

Corporate Governance Statement 2025



This Corporate Governance Statement for the financial period covering 1 January to 31 December 2025 is based on the Finnish Corporate Governance Code 2025 and is issued separately from Elo's Board of Directors' report. Elo complies with the parts of the Corporate Governance Code that are applicable to the operations of employment pension companies. In accordance with the Corporate Governance Code, Elo's Description of Remuneration for Governing Bodies (remuneration policy), as well as the Remuneration Report and complementary information are disclosed on Elo's website.

The Description of Remuneration for Governing Bodies and the Remuneration Report apply to Elo's Board of Directors, Supervisory Board, Chief Executive Officer and Deputy Chief Executive Officer. Information about remuneration of the other members of the Executive Group is provided on the website.

Deviations from the recommendations of the Corporate Governance Code are presented at the beginning of this Corporate Governance Statement. The Corporate Governance Code is available on the website of the Securities Market Association at www.cgfinland.fi.

1. Deviations from the recommendations of the Corporate Governance Code

Recommendation 5 – Election of the Board of Directors: In accordance with the Act on Earnings-Related Pension Insurance Companies, the Board of Directors is elected by the Supervisory Board in accordance with the election procedure outlined in the relevant legislation and the Articles of Association.

Recommendation 6 – Term of Office of the Board of Directors: In accordance with the Articles of Association, the term of the members of Elo's Board of Directors is three years.

Recommendations 10, 16, 17 and 18 – Independence of the members of the Board of Directors and its Committees: The number of independent members of the Board of Directors and its committees, as well as the evaluation of their independence, are based on law (the Act on Earnings-Related Pension Insurance Companies). The composition of the Board of Directors and the eligibility criteria for members are prescribed by law.

Elo's Board members may include people who serve in the operational management or administration of Elo's major client companies. This is attributed to the fact that Elo is a mutual company. The CEO of Elo cannot be a member of the Board of Directors.

Recommendation 22 – Decision-making relating to remuneration: In accordance with the Act on Earnings-Related Pension Insurance Companies, decisions concerning the remuneration of the Board of Directors are made by the Supervisory Board.

Recommendation 27 – Related party transactions: Elo complies with the regulations on the related party transactions of employment pension companies in the Act on Earnings-Related Pension Insurance Companies. Moreover, in accordance with Elo's related party guidelines, significant transactions whose counterparty is an entity over which a member of Elo's management exercises influence or control or in which they act in a management position are referred to the Board of Directors for decision. Elo complies with the parts of the Governance Code for listed companies that are applicable to the operations of employment pension companies. The decision-making procedure concerning remuneration deviates significantly from that of listed companies, also with respect to the description of the remuneration for governing bodies and related reporting, as these matters are not discussed by Elo's Annual General Meeting. Elo's Board of Directors approves the description of the remuneration for governing bodies.

2. Annual General Meeting

The highest power of decision in Elo is exercised by the shareholders in the Annual General Meeting. Policyholders have the right to vote at the Annual General Meeting. In addition, an elected representative of the insured under each basic insurance policy pursuant to the Employees Pensions Act has the right to vote.

The Annual General Meeting decides on the number of Supervisory Board members and auditors, elects the members of the Supervisory Board and the auditors, and makes decisions concerning the confirmation of the financial statements and the use of the profit shown on the balance sheet. In addition, the Annual General Meeting decides on the granting of discharge from liability to the members of the Board of Directors and the Supervisory Board, as well as to the CEO.

The Annual General Meeting also decides on the remuneration of the members of the Supervisory Board and the auditors, as well as on any other business announced in the invitation to the meeting.

Elo's Annual General Meeting was held on 28 April 2025.

3. Supervisory Board

Under the Act on Earnings-Related Pension Insurance Companies, a pension insurance company must have a Supervisory Board. The duty of the Supervisory Board is to oversee the company's governance by the Board of Directors and the CEO. The Supervisory Board decides on the number of Board members and elects the Board members and any deputy members, as well as members of the Election Committee. In addition, it decides on the remuneration payable to the Board of Directors and the Election Committee. The Supervisory Board cannot be given duties other than

those laid down by law. The rules of procedure for the Supervisory Board describe its composition, duties, access to information and meeting practices.

Elo's Supervisory Board comprises 36 members, elected by the Annual General Meeting. The members are elected for a term of three years, while the term for one-third of the members expires each year.

A minimum of one-third of the Supervisory Board members must be elected from among candidates nominated by central labour market organisations representing employees and a minimum of one-sixth must be elected from among candidates nominated by key central labour market organisations representing employers. The Supervisory Board annually elects a chairperson and deputy chairpersons from among its members. One of them must be elected based on a proposal by the members who represent the insured.

In 2025, the Supervisory Board convened three times. An average of 83% of the Supervisory Board members attended the meetings. Remuneration paid to the members is presented in Elo's Remuneration Report for Governing Bodies, available at www.elo.fi – About Elo – Governance.

Based on a proposal by the Election Committee, the Supervisory Board consists of nine women (25%) and 27 men (75%; as of December 2025).

The Board members, their spouses, any persons under the Board members' guardianship and any undertakings under their control or significant influence are regarded as related parties of Elo. Transactions with related parties are handled in accordance with the related-party guidelines.

Significant transactions with Elo's Executive Group and related parties are always decided on by the Board of Directors. Any

transactions with related parties as referred to in the Act on Earnings-Related Pension Insurance Companies are reported on the company's website.

Elo's Supervisory Board as of 28 April 2025

Chair

Antti Määttä, CEO, Chair, Osuuskunta Keskimaa, term expires in 2027

Vice chairs

Stefan Borgman, Chair, METO Metsäalan Asiantuntijat ry, term expires in 2028

Katariina Poskiparta, Executive Advisor, Finnish Student Health Service, term expires in 2028

Members

Vesa Aallosvirta, Head of Organisation Unit, Industrial Union, term expires in 2026

Heimo J. Aho, CEO, Chair, commercial counsellor, TWP Group Oy, term expires in 2027

Ilkka Brotherus, Chair, Sinituote Oy, term expires in 2027

Mika Hagberg, CEO, Paree Group Oy, term expires in 2025

Antti Hakala, Director, Trade Union Pro, term expires in 2027

Jenni Karsio, President, the Union of Professional Social Workers, The Union Council of Talentia, Akava, term expires in 2027

Henrik Karvonen, CEO, Etelä-Pohjanmaan Osuuskauppa, term expires in 2026

Ismo Kokko, Chair, Finnish Transport Workers' Union AKT, term expires in 2026

Veli-Matti Kunttonen, Chair, Finnish Food Workers' Union, term expires in 2027

René Lindell, CFO, Orion Oyj, term expires in 2028

Tommi Luukkonen, Chair, Rakennusinsinöörit ja -arkkitehdit RIA ry, term expires in 2026

Leena-Mari Lähteenmaa, CEO, CGI Finland Ltd, term expires in 2028

Harri Miettinen, CEO, Kymen Seudun Osuuskauppa, term expires in 2028

Tuomas Mäkipeska, YIT Corporation, term expires in 2026

Jussi Niemelä, CEO, Lohkare Infra Oy, term expires in 2028

Mats Nyman, Executive Director, Association for Professionals and Managers ASIA, term expires in 2028

Mikael Pentikäinen, CEO, Federation of Finnish Enterprises, term expires in 2026

Terhi Penttilä, Senior Advisor, Länsilinjat Oy, term expires in 2026

Mari Puoskari, CEO, Pilke päiväkodit Oy, term expires in 2026

Ville Rantala, Chair, PHM Group Oy, term expires in 2026

Antti Rantalainen, Chair, Rantalainen Audit Oy, term expires in 2027

Ville-Veikko Rantamäki, Collective Bargaining Director, Professionals of Business and Technology, term expires in 2026

Ansu Saarela, CFO, Bauhaus & Co. Ky, term expires in 2028

Mikko Salo, Executive Director, Union of Professionals in Natural, Environmental and Forestry Sciences Loimu, term expires in 2027

Olli Sarekoski, President and CEO, Veikkaus Ltd, term expires in 2027

Tommi Sova, CEO, Intrum Oy, term expires in 2026

Katja Syvärinen, Vice Chair, Director, Central Organisation of Finnish Trade Unions SAK, term expires in 2028

Mikko Tuomainen, Deputy CEO, Tilipalvelu Rantalainen Oy, term expires in 2027

Minna Vanhala-Harmanen, CEO, Perheyrittäjien liitto, term expires in 2027

Pasi Vilhunen, CFO, Bravedo Oy, term expires in 2026

Antti Vuonokari, CEO, Pihla Group Oy, term expires in 2027

Janne Ylinen, CEO, Kokkolan Halpa-Halli Oy, term expires in 2028

Jaana Ylitalo, Collective Bargaining Director, Central Organisation of Finnish Trade Unions SAK, term expires in 2027

Pekka Metsi and **Päivi Suutari** resigned from the Supervisory Board during 2025.

3.1 Election Committee

Elo has an Election Committee appointed by the Supervisory Board. Its duty is to prepare proposals concerning the election and remuneration of the members of the Supervisory Board and the Board of Directors. Either the chair or deputy chair of the Election Committee must be elected from among candidates nominated by those Supervisory Board members who represent the insured.

In 2025, the six-member Election Committee included as members proposed by the insured Harri Miettinen, Antti Määttä and Katariina Poskiparta from the Elo Supervisory Board. The Election Committee members proposed by the insured were Stefan Borgman, Mats Nyman and Jaana Ylitalo. Antti Määttä served as the chair and Jaana Ylitalo as the deputy chair of the Election Committee. The Election Committee consisted of 2 women (33%) and 4 men (67%). The Election Committee convened six times in 2025. Members' attendance rate was 93%.

4. Board of Directors

The duties of Elo's Board of Directors are to follow to the governance of the company and the proper arrangement of its operations, as well as to ensure that the supervision of accounting and asset management is appropriately arranged.

In accordance with the Act on Earnings-Related Pension Insurance Companies, the Board of Directors and the Chief Executive Officer must manage the company together in a professional manner in compliance with sound and prudent business practices and reliable governance principles. The duties of the Board of Directors are specified in the rules of procedure for the Board and the company's Articles of Association. The duties of Board of Directors include the following:

- Appointing and giving notice to the CEO, the Deputy CEO and members of the company's Executive Group, and deciding on their employment and remuneration
- Determining the terms and conditions for the employment of supervisors in independent functions
- Deciding on the general structure of the company's organisation
- Approving the company's strategy and budget, and overseeing their implementation
- Approving the company's personnel strategy and remuneration policy and the objectives and metrics of the performance bonus system, as well as assessing and overseeing their implementation
- Preparing the investment plan, deciding on decision-making powers related to investment activities and overseeing the implementation of the investment plan
- Approving the principles of the risk management system and overseeing their implementation
- Approving the compliance principles
- Approving the company's own risk and solvency assessment (ORSA)
- Approving the principles for the organisation of internal audit and the annual internal audit plan
- Establishing the principles of internal control and annually assessing whether internal control has been properly arranged
- Preparing the financial statements, consolidated financial statements and Board of Directors' report, including the sustainability statement, submitting a proposal for the use of the profit shown on the balance sheet and approving interim reports for publication
- Deciding on convening the annual general meeting proposals concerning the auditor and other business to be discussed by the annual general meeting

- Confirming the written operational principles set out in the Act on Earnings-Related Pension Insurance Companies

Elo's Board of Directors comprises representatives of central labour market organisations, customers and stakeholders. In 2025, the Board of Directors consisted of twelve regular members until December 1, 2025, and eleven members until the end of 2025. The Supervisory Board elects the Board members and any deputy members for a term of three calendar years. A minimum of one-third of the Board members must be elected from among candidates nominated by central labour market organisations representing employees. A minimum of one-sixth of the Board members must be elected from among candidates nominated by central labour market organisations representing employers.

In addition to compliance with regulations, the diversity of the Board is considered in the election process. The diversity of the Board is intended to facilitate effective management of the Board's duties and to support the achievement of Elo's strategic goals.

When the Board, as a whole and through the competence, experience and characteristics of each individual member, can proactively challenge and support the company's management, the diversity of the Board will be achieved as intended. For Elo, essential diversity factors include complementary experience of the members and their personal characteristics, as well as their geographic, age and gender distribution.

One of the objectives of Elo's diversity policy is to maintain balanced gender distribution of the Board. To achieve this, the Election Committee strives to find representatives of both genders during its search and assessment process for new Board members. The achievement of this objective is evaluated and monitored at meetings of the Election Committee. Based on the proposal of the Election Committee, the Board of Directors consists of four women (36%) and seven men (64%; as of 31 December 2025).

The Board annually elects a chairperson and deputy chairpersons from among its members. One of them must be elected based on a proposal by the members who represent the insured. The chair and both deputy chairs constitute the presiding officers of the Board. The Board is assisted in its duties by the Audit and Risk Committee and the Appointment and Remuneration Committee.

The Board convened twelve physical meetings and made three decisions per capsulam in 2025. Members' attendance rate was 93%. Remuneration paid to the members is presented in Elo's Remuneration Report for Governing Bodies, available at www.elo.fi – About Elo – Governance. The Board members, their spouses, any persons under the Board members' guardianship and any undertakings under their control or significant influence are related parties of Elo. Transactions with related parties are handled in accordance with the related-party guidelines. Significant transactions with Elo's management and related parties are always decided on by the Board. Any transactions with related parties as referred to in the Act on Earnings-Related Pension Insurance Companies are reported on the company's website.

Elo's Board of Directors in 2025

Chair

Antti Aho, b. 1969, M.Sc. (Econ.), Chair, Aho Group Oy

Vice chairs

Maria Löfgren, b. 1968, LL.M., President, Confederation of Unions for Professional and Managerial Staff in Finland (Akava)

Minna Helle, b. 1972, LL.M., CEO, Technology Industries of Finland (until November 30, 2025)

Members

Minna Alitalo, b. 1962, M.Sc. (Econ.)

Jari Eklund, b. 1963, M.Sc. (Econ.), Group Director, LocalTapiola Group

Sakari Jorma, b. 1975, MA, Chief Technology Officer, Finago Oy

Janne Makkula, b. 1977, LL.M., Master of Laws with court training, Executive Director, Labour Market, Entrepreneurship and Regional Operations, Technology Industries of Finland

Jorma Malinen, b. 1959, Automation Designer (until May 31, 2025)

Sinikka Näätsaari, b. 1961, M.Soc.Sc., Head of Pension Policy, Central Organisation of Finnish Trade Unions SAK

Annika Rönni-Sällinen, b. 1976, LL.M., President, Service Union United PAM

Niko Simola, b. 1974, LL.M., President of the Board, Trade Union Pro

Timo Viherkenttä, b. 1958, LL.D., Senior Fellow, Aalto University

Tomi Yli-Kyyny, b. 1962, M.Sc.

4.1 Audit and Risk Committee

The duty of the Audit and Risk Committee is to monitor the company's financial reporting and internal control, the sufficiency and appropriateness of risk management, and the internal auditing operations. The committee also monitors audits, assesses the independence of auditors and prepares proposals for the appointment of auditors.

The Board of Directors elects three to four Audit and Risk Committee members from among its members and the chair of the committee for a term of one year. One of the committee members must be a representative of a central employee organisation and one a representative of a central employer organisation. The Board of Directors' presiding officers cannot be elected to the committee.

In 2025, the Audit and Risk Committee comprised Minna Alitalo (chair), Timo Viherkenttä, Janne Makkula and Sinikka Näätsaari. The committee convened six times, and the members' attendance rate was 100%.

4.2 Appointment and Remuneration Committee

The duty of the Appointment and Remuneration Committee is to assist the Board of Directors in preparing and developing matters related to the company's remuneration systems and the appointment and remuneration of the company's senior management.

The committee consists of the presiding officers of Elo's Board of Directors. In 2025, the members of the Appointment and Remuneration Committee were Antti Aho, Maria Löfgren and Minna Helle (until December 1, 2025). The committee convened seven times, and the members' attendance rate was 93%.

5. Chief Executive Officer

Carl Pettersson served as the CEO of Elo. The Deputy CEO was the Chief Investment Officer Jonna Ryhänen. The CEO is male and the Deputy CEO female.

The CEO manages the company's administration in accordance with guidelines and orders issued by the Board of Directors. The CEO is appointed by the Board of Directors.

The CEO leads the company in a professional manner in compliance with sound and prudent business practices and reliable governance principles. The CEO ensures that the company's accounting complies with the law and that asset management is arranged in a reliable manner.

6. Executive Group

The Executive Group, consisting of directors appointed by the Board of Directors, assists the CEO in the company's operative management and the planning of operations. The Executive Group is involved in matters such as the preparation of the company's strategy, budget and organisation for the Board of Directors.

Composition and responsibilities of the Executive Group at the end of 2025

Nora Almari, b. 1996, M.Sc. (Econ.), personnel representative

Jarkko Heikkilä, b. 1978, M.Sc. (Econ.), Chief Risk Officer

Elina Heliö, b. 1972, LL.M., Master of Laws with court training, Chief People and Culture Officer

Mikko Karpoja, b. 1962, M.Sc., Fellow of the Actuarial Society of Finland, Director, Actuarial Services, Appointed Actuary

Sarianne Kirvesmäki, b. 1966, B.Sc., MBA, CFO

Kati Korhonen-Yrjänheikki, b. 1972, PhD, Chief Work Ability Officer

Carl Pettersson, b. 1979, B.Sc. (Econ.), EMBA, CEO

Jonna Ryhänen, b. 1975, M.Soc.Sc., Chief Investment Officer, Deputy CEO

Jouni Seppänen, b. 1969, M.Soc.Sc., Chief Operating Officer, Pensions and Insurance

Juho Ylinen, b. 1978, Master's degree, Educational Sciences, EMBA, Chief Customer Officer

The Executive Group consisted of five women (50%) and five men (50%; as of 31 December 2025). The Board of Directors decides on the remuneration payable to the CEO and members of the Executive Group.

Directors appointed by the Board of Directors, their spouses, any persons under their guardianship and any undertakings under their control or significant influence are related parties of Elo. Transactions with related parties are handled in accordance with the related-party guidelines. Significant transactions with Elo's management and related parties are always decided on by the Board. Any transactions with related parties as referred to in the Act on Earnings-Related Pension Insurance Companies are reported on the company's website.

7. Internal control and risk management

The Board of Directors bears overall responsibility for the arrangement of internal control and risk management and for the annual evaluation of the state of internal control. The Board of Directors approves the general principles of internal control and risk management, the division of responsibilities and the key policies (the principles of internal control and the risk management system, the compliance principles and the principles of internal auditing), as well as supervises their implementation. In addition, the Board of Directors approves the company's continuity plan. The Board of Directors annually evaluates the governance system and the status of internal control, the written operating principles and the continuity plan. The Audit and Risk Committee assists the Board of Directors.

The CEO is responsible to the Board of Directors for the arrangement and monitoring of internal control and risk management. Independent second-line functions – the compliance and risk management unit and the Appointed Actuary with certain statutory tasks – support the CEO in ensuring and supervising internal control and risk management.

Elo's internal control and risk management are organised in accordance with the "three-line model". In the first line, the company's management and supervisors are responsible for internal control in their areas of responsibility, the implementation of risk management and compliance with the principles and practices of internal control and risk management. The business functions are responsible for the continuity of their operations.

The risk management function operates as Elo's second line, responsible for supervising business risks, investment and insurance risks and operational risks. The risk management function is also responsible for the maintenance and development of risk management principles and methods, preparation and coordination of the own risk and solvency assessment (ORSA),

coordination of operational risk assessments and preparation of continuity plans. The risk management function reports on the state of risk management to the Board of Directors and the management every six months.

Elo's internal control and risk management also includes compliance activities, which include all procedures and activities that aim to prevent and identify non-compliance with regulations and respond to violations. Elo's compliance function is part of the second line, responsible for ensuring and supervising compliance with regulations. The function supports the first-line business and support functions in the management of compliance risks and assesses the adequacy of the measures taken. The compliance function also supports Elo's management in the organisation of reliable administration. The function reports on the state of compliance to the Board of Directors and the management every six months. In addition to the monitoring of regulatory compliance, the compliance function is responsible for matters such as Elo's insider and related party matters and the prevention of conflicts of interest.

In 2025, the Compliance Director was responsible for the compliance and risk management function.

Elo complies with the insider trading regulations laid down in the Act on Earnings-Related Pension Insurance Companies, the purpose of which is to advance the public reliability of investment activities and to ensure the awareness of personnel of insider trading regulations to prevent unintentional violations. The compliance function is responsible for the maintenance of insider registers, training and advice on insider matters, and the supervision of trading by insiders.

The Board of Directors has approved the insider trading guidelines, and public information about Elo's insiders is available from Euroclear's NetSire service.

As Elo's third line, the duties of internal audit are to assess the adequacy and effectiveness of the management, control and risk management processes, to issue recommendations for improving them and to promote their development. Internal audit is a unit established by the Board of Directors, independent of the rest of the organisation. It reports to the Audit and Risk Committee and the Board of Directors, the latter of which confirms its operational guidelines and annual plan. Internal audits are the responsibility of the Chief Audit Executive, who reports to the CEO.

The internal audit activities are governed by the requirements for internal audit set out in legislation and regulations of the Financial Supervisory Authority, as well as by the guidelines of the International Institute of Internal Auditors.

8. Description of the main characteristics of the internal control and risk management systems related to the financial reporting process

Elo's financial reports are drawn up in accordance with the Accounting Act, Limited Liability Companies Act, Insurance Companies Act and Act on Earnings-Related Pension Insurance Companies, which regulate the accounting, financial statements and reporting of pension insurance companies, as well as the Act on the Calculation of Pension Providers' Solvency Limit (Laki eläkeläitöksen vakavaraisuusrajan laskemisesta ja sijoitusten hajauttamisesta 315/2015), Decree of the Ministry of Social Affairs and Health concerning the financial statements and consolidated financial statements of insurance companies (Sosiaali- ja terveysministeriön asetus vakuutusyhtiöiden tilinpäätöksestä ja konsernitilinpäätöksestä 140/2016), the calculation bases confirmed by the Ministry of Social Affairs and Health, and guidelines and regulations of the Financial Supervisory Authority.

Financial reporting to the Board of Directors, the operational management and the authorities is carried out independently of the reported function by Elo's finance function. The risk management policy and solvency management control model approved by the Board specify the solvency and risk reports to be submitted to the Board. At least twice a month, the Board of Directors receives reports on key figures on solvency, constraints and stress tests, as well as a breakdown of return on investments and allocation by risk. More comprehensive monthly result and solvency reports including information about matters such as the accumulation and use of the overall result, the required yield, the open foreign-exchange position, the limits under the investment plan and compliance with those limits are also submitted. In addition, the Board of Directors receives reports on the risk concentrations of investments, derivative positions, operating expenses and the monitoring of the strategic targets set by the Board of Directors on sales, for example. The Audit and Risk Committee receives more detailed quarterly reports on investments and their risks.

Key figures monitored on a daily basis, such as key figures related to solvency, the return and risk distribution of investments, investment limits, the profit analysis, the income statement and the balance sheet at fair values, as well as operating expenses, are automatically updated in an internal reporting tool on a daily basis and also distributed to the management in the form of reports. The reporting tool also provides up-to-date information about matters such as the return and risks of asset classes, the solvency classification of investments, and the cash flows of the investment and insurance businesses. The finance function monitors whether limits are exceeded and immediately reports any such instances in accordance with the internal guidelines so that the investment function can subsequently take action as necessary. The result of the insurance business is calculated by Actuarial Services.

The Board of Directors decides on the principles of using derivative contracts and the criteria for the solvency classification of investments, which are used in the calculation of the solvency limit, with regard to taking into account the risks of indirect investments, derivative contracts, the use of risk category 18 and calculating the duration of investments exposed to interest and credit margin risk. The Board monitors the timeliness and application of the criteria based on the reports prepared by the finance function. Reports are prepared on the use of derivative contracts and their impact on the solvency limit, and on the application of the grounds for solvency classification.

Elo publishes the financial statements, the consolidated financial statements and the Board of Directors' report, including the sustainability statement, as well as quarterly interim reports, on its website.

The most important key figures in terms of evaluating Elo's total risk position and risk-bearing capacity are the amount of the solvency capital in relation to the technical provisions (solvency ratio) and the amount of the solvency capital in relation to the solvency limit (solvency position). The calculation of key figures for the solvency capital and solvency is described in the accounting policies and the guide to key figures. Other key items for financial reporting are the yield requirement concerning the technical provisions, the valuation of investments, investment result at fair values, loading profit and insurance business surplus.

The company's Appointed Actuary, together with Actuarial Services, is responsible for the accuracy of technical provisions and insurance contributions in the systems. A mid-year evaluation of the technical provisions is conducted by the finance function, and its accuracy is ensured by means of work instructions, balancing routines and close co-operation with Actuarial Services and the Appointed Actuary. The insurance business surplus and change in total payroll are estimated by Actuarial Services. For the financial statements, the technical provisions, premiums written and the insurance business surplus are calculated by Actuarial Services.

The corresponding total payroll is calculated based on received Incomes Register reports and analyses by Actuarial Services. When the financial statements are drawn up, Actuarial Services closes the portfolio at the closing of the books, which means that the technical provisions and premiums written hardly change after that. Payments for wages earned in December are recorded as receivable. The insurance business surplus has a minor impact on the result and solvency.

The investment values used in the financial statements are determined in accordance with the accounting principles and more detailed internal procedures. As for unlisted equities, private equity funds, real estate funds and real estate, the finance function ensures that the fair values are priced in accordance with the agreed principles and approves the fair values. The finance function is responsible for the maintenance of all valuations in the systems. The finance function has a regular balancing routine to ensure the accuracy of the market values, cash flows and credit ratings of the investment systems. There is a temporal delay related to the determination of the fair values, but its effect has been minimal.

The company's business accounting for the financial year is implemented using the matching principle, and the information in the general ledger is balanced with the subsidiary ledger. During the financial year, balancing takes place once a month. The correctness of financial reports is ensured by regular balancing routines and automatic control points between different source systems, the data warehouse and reporting tool, work instructions, automated processes, process descriptions, good professional competence, and close cooperation and flow of information between the financial support service and investment activities.

Operational risks related to finance and risk reporting, accounting and transactions are surveyed every six months by means of risk surveys coordinated by the risk management function. The significance of the effects of identified risks and their probability are estimated separately for each risk, and a risk management plan for each risk is drawn up and its implementation monitored. Near miss risks and realised risks in the investment trading, reporting and supervision processes, accounting and transactions are reported with deviation reports related to the operational risks. Furthermore, the risk management function coordinates annual updates of the finance function's continuity plan.

9. Auditor and auditor's fees

Elo's Annual General Meeting in 2025 appointed Ernst & Young Oy as the company's auditor. Heikki Ilkka, Authorised Public Accountant and Sustainability Reporting Auditor, was the principal auditor and the verifier of the sustainability statement. In 2025, Elo paid its audit firm fees of EUR 400,512 for auditing, EUR 70,083 for verification of the sustainability assessment, and EUR 48,283 for other services.

Elo Mutual Pension Insurance Company

Visiting address: Revontulentie 7, 02100 Espoo
 Postal address: FI-00041 ELO
 Telephone: +358 20 703 50
www.elo.fi