests and the completion of service requests are examples of the metrics set for our service providers. In addition to good conditions and high-quality premises, we want to offer the services our customers need in our properties, such as bicycle parking and social facilities.

We consider active interaction with our tenants important. Good dialogue contributes to the energy efficient use and maintenance of buildings in addition to surveying customer satisfaction and development needs. We encourage our customers to use their premises in a responsible and sustainable way, for example, by sharing information about the energy consumption of properties and possible measures to save energy. In order to achieve a high recycling rate of the properties' waste, we encourage our customers to actively sort and recycle.

Commercial properties, change in nominal consumption 2019=>2022

Electricity kWh/m ³ /a	-8.2%
Heat kWh/m ³ /a	-7.3%

Residential properties, change in nominal consumption 2019=>2022

Electricity kWh/m ³ /a	-12.2%
Heat kWh/m ³ /a	-5.8%

We save energy and contribute to communality through responsibility measures in shopping centres

Elo has significant shopping centre holdings together with other property owners. Together with our investor partners and the shopping centre organisation, we set ambitious targets for all areas of responsibility. In 2022, our operations emphasised energy saving measures and preparedness for measures required by the energy crisis, taking into account, for example, the demand response of electricity.

Already in 2019, the Sello shopping centre introduced a smart property management system and a virtual power plant consisting of solar panels located on the roof of the property, a battery installed in the parking garage and automatic smart energy control. In addition, Sello has the highest possible Platinum level environmental certification in accordance with the LEED certification system. The Hansa shopping centre, on the other hand, is already carbon neutral in its energy use. In the BREEAM-In-Use environmental classification, Hansa has achieved the Very Good level. At the Jumbo-Flamingo shopping centre, extensive measures have been taken to promote responsibility. In 2022, among

other things, an extensive tendering process for maintenance services was carried out, in which the key selection criterion was the responsibility programme of the service providers and their commitment to the ambitious quality objectives set by the shopping centre.

In addition to mitigating climate impacts, it is essential to develop social responsibility by creating spaces, events and opportunities for collaboration for the residents, companies and educational institutions in the area of influence. Shopping centres play an important role in creating a sense of community in the area, a safe environment and a comprehensive range of services.

A good partner network and clear guidelines as the foundation of responsibility work

Real estate portfolio management is based on comprehensive internal and service provider guidelines and well-described operating models. All areas of responsibility have been taken into account in the metrics of our most significant partners. In order to implement responsible real estate business, our service providers commit to complying with Elo's Code of Conduct. Equality is important in the

treatment of both the partner network and tenants.

Elo is engaged in determined work to combat the grey economy. We only collaborate with reliable and socially responsible partners. The principles concerning procurement are described in the procurement policy for properties. The responsibility of the procurement process and the operating model for risk management are continuously developed, taking into account the changes in the operating environment. The safety of properties is particularly important to Elo, and we are constantly developing safety guidelines and risk assessments. We review cyber security at the property and portfolio level. We will continue to develop cyber security and update the related guidelines.

In international and domestic indirect real estate investments, we actively participate in the administrative bodies of investors and contribute to the responsibility work of funds and investment companies. Several of our real estate funds carry out significant energy efficiency projects and carry out goal-oriented development work in different areas of responsibility. Long-term engagement in the governing bodies of our property holdings and active board work is one of our key operating principles. In addition, we participate in the joint institutions of the real estate sector, such as Finnish Property Owners Rakli's activities and management teams.

Key environmental figures of direct real estate investments in Finland

	2022	2021
Energy consumption of direct domestic real estate (heating+electricity), MWh	141,895	132,694
Carbon footprint of real estate	10,932	14,073
Carbon footprint of real estate investments normalised by managed assets (tCO ₂ e/EUR million)	4.8	7.1
Emissions intensity, kgCO ₂ e/m ²	15.5	21.9
Water consumption of real estate (m ³)	525,600	478,774
Amount of waste, office premises, tonnes	976	711
Recycling rate, %	51	44

Renewable energy is a key part of infrastructure investments

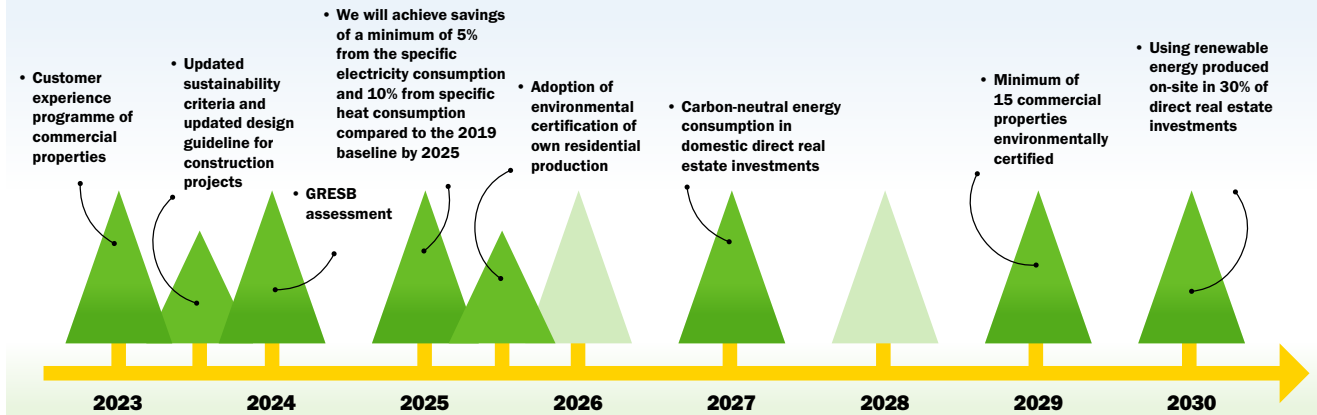
We are a pioneer in investing in domestic clean energy production. We made our first investments in the construction of wind turbines 10 years ago. We have a significant holding as an investor in Exilion Tuuli Ky, which has grown to become one of the largest producers of wind-generated electricity in Finland. The company currently owns 13 wind farms and a significant development portfolio. In recent years, Exilion has also gained experience in energy storage and battery storage operations as part of balancing the grid and has been preparing the construction of a solar power plant.

The latest infrastructure funds emphasise investments in energy transition projects that are essential for society and industry. These include plants producing electricity from renewable energy sources of a significant size for society, which are combined with large energy battery storage facilities. Data centres are also an integral part of the infrastructure of a modern, digital and electrifying society.

Due to the long time horizon of infrastructure investments, it is important to take climate change into account and assess the climate risk of investments. We evaluate the sustainability objectives of fund managers as part of the analysis of new funds.

In 2022, there were more than 50 meetings of the investor councils for infrastructure investments.

Sustainability objectives for Elo's real estate investments 2023-2030



Continuous sustainability work

- Customer satisfaction
- Good conditions
- Engagement of tenants
- Development of tenant communications
- Improving the recycling rate
- Responsible operating methods and procurement
- Emissions-free electricity
- Partner collaboration
- Cybersecurity
- Sustainable urban development
- Equal treatment of tenants and stakeholders
- Risk management



**Towards net zero investment portfolio
and carbon-neutral future**

Climate

03

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Risks and opportunities relating of climate change in accordance with TCFD

Elo is committed to supporting the TCFD (Task Force on Climate-related Financial Disclosures) reporting framework. The recommendations help companies and investors evaluate and report on the financial impacts of climate change. Companies should describe how climate aspects are visible in their governance, strategy and risk management, and metrics and targets. 🌞



Governance

Oversight by the Board of Directors of Elo and role of the management

At Elo, responsible investment is guided by Elo's strategy and investment plan, the responsible investment and ownership policy, as well as the climate policy for investments, all approved by the Board of Directors. Elo's engagement strategy for investments and asset type-specific guidelines complement our principles of responsible investment. The Board of Directors receives regular reports on responsible investing. The Board of Directors of Elo also approves the TCFD report as part of the annual and responsibility report.

Elo's management regularly discusses responsibility and climate issues at its meetings and outlines responsible investment in line with the company's strategy.

The management and investment activities are supported by the responsible investment and ownership steering groups. The Responsible Investment Steering Group is tasked with the development and coordination of responsible investment and climate policy across various asset classes. The steering group also monitors the achievement of the objectives set in the principles of responsible investment and climate policy. The members of the Responsible Investment Steering Group are investment managers, representatives of asset classes and the responsible investment team. The ownership steering group is responsible for the preparation and implementation of Elo's ownership steering policies. The steering group consists of members from management, investment management and investment professionals.

Responsible investment is developed by the responsible investment function in collaboration with portfolio management, financial department and the risk management function. Each employee of the investment

organisation applies the responsible investment and climate policy practices in their day-to-day work.

Elo uses several external service providers in its investment activities, for example in securities management and property investment management.

Strategy

Identifying climate-related risks and opportunities over different terms

Climate change is a major systemic risk for the global economy and investment environment. The magnitude of the impacts depend on the degree to which the climate warms and on the success of the climate change mitigation and adaptation measures.

Elo's most significant climate-related risks and opportunities are related to its investment assets. The climate impacts of Elo's own operations are minor. The environmental aspects of our own operations are described in more detail on Operating Methods section. In addition, there are indirect impacts arising from the business operations of Elo's customers.

Responsibility is an essential part of Elo's strategy and values. We ensure adequate solvency in all market situations and manage pension assets in a cost-effective, long-term and responsible manner. Our objective is to ensure sustainable returns for investments, taking into account the impacts of sustainability risks on the financial markets and investments. We have identified climate change as a significant sustainability risk that may have a negative impact

on investments. Elo's investments are exposed to physical and transitional climate risks in the short, medium and long term. Physical risks related to climate change mean extreme weather phenomena, such as floods and storms, and changes that develop gradually, such as rising sea levels. Transition risks refer to the transition risks arising from the transition to a low-carbon society and the related political regulation. The physical risks will play an increasingly important role if the transition to a low-carbon society fails.

The impact of climate-related risks and opportunities on business

In matters pertaining to the mitigation of climate change, investment operations are guided by Elo's climate policy for investments, which we regularly update. We prepared the first climate policy for investments in 2017. We updated the climate policy in 2020, when we set milestones and drew up a roadmap until 2025. In 2022, we worked on the roadmap for climate policy and extended it until 2030. The climate policy applies to all investment assets and is implemented taking into account the type of assets and the investment method. In 2022, we updated the responsibility programme for real estate investments, which aims to achieve carbon-neutral energy use in direct domestic real estate investments by 2027.

Elo is committed to an investment portfolio aligned with the objectives of the Paris Agreement. We have joined the Paris Aligned Investment Initiative (PAII) Net Zero Asset Owner Commitment on Carbon Neutrality, and its commitments and goals have been taken into account in Elo's climate policy for investments.

We implement an investment portfolio aligned with the Paris Agreement by reducing the carbon footprint of the portfolio, reducing the share of fossil fuel production in investments and increasing investments in sustainable development solutions. In addition, we take the risks and opportunities of climate change into consideration in asset classes and in the investment strategy and allocation work. We examine how the objectives and strategies of the investments are aligned with the objectives of the Paris Agreement. Active ownership and engagement, also in collaboration with other parties, play an important role in implementing the climate policy.

As part of the climate risk assessment, we review the exposure of equity and fixed income investments to fossil fuels. We regularly monitor the share of fossil and renewable energy production in our investments and the investments made in them.

In 2022, we excluded coal companies that derive more than 25 per cent of their turnover from activities related to coal production or the use of coal in energy production without a clear strategy for reducing the use of coal from our direct investments. The climate policy for investments updated in February 2023 tightened the limit to 15 per cent. We are developing advocacy processes to accelerate the decommissioning of coal operations. With regard to oil and gas production, Elo is particularly critical of Arctic drilling and unconventional oil production (oil sands and shale oil and gas). We monitor these forms of production and will investigate possible more detailed follow-up measures for engagement and exclusion.

Resilience of the climate policy, taking into consideration climate-related scenarios

Scenario analyses are one of the tools we use to assess risks and opportunities related to climate change concerning our investments. We have analysed the climate warming path of our investments and estimated the financial impacts of various scenarios. In its allocation and investment strategy work, we surveyed the economic impacts of physical and transition risks on our investments using scenario analyses, for example, in 2022.

We looked at three different NGFS (Network for Greening the Financial System) climate scenarios, two of which describe a 1.5 °C and one a 3 °C warming path. NGFS is a consortium of central banks that aims for the financial sector to include climate scenario analysis in its risk assessment, reporting and financial modelling. One of the 1.5-degree scenarios used by us illustrates the ideal development where ambitious climate action is taken in a timely manner and gradually tightens in a controlled and fair manner. The other one describes the same temperature rise, but with the development taking place later and differing geographically and by sector, resulting in higher carbon pricing and a higher transition risk. The three-degree warming path is based on the current development of nationally determined contributions (NDCs) in the current states. In this scenario, climate action is inadequate, the temperature rises more and physical risks are greater.

We reviewed the risks in different geographical areas as well as sector-specifically. With regard to transition risks, risks were, as expected, particularly concentrated in the energy sector, transport, commodities and retail trade. With regard to physical risks, heat and rising sea levels were particularly emphasised. There was significant geographical dispersion in the scope of both physical and transition risks.

In addition to financial risks and opportunities, we looked at how our investments aligned with the goals of the Paris Agreement. In this, we used, among other things, the Implied Temperature Rise (ITR) meter, which, measured in degrees Celsius, describes what kind of warming path the companies are on. Elo's listed equity and corporate bond investment portfolios are on a lower warming path compared to the market index. However, efforts are still needed to reach the Paris Agreement's 1.5-degree target.

The methods of the scenario analyses involve uncertainty and their results are considered to be indicative. Our goal is to further develop the scenario analysis and expand it to cover more asset classes, as well as to examine risks over different time horizons. The economic modelling of climate risks and opportunities and the assessment of the warming path are influenced by the development of research data on climate change and the available frameworks, tools and data.

Risk management

Integrating processes of identifying, assessing and managing climate risks into overall risk management

Elo's investment process is independent, autonomous and focused on the long term. The investment portfolio is widely diversified to various asset classes to ensure sufficient returns and manage risks related to the financial markets. We ensure adequate solvency in all market situations and manage pension assets in a cost-effective and responsible manner.

Climate risks and opportunities have been taken into account as part of our valuation and the entire investment process. During 2022, we developed asset class-specific responsible investment practices and processes in particular. Elo's investment process identified material sustainability risks per asset class and updated the means of responsible investment related to their management. We update asset-specific policies at least annually.

With regard to direct equity and corporate bond investments, sector-specific and geographical material impacts are identified for climate risks. These are managed, for example, by exclusion, active selection and decentralisation. Engagement and active ownership are central to managing climate risks.

In Elo's sovereign debt investments, we developed an analysis tool for surveying the risks and opportunities caused by climate change. The possibilities of different states to move towards a low-carbon society vary greatly, for example, in terms of the economic structures and development phases. Areas to be analysed from the perspective of climate risks include, among others, environmental policies,

economic vulnerability in extreme circumstances, the degree to which the economy is dependent on the production and export of fossil energy and the possibilities and ability to successfully transition to a low-carbon society.

As part of the due diligence process, we investigate how climate change has been taken into account in the investment activities of fund managers. We strive to engage with fund managers so that they take climate risks into account in their strategy and commit to the objectives of the Paris Agreement. In 2022, we surveyed the potential emission reduction and net zero targets of Elo's fund managers and the consideration of climate change risks and opportunities. More than 90 per cent of all asset managers of Elo's fund investments responded to the survey. Nearly half of the respondents had committed to the objectives of the Paris Agreement or other net zero targets. A target adopted by the Science Based Targets initiative (SBTi) had been committed to by around 10 per cent. More than 06 per cent of fund managers measured the carbon footprint of investments. We will continue our advocacy work on the basis of the survey and monitor the development of practices.

Real estate investments play a significant role in managing risks related to climate change. The climate risks associated with Elo's real estate investments are managed with careful target analysis and assessed as part of risk management.

The methods for identifying and managing climate risks are described in more detail in Elo's principles for responsible investment and in Elo's climate policy.

We also discuss risks related to climate change in Elo's annual risk assessment. Internal control, including

supervision of compliance with external and internal regulations (Compliance), is also an important part of Elo's responsibility.

We constantly look for new methods of assessing climate change-related risks in more depth in the investment process and risk management. Continuous development and researching the latest scientific data are a major part of the implementation of Elo's climate policy for investments roadmap.

Metrics and objectives

Metrics and greenhouse gas emissions used in the assessment

Elo reports extensively on various carbon footprint metrics in its investment activities. We publicly disclose the carbon footprint of our listed equity and fixed income investments and report extensively on the environmental impact of our real estate investments. In addition, we report the annual carbon sink and carbon stock of our forest investments.

We have been publishing the carbon footprint of our investments since 2016. The metrics have become more accurate as the methodology and calculation methods have evolved. Due to differences, the results should be viewed as the best current estimates.

Emissions are based on the most recent data available from the companies. Where public verified data is not available, estimates based on the service provider's calculations are used.

The scope 1 greenhouse gas emissions are direct emissions from sources owned or controlled by the undertaking, such as self-generated energy. Scope 2 emissions include indirect emissions from the energy acquired by the company. Scope 3 emissions have been taken into account for the supply chain. Emissions are calculated for using carbon dioxide equivalents, describing the combined global warming potential of different greenhouse gases.

Different carbon metrics can be used for different purposes. Carbon intensity tells the carbon footprint relative to turnover, which makes it easier to compare companies of different sizes. Absolute emissions have been calculated based on EVIC. Comparing absolute emissions with previous

years or other investors is difficult, as portfolio allocations and sizes vary.

Between 2016 and 2022, we decreased the weighted average carbon intensity (WACI) of our listed equity investments by 51 per cent and corporate bonds by 68 per cent, compared to the index's 26 per cent reduction.

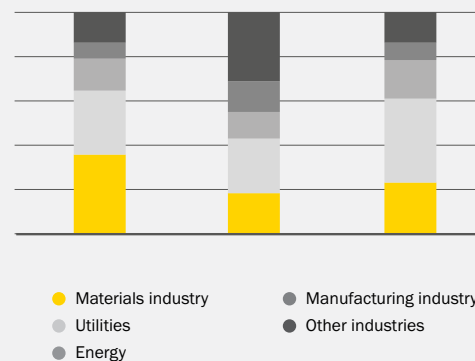
The weighted average carbon intensity (WACI) of the listed equities was 136 (tCO₂e/MUSD turnover, scope 1+2) in 2022, and it decreased by two per cent from the previous year. The absolute emissions of the listed equity investments were 786,899 (tCO₂e, EVIC, scope 1+2) and they decreased by ten per cent. The weighted average carbon intensity (WACI) of the listed corporate bonds was 116 (tCO₂e/

mUSD turnover, scope 1+2) and decreased by 19 per cent compared to the previous year. The absolute emissions of listed corporate bond investments were 186,061 (tCO₂e, EVIC, scope 1+2) and they decreased by 15 per cent.

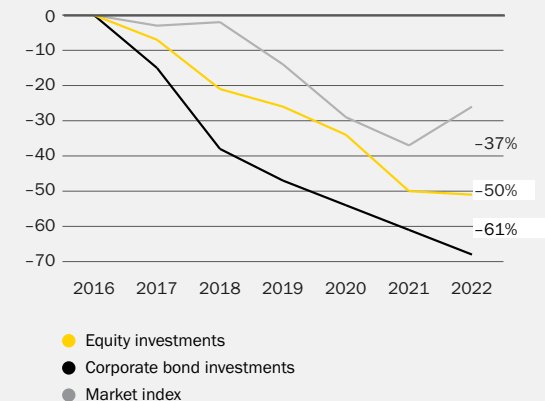
At the end of 2022, 33 per cent of Elo's listed equity investments were in four sectors (utilities, energy, materials and industrials) that cause the highest emissions. They accounted for 86 per cent of Elo's weighted average carbon intensity (WACI). The corresponding figures for listed corporate bonds are 18 per cent and 69 per cent, respectively.

The carbon footprint of direct real estate investments normalised by assets was 5 (tCO₂e/MEUR) in the reporting

Industry contribution to the carbon intensity of ELO's listed equity and corporate bond investments (WACI) (%)



The carbon intensity of Elo's listed equity and corporate bond investments (WACI) has decreased significantly (%)



year, which was smaller than in the previous year. The emissions intensity of real estate investment was 16 (kgCO₂e/m²) and 22 in the previous year. With regard to direct domestic real estate investments, we also monitor and publish energy consumption, water consumption, waste volume and recycling rate. Real estate investments are described in more detail in the relevant own section.

In 2022, carbon footprint accounting covered 44 per cent of Elo's total investment assets. More detailed information on Elo's environmental performance can be found in Table XX.

Carbon footprint is a common method for measuring the carbon risk and opportunities of investment portfolios. The metric is backward-looking and it is based on data reported by companies or estimated by service providers. In addition to carbon footprints, we use forward-looking methods for assessing climate risks and opportunities, such as scenario analyses and the assessment of physical and transition risks, where possible, and assessed the share of sustainable solutions in the investments.

For direct listed equity and corporate bond investments, we disclose a metric based on the turnover of environmentally and socially sustainable solutions. Climate solutions are part of environmental solutions on the whole. We are also publishing an estimate of the share of EU taxonomy-eligible investments of our direct listed equity investments.

Objectives

Elo is committed to an investment portfolio aligned with the objectives of the Paris Agreement. The goal requires a holistic approach: reducing emissions, supporting a controlled and fair transition, solutions for climate

change mitigation and adaptation, and engagement and collaboration. We have joined the Net Zero Asset Owner Commitment on Carbon Neutrality, and its goals have been taken into account in Elo's climate policy for investments. We constantly develop the recommendations of the framework and the coverage of different asset classes.

Elo has set carbon footprint reduction targets in its investment activities. For listed equity and corporate bond investments, the objective is that the weighted carbon intensity (WACI) of portfolios is reduced by 25 per cent compared to the 2019 level by 2025 and by 60 per cent by 2030. The target covers the direct and indirect scope 1+2 emissions of the investees.

Our aim for a declining trend of carbon intensities in our investments, although there may be variations between individual years. In addition to changes in our portfolio and the carbon footprint of investee companies, the carbon footprint accounting can also be affected by, for example, changes in the turnover and share prices of the investments.

We use reported data to measure our carbon footprint to the extent that it is available. If no reported data is available, we use the service providers' estimates in the calculations. In particular, for unlisted assets, companies do not yet comprehensively report their carbon footprint, leading to inaccuracies in the calculation of the carbon footprint at portfolio level. We are actively monitoring developments and aim to expand the carbon footprint measurement to other asset classes.

Elo aims to increase investments in activities that respond to societal and ecological challenges. Climate change mitigation and adaptation solutions are part of the goal and metric of sustainable solutions. For listed equity and corporate bond investments, our objective is to double the

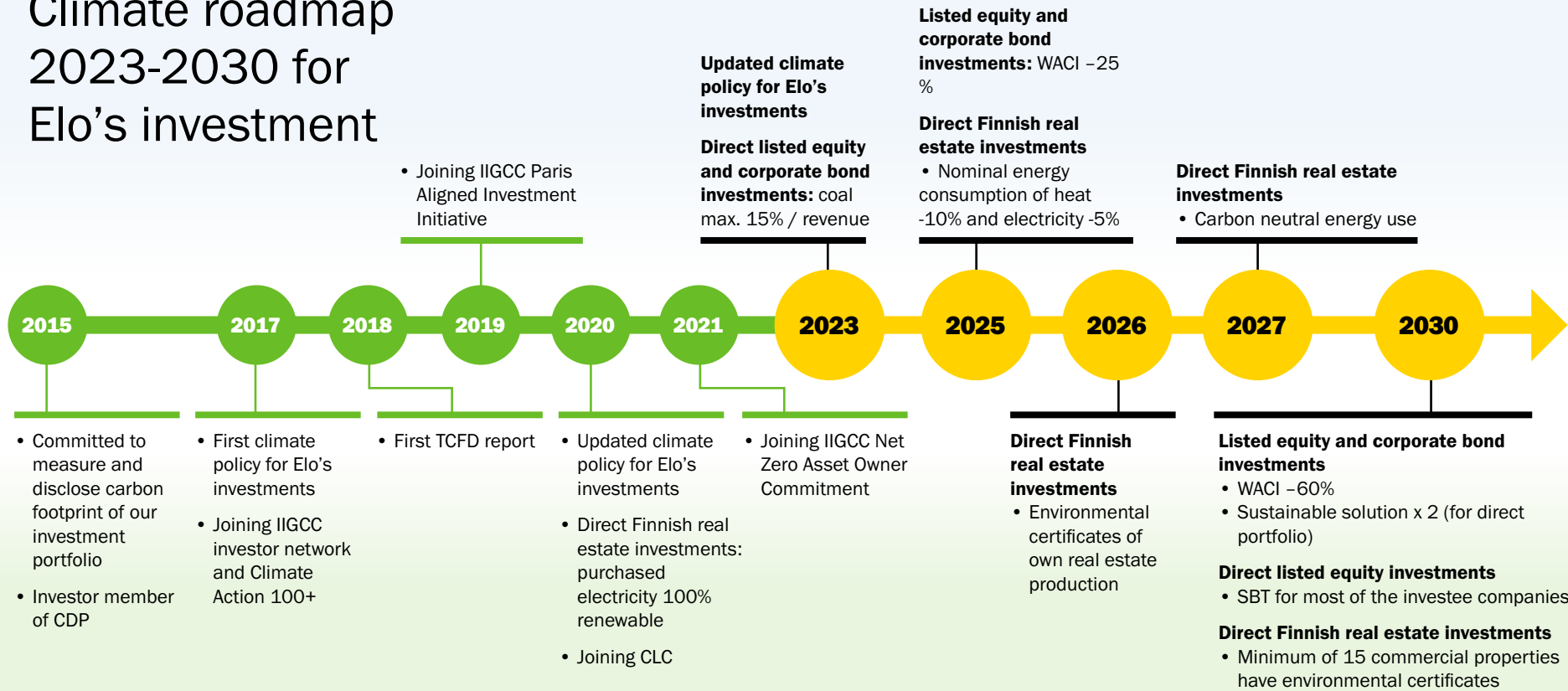
investments in sustainable solutions compared to the 2021 level by 2030. Investments in renewable energy is a key part of Elo's infrastructure investments, and our goal is to increase investments in sustainable solutions.

The goal of direct domestic real estate investments is carbon-neutral energy use by 2027. We have joined the TETS and VAETS energy efficiency agreements for the real estate sector. In addition, our aim is to save five per cent of the specific consumption of electricity and ten per cent of the specific consumption of heat from the 2019 level by 2025. All electricity purchased by Elo has been renewable since 2020, and we will gradually switch to renewable district heat. Real estate investments and their climate targets are described in more detail in the relevant own section.

To achieve this goal, it is essential to assess the emission reduction targets of our investments, their implementation and how they are aligned with the objectives of the Paris Agreement. We encourage companies to commit to science-based targets and a roadmap in line with the Science Based Targets initiative (SBTi). For direct listed equity investments, the target is for the majority to have a science-based emissions reduction target by 2030. In 2022, approximately 87 per cent had set an emission reduction target in our direct listed equity investments. Approximately 46 per cent had an SBTi-confirmed target.

We will update the climate policy and its objectives on a regular basis and set more specific targets for each asset type in stages. We constantly look for new methods of assessing the climate risks in different asset classes, sectors and companies.

Climate roadmap 2023-2030 for Elo's investment



Constant developments:

- Engagement
- Collaboration
- Proxy voting
- Discussion with service providers and development of ESG-tools
- Scenario analysis
- Risk management
- Analysis assessment
- Internal analysis tools
- Sector-specific analysis
- Regulation
- Training
- Remuneration

Responsible investment key figures

Carbon footprint of investments and carbon sink of forest investments

Listed equity investments	2022	2021
Weighted carbon intensity (WACI), scope 1+2 (tCO ₂ e/MUSD turnover)	136	139
Carbon footprint (EVIC), scope 1+2 (tCO ₂ e/MUSD invested)	96	78
Carbon intensity (EVIC), scope 1+2 (tCO ₂ e/MUSD turnover)	207	192
Absolute emissions (EVIC), scope 1+2 (tCO ₂ e)	786,899	875,599
Absolute emissions (EVIC), scope 3 (tCO ₂ e)	1,145,461	1,362,342
Coverage of carbon footprint calculation data	97%	96%

Direct real estate investments	2022	2021
Weighted carbon intensity (WACI), scope 1+2 (tCO ₂ e/MUSD turnover)	116	143
Absolute emissions (EVIC), scope 1+2 (tCO ₂ e)	186,061	217,853
Absolute emissions (EVIC), scope 3 supply chain (tCO ₂ e)	412,387	412,274
Coverage of carbon footprint calculation data	84%	91%

Suorat kiinteistösijoitukset	2022	2021
Carbon footprint (tCO e)	10,932	14,073
Normalised carbon footprint (tCO e/MEUR)	4.8	7.1
Coverage of carbon footprint calculation data	87%	76%

Carbon sink impact of forest investments	2022	2021
Carbon sink of forest investments (tCO)	266,000	265,000
Carbon storage of forest investments (tCO)	6,641,000	6,750,000

Source: Elo, MSCI

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Our customers play a central role in the development of our services



Responsibility for customers

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RESPONSIBILITY FOR CUSTOMERS

Pension insurance provides security for employees and entrepreneurs

One of our key goals is to be the most customer-centric and fastest growing. We build an excellent customer experience regardless of the channel in which the customer uses our services or whether they do business with our partner or directly with Elo. We are proactive in creating added value for our customers. We seek the fastest organic growth in the industry.

We insure the employees of client companies that have taken out earnings-related pension insurance from Elo and self-employed persons. Employers are responsible for their employees' pension security with TyEL insurance. Employers and employees jointly employment pension contributions based on employees' wages and salaries. Self-employed persons, on the other hand, are responsible for their own YEL insurance. YEL earned income affects both the self-employed person's earnings-related pension insurance contribution and pension and social security. The earned income must correspond to a reasonable wage that would be paid to an equally skilled person as wages for the work performed by the self-employed person. Employees accrue pensions based on their annual earnings and self-employed persons based on the earned income according to an accrual percentage corresponding to their age.

In terms of the number of policies, Elo is the market leader in self-employed persons' YEL pension insurance. One in three employer companies are insured by Elo. At the end of 2022, Elo was responsible for about 84,427 (84,454) self-employed persons' YEL insurance policies and 47,001 (51,199) TyEL insurance policies taken out by employers.

KPI TARGET

Our goal is for our efficiency to improve and the implementation of pension security to be seamless in every situation. We measure success with expense loading ratio and customer satisfaction NPS.

The total number of self-employed persons and employees insured by Elo at the end of the year was 503,710 (499,968).

Elo's service is supplemented by long-term and close collaboration with our partners Fennia, LocalTapiola and Turva. Our partners' broad service network guarantees that earnings-related pension insurance services are available across Finland. Elo's insurance can also be procured from Elo's website or from our other partners. Our partners include the invoicing service company Eezy Kevyrittäjät, Truster Works invoicing services, the ilona.works webshop and the invoicing and light entrepreneur service Odeal.

Our customers play a central role in the development of our services. We use the customer feedback we receive increasingly systematically and efficiently. We involve our customers in designing and testing changes and implement improvements based on the comments. We use analytics and service design methods in development.

We take care of the YEL earned income of self-employed persons

The pension and social security of a self-employed person is based on the earned income confirmed in the self-employed persons' pension insurance, YEL. It can be difficult for a self-employed person to assess their own earned income, i.e. to establish a view on the value of their work input. The forms of entrepreneurship are also changing. Light entrepreneurship, entrepreneurs in the platform economy and various forms of secondary entrepreneurship expand the concept of entrepreneurship. We ensure that self-employed persons' earned income is determined on the right basis and inform the entrepreneur of the importance of ensuring that the earned income is at the right level.

The sector's joint calculation service for determining the YEL earned income was commissioned in the autumn and the calculator service was integrated into Elo's electronic insurance application to support the customer in assessing the earned income of a new YEL insurance policy. The

earned incomes of new YEL insurance policies continued to rise, and most of the changes in earned income made to existing policies have been increases.

We prepared for the amendments to the pension legislation for self-employed persons that entered into force at the turn of the year. We trained Elo's personnel in exercising discretion related to confirming earned income, and we also strengthened the competence of Elo's partners with earned income training.

Telephone service is at an excellent level

In 2021, the insurance customer service received a total of approximately 60,000 customer calls. Our response rate was very high at around 95 per cent (97%), and the average waiting time was 58 (34) seconds.

The long-term work done to improve the customer experience has also been reflected in excellent customer feedback in 2022. The NPS result was excellent, 90 (91), and the open-ended feedback provided by the customers was, as a rule, very positive. Based on the feedback, our customers appreciate fast service as well as the expertise, flexibility and friendliness of our customer service agents.

We consider it important that our customers can get their TyEL and YEL issues resolved in a single call. Approximately 94 (95) per cent of our customers managed to have their insurance case resolved in a single call. We invest in the training of our personnel, the development of service processes and information systems and the use of customer data-based tools in customer service.

Our online service is used by approximately 86 per cent of our TyEL and YEL customers. We updated the corporate customer online service to be clearer and more user-friendly, taking into account the development wishes of our customers. We measure customer satisfaction with the NPS recommendation index, and the NPS for the online service was 46. The online service EloBotti is a virtual helper for the most common issues related to pension insurance. In addition to the online service, the bot serves at Elo.fi and the

electronic insurance application.

We continued active and proactive contacts with our customers at different stages of the customer relationship so that they have up-to-date information on insurance, pensions and our services. We use data and analytics to identify themes that are important to our customers.

E-invoicing is a step towards reducing environmental impacts

The share of insurance customers who chose e-invoicing continued to grow significantly in 2022. Approximately 68.7 (57) per cent of TyEL customers and 61.4 (51) per cent of YEL customers have chosen e-invoicing. We want to offer e-invoicing options as diversely as possible.

Our customers benefit from the efficiency of our operations

In earnings-related pension insurance companies, both operational efficiency and the company's solvency have impacts on the customer bonuses which reduce the employer's final insurance contribution. The measurement of efficiency is based on the expense loading ratio, which indicates the ratio between expense loading and the share of it used to cover operating expenses. In 2022, Elo's operating expenses were 71.1 per cent of expense loading. For 2022, Elo will transfer EUR 85.0 million to customer bonuses, in other words 0.54 per cent of the TyEL payroll.

Our customers' net promoter score (NPS) for our services on a scale of -100 (lowest) to 100 (highest)

Year	Insurance telephone service	Online service for corporate customers
2022	90	46
2021	91	56
2020	91	52
2019	86	33
2018	84	29



Corporate financing for our customers – broad funding base helps companies in times of uncertainty

Our client companies can apply for Elo's financing for investments, mergers and acquisitions, rearrangement of ownership and financing, international growth and working capital needs. We comply with our principles of responsible investment in the financing decisions. Our products include premium loans, growth loans and SME loans for small and medium-sized companies.

Our diverse financing products support the sustainable growth, employment and competitiveness of companies. We provide companies with a customised financing package with our partners, such as banks, Finnvera and accident insurance companies. The use of several financing partners provides the company with better access to financing and helps to balance the company's financing structure.

Elo's goal is to provide our customers with better opportunities to cope with the challenges of the operating environment, improve their operational capacity and thus preserve jobs and develop sustainable business in the long term.

Work ability services under one roof

With the transformation of working life and population ageing, long careers that are as solid as possible are increasingly important. We support our customers in managing disability risks and work ability management even better with our reformed organisation.

Disability is extremely expensive in human and economic terms. Work ability plays a key role in the future success of both companies and society.

We believe that profitability and a successful customer experience in work ability services are decisive. We implement our goal of being a trailblazer in work ability services in accordance with legislation and the instructions of Financial Supervisory Authority and Elo's Board of Directors.

In June 2022, we compiled work ability services into a single package, covering preventive disability risk management, vocational rehabilitation and disability pension services. As a result, we will offer even better overall service in work ability matters from the point of view of both our customer companies and the insured. The risk of disability pension will decrease in the insurance portfolio and the benefit service will be more effective and efficient.



A work ability information unit was launched at Elo in October. Effective disability risk management is strongly based on knowledge, the importance of digital services is growing, and the benefit service process requires even better use of analytics and machine learning.

Collaboration to support work ability

As a pension company, Elo has an important task to ensure that employers identify the importance of surveying disability risks and preventing them and means of vocational rehabilitation as part of the management of work disability risks. With our service, we ensure that our customer companies have up-to-date information.

Reacting to challenges related to work ability at an early stage and providing timely support with concrete alternatives can prevent dropping out of the workforce. This requires collaboration within Elo as well as at workplaces and in occupational health care. Timely support for working capacity benefits everyone: the employer, the employee and the entrepreneur.

Our service guides to more strategic working ability management and preventive work

During 2022, we conceptualised several new services through co-creation with our customers. This helps us ensure that our disability risk prevention services meet our customers' needs.

By using our online service, our customers gain an overview of the current state of the company's work ability management. Companies can monitor the costs caused by disability pensions in more detail and better foresee them. As a whole, the service guides to more strategic working capacity management and preventive work, which in turn provides predictability and cost savings.

Elo advises companies of all sizes about the benefits of work ability management. SMEs are significant employers in Finland, and it is important that the opportunities offered by work ability management are recognised in an increasing number of companies. Many of our SME customers use our work ability management service more actively than before.

We have developed the analytics and reporting to identify work disability risks. With reporting, we provide our customers with up-to-date information about rehabilitation and disability pensions and their causes. We analyse the data and provide our customer companies with information to support work ability management. We use analytics and machine learning to develop and streamline disability pension and vocational rehabilitation processes.

In order to improve the success of rehabilitation, we have conducted experiments with our partners for rehabilitees in need of special support, for example, and created new kinds of services, tools and metrics. We collect feedback from our rehabilitees on the success of the rehabilitation, so that the development is focused on matters that are relevant to the customer.

In the customer satisfaction survey, 95.6 per cent of our customers gave a very high score, and the share has risen continuously. In particular, our customers appreciate our expertise, availability and support during vocational rehabilitation.

Disability risk management is also part of corporate responsibility

Disability risk management helps a company's management to prevent premature interruptions of careers and reduce the costs of disability pensions and sick leaves. Strategic, systematic and goal-oriented work ability management ensures the personnel's capacity, competence and motivation for working to achieve the company's objectives. Disability risk management is also part of corporate responsibility.

Elo's work ability management services help to secure our customers' competence and responsibility in work ability management. The principles of our work ability management services are as follows:

- Advisory services related to work ability risk management are intended for all of Elo's customer companies.
- An assessment of work ability risks provides the starting point for service provision.
- Services and financial support are targeted at identified risks.
- Elo actively monitors the impacts of the actions taken in client organisations and evaluates their long-term impact.



The aim of our work ability management online training programmes is to support the companies to identify and manage disability risks and related costs

Our aim is that our customers' work ability management programmes partly funded by us are effective, support extending careers and thereby lower the disability risk of customer companies in Elo's insurance portfolio over the long term. In accordance with the instructions issued by the Financial Supervisory Authority, we have developed tools relating to surveying risks and monitoring effectiveness.

In the development and provision of work ability management services, we follow the guidelines issued by the Financial Supervisory Authority regarding the management of disability risk by pension insurance companies. According to the guidelines, the costs of activities aiming to manage the risk of disability may only be covered with the disability risk management contribution included in the TyEL insurance contribution. The guidelines also require customers to contribute to the costs of work ability projects with at least the same amount as the pension insurance company.

Our customer companies increasingly need work ability management expertise

In 2022, we organised a total of 22 work ability management webinars for our customers. The training activities provide assistance in, and perspectives on, matters such as the identification of work ability risks, work ability management as part of managerial work, supporting mental health at the workplace and managing crises and changes at the workplace. Interest in training grew considerably from the previous year, and the growth shows that companies have a great need for developing work ability management skills to prevent risks.

During the year, we developed our readiness for online training. We opened an e-learning portal called EloKanava, which provides easy access to help in the form of short educational videos and guides. The aim of our work ability management online training programmes is to support the representatives of companies to identify and manage the company's disability risks and related costs.

Increasing mental health challenges concern our customers

We asked corporate decision-makers' views on mental health issues in working life in a survey. 449 corporate decision-makers responded to the survey. The respondents represented different industries and were geographically distributed across the country. The largest group of respondents consisted of decision-makers in companies employing 20 to 49 employees.

The study revealed that corporate decision-makers are concerned about growing mental health challenges. A total of 79 per cent of the respondents estimated that mental health challenges will increase during the next five years. The main reasons for the increase in mental health issues were the hectic working life (60 per cent) and the increase in requirements (51 per cent). More than one-half (53%) of corporate decision-makers estimate that there are also underlying challenges faced by people in their private lives. 29 per cent of the respondents wished that pension companies provide assistance in identifying and supporting mental health problems.



**In sustainable working life,
everyone is provided with
opportunities to work**

Rehabilitation makes it possible to stay in working life

With vocational rehabilitation, we are looking for ways to extend careers despite the decrease in work ability. Our primary objective is the long-term effectiveness of rehabilitation. At the same time, we create a more sustainable working life, also at the level of society as a whole.

A career need not end prematurely due to a person's reduced capacity for work. In sustainable working life, everyone – including people with reduced work ability – is provided with opportunities to work. Vocational rehabilitation plays an important role in creating these conditions.

Vocational rehabilitation is a route back to work, despite limitations in work ability and health. With it, we look for sustainable solutions to prolong individual customers' careers and combat permanent disability. The rehabilitation customer benefits from the rehabilitation by continuing to work, gaining livelihood as well as also content and meaning in life. The employer and society, on the other hand, save on disability costs and thus retain a skilled workforce.

Our goal is to achieve long-term impact through vocational rehabilitation. The key is to meet each customer as an individual and provide support throughout the rehabilitation period. Vocational rehabilitation provides an opportunity to continue working with an adjusted job description or through retraining.

Vocational rehabilitation can be a work trial, job coaching or study support. The primary option is to rehabilitate employees at their own workplaces using job adjustments or entirely new job descriptions.

KPI OBJECTIVES

Our goal is equal, high-quality and smooth service. We measure equality, for example, based on decisions not being changed in the proceedings of the Appeal Board. Our goal is to create opportunities for our customers to continue working. We measure success with the effectiveness of rehabilitation.

Vocational rehabilitation can also be a business subsidy, which allows us to support the establishment of one's own business or change the direction of previous business activities to better suit one's health.

Elo's rehabilitation activities cover 3,360 people

The starting point for vocational rehabilitation is always the threat of disability caused by illness, defect or injury, which is likely to materialise without appropriate rehabilitation measures. In 2022, there were approximately 3,360 (3,660) people in Elo's vocational rehabilitation.

The number of rehabilitation applications has been decreasing since 2020. In 2022, we received 9.5 (2.9) per cent fewer rehabilitation applications than in 2021 and issued 1,760 (1,990) preliminary decisions on rehabilitation applications.

The applications also show an increase in the awareness of employers, occupational health and rehabilitation applicants about the possibilities of vocational rehabilitation, and applications are increasingly received already at an early phase. Timely work ability support benefits the employer, the employee and the entrepreneur. At the same time, the chances of recovery increase. Work to increase awareness has been systematic in recent years.

Musculoskeletal disorders are the most common reason for applying – mental health disorders are emphasised among young people

On average, Elo processed vocational rehabilitation applications in 14 (12) days. The most common reason for applying for the right to rehabilitation was musculoskeletal

disorders with a share of 42 (44) per cent. Psychological disorders accounted for 32 (29) per cent of the applications for the right to rehabilitation.

45.1 (38.3) per cent of rehabilitation applications were rejected in 2022. One of the explanatory factors for the increase in the number of rejections is the increase in the number of rehabilitations sought with mental health diagnoses. This is particularly evident in applications from young people under 30 years of age. In negative decisions, the criterion of a probable threat of disability was not deemed to be met and the application was therefore rejected.

Activating to rehabilitation

We issue positive rehabilitation decisions in connection with disability pension decisions without the customer having to apply for vocational rehabilitation themselves. In 2022, we issued approximately 1,160 (1,270) preliminary decisions when the conditions for rehabilitation were met.

We want to actively enable our pension applicants to return to work if we see the chance of doing so. Our objective is to get pension-seeking customers to see their resources and opportunities. We regularly call rehabilitation benefit recipients and those who have received a preliminary decision on vocational rehabilitation.

In vocational rehabilitation applications, mental illnesses have increased and we are actively looking for new effective ways to support the rehabilitees' return to work. In 2022, we continued the project aimed at mental health rehabilitees with Terveystalo. The project supports rehabilitees with special needs in planning their return to work and provides weekly support during the work trial. The modelled service path for mental health rehabilitees project started in 2021 and the effectiveness of rehabilitation will be evaluated in 2023.

In 2022, we focused on developing the work trial process in order to ensure its efficiency and effectiveness. We trained Elo employees and service providers in the importance of the goals and monitoring of the work trial. Work trial issues will also be discussed at customer meetings and the work will continue in 2023.

We focus on rehabilitation services for self-employed persons

As the largest earnings-related pension insurer for self-employed persons, we bear a special responsibility for the continuation of entrepreneurs' careers in the event of a decline in their work ability. We have focused on comprehensive service so that self-employed persons can find rehabilitation, their services would be as easy as possible and the rehabilitation would be effective. In 2022, more than 72 per cent of the self-employed persons included in the scope of Elo's rehabilitation activities returned to work.

We have improved the awareness of vocational rehabilitation with the help of entrepreneur stories. Genuine experiences make the opportunities for vocational rehabilitation more concrete and help to normalise challenges of work ability. It is important to know that help is available and that one does not have to be alone. We also used the experiences of our Luotsi project, which was carried out in 2021, in the rehabilitation services for self-employed persons.

Effectiveness is the key objective of rehabilitation

The success of rehabilitation is illustrated, for example, by the proportion of rehabilitees who are available to the labour market at the end of rehabilitation. In 2022, 72 (75) per cent of those in Elo's vocational rehabilitation were able to return to the labour market.

Correct timing, a rehabilitation plan that corresponds to the customer's needs and the labour market situation as well as the rehabilitee being motivated are crucial to the success of rehabilitation.

We are constantly developing our own processes to increase the effectiveness of rehabilitation. We are also building the measurement of impact together with other actors in the pension insurance sector.

Applying for new disability pensions started to increase

If the means of vocational rehabilitation are not enough to improve work ability, partial or full disability pension may be the right solution.

Exceptionally, the number of disability pensions decreased in the two previous years, but the decline was reversed in 2022. A total of 6,050 (6,014) new disability pension decisions were issued. Elo issued a total of 3,685 (3,683) new positive disability pension decisions. In previous years, mental health disorders were the main reason for new disability pensions, but in 2022, the most positive decisions were made on the basis of musculoskeletal disorders.

Musculoskeletal disease-based applications were the most common in older age groups. Persons aged over 60 accounted for 40 per cent of the pensions applied for on the

basis of musculoskeletal disease. In particular, the number of applications from men aged over 60 increased by 24 per cent compared to the previous year, and this was particularly evident in musculoskeletal disorders.

Psychological disorders bypassed musculoskeletal disorders as the most common cause in 2019. Psychological disorders were the most common reason for applying for disability pensions for the fourth consecutive year. The difference between the two largest diagnostic categories has narrowed down, as the increase in the share of musculoskeletal disorders in disability pension applications, which began in 2021, continued in 2022.

Sixty per cent of the applications for disability pensions based on mental health are applications from persons under the age of 44. There was an increase in pensions applied for on the basis of mental health disorders in all age groups, except for men aged under 34, whose applications were on the decline for the second year in a row.

Very few applications for disability pension were still submitted based on COVID diagnosis. Elo has issued new disability pension decisions to 21 people with COVID virus infection among the diagnoses. The COVID diagnosis has not been the only reason for applying for disability pension or rehabilitation allowance; in most cases, there were also other underlying illnesses.

Rejection rates of disability pension applications remain unchanged

Decisions on disability pensions are always based on earnings-related pension legislation. In addition, decisions on disability pensions are guided by established decision practices as well as decisions handed down by appeal bodies. A disability pension cannot be granted if the conditions for granting it are not met. Elo rejected 36.6 (36.9) per cent of new disability pension applications in 2022.

The Pension Appeal Board changed 7.8 (9.6) per cent of Elo's disability pension decisions appealed by Elo's customers. For all pension institutions, the corresponding figure was 10 (11.6) per cent. In total, pension companies rejected 38.8 (38.2) per cent of new disability pension applications.



Smooth retirement

Despite the increase in applications and contacts, Elo issued pension decisions faster than other pension companies.

Retiring means a major change. At Elo, we help our customers to plan their retirement and identify different pension options. We ensure that applying for a pension is smooth and that pension decisions are correct. For us, it is a priority that pensions are always paid on time and that there are no breaks in our customers' livelihoods.

The exceptionally high index increase in pensions activated our customers' contacts, and the number of applications increased in 2022. The index increase at the beginning of 2023 resulted in a huge number of customer contacts and applications for Elo. The number of applications for old-age pension doubled and the number of applications for partial early old-age pension was ten times higher than in the previous year. The number of customer contacts also multiplied. The service level remained excellent despite the exceptional situation.

KPI TARGET

Our goal is for the implementation of pension security to be seamless in every situation. We measure success by the speed of pension processing and NPS indices of customer satisfaction.

High-quality and fast pension decisions

It is important to us that our customers' retirement goes as smoothly as possible. We have developed pension application processing to make it fast and easy for the customer. We continuously monitor the quality of pension decisions to ensure that our customers receive correct and timely pension decisions.

On average, Elo made pension decisions 3 (7) days, or 20 (32) per cent faster than the overall average for other pension companies. In 2022, slightly more pension decisions were issued than in the previous year, a total of 31,713 (25,254). The Pension Appeal Board changed 7.8 (9.6) per cent of Elo's disability pension decisions appealed by Elo's customers. For all pension institutions, the corresponding figure was 10 (11.6) per cent.

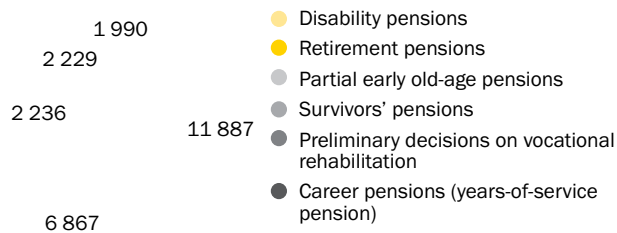
The numbers of decisions issued on the basis of applications were as follows: old-age pension 9,505 (6,867), partial early old-age pension 6,218 (2,236) and survivors' pension 2,409 (2,229). The processing times of applications remained at a good level despite the increase in the number of applications. On average, we delivered decisions more than 50 per cent faster than the industry average. In 2022, Elo made old-age pension decisions on average in 2 days (sector average 7 days), partial early old-age pension decisions during the same day (sector average 2 days) and survivors' pension decisions 5 days faster than the sector average.

In other forms of pension, too, we issued decisions faster than the sector average. In disability pensions, our processing time was two days shorter than the sector's average and was 29 days. In applications for vocational

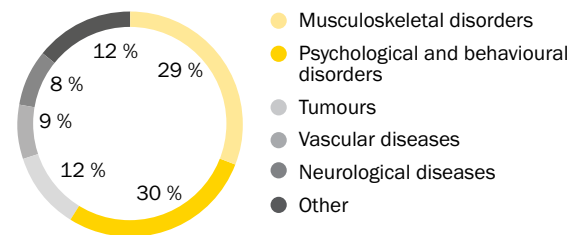
rehabilitation, the processing time was 14 days, which was one day faster than the average for the sector. We issued 11,817 (11,932) disability pension decisions, 1,764 (1,990) preliminary decisions on vocational rehabilitation and 32 (45) years-of-service pension decisions. We processed EU and EEA applications from people living in Finland remarkably quickly, more than 50 per cent faster than other pension companies.

Elo paid pensions monthly to 251,996 (246,141) pension recipients. The total annual amount of pensions paid was approximately EUR 3,820.2 (3,655) million. Old-age and disability pensions were the two largest items in claims expenditure. A total of EUR 3,230.9 million (EUR 3,090.0 million) was paid in old-age pensions, and EUR 275.8 million (EUR 273.1 million) in disability pensions during the year.

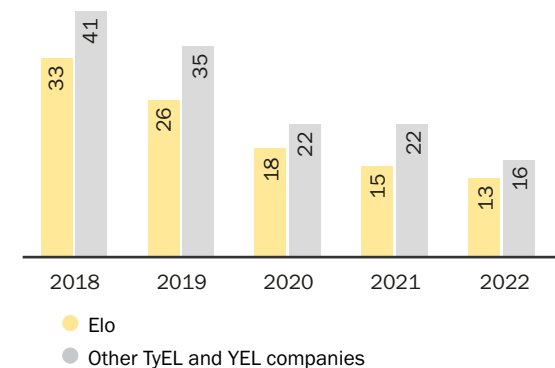
Number of pension decisions by pension type



Medical reasons for new disability pensions granted in 2022



Pension application processing times, days



Source: Finnish Centre for Pensions



We are responsible for the pension security of 252,000 current pensioners and almost 500,000 future pensioners. We paid EUR 3,820 million in pensions in 2022.

Listening to customers to ensure the quality of service

We develop pension services by listening to our customers, ensuring that our customers genuinely benefit from our service. Online services are increasingly used and all pension and rehabilitation matters can be handled online. Of the customers responding to the pension services customer satisfaction survey, 95.6 per cent (94.1 per cent) gave an excellent grade for the service. The customer call response time was very short, averaging about 39 (20) seconds, and the call response rate was 97 (98) per cent. The NPS for the pension telephone service was 76 (75) and the NPS for the online service was 73 (69).

Elo's website and service has the EloBotti function that helps customers virtually with insurance, pensions and vocational rehabilitation. Customers have learned how to make good use of EloBotti, as a total of 17,000 (16,520)

chats were had, of which 3,000 (6,000) were human-assisted. At the end of September, a calculator that could calculate the impact of the index increase on the amount of pension was added to EloBotti. EloBotti answered approximately 3,500 questions concerning the index.

Reforms

In 2022, the earnings-related pension extract was updated and the extract only shows the earnings of the year in which the extract is issued and of the preceding six calendar years. The accrued pension is shown for the entire working history.

The reform of the survivors' pension entered into force at the beginning of 2022. Following the reform, Elo issued decisions to orphan's pension recipients on extending the right to a pension to 20 years of age without separate application. A total of 1,270 decisions were issued during the first half of the year.

Our customers' net promoter score (NPS) for our services on a scale of -100 (lowest) to 100 (highest)

	2022	2021	2020
Pension telephone service, NPS	76	75	73
Online service for insured persons and pension recipients, NPS	73	69	66
Customer satisfaction survey after pension and rehabilitation decisions, share of excellent scores, %	96%	94%	93%





**We want to be the most desired employer in the industry
and promote responsibility**

RESPONSIBILITY FOR PERSONNEL

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RESPONSIBILITY FOR PERSONNEL

Elo employees feel that they are doing important work

Our updated strategy, values and strategic objectives create foundation for the human resource work. We want to be the most desired employer in the industry and promote responsibility. We are building a culture of active and open communication. In line with our vision, we want to be the most preferred pension company, which means being attractive to customers, partners and employees.

Excellent employee experience is the foundation for achieving Elo's five strategic objectives. We encourage our skilled personnel to develop and renew. Our corporate culture is built on openness, activeness and commitment.

Elo employs approximately 487 pension insurance specialists. In addition to pension insurance, Elo employees' extensive expertise focuses on investments, risk management, information system development and work ability management, among other things. We employ both long-term professionals with solid knowledge of the field of earnings-related pensions and new talent who bring fresh knowledge to Elo.

Inclusive leadership and development of the working community

In 2022, Elo defined leadership principles according to which management must be innovative, inclusive, effective and fair. We started to incorporate the leadership principles into our daily work, and we will continue this in 2023.

KPI OBJECTIVES

Our goal is that Elo is an example of creating the preconditions for a sustainable working life, equality creates the preconditions for diversity and the working careers of Elo's people are long. We measure success with the employee survey, by the number of discrimination cases and the retirement age of Elo employees.

Our company culture is built on openness, activity and commitment



Elo's values were well received and confidence in Elo's management improved considerably

Each year, Elo prepares a work community development plan (previously training and personnel plan) in collaboration with the personnel. The work community development plan supports organising a dialogue on the use of labour and the personnel structure, the competence needs of personnel and the competence development, as well as the maintenance of occupational well-being. The plan is updated in connection with the regular meetings of the collaboration forum.

Principles of an equal and non-discriminatory workplace are an integral part of responsibility and Elo's personnel policy. Data on the gender, pay, education and age distribution of employees are compiled for the annually updated equality and non-discrimination plan. The implementation of the plan is monitored by the collaboration forum.

Elo's collaboration forum, corresponding to the joint committee referred to in the Act on Cooperation within Undertakings and the cooperation agreement, discusses personnel-related issues that concern all or the majority of employees. The collaboration forum also monitors the implementation of the aforementioned plans. The collaboration forum met four times during 2022.

Change negotiations aimed to clarify the organisation

During autumn 2022, Elo held change negotiations concerning the entire organisation. The aim of the change negotiations was to clarify the organisation and make it

more efficient in order to respond to the change in Elo's operating environment and customers' behaviour. Changes were made to the organisation's structure, work tasks and job descriptions on the basis of the change negotiations, and 44 work tasks were reduced. Some of the employees laid off could be offered new positions in the company.

In connection with the change negotiations, Elo offered all dismissed employees more extensive and comprehensive resettlement training as part of the change security.

The organisational changes were visible in the results of the personnel survey, Elo's values were well received

Elo annually conducts a personnel survey, and 83 per cent of Elo employees responded to it in 2022. The employee experience was in downward direction and at the satisfactory level of A. The overall PeoplePower index was 69.3, compared to 70.9 in 2021 and 73.1 in 2020. The results showed a particularly high degree of dispersion between units and functions, which can likely be explained by different impact of the changes and change negotiations on different parts of the organisation.

Despite the decline in the overall result, the survey also highlighted positive things. The attainability of Elo's new values – openness, activeness and commitment – was at an excellent level. The new values were well received and they were clearly perceived more positively than before. Confidence in Elo's management improved considerably,

as did the feeling that Elo has been developing in the right direction. The biggest negative changes compared to the previous study were related to work management. The experience of organisation of one's work had deteriorated the most of the individual questions. Receiving feedback was also at a lower level than before, and expectations related to one's own work were perceived to be less clear than before.

Elo's units and business functions will review the results of their immediate work community and collectively decide on development measures for the next year. The aim is to have the selected development themes be reflected as positive changes in next year's results.

Maintaining high functional capacity and work motivation throughout careers

Elo aims to look after its employees' well-being at work and working capacity so that all Elo employees, regardless of age or gender, perceive their work as meaningful and retain their work motivation and working capacity at a high level throughout their careers. The different areas of well-being at work are developed and monitored in collaboration involving the occupational safety and health committee, collaboration forum, occupational healthcare services, HR services and other collaboration groups.

The occupational health and safety committee met four times in 2022. The focus of occupational safety and health activities was on the prevention of musculoskeletal disorders, the reduction of psychosocial stress factors



The better the risks of work ability are predicted, the longer you will enjoy working

and supporting managers in work ability management. The aim is to foresee and prevent any occupational safety problems with the key areas. In addition to representatives of employees and the employer, occupational health care specialists took part in the activities of the occupational safety and health committee.

As part of occupational health and safety, Elo has created and communicated a process to address inappropriate behaviour. The Occupational Safety and Health Act requires the employer to take action after becoming aware of harassment or other inappropriate treatment causing hazards or risks to an employee's health. The procedure of investigating bullying has been described from the points of view of the bullied person, their supervisor and the occupational safety and health delegate.

Elo has zero tolerance for bullying and harassment. A guideline on investigating cases of bullying has been prepared, and it is available to all employees on the intranet. All cases of bullying are referred to the HR function for more detailed investigation. Each case is handled with care and the necessary corrective measures will be taken. There were no incidents of bullying reported in 2022.

Sickness absences are at a good level at Elo and, contrary to the general trend, mental health absences have not risen and are not a cause for concern. In order to make sure that the situation remains good, we will continue to offer low-threshold mental well-being services to our personnel, including the Mielen tuki mental health support chat and the Auntie service.



We strive to detect changes in work ability as early as possible. We provide everyone who is subject to risks related to work ability or have reduced work ability with a personalised multiprofessional treatment plan and an assessment of how to move forward. Designated occupational health physicians are used for treatment. Elo has 10–15 employees with reduced work ability on average each year.

One of our sustainability metrics is the retirement age of Elo employees, which we think is a good illustration of how successful we have been in supporting their careers. The more meaningful the job and the better anticipated the work ability risks are, the higher the retirement age. In 2022, the average retirement age at Elo was 64.4 years (63.8 in 2021).

The average length of employment in Elo is 13.8 years (permanent employment relationships). The employee turnover rate was 9.37 per cent in 2022.

Elo's strengths as an employer are the applicant experience and meaningful work

For several years, Elo has participated in the Responsible Employer survey. The campaign annually examines how Finnish employees perceive the responsibility of their employers. At Elo, 227 respondents responded to the survey. The total number of respondents in the study was approximately 4,600.

Our strengths include applicant experience, meaningful work, development at work, work-life balance and well-being, as well as supervisory work. According to the study, our development areas include remuneration, involving the personnel in drawing up the responsibility programme and communicating about responsibility. We will focus on these areas in 2023.

Equal remuneration

Elo uses a reward system covering the entire personnel, the Hay job evaluation method. The aim of rewarding is to facilitate the achievement of Elo's strategic goals. The forms of monetary remuneration are basic salaries, the performance bonus system, and the separate 'one-off' bonuses. Remuneration includes, in addition to monetary remuneration, comprehensive employee benefits and intangible remuneration, such as training and development opportunities.

In 2022, the performance bonus system for personnel covered 70 per cent of all employees, while the performance bonus system for the investment unit covered 13 per cent, the performance bonus system for risk management and reporting 3 per cent, the performance bonus system for management 6 per cent, the performance bonus system for sales 6 per cent, and the performance bonus system for independent functions 1 per cent of the personnel. Five persons in the compliance and risk management function and internal audit (1 per cent) are excluded from the performance bonus scheme. Employees can be covered by one bonus system at a time. As a rule, performance bonuses are paid once a year, in May, after the fulfilment of previously agreed objectives. Elo's remuneration statement gives more detailed information on the remuneration system at Elo and the criteria involved. The statement (in Finnish) is available on Elo's website.

Pay differentials due to age, gender or other discriminatory grounds are not accepted at Elo. At Elo, no particular problems in the positioning of women or men in different roles have been observed. The average pay of women in executive positions at Elo (excluding the CEO) was 100.7 per cent of the average pay of men in 2022. With regard to the rest of the personnel, the average pay of women was 74.8 per cent of the average pay of men. At Elo, the pay gap between the genders is monitored regularly. The pay is affected by the demandingness of the task, the person's skills and performance.

Group performance review added to the performance review process

The goal is that every Elo employee can experience successes in their work and learn new things. We monitor changes in the operating environment and reform proactively and successfully in a customer-oriented manner. We identify competencies both the organisational and individual level in a strategy-oriented manner and ensure that the company has the competence required to implement the strategy. At Elo, we continuously develop a culture, structures and tools that encourage continuous learning at both the individual and organisational level.

We build a supportive, corrective and developing feedback culture. In order to improve performance and competence development, we revised the performance review process in 2022 so that the goals and competence are discussed in group performance reviews. In addition, a personal performance review is held with every Elo employee during the first quarter of the year. The current state of the individual's competence in relation to the target state of the position is assessed and a personal development plan is prepared as part of the performance review.

Expertise needs are also examined at the company level. HR services hold annual personnel planning discussions with supervisor and senior management. The key themes of these discussions include the competence development of Elo's personnel and the organisation's long-term human resource needs.

Remote work has steered studies towards online and webinar training and participation in these has been more active than before. Everyone at Elo must take online courses on the following topics: Elo's strategy, data security, safety, continuity planning, personal data, Elo's Code of Conduct, Elo's remuneration system Hay, operational risks, responsibility, anti-bribery and anti-corruption and the prevention of money laundering. In addition to online and webinar training, Elo employees used on average 1 days per year on training in 2022.

Responsible summer jobs – summer employees recommend Elo as a workplace

In 2022, Elo hired 35 summer workers. An induction training partner was assigned to each summer worker and they provided support to the summer worker during the summer. The induction training partner discussed the summer worker's duties, tools, team rules and occupational safety issues with the summer worker and provided or relayed feedback throughout the summer.

In a study of responsible summer jobs, Elo's summer job experience was estimated at 3.56 (on a scale of 1 to 4). Overall satisfaction with the summer job was excellent (3.70). Satisfaction with Elo and the summer job was evident in the desire to recommend Elo to friends (3.67) and work at Elo in the future (3.37).

Personnel responsibility in figures

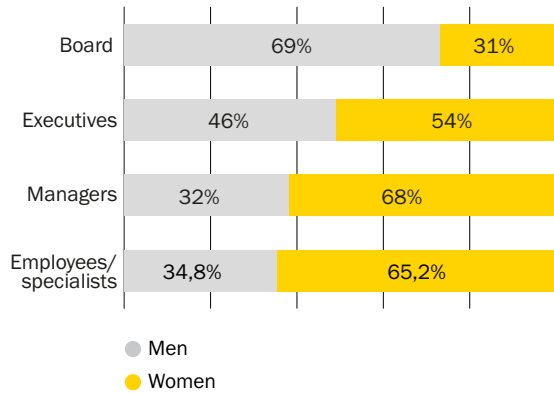
Personnel metrics

	2022	2021
Average work contribution	472.7	489.7
Share of women, %	63.7	64.8
Share of men, %	36.3	35.2
Full-time employees, of permanent employees, %	93.0	91.3
Part-time employees, of permanent employees, %	7.0	8.7
Fixed-term employees, %	5.7	8.2
Employee turnover, of permanent employees, %	9.4	7.5
Number of sickness absences, day/person	5.7	3.8
Average retirement age	64.4	63.8

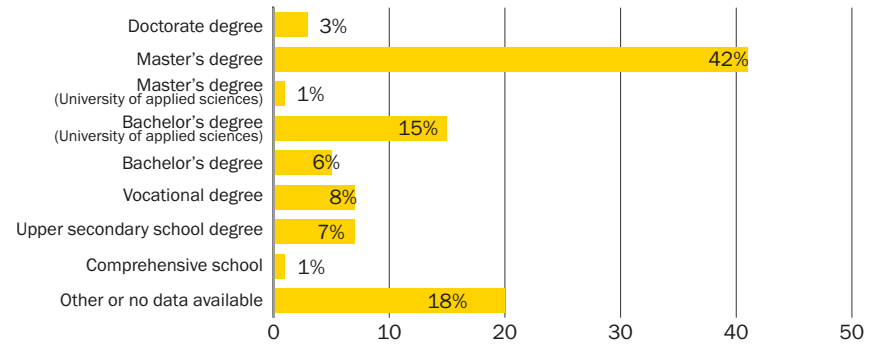
Personnel by employment relationship, employment contract and sex

	2022	2022 %	2021	2021 %
Permanent employment contracts, total	459	94.3%	480	91.8%
Permanent employment contracts, women	289	63.0%	309	64.4%
Permanent employment contracts, men	170	37.0%	171	35.6%
Permanent full-time employment, total	427	93.0%	438	91.3%
Permanent full-time employment, women	262	61.4%	273	62.3%
Permanent full-time employment, men	165	38.6%	165	37.7%
Permanent part-time employment, total	32	7.0%	42	8.8%
Permanent part-time employment, women	27	84.4%	36	85.7%
Permanent part-time employment, men	5	15.6%	6	14.3%
Fixed-term employment contracts, total	28	5.7%	43	8.2%
Fixed-term employment contracts, women	21	75.0%	30	69.8%
Fixed-term employment contracts, men	7	25.0%	13	30.2%
Consultant contracts, number of people	301		335	

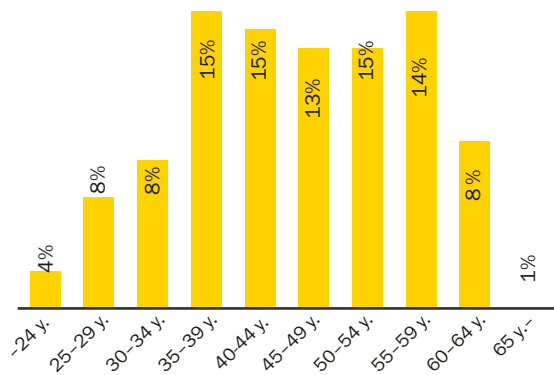
Gender balance by position



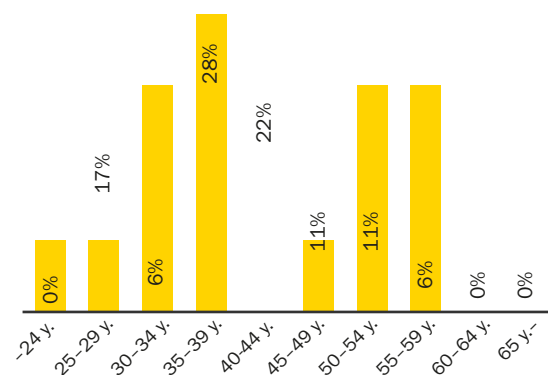
Education distribution



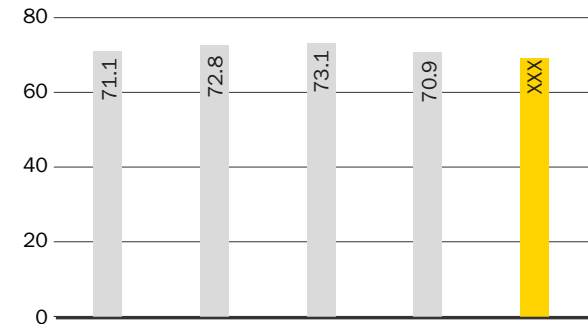
Age distribution of entire personnel

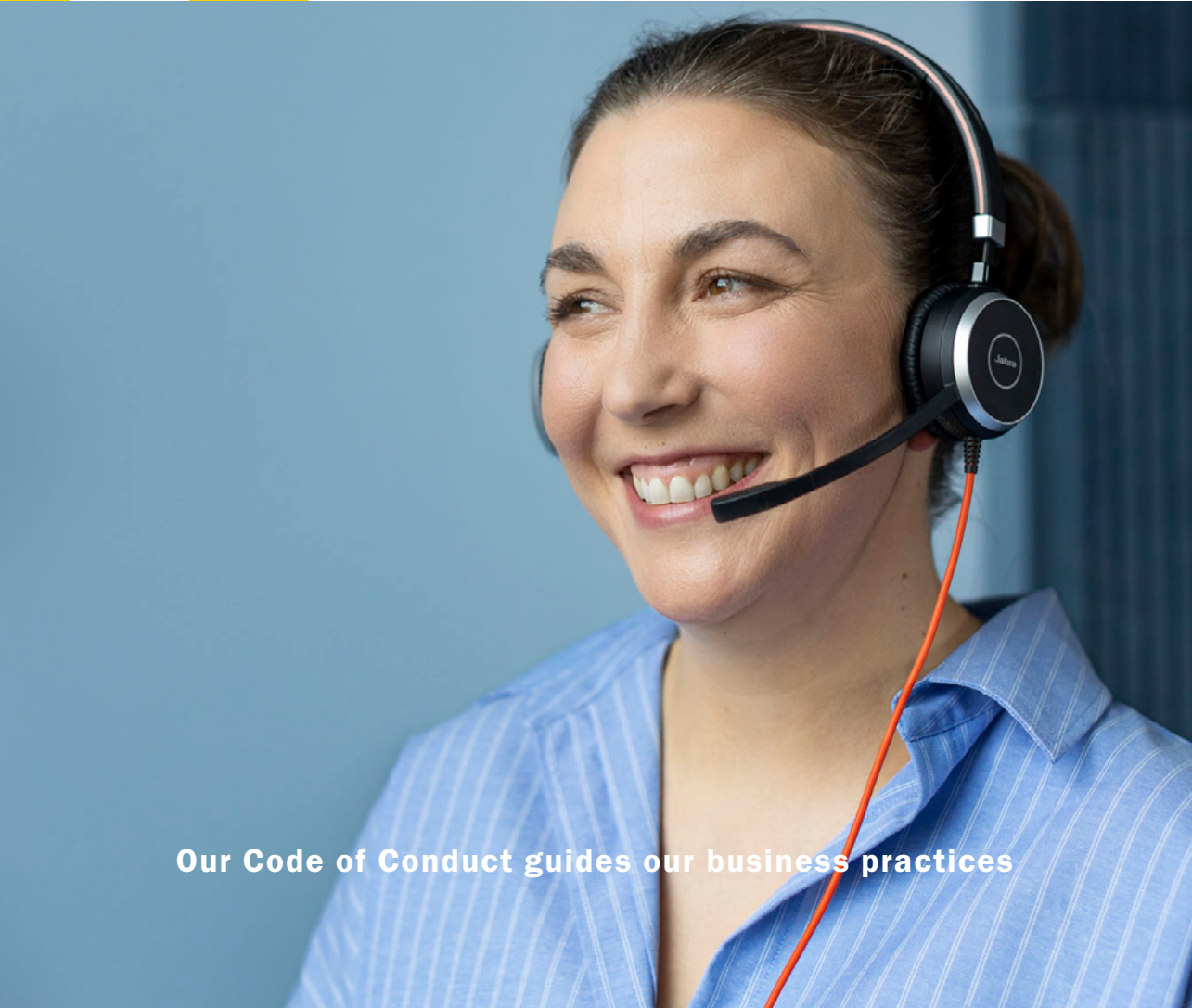


2022 age distribution of recruited people



Workplace wellbeing, development of the PeoplePower index, scale 0-100





Our Code of Conduct guides our business practices

SUSTAINABLE BUSINESS PRACTICES

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Compliance is a key part of a responsible corporate culture

SUSTAINABLE BUSINESS PRACTICES

Compliance activities

Compliance is about being in accordance with laws, decrees, regulations issued by the authorities, sector practices, good insurance practice, internal guidelines and principles and the Code of Conduct. It is an integral part of a responsible corporate culture.

Elo's internal control includes compliance activities, which cover all of the procedures and activities that aim to prevent and identify non-compliance with regulations and respond to violations. The Compliance activities are a part of Elo's risk management, with the aim of identifying and managing compliance risks. The status of compliance and compliance risk situation are reported regularly to the Board of Directors and senior management.

Compliance begins from the senior management, i.e. the CEO and the Board of Directors, who have the overall responsibility for the lawfulness of the company's operations. Elo's internal control and risk management are organised in accordance with the three lines model. Elo's compliance activities and Compliance organisation are based on the compliance principles approved by the Board of Directors. Elo's Compliance Unit is part of the independent compliance and risk management unit in the second line, responsible for ensuring and supervising compliance with regulations. Elo's Chief Compliance Officer is responsible for the compliance function. The Chief Compliance Officer is a member of Elo's Executive Group and is also responsible for risk management. The function also employs a full-time Compliance Officer, whose tasks include

KPI OBJECTIVES

Our goal is that our governance is good and transparent. We measure the achievement of the goal with, for example, the number and treatment of critical compliance risks and the percentage of completion of the Code of Conduct online course.



Everyone at Elo has to take online Code of Conduct course periodically

steering Elo's compliance network. The network consists of persons in different Elo units. Elo has a Compliance Board tasked with handling observations that are critical or otherwise significant to Elo's operations and severe compliance situations and making decisions on them. No critical compliance risks or consequences were identified in 2022. Elo has a confirmed process for processing identified compliance risks, taking into account their degree of severity. The compliance function has primary responsibility for reviewing and reporting risks to the Board of Directors and CEO. With regard to critical risks, the reporting takes place immediately.

Elo operates its Whistleblowing service maintained by the compliance function, through which it is also possible to report violations and misdemeanours anonymously. Two reports were received via the Whistleblowing service in 2022.

In 2022, no fines or sanctions were imposed on Elo. The authorised representative's supervision of Elo ordered by the Financial Supervisory Authority ended on 30 June 2022.

Anti-bribery and corruption policy and insider administration

Elo has an anti-bribery and corruption policy, which is published on Elo's website. A mandatory online course on the policy for all Elo employees was

completed by 95.3 per cent by employees in 2022.

In accordance with the principle, Elo uses a gift register in which all gifts given and received are recorded. No cases of bribery were identified at Elo during 2022. In addition, the risk surveys did not reveal any corruption-related risks.

The anti-bribery and corruption policy include separate guidelines on sponsorship and joint projects. Elo's partnerships and donations to charity in 2022 are published on Elo's website.

Elo follows an insider guideline pursuant to the Act on Pension Insurance Companies. The insider regulations are applicable to Elo's investment activities and any securities transactions being executed by personnel belonging to the company's list of insiders. Individuals are included as permanent insiders by virtue of their position or responsibilities. The insider regulations are also applicable to temporary insiders.

Code of Conduct

Elo's Code of Conduct specifies how Elo acts in different situations. It is based on Elo's values and operating models of Elo's corporate culture. The Code of Conduct addresses, among other things, corporate governance, data protection, corruption, working conditions and human rights. Elo has an online course on the Code of Conduct that is mandatory for everyone, with a 100% completion rate among the

management and 96.7 per cent among other Elo employees in 2022. Each Elo employee has an obligation to comply with the Code of Conduct and report any suspected breaches of the operating procedures.

Elo assessed human rights risks as part of the risk surveys across all functions. The participants of the surveys were also trained on human rights principles and how to take them into account in their activities. A company-level summary of human rights risks has been prepared. Elo's own business and supply chains are mainly in Finland. Elo has not reported violations of human rights.

Other principles and guidelines

Elo has adopted several policies and principles. These are trained and implemented in the organisation by the persons responsible for them through various training courses and networks, for example. The following guidelines and principles have been drawn up and are in use at Elo: Code of Conduct, insider administration and related party guidelines, principles concerning conflicts of interests, ownership policy, outsourcing policy, procurement policy, prevention of money laundering and terrorist financing policy, guidelines on the principles to be followed in transactions and contractual relations between Elo and policyholders, and the anti-bribery and corruption policy.



Data security and data protection

We are responsible for the pension security of hundreds of thousands of insured people. For us, data protection means protecting the privacy of our private and corporate customers as well as our employees, i.e. keeping information confidential and processing it carefully.

We perform a statutory function as a Finnish pension insurance company. It is essential for us to protect the data of our customers, employees and other stakeholders. Our tasks require extensive daily processing of personal data.

Data security plays a significant role in data protection. Obligations pertaining to data security are laid out by legislation and the supervisory authorities, with data protection legislation, pension insurance legislation and the orders and guidelines issued by the Financial Supervisory Authority being the most important of these.

We require a high level of data protection from ourselves and our service providers

It is important for us at Elo to ensure that we maintain the accuracy and integrity of data, protect data against unauthorized access and protect confidentiality.

We continuously develop our data protection activities in order to be able to assess data protection risks in advance and avoid them. All of Elo's employees receive training on data protection. We also require our

KPI OBJECTIVES

Our goal is that our governance is good and transparent. We measure the achievement of the goal, for example, by the number of notifications made to the Data Protection Ombudsman. The aim is to minimise the number of notifications.

service providers to maintain a high level of data protection. Data protection is part of our standard contractual requirements.

For maintaining a view of the overall situation, Elo has a Data Protection Committee responsible for preparing company-level data protection guidelines, instructions and practices and for processing data protection incidents that have arisen in different functions.

In 2022, we made five reports of data security incidents to the Office of the Data Protection Ombudsman. The impact and severity of the events have been assessed carefully and, according to our assessment, they did not cause any significant harm to the data subjects. We have not received any complaints from the authorities regarding data security or data protection.

Every Elo employee completes an online course on data security annually

Acting responsibly is the most important principle of Elo’s data security. The objective of data security is to safeguard the reliability, usability and availability of the data processed by Elo and to prevent confidential information from falling into the wrong hands. Our data security principles are derived from the data security policy confirmed by Elo’s Board of Directors.

Good management of data security requires continuous monitoring of activities, long-term development and resourcing, preparation for diverse threats, compliance with the agreed procedures, guidelines, training and communication. Data security is an integral part of the quality of our operations and services, overall security and every Elo employee’s daily processing of data.

A key role in Elo’s data security management is played by the data security team comprising representatives from

different functions, which reports to the Executive Group. Practical data security issues are coordinated by the Data Security Manager working in IT administration. We ensure a high level of data security by, for example, auditing the information systems we use. Elo employees complete an online course on data security annually, in addition to which Elo employees are offered customised training based on their duties.

We closely collaborate with our various IT service providers and data security partners. As a company critical to emergency supply, we collaborate with various authorities with regard to data security.

The war in Ukraine and the response to it have also been taken into account in Elo’s data security. We ensured the adequacy of data security solutions together with our service providers and made some specifications and reinforcements to data security.

Bug Bounty programme supports the detection of security risks of systems

During 2022, the most significant development projects focused on the vulnerability management. We started a security vulnerability detection reward programme, the Bug Bounty. The Bug Bounty programme is a cost-effective way to obtain centralised information about any security flaws in in-house systems and services and to detect them before they are exploited. In the Bug Bounty, a select group of white hat hackers report the security vulnerabilities they have discovered and the finders are rewarded for the vulnerabilities found in accordance with the rules of Elo’s programme. Elo’s Bug Bounty programme is private, meaning that only invited white hat hackers participate.



¹⁾ White hat hackers: A person who legally attempts to infiltrate an information system or the data contained therein in order to expose weaknesses and vulnerabilities in order to improve data security.



Environmental impacts of Elo's own operations

One of the objectives of our responsibility programme is to create a sustainable environment by taking environmental impacts into account in our operations.

Our goal is to reduce the carbon footprint of the premises and use natural resources wisely. In order to achieve this, it is important to increase awareness of the environmental impacts, the objectives and the measures taken among Elo employees.

In 2022, we inquired for the first time about the consumption habits of Elo employees with the help of the WWF Green Office Consumer Habit Questionnaire. The questionnaire provided us with information on the consumption habits of the entire work community. The employees receive feedback on their own actions and tips for an environmentally responsible workday. Approximately 16 per cent of Elo employees responded to the survey. Consumption patterns among Elo employees were quite good: the average score was 74.5 out of 100. In particular, Elo employees excelled in recycling, where they scored 91 per cent of the maximum number of points. Excellent scores were also achieved in the procurement category (85%) and energy consumption (76%). The biggest room for improvement among Elo employees was found in the category of encouragement, where

KPI OBJECTIVES

Our goal is to take environmental aspects into account in our operations and strive to minimise negative impacts. Our KPIs are the direct and indirect carbon dioxide emissions of our operations.

they did significantly weaker than the other sections (35 per cent of the maximum score).

Elo took part in Motiva's "Down a degree" energy saving campaign. The aim of the campaign was to reduce energy consumption throughout society. Strict annual energy saving targets were set for Elo's office building, and the need for ventilation and lighting was reviewed and the adjustments were optimised.

We calculated the emissions from purchases and commuting

The biggest environmental impacts of Elo arise through investment activities. In our materiality assessment, more goal-oriented monitoring and management of the environmental aspects of other activities was also highlighted as important. We have been calculating the carbon footprint of Elo's own operations since 2021. The goal of the responsibility programme was to find out the carbon footprint of Elo's own operations and set goals for it. Elo calculated its direct and indirect carbon dioxide emissions according to the Greenhouse Gas Protocol (GHG). The aim is to reduce the CO₂ emissions that can be affected by the activities of Elo.

Elo's total carbon dioxide emissions in 2022 were 7,070 tCO₂e, of which Scope 1 emissions were 125, Scope 2 was 105 and Scope 3 was 6,840 (excl. investment activities). Emissions are classified into three categories: scope 1 emissions are direct emissions from owned and managed resources, scope 2 emissions are emissions from purchased energy and scope 3 emissions are indirect emissions from own activities, such as purchases and commuting.

Indirect scope 3 emissions are the highest. Elo can reduce the scope 3 emissions of its own operations, for example, through efficiency and indirectly through its own operating principles with guiding principles and increasing environmental awareness, for example.

Electricity for the Elo building with wind and solar energy

Elo's office in Tapiola, Espoo, is a renovated property built in 1975. The property has been using renewable wind energy since 2020. The target for reducing the scope 2 emissions of Elo's electricity and energy consumption has been linked to the Energy Efficiency Agreements of the real estate sector as part of Elo's direct investments in domestic real estate.

A solar power plant has been built in Elo's office building, because solar power contributes to Elo's energy efficiency targets. Elo is committed to energy efficiency agreements and has set precise energy-saving targets for its properties. Reducing electricity consumption can also be influenced through Green Office practices and training, for example. In the future, the district heat of the office building will also be renewable, which will significantly reduce the emissions of the building. In 2022, we launched an extensive renovation plan for the automation and technical systems of the building.



Reporting principles

Elo's annual reporting is comprised of the annual and responsibility report, the Board of Directors' report and financial statements, the non-financial disclosures included in the report of the Board of Directors. Elo's financial statements include a risk management note. In addition, we prepared a corporate governance statement, a description of remuneration for the governing bodies of Elo and a remuneration report.

The Board of Directors of Elo approves the annual and responsibility report as part of the company's overall financial annual reporting. Elo publishes an annual and responsibility report every year. The previous report was published in March 2022. The reporting period is 1 January to 31 December 2022. The annual and responsibility report is mainly prepared from the perspective of the parent company of Elo Mutual Pension Insurance Company.

The financial metrics are based on Elo's accounting, financial reporting and financial statements. The financial statements are prepared in accordance with the Accounting Act, Limited Liability Companies Act and Insurance Companies Act and the acts on earnings-related pension insurance companies. The financial statements comply with the Ministry of Social Affairs and Health decree on the financial statements and consolidated financial statements of insurance companies, the Accounting Decree, calculation bases adopted by the Ministry of Social Affairs and Health and the regulations and guidelines issued by the Financial Supervisory Authority. The personnel figures cover the parent company's personnel and the key figures have been calculated with the HR systems.

Elo's annual and responsibility report has been prepared using the Global Reporting Initiative (GRI) standards. In addition to these, we also report information related to Elo's own essential topics of responsibility. The scope of the report corresponds to the Reference to GRI level. Elo's annual and responsibility report 2022

includes a report on the risks and opportunities related to climate change in investment activities in accordance with the TCFD. The report includes an assessment of the consideration of climate issues of investment operations in Elo's management, strategy and risk management, as well as objectives and metrics related to climate issues.

Emissions accounting of Elo's own operations (excl. investment operations)

Elo reports the greenhouse gas emissions of its own operations in accordance with the GHG (Greenhouse Gas Protocol) protocol in carbon dioxide equivalents. Elo's emissions accounting covers scope 1, scope 2 and scope 3 emissions. The most recent available relevant emission factors for the different categories are in the accounting. The accounting is based on Elo's accounting guideline.

Responsible investment

The weighted average carbon intensity of listed equity and corporate bond investments is calculated from the emissions of the investee companies in relation to their turnover (WACI, tCO₂e/mUSD turnover, scope 1, 2). The EVIC-based carbon footprint (tCO₂e/mUSD invested, scope 1,2) has been calculated in relation to the USD invested and the carbon intensity (tCO₂e/mUSD turnover, scope 1,2) in relation to turnover. Absolute emissions have been calculated based on EVIC in tonnes of CO₂ equivalent (tCO₂e, scope 1, 2 and 3).

The calculation of the key figures takes into account the scope 1 and 2 emissions of the listed investee companies. The companies' scope 3 emissions have been taken into account in absolute emissions for the supply chain ("upstream emissions"). The scope 1 greenhouse gas emissions are direct emissions from sources owned or controlled by the undertaking, such as self-generated energy. Scope 2 emissions include indirect emissions from the energy acquired by the company. Emissions are accounted for using standardised carbon dioxide equivalents, describing the combined global warming potential of different greenhouse gases.

Company-specific emissions for listed companies are based on the most recent data available. Where public verified data is not available, estimates based on the service provider's calculations are used. Elo's investment are per the last day of the year.

Sustainable solutions in direct listed equity and corporate bond investments have been calculated as a weighted average of the share of sustainable solutions relative to the turnover of the investee companies. In the case of corporate bonds, the share of sustainable operations in green corporate bonds is not based on the operations of the target

companies' sustainable solutions, but has been taken fully into account in the calculation. The shares of sustainable solutions in infrastructure investments have been assessed at the fund level. The share of sustainable solutions has been calculated by taking into account the market value of the entire fund if there are sustainable solutions in any of the fund's target companies. The figure does not take into account the turnover of enterprises.

In direct listed equity and corporate bond investments, the share of the emission targets of the investees has been calculated as a portfolio weighted average.

EU taxonomy eligibility has been calculated as a weighted average of the value of listed equity investment in taxonomy-eligible economic activities of investee companies in relation to Elo's direct listed equity investments. Taxonomy eligibility has been calculated based on the turnover of the investee companies.

For domestic real estate investments, market-based scope 2 emissions of direct real estate holdings are reported. The emission factors used for district heating are obtained from energy companies. The reporting covers 93.7% of direct real estate assets. The weighting is based on the rentable floor area.

GRI content index 2022

Disclosure	Contents	Location	Comment and further information
GRI 2: General disclosures			
The organization and its reporting practices			
2-1	Organizational details	We are Elo, p. 3	
2-2	Entities included in the organization's sustainability reporting	Elo Mutual Pension Insurance Company	
2-3	Reporting period, frequency and contact point	1 January to 31 December 2022, annually, viestinta@elo.fi	
2-4	Restatements of information	No	
2-5	External assurance	The report has not been assured	
Activities and workers			
2-6	Activities, value chain and other business relationships	We are Elo, p. 3, p. 7, p. 30, p. 42	
2-7	Employees	p. 55, p. 59	
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Governance			
2-9	Governance structure and composition	p. 12, Corporate Governance Statement	
2-10	Nomination and selection of the highest governance body	p. 12, Corporate Governance Statement	
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2-12	Role of the highest governance body in overseeing the management of impacts	p. 12, p. 34, p. 62, Corporate Governance Statement	
2-13	Delegation of responsibility for managing impacts	p. 12, p. 34, p. 62, Corporate Governance Statement	
2-14	Role of the highest governance body in sustainability reporting	p. 12, p. 34, Corporate Governance Statement	
2-15	Conflicts of interest	p. 12	Conflict of interest policy, Code of Conduct, Anti-bribery and corruption policy
2-16	Communication of critical concerns	p. 57, p. 62-63, Corporate Governance Statement	
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Statement	
2-19	Remuneration policies	The remuneration policy of Elo's governing bodies, The remuneration report of Elo's governing bodies	
2-20	Process to determine remuneration	The remuneration policy of Elo's governing bodies, The remuneration report of Elo's governing bodies, p. 58	
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	p. 6, p. 10-11	
2-23	Policy commitments	p.12, p. 17, p. 20-22, p. 34-35, p. 56, p. 63, p. 65	Code of Conduct, Insider regulations, Conflict of interest policy, Ownership policy, Outsourcing policy, Procurement principles, Policy on prevention of money laundering and terrorism financing, Policy on transactions and contractual relationships between Elo and policyholders, Anti-bribery and corruption policy, Principles of responsible investing, Climate policy, Leadership principles
2-24	Embedding policy commitments	p. 12, p. 20-25, p. 30, p. 39, p. 57, p. 62-65	

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2-26	Mechanisms for seeking advice and raising concerns	p. 62-63	
2-27	Compliance with laws and regulations	p. 62-65	During the reporting period, Elo has not received any fines or sanctions. The Financial Supervisory Authority ended its authorised representative's supervision of Elo on 30 June 2022.
2-28	Membership associations	p. 14-15, p. 30	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	p. 14-15, p. 29, p. 42-43	
2-30	Collective bargaining agreements	For those employees who are not covered by the collective agreement, Elo follows mainly the same conditions as in the collective agreement when determining the terms of employment.	
GRI 3: Material Topics			
3-1	Process to determine material topics	p. 10	
3-2	List of material topics	p. 10-11	
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201-1	Direct economic value generated and distributed	p. 7-8, p. 16-17	
201-2	Financial implications and other risks and opportunities due to climate change	p. 34-40	
GRI 203: Indirect Economic Impacts			
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302-2	Energy consumption outside of the organization	p. 28–30, p. 38–39	
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305-4	GHG emissions intensity	p. 29–30, p. 38, p. 40	
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GRI 403: Occupational Health and Safety			
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GRI 404: Training and Education			
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