

Elo's financial statements 2025



Key figures 31 December 2025

Investment assets, EUR billion

34.4

(32.4)

Return, %

7.4

(8.5)

10-year nominal return, %

5.9

(5.7)

Solvency ratio, %

123.8

(123.0)

Solvency position

1.4

(1.4)

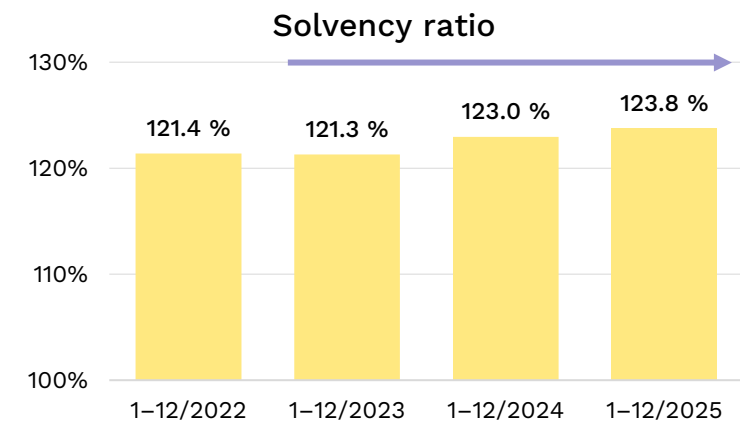
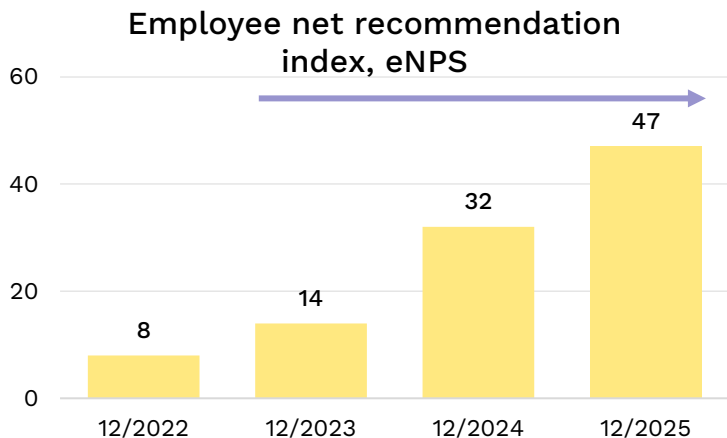
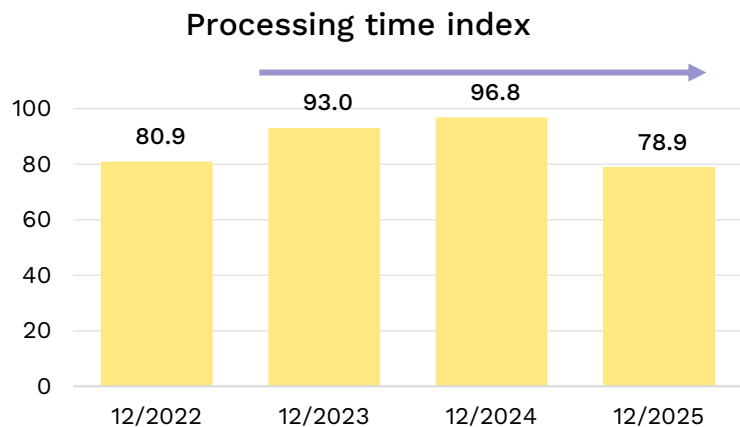
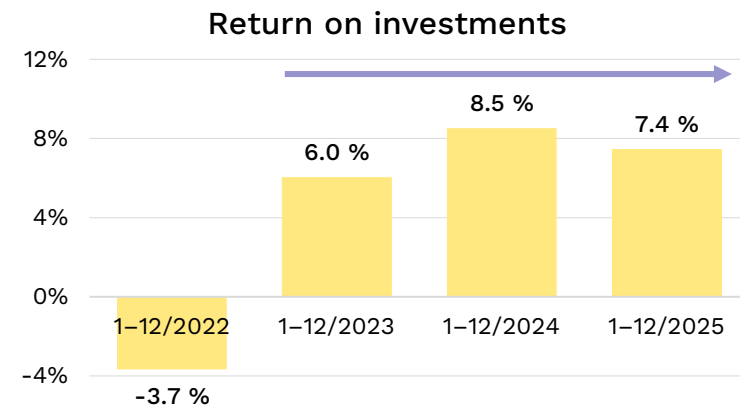
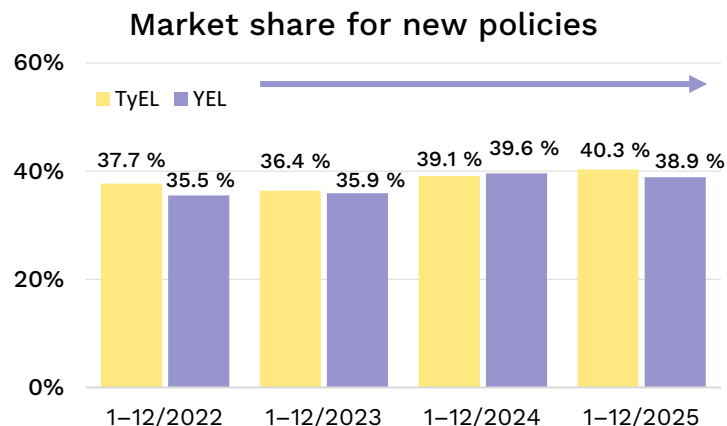
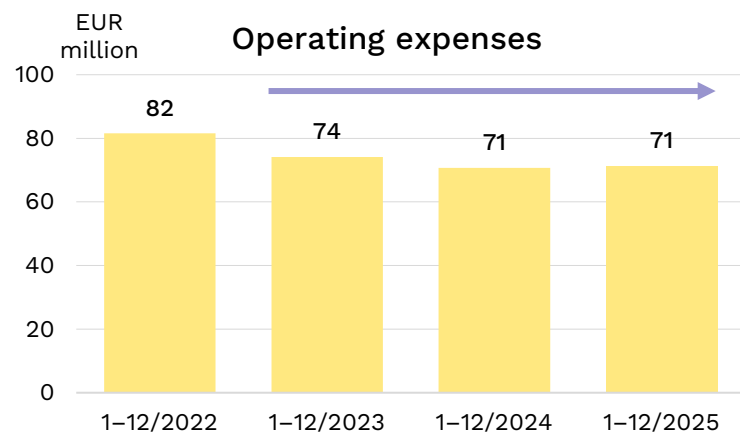
Operating expenses covered
by loading profit, EUR million

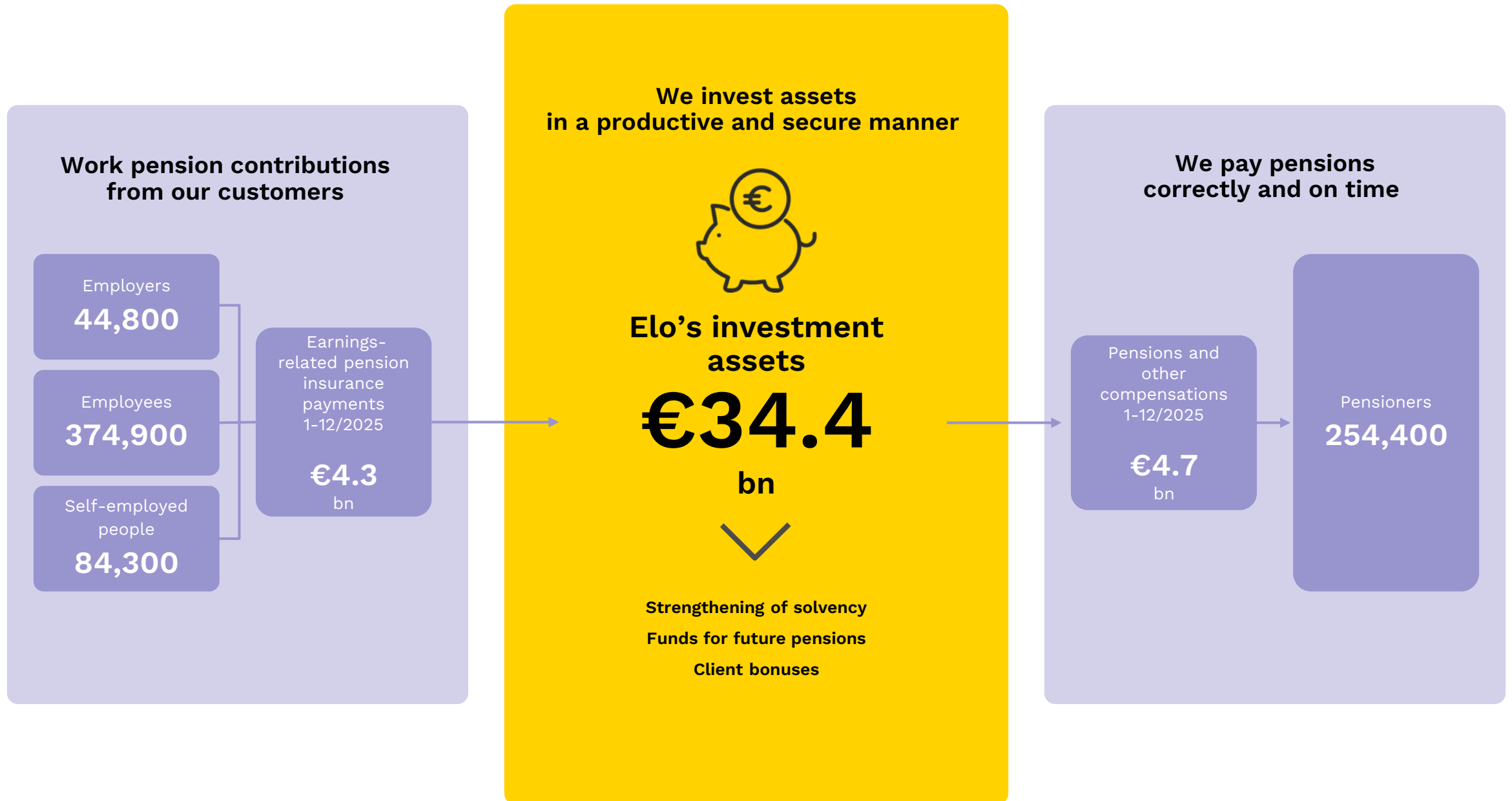
71.3

(70.7)

The reference point is 31 December 2024.

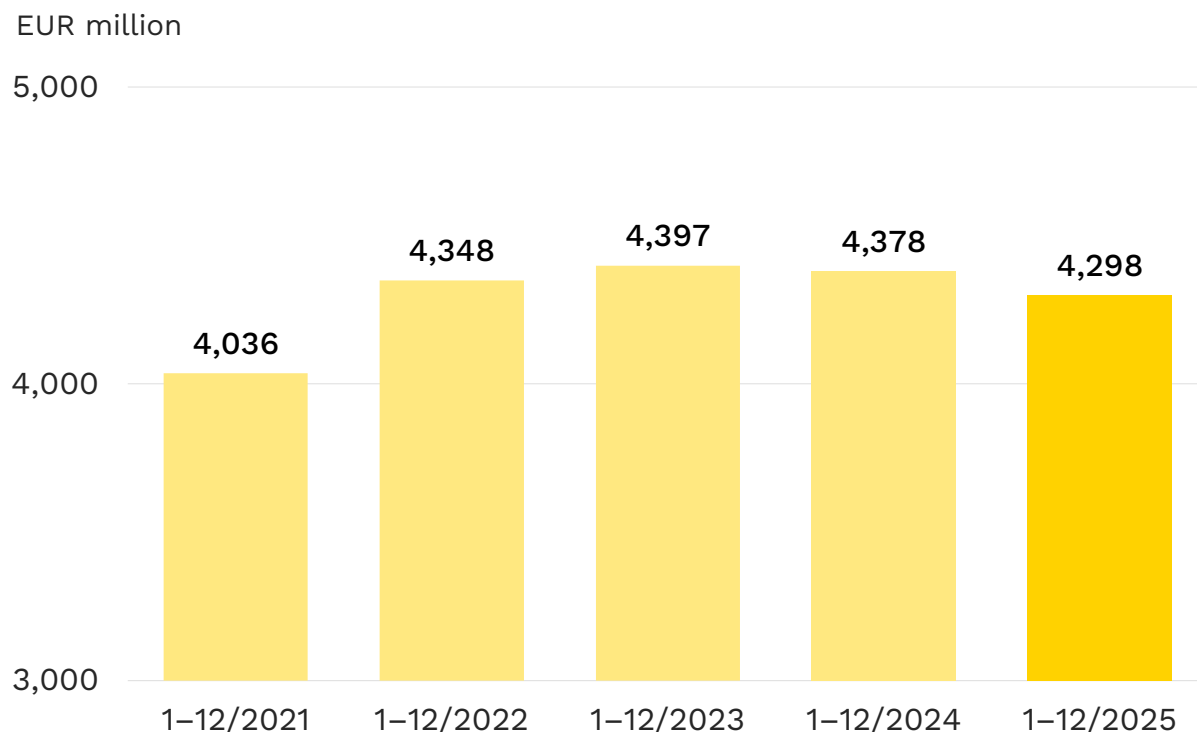
Results of the 2023–2025 strategy period





Premiums written amounted to EUR 4.3 billion

Premiums written 2021–2025



Financial statements 2025. The figures presented are preliminary and unaudited.

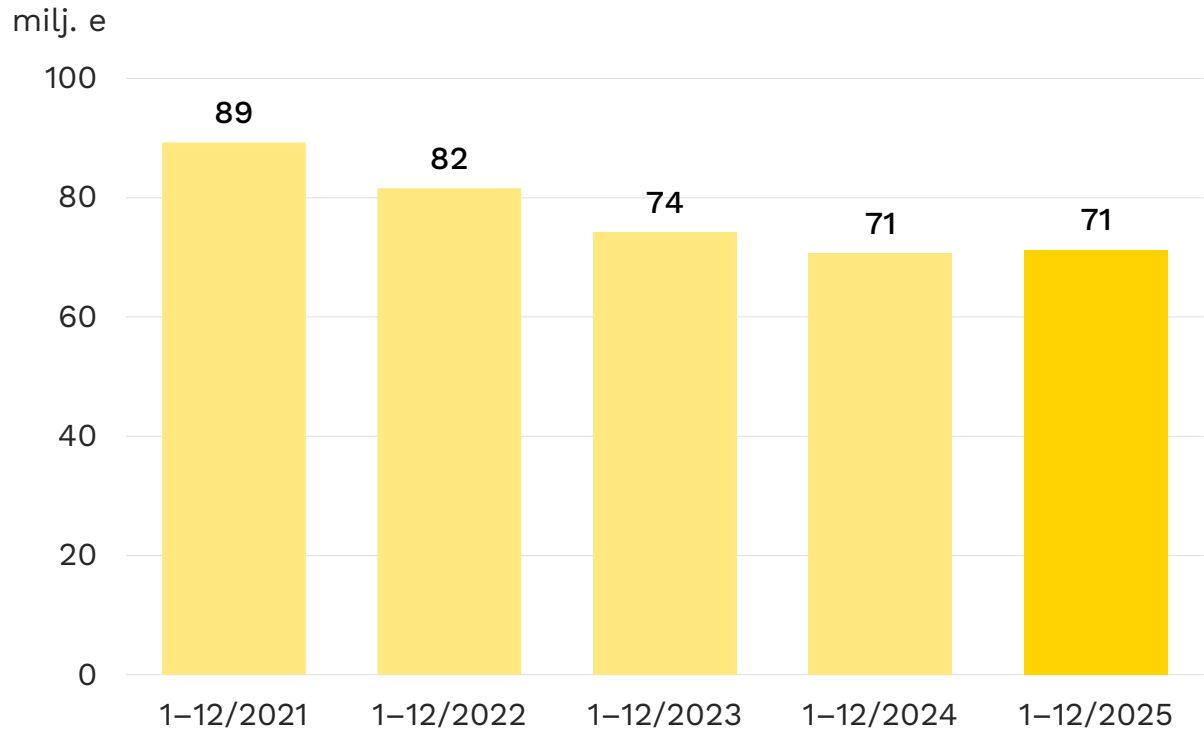
Elo was the market leader in the sales of both new TyEL and YEL insurance policies. The market share for new TyEL insurance policies was 40.3% and that for YEL insurance policies 38.9%.

Amount of premiums written (including TyEL and YEL) decreased by 1.8%. TyEL's credit losses remained at a lower level than in the previous year.

The increase in YEL earnings in 2025 was 2.4% and the change in the TyEL payroll was -2.7%.

Our improved cost efficiency means lower pension insurance contributions for our customers

Operating expenses covered by loading profit 2021–2025



The monthly expense loading fee paid by TyEL insurance customers in 2026 will decrease by an average of 20% from the 2025 level. Employer-customers will benefit from the change.

Long-term customer relationships are also taken into account in the contributions, and policyholders receive a perpetuity discount.

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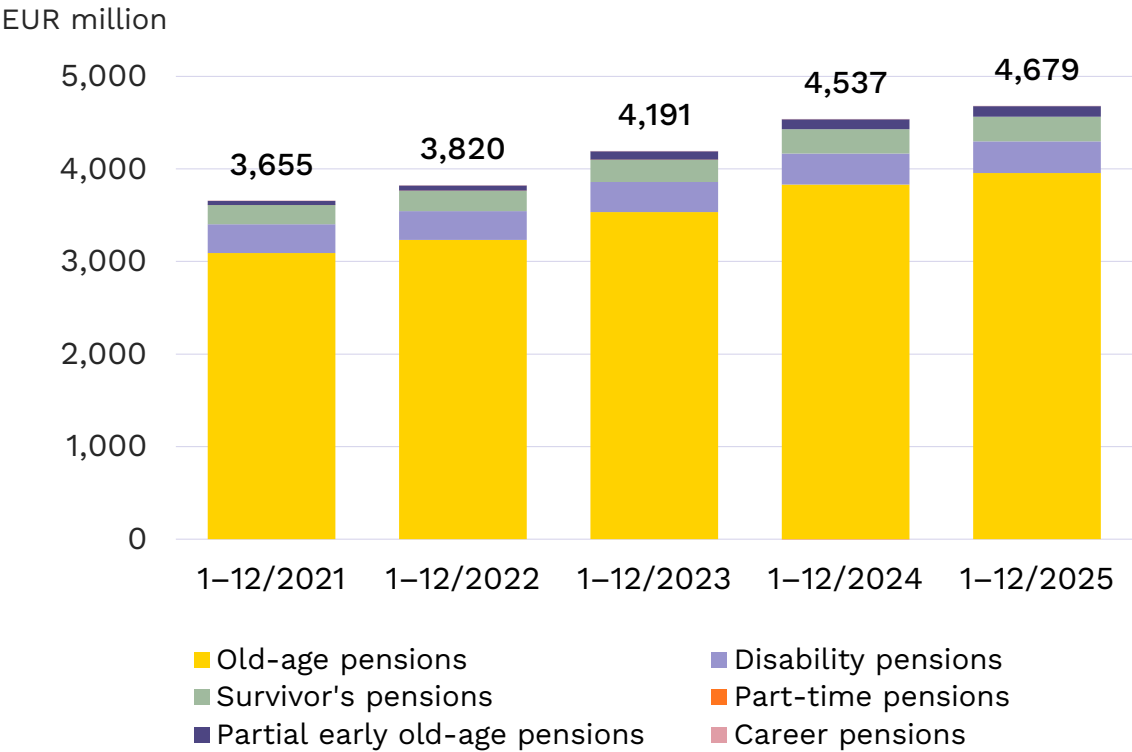


We paid 3% more pensions than in the previous year

Pensions paid by pension type 1–12/2025

| Type of pension | pcs. | EUR million |
|-------------------------------|----------------|----------------|
| Old-age pension | 190,605 | 3,957.1 |
| Disability pension | 21,600 | 341.0 |
| Survivors' pension | 30,210 | 266.3 |
| Partial early old-age pension | 11,912 | 114.0 |
| Years-of-service pension | 42 | 1.1 |
| Total | 254,369 | 4,679.5 |

Pensions paid by pension type 2021–2025



Decisions on old-age pensions increased by 6%

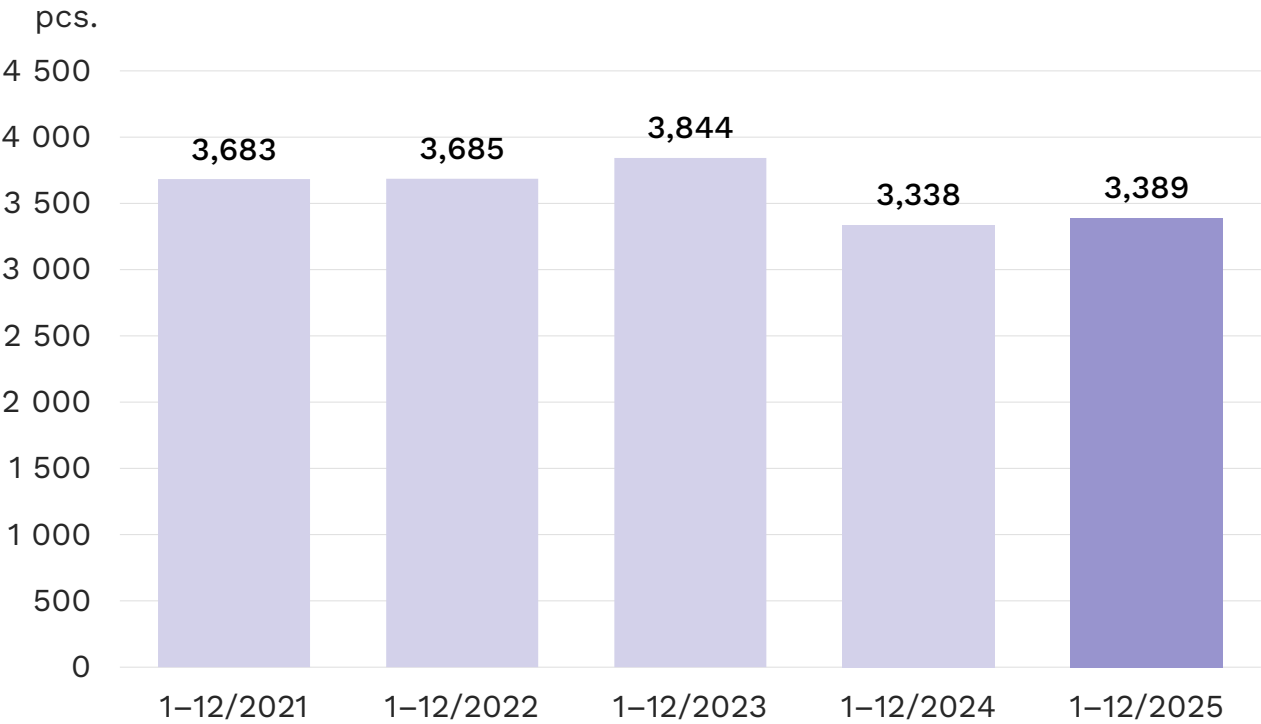
Pension decisions by pension type

| | 1-12/2025 | 1-12/2024 |
|--------------------------------|---------------|---------------|
| Old-age pensions | 8,322 | 7,879 |
| Partial early old-age pensions | 2,332 | 5,735 |
| Disability pensions | 13,175 | 12,991 |
| Survivor's pensions | 2,575 | 2,401 |
| Decisions on rehabilitation | 1,522 | 1,829 |
| Career pensions | 94 | 63 |
| Total | 28,020 | 30,898 |

- We issued 28,020 pension decisions in 2025, which is 9% less than the year before.
- The number of decisions on partial early old-age pensions fell by 59%, as no new age group reached the minimum age limit in 2025.
- According to the statistics of the Finnish Centre for Pensions, Elo issued a pension decision in 2025 on average 21% faster than other pension companies.

The number of granted disability pensions remained almost unchanged

New disability pension decisions



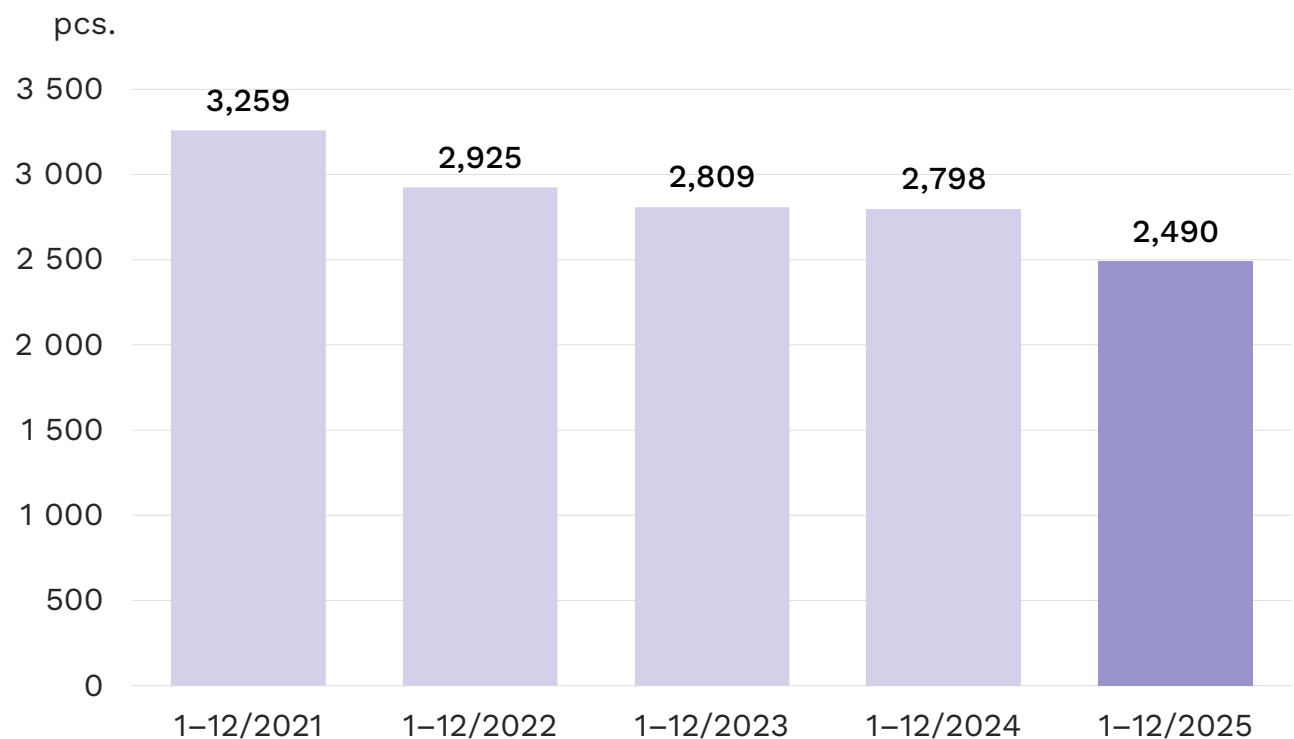
The processing times of disability pensions became significantly shorter.

Mental disorders were the most common reason for applying for disability pension.

The number of decisions pertaining to people over the age of 60 continues to grow, and the most common reason for retirement is musculoskeletal disease.

Number of vocational rehabilitation decisions fell by 19%

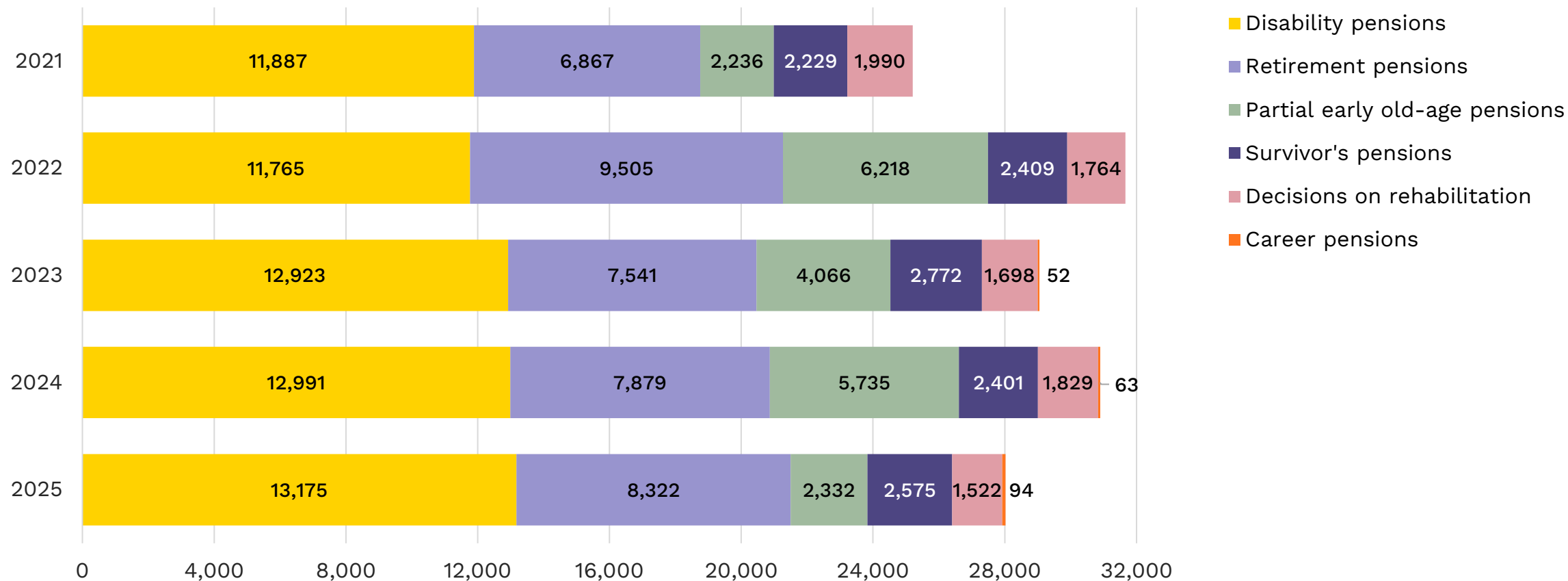
Preliminary decisions on vocational rehabilitation



The goal of each occupational rehabilitation decision processed by Elo is to see the customer return to work.

In 2025, 76% of rehabilitees returned to work. For those who applied for rehabilitation themselves, the success rate was as high as 81%.

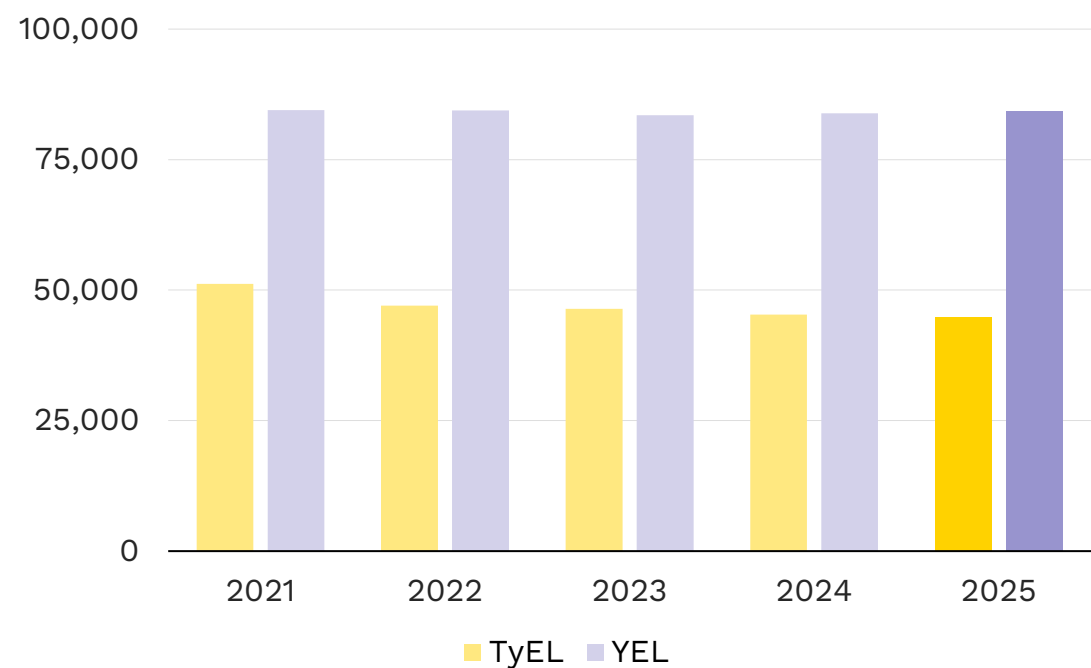
Number of pension decisions by pension type



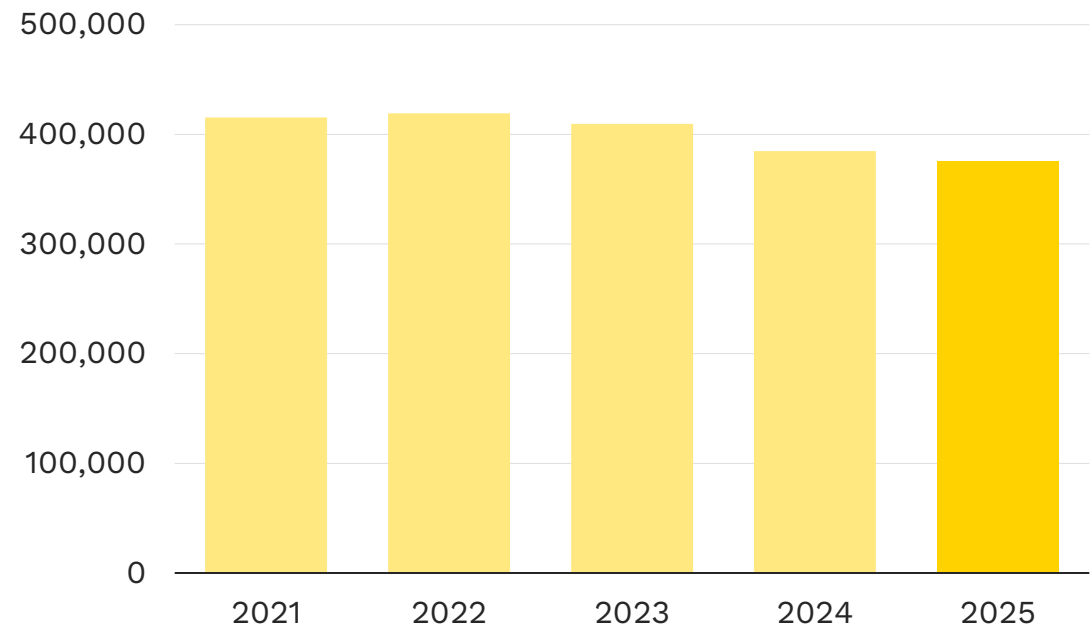
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At the end of 2025, the total number of insured employees and entrepreneurs was 459,100

TyEL and YEL insurances

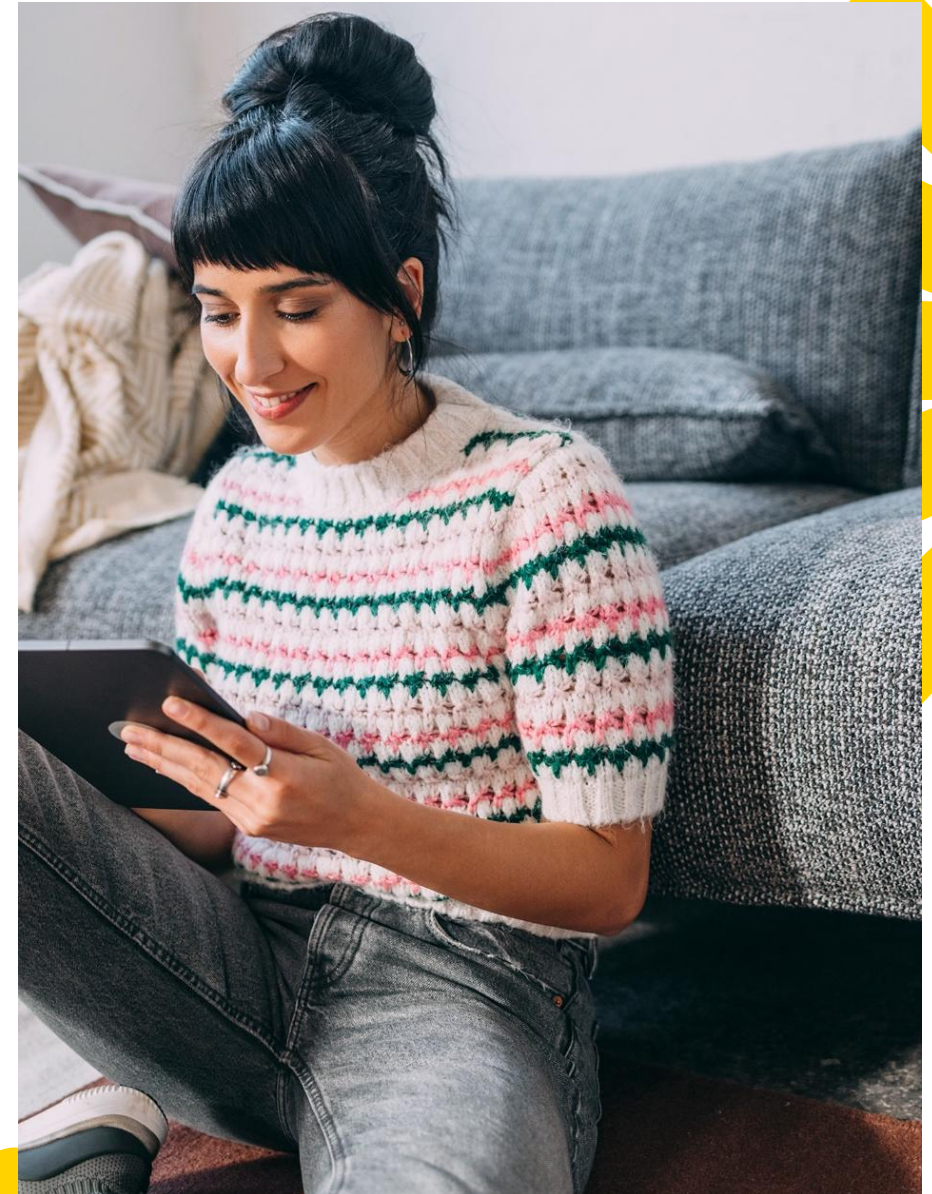


TyEL insurance policyholders



Recent research data in work ability services

- In the development of disability risk management services, we focused on data-driven management, measuring effectiveness, digital solutions and services for SME customers.
- With regard to online services, we strengthened the use of data and analytics and made it easier to start using the services.
 - Employers' online service helps manage changes in the payment category model.
 - The sustainability summary makes reporting easier for our corporate customers.
 - In addition to online services, our corporate customers have access to a personal counselling service in matters related to disability pension, rehabilitation and work ability.
- The Work Ability Database provides researched data on phenomena, risks and solutions for various industries. More information is available at elo.fi/en/work-ability-management





Result and solvency

The total result was EUR 613 million

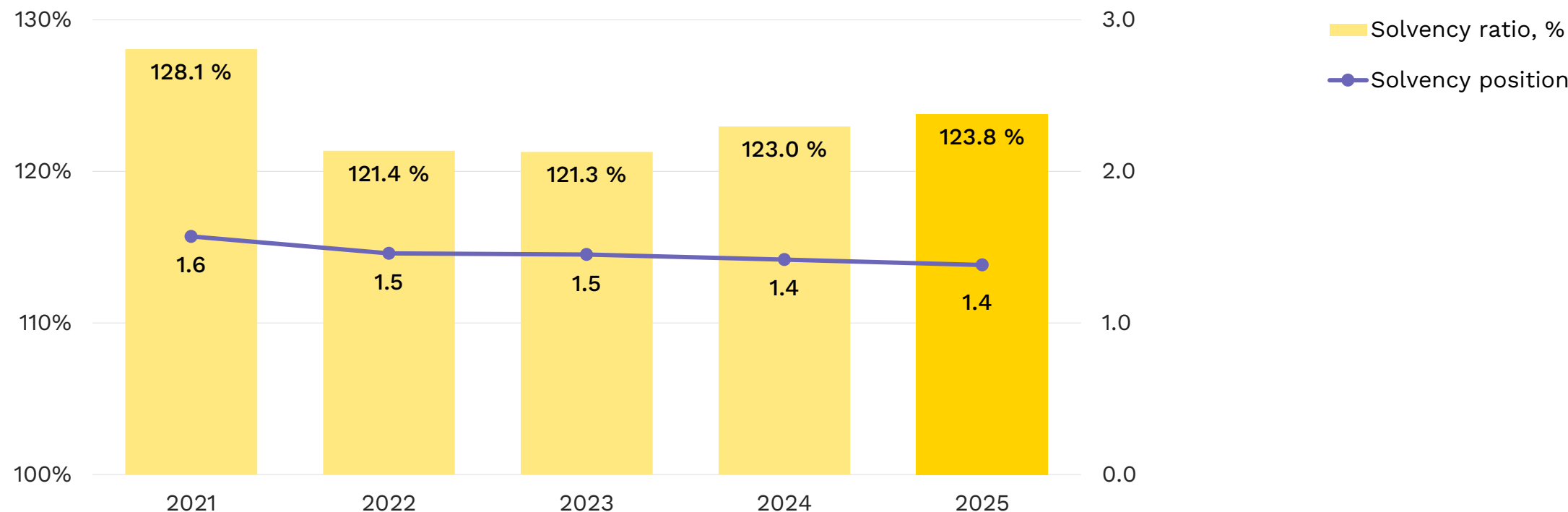
| EUR million | 1-12/2025 | 1-12/2024 | 1-12/2023 | 1-12/2022 | 1-12/2021 |
|--|-----------|-----------|-----------|-----------|-----------|
| Total surplus | 612.5 | 829.1 | 308.0 | -1,381.1 | 1,616.5 |
| Insurance business surplus | -32.3 | -19.1 | 25.5 | 68.8 | 17.9 |
| Investment surplus at fair values | 635.9 | 831.1 | 267.8 | -1,493.2 | 1,562.8 |
| Net investment income at fair values (+) | 2,397.3 | 2,560.2 | 1,707.9 | -1,078.6 | 3,621.3 |
| Yield requirement on technical provision (-) | -1,761.4 | -1,729.0 | -1,440.1 | -414.6 | -2,058.5 |
| Loading profit | 3.7 | 9.6 | 10.9 | 33.2 | 34.0 |
| Other income | 5.2 | 7.4 | 3.8 | 10.2 | 1.9 |

Insurance business shortfall EUR 32 million

| EUR million | 1–12/2025 | 1–12/2024 | 1–12/2023 | 1–12/2022 | 1–12/2021 |
|---|-----------|-----------|-----------|-----------|-----------|
| Premiums written of business under the company's responsibility | 677.1 | 705.6 | 726.8 | 732.6 | 714.6 |
| Interest on the technical provisions of the businesses under the company's responsibility | 695.8 | 676.6 | 648.8 | 589.2 | 559.2 |
| Insurance business surplus | 1,372.9 | 1,382.2 | 1,375.6 | 1,321.8 | 1,273.8 |
| Pensions paid out of funds | 923.9 | 882.7 | 842.0 | 752.3 | 711.2 |
| Contribution losses | 24.4 | 28.6 | 22.7 | 15.2 | 14.5 |
| Change in technical provisions of businesses under the company's responsibility | 456.9 | 489.9 | 485.4 | 485.6 | 530.2 |
| Total claims expenditure | 1,405.2 | 1,401.3 | 1,350.1 | 1,253.0 | 1,255.9 |
| Insurance business surplus/shortfall | -32.3 | -19.1 | 25.5 | 68.8 | 17.9 |

Solvency ratio improved from the end of last year

Solvency ratio and position



Financial statements 2025. The figures presented are preliminary and unaudited.

Summary of key figures

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|----------|----------|----------|----------|----------|
| Investment assets at fair value, EUR million | 34,383.8 | 32,426.8 | 30,046.7 | 28,182.3 | 29,421.9 |
| Net return from investment on capital employed, % | 7.4 % | 8.5 % | 6.0 % | -3.7 % | 14.0 % |
| Average nominal return, over 10 years | 5.9 % | 5.7 % | 5.4 % | 5.4 % | 5.4 % |
| Average nominal return, over 5 years | 6.3 % | 5.5 % | 6.4 % | 6.4 % | 6.4 % |
| Premiums written, EUR million | 4,298.5 | 4,378.4 | 4,397.5 | 4,348.3 | 4,035.9 |
| Pensions and other benefits paid, EUR million | 4,693.8 | 4,657.9 | 4,461.0 | 4,147.9 | 4,030.2 |
| Technical provisions, EUR million | 28,609.7 | 26,551.4 | 25,733.7 | 24,252.8 | 23,750.4 |
| Number of TyEL insured | 374,900 | 384,800 | 409,700 | 419,300 | 415,500 |
| Number of TyEL policyholders | 44,800 | 45,300 | 46,400 | 47,000 | 51,200 |
| Number of YEL policyholders | 84,300 | 83,900 | 83,500 | 84,400 | 84,500 |
| Number of pensioners | 254,400 | 253,900 | 249,800 | 248,000 | 242,100 |
| Solvency capital, EUR million | 6,728.1 | 6,184.1 | 5,426.2 | 5,109.0 | 6,573.4 |
| Solvency position | 1.4 | 1.4 | 1.5 | 1.5 | 1.6 |
| Solvency ratio, % | 123.8 % | 123.0 % | 121.3 % | 121.4 % | 128.1 % |

We provide life-long security – Our actions for sustainability

We invest in the future

- Engagement and ownership steering are key ways for Elo to implement sustainable investment. In 2025, we participated in a total of 1,197 annual general meetings in Finland and internationally. We had a representative on the nomination committees of 16 Finnish companies.
- We achieved many sustainability targets for real estate investments during 2025. For example, we continued to increase the renewable energy produced in our properties and implemented the environmental certification goal for the premises ahead of schedule.

We create a humane working life

- The goal of each occupational rehabilitation decision processed by Elo is to see the customer return to work, and in 2025, 76% of rehabilitees succeeded in doing so.
- We participated in the UN Global Compact Business & Human Rights training programme. The programme provided support for human rights impact assessments.
- The willingness to recommend Elo as an employer (eNPS) was 47 (32 at the end of 2024).

We insure responsibly

- We received a gold-level recognition in the EcoVadis sustainability assessment, with its score improving from the previous assessment.
- We published a CSRD-compliant sustainability report. During 2025, we prepared for the new reporting.
- Our employees are systematically trained on sustainability-related themes. For example, all employees completed anti-bribery and anti-corruption and the Code of Conduct training.

Reform of the Finnish pension system

- The labour market organisations achieved a negotiated result for the development of the employment pension system in early 2025. The Finnish government approved the result of the negotiations and, according to an assessment, the solution will strengthen public finances by 0.8% of GDP in the long term.
- The most significant development measures are related to investments in pension assets. The reform allows an increase in the relative weight of equity investments and improves risk-bearing capacity during economic fluctuations. The changes will enter into force in stages, from approximately 1 July 2026.
- In connection with the reform, it was agreed that the earnings-related pension contribution would remain unchanged in 2026–2030.



Outlook

- The new strategy guides Elo to deliver stronger added value for its customers. The company will develop scalable and increasingly impactful work ability services for all its customers, invest heavily in analytics and the utilisation of data, support growth companies through a dedicated growth concept, and maintain its market leading position in YEL insurance. To support data driven operations, Elo established a new analytics unit as of 1 January 2026. With this reform, Elo aims to secure its position as the most data driven company in the pension sector. The payroll is expected to develop more positively than in the previous year. A strong investment year in 2025 gives Elo an excellent starting point for the implementation of the pension reform.
- The outlook for the Finnish economy in 2026 is twofold. Geopolitical tensions increase economic uncertainty and sensitivity to change. The sustainability gap in public finances and the subdued growth potential limit the ability to adapt to international economic shocks. Economic growth will be supported by decreasing interest rates, lower inflation and a recovery in exports. Construction and investment are expected to pick up, while domestic demand and consumer confidence will remain weak.
- In 2026, global economic growth is expected to remain sluggish. This is explained by trade tensions between the US and China, protectionist measures, high indebtedness and geopolitical uncertainty. However, investments related to artificial intelligence and digitalisation will support growth, especially in the United States and emerging economies. Inflation is likely to slow down in most countries.



Investment overview

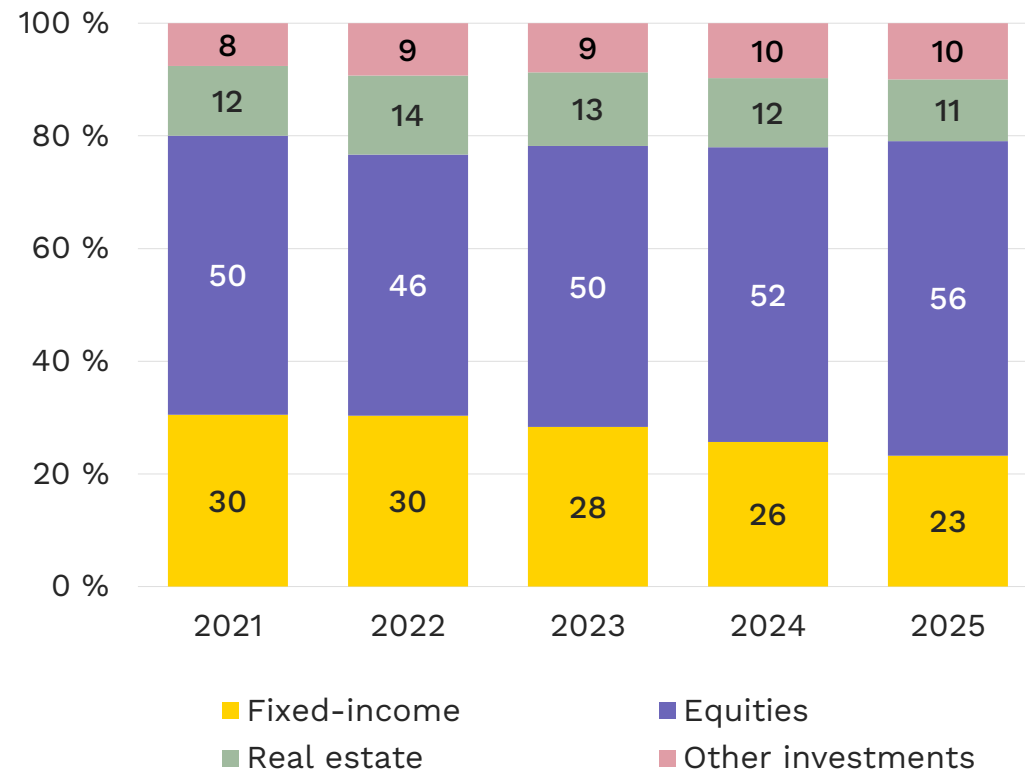
Investment activities were successful in a changing operating environment

- All asset classes of Elo's investments yielded positive results. The return on equity investments was as high as 11.6%. The stock market's rise was driven by accelerating growth in the US economy, global investments in artificial intelligence and the strong performance of major technology companies.
- The Finnish stock market performed excellently, being one of the best markets in 2025.
- The real estate investment markets recovered with the decline in interest rates. In Finland, the transaction volume of investment properties started to rise, due mainly to foreign investors.
- The trade war and the development of the US labour market emerged as key themes for 2025. In early spring, US import tariffs caused a significant stock market correction, which levelled off as the risk of a trade war diminished and as tariff agreements were reached. In the summer, signs of a cooling labour market increased expectations of interest rate cuts and supported the rise of the stock markets.

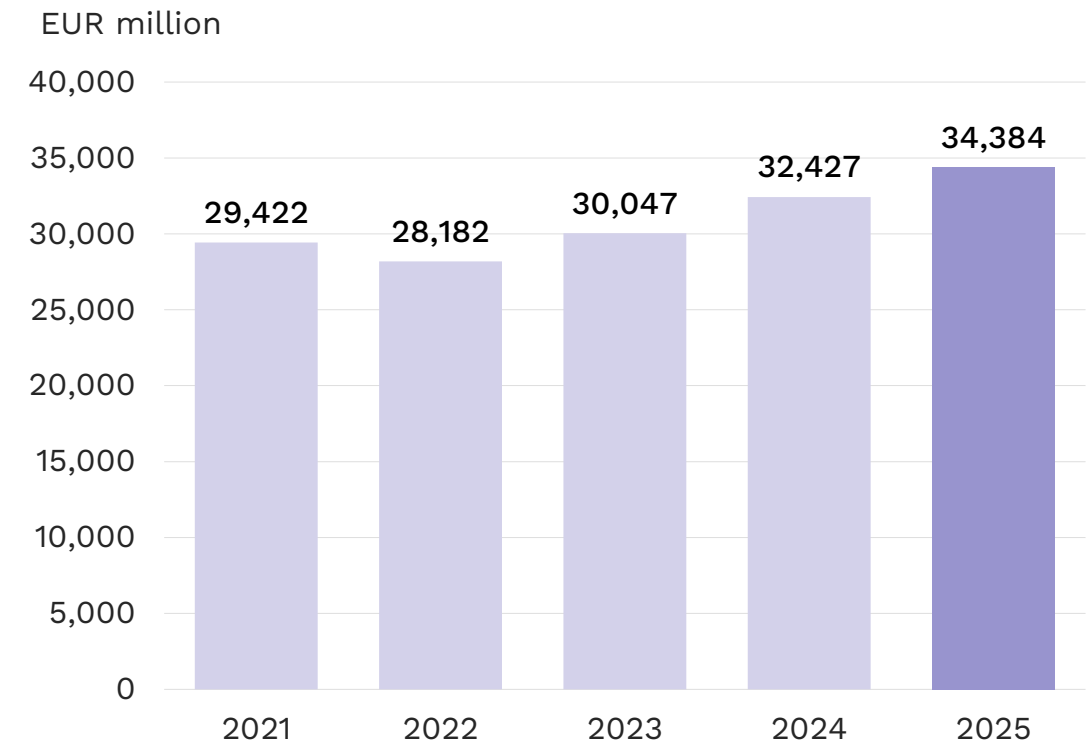


Investment assets EUR 34.4 billion

Asset allocation

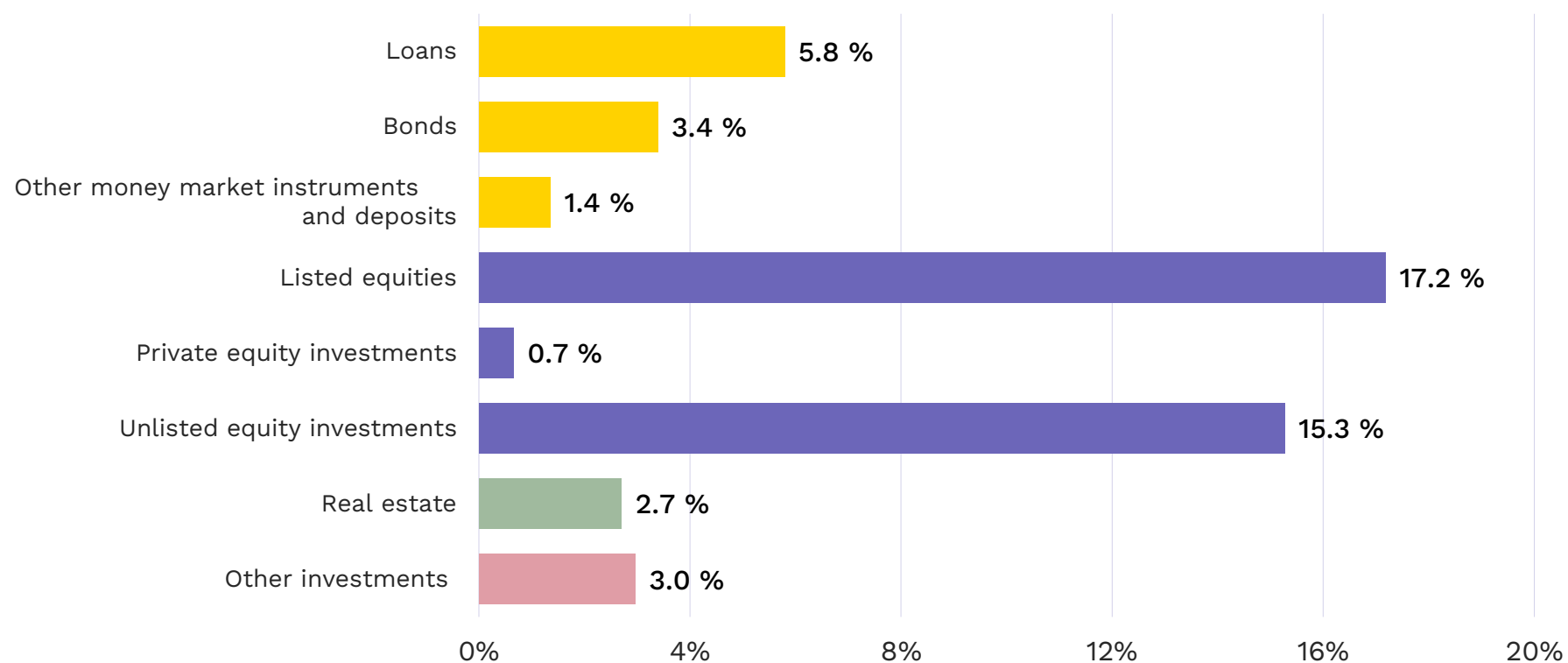


Investment assets



Positive returns across asset classes

Return on investments by asset class



Hedge fund investments are included in the Other investments asset class category. The return on hedge fund investments was 2.4 per cent.

Return on investments 7.4%

| | Basic allocation by market | | Actual risk position | | Return | Volatility |
|---|----------------------------|--------------|----------------------|--------------|--------|------------|
| | EUR million | % | EUR million | % | % | % |
| Fixed-income investments | 7,833.8 | 22.8 | 13,878.6 | 40.4 | 3.2 | |
| Loans | 440.1 | 1.3 | 440.1 | 1.3 | 5.8 | |
| Bonds | 6,102.4 | 17.7 | 8,664.5 | 25.2 | 3.4 | 2.6 |
| Public bonds | 2,733.4 | 7.9 | 5,286.2 | 15.4 | 3.2 | |
| Other bonds | 3,369.0 | 9.8 | 3,378.3 | 9.8 | 3.5 | |
| Other money market instruments and deposits incl. any receivables and liabilities related to investments | 1,291.3 | 3.8 | 4,774.0 | 13.9 | 1.4 | |
| Equities | 19,358.4 | 56.3 | 19,204.8 | 55.9 | 11.6 | |
| Listed equities | 12,975.5 | 37.7 | 12,821.9 | 37.3 | 17.2 | 7.8 |
| Private equity investments | 5,624.6 | 16.4 | 5,624.6 | 16.4 | 0.7 | |
| Unlisted equity investments | 758.3 | 2.2 | 758.3 | 2.2 | 15.3 | |
| Real estate | 3,756.4 | 10.9 | 3,756.4 | 10.9 | 2.7 | |
| Direct real estate investments | 2,346.8 | 6.8 | 2,346.8 | 6.8 | 1.9 | |
| Real estate funds and joint investment companies | 1,409.6 | 4.1 | 1,409.6 | 4.1 | 4.3 | |
| Other investments | 3,435.2 | 10.0 | 3,435.2 | 10.0 | 3.0 | |
| Hedge fund investments | 3,436.0 | 10.0 | 3,436.0 | 10.0 | 2.4 | 4.7 |
| Commodity investments | 0.0 | 0.0 | 0.0 | 0.0 | - | |
| Other investments | -0.8 | 0.0 | -0.8 | 0.0 | - | |
| Total investments | 34,383.8 | 100.0 | 40,275.0 | 117.1 | 7.4 | 3.4 |
| Effect of derivatives | | | -5,891.2 | -17.1 | | |
| Total | 34,383.8 | 100.0 | 34,383.8 | 100.0 | | |

The currency-related income and expenses have been allocated to the underlying asset.

The return on foreign currency derivatives is estimated for asset classes in proportion to the average foreign currency-denominated assets during the reporting period.

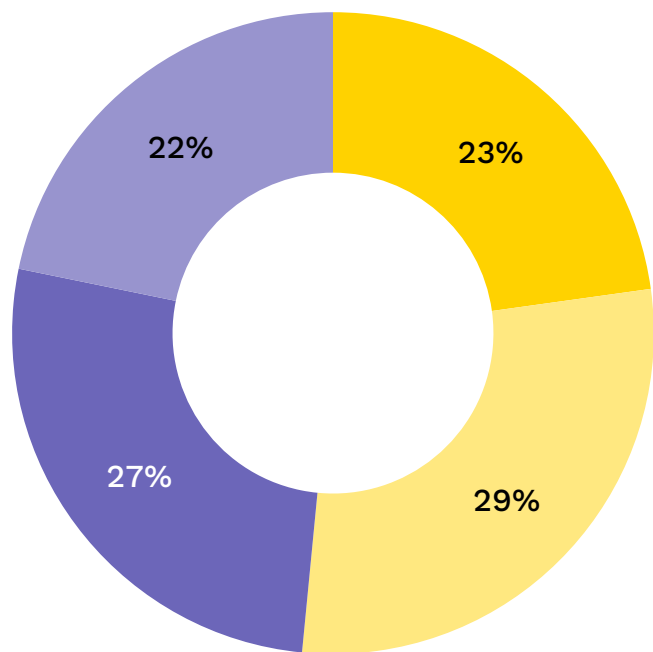
The total return includes returns, expenses and operating expenses not allocated to investment classes. The modified duration of bonds is 5.7.

The open currency exposure is 28.2% of market value.

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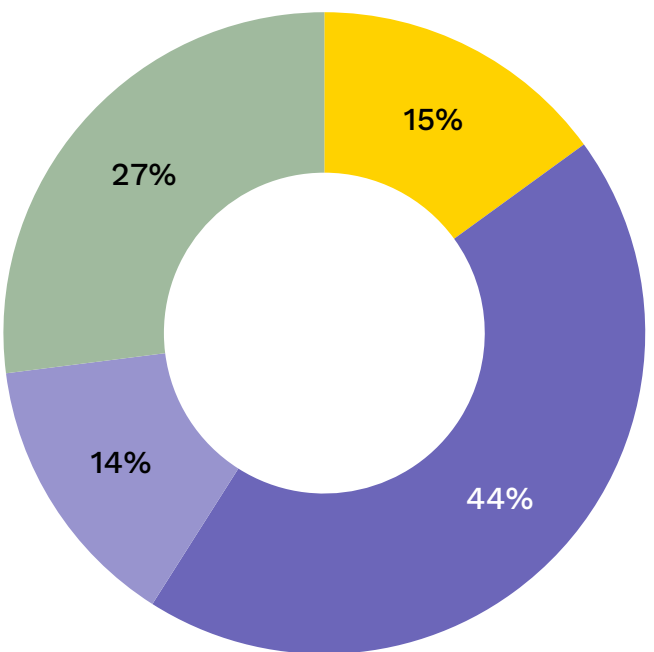
27% of the investments were in North America and 23% in Finland

Geographical distribution of investments



■ Finland ■ Europe ■ North America ■ Other regions

Investments in Finland by asset class

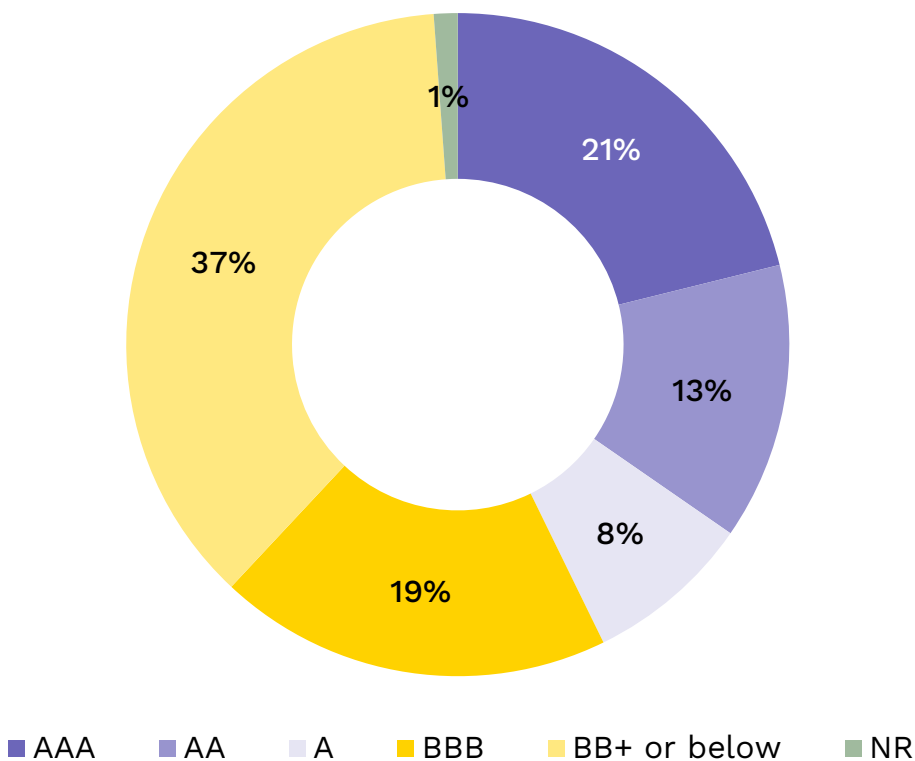


■ Fixed-income investments ■ Listed equities
■ Unlisted equities and private equity investments ■ Real estate

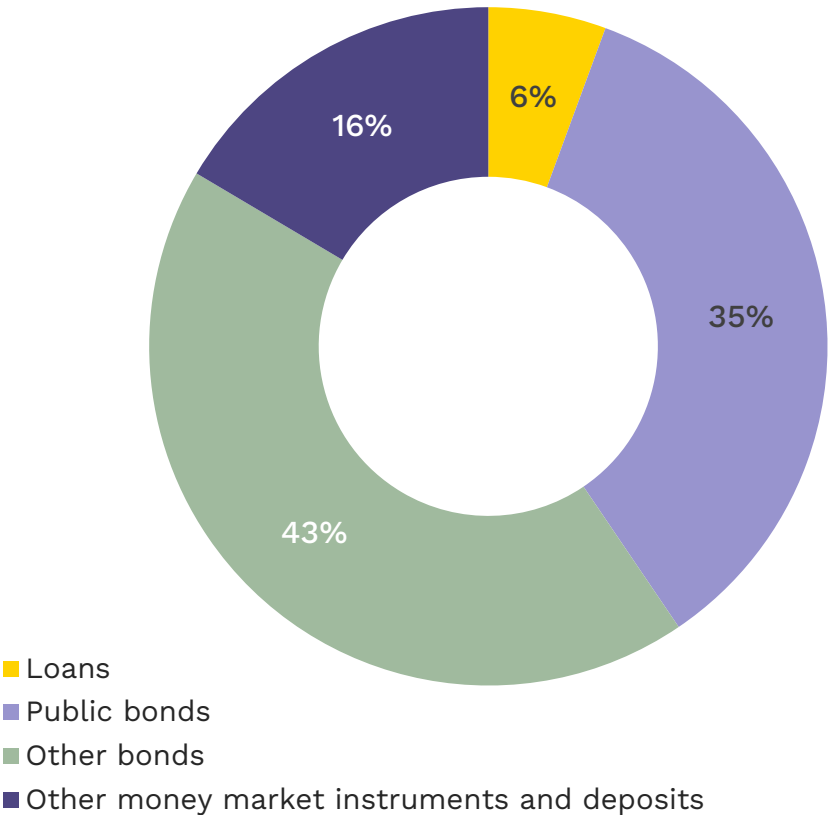
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Bond distributions

Bonds by credit rating



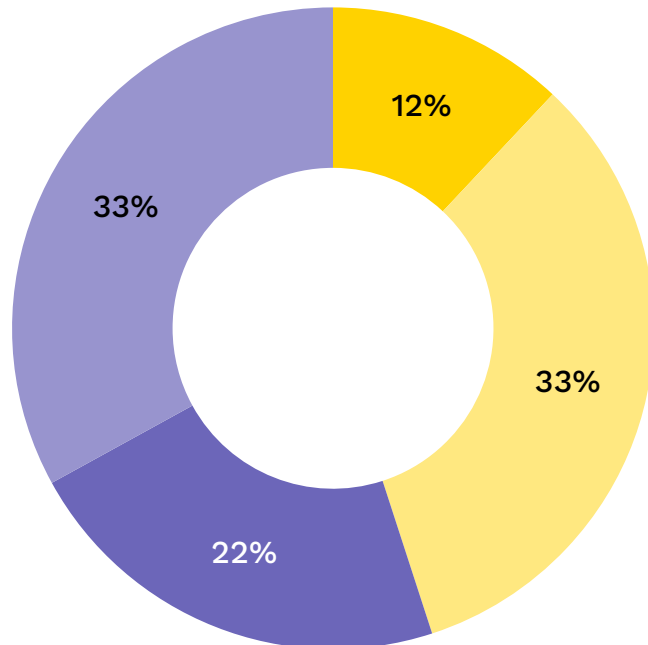
Fixed income investments distribution



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Geographical distribution of bonds and listed equities

Bonds EUR 4.8 billion ^{1) 2)}

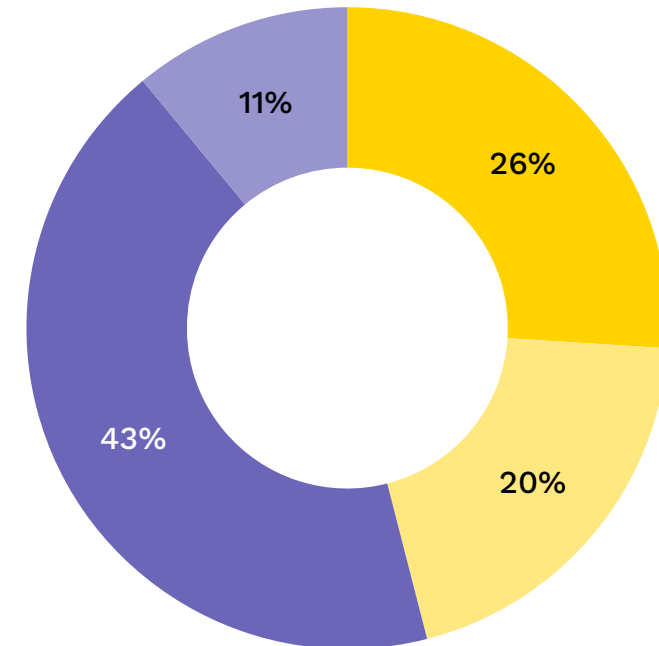


■ Finland ■ Europe ■ North America ■ Other regions

1) Unlisted investments not included

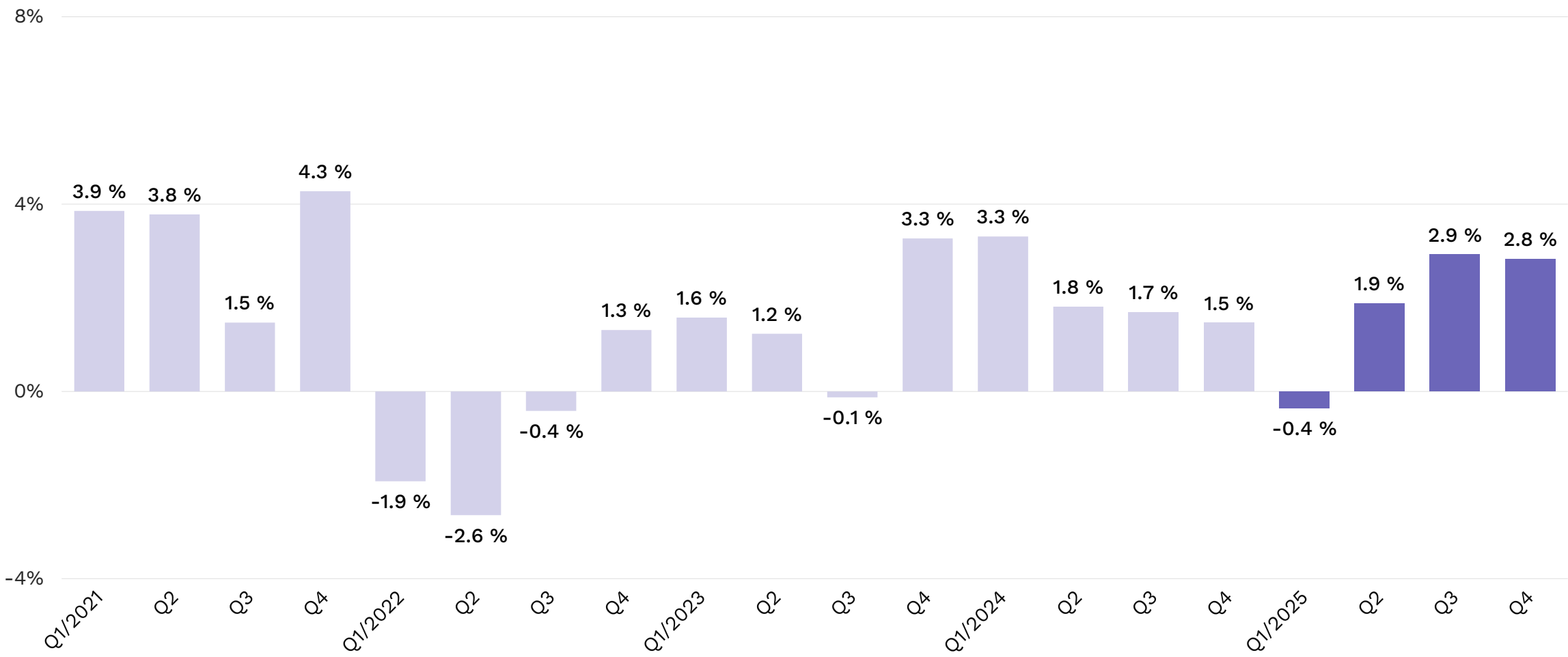
2) Ccy derivatives not included

Listed equities EUR 13.0 billion ²⁾



■ Finland ■ Europe ■ North America ■ Other regions

Last quarter returns remained strong

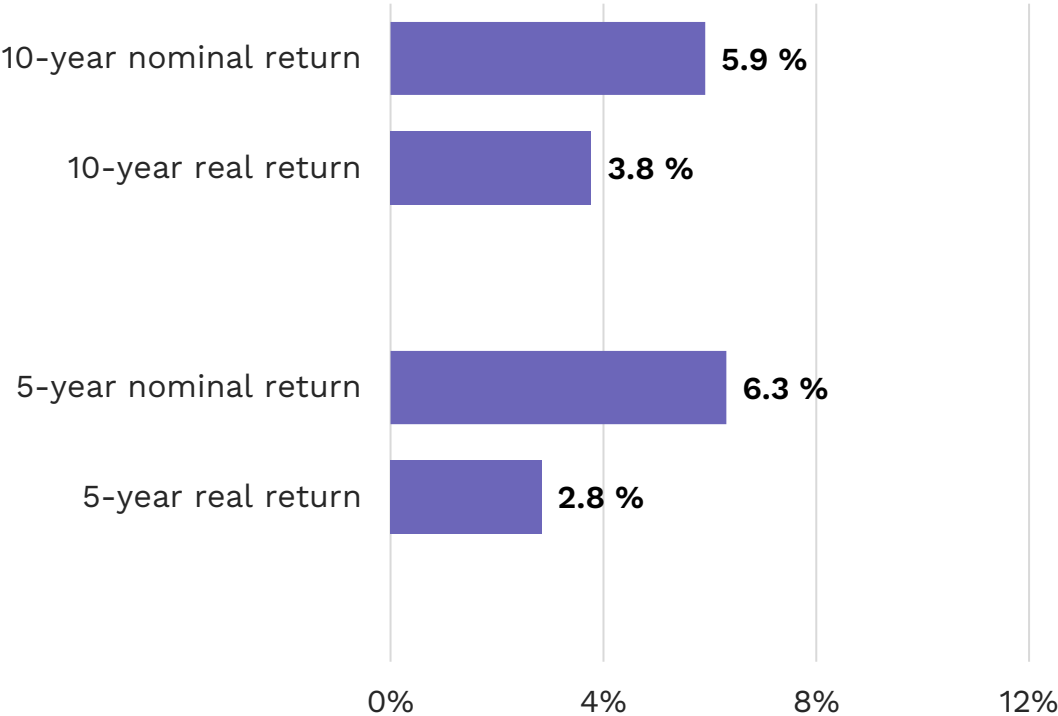


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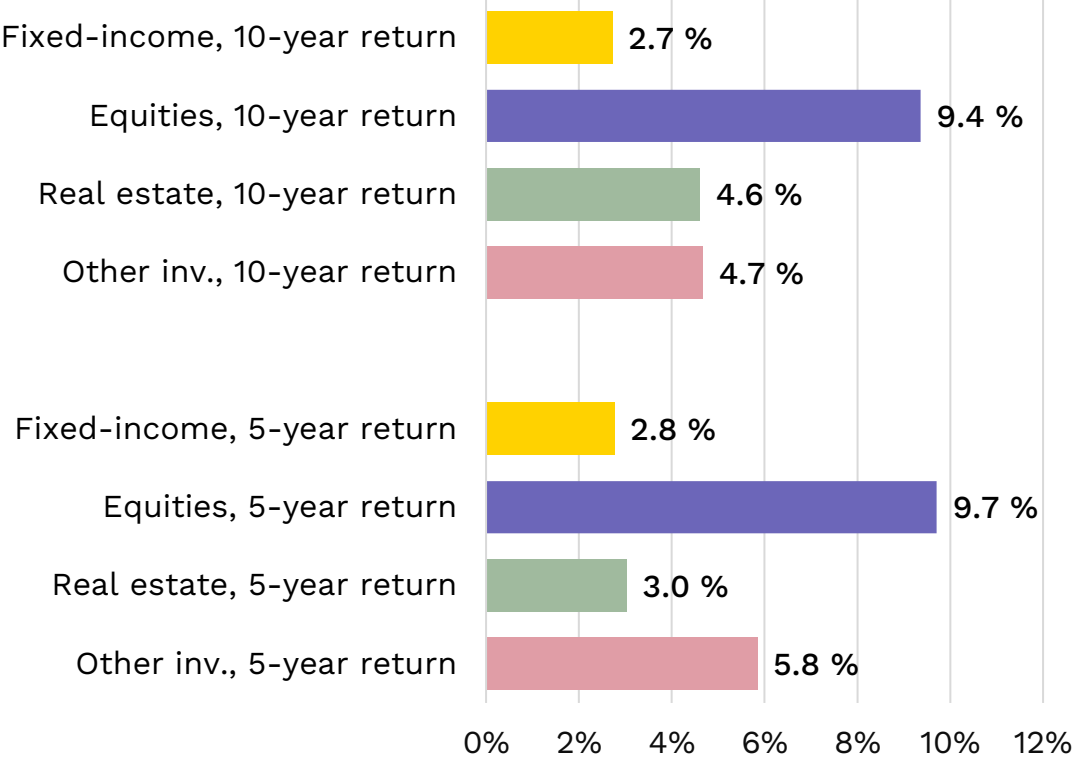


Ten-year return was 5.9% per annum

Average return on investments over time



Average nominal returns by asset class

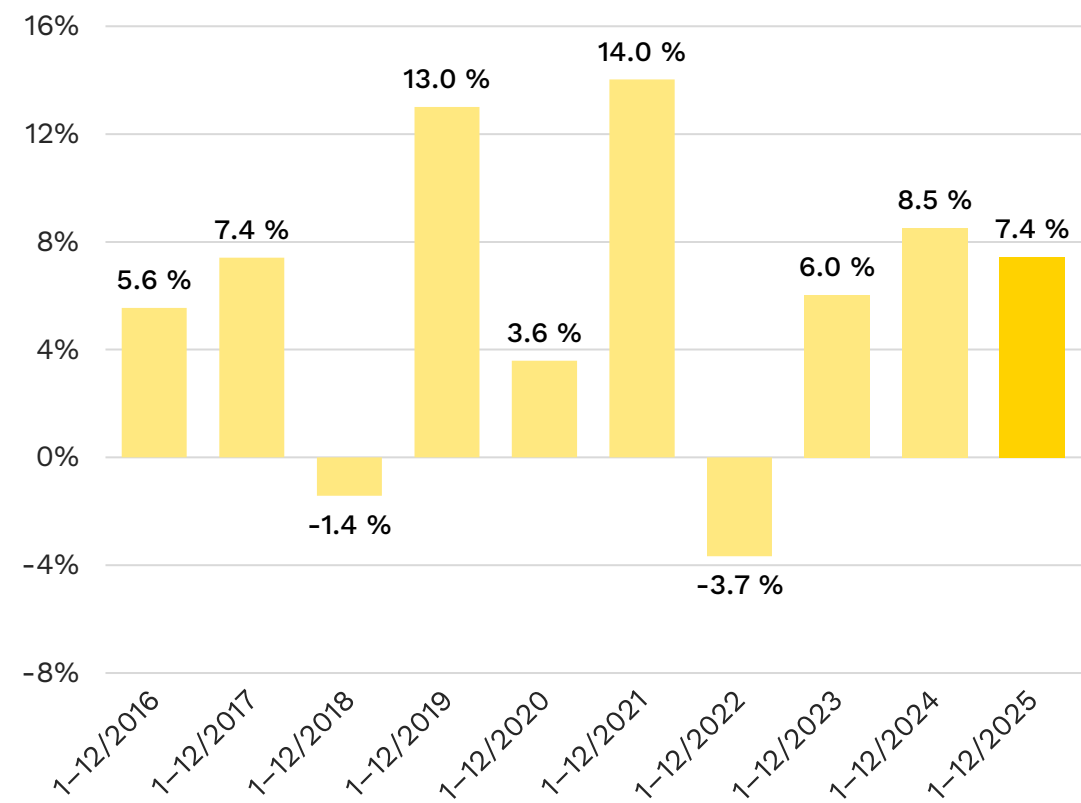


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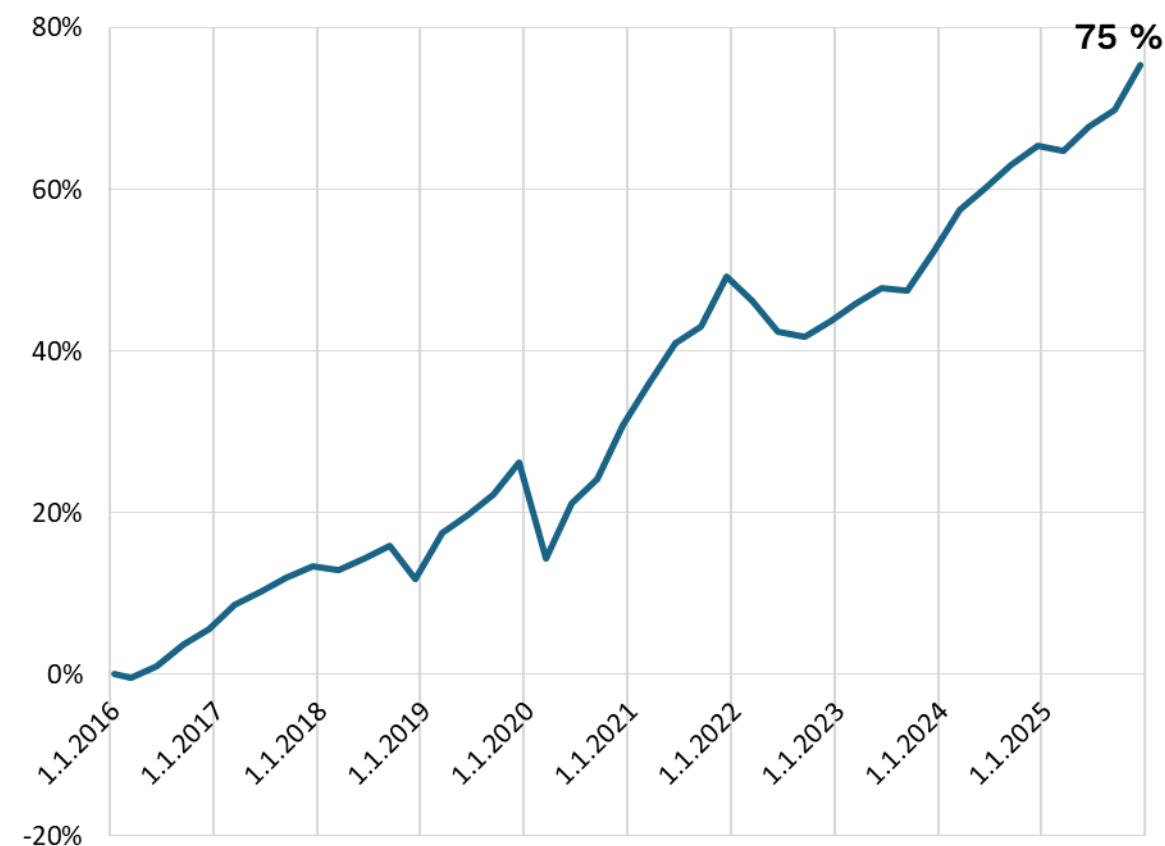


Cumulative return over ten years: 75%

Yearly investment returns



10-year cumulative return



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