

## Varma's Interim Report 1 January–31 March 2025

The comparison figures in parentheses are from 31 June 2024 unless otherwise indicated.

- Total result amounted to EUR -307 (1,068) million.
- The three-month return on investments was 0.0 (3.6) per cent.
- The market value of investments was EUR 64.0 (64.4 on 1 Jan) billion.
- Solvency capital was EUR 16,487 (16,793 on 1 Jan) million and 1.7 (1.7 on 1 Jan) times the solvency limit.

### Economic operating environment

The outlook for the global economy turned cloudy at the beginning of the year. Uncertainty about US economic development increased and consumer confidence about the future eroded. The US president started his second term by announcing significant import tariffs on trading partners, raising fears of rising inflation and the vulnerability of companies' supply chains. However, employment continued to develop strongly despite the fact that the US administration's efforts to streamline the federal government cut public sector jobs. Growth in Europe continued to be modest in the first quarter of the year, but the significant measures announced by Germany in particular to strengthen the defence sector and the country's infrastructure raised optimism that growth may accelerate in the coming years. In Finland, geopolitical and trade policy risks increased fears that the economic recovery would be delayed.

Inflation has continued to slow in the eurozone, and the European Central Bank has continued to ease its monetary policy. In the United States, inflation has persisted above the Fed's target, and inflation expectations have risen due to import tariffs. This has made the Fed more cautious about easing its monetary policy. The future direction of monetary policy will likely be determined by the relative development of employment and inflation.

The geopolitical situation is tense. The war in Ukraine has continued despite the United States' ceasefire efforts, and the situation in the Middle East has not cooled off significantly. In the Taiwan Strait, China has continued its military drills and challenged Taiwan's current administration in a situation where US support for Taiwan is more uncertain than before.

### Earnings-related pension system

On 23 January 2025, the labour market organisations released the results of the negotiations on the pension reform. A key part will be the reform of the regulation of the investment activities of earnings-related pension insurance companies and the strengthening of pension funding. In addition, index increases in pensions are moderated by a so-called inflation stabiliser. According to calculations by the Ministry of Finance, the reform will strengthen public finances by 0.57 per cent relative to GDP. The Ministry of Social Affairs and Health has launched preparations of the legislative amendments required by the reform.

The Finnish Government commissioned an assessment of the need to develop the Self-employed Persons' Pensions Act (YEL). At the end of 2024, the Ministry of Social Affairs and Health appointed an investigator for the assessment, whose term started at the beginning of 2025. The assessment is expected to be completed by the end of November 2025. The assessment will seek solutions for developing the determination of self-employed persons' earned income that forms the basis for the pension contribution and the pension. In connection with the assessment, other necessary amendments for developing the YEL system will also be considered.

## Varma's economic development

Varma's total result at fair value for three months amounted to EUR -307 (1,068) million. The most important component of the total result is the investment result, which was EUR -308 (1,063) million. The return on investments at fair value was EUR -23 (2,126) million. The return requirement on technical provisions was EUR 285 (1,063) million. The estimated technical underwriting result was EUR 3 (5) million. Following the introduction of the company-specific administrative cost component, Varma collects from its customers an administrative cost component that reflects Varma's costs. The loading profit was EUR -1 (-1) million.

The solvency capital, which serves as a risk buffer for investment operations and insurance risks, was EUR 16,487 (16,793 mill. on 1 Jan) million at the end of March, and pension assets in relation to the technical provisions were 134.0 (134.6 on 1 Jan) per cent.

Varma's solvency capital was on a solid level, i.e. 1.7 (1.7 on 1 Jan) times the solvency limit.

## Insurance business

Varma's premiums written in January–March amounted to EUR 1,515 (1,491) million.

At the end of March, Varma's pension recipients numbered 352,000 (351,000 on 1 Jan). Varma successfully adopted a new pension payment system at the beginning of the year. Claims paid in January–March totalled EUR 1,900 (1,808) million.

By the end of March, 7,262 new pension decisions and preliminary decisions were made, which is roughly 2 per cent less than in the corresponding period last year. A total of 14,071 pension decisions were made in January–March.

The number of old-age pension applications and decisions increased considerably year-on-year, by around 18 per cent. The increasing popularity of working while on pension and applying for pension for this work may partly explain the increase in the number of old-age pension applications, especially in the older age cohorts.

The number of applications and decisions for partial old-age pension decreased by more than a third, which is due to the increase in the age limit for partial old-age pension. The age limit for partial old-age pension for those born in 1964 is 62, which is why not a single new age cohort will reach the lowest age limit for partial old-age pension. However, the number of applications of those 62 and older has increased by around 20 per cent.

At the end of March, 602,000 (621,000 on 1 Jan) employees and entrepreneurs were insured by Varma. The TyEL payroll grew 2.6 per cent during the review period compared to the same period of 2024. In the transfer rounds between earnings-related pension insurance companies at the start of the year, EUR 68 (129) million in net annual premiums written is being transferred to Varma. Sales of pension insurance policies to new customers during the reporting period amounted to EUR 27 (23) million.

Based on amendments to the Self-Employed Persons' Pensions Act (YEL) that entered into force at the start of 2023, Varma reviewed the income of 7,000 entrepreneurs whose income was over EUR 15,000 but under EUR 25,000 during 2024. This work continues in 2025 and concerns entrepreneurs whose YEL income is at least EUR 25,000. For Varma, this means reviewing the YEL insurance of 12,000 entrepreneurs. Varma will also review the YEL income of entrepreneurs whose YEL income has not been reviewed in the last three years.

## Investments

Market nervousness increased in the first quarter of the year after the economic indicators were weaker than expected and the president of the United States threatened trade partners with significant import tariff hikes. During the quarter, European equities clearly outperformed US equities, while eurozone interest rates rose and US rates fell. Corporate bond credit spreads increased as the quarter progressed, although falling interest rates dampened this effect, especially in the USA.

In the first quarter of 2025, the return on Varma's investments was 0.0 (3.6) per cent and the value of investments was EUR 63,966 (60,939) million. Varma's solvency ratio declined slightly to 134.0 per cent (134.6 per cent on 31 Dec 2024).

The return on equity investments was negative at -1.0 (5.3) per cent. The return on listed equities was -1.2 (6.7) per cent as US equities declined clearly. The differences between geographical areas and business sectors were again significant, and for the first time in a long while, Finnish equities generated the highest returns. Other European equities also performed reasonably well, while other regions performed unevenly. Private equity investments developed modestly. The returns fell to -0.8 (3.0) per cent, mainly due to a depreciated US dollar.

Uncertainty about trade and monetary policies swayed interest rates globally. The year started with rising interest rates, especially in the United States, but the interest rate peak shifted to the eurozone after Germany announced significant investments in defence and infrastructure projects. Ultimately, the returns on all fixed income investments were relatively similar during the quarter, at around one per cent.

The return on direct real estate investments was 0.7 (1.0) per cent and the return on real estate investment funds was 0.8 (-2.7) per cent. The rise in return requirements for real estate investments stopped or slowed in the first quarter of the year, resulting in the first positive return figures since the end of 2022. There is still uncertainty about property valuation levels, and changes in the interest rate environment will continue to affect investors' expectations of real estate returns.

The return on other investments was 1.4 (3.9) per cent. The returns on hedge investments were moderate and fluctuations in the listed market did not significantly affect the asset class. Due to the low duration, the fluctuating interest rates had a very moderate impact on hedge investments.

Varma has US-dollar-denominated investments in all asset classes. In accordance with Varma's investment policy, part of the currency risk is hedged. In terms of operations, foreign currency risks are managed as a whole, and in financial reporting, the exchange rate impact is included in the returns of various asset classes. The US dollar depreciated against the euro in the first quarter, which had a negative impact on Varma's investment return.

Varma's investment activities focussed on maintaining the company's secure solvency position, broadly diversifying investments and strongly emphasising risk management. In its investment risk management, the company used derivatives for hedging purposes and to control the risk level of the portfolio. The market risk of investments is the greatest risk affecting the company's result and solvency. Equities constitute by far the greatest market risk. The VaR (Value-at-Risk) figure describing the total risk of Varma's investments stood at EUR 3,631 (2,229) million.

## Operating expenses and personnel

Varma's total operating expenses in the reporting period were EUR 35 (35) million. The loading profit during the period was EUR -1 (-1) million. Following the introduction of the company-specific administrative cost component, the size of the administrative cost component included in the insurance contribution equals Varma's operating expenses.

Varma's parent company employed an average of 557 people in the first quarter of the year (578 in 2024). At the end of March, Varma's personnel were distributed as follows: pension services 14 (15) per cent, insurance and actuarial services 13 (13) per cent, customer service departments 17 (17) per cent, work ability services 13 (12) per cent, investment operations 14 (13) per cent, and other functions 30 (29) per cent.

## Corporate Governance

Varma's Annual General Meeting was held on 11 March 2025. The Annual General Meeting appointed three new members to the Supervisory Board. The new Supervisory Board members are Jari Korpela, Hanna Lylander and Tarja Tyni. The Annual General Meeting approved the financial statements and discharged the Board of Directors, the Supervisory Board and the President and CEO from liability for the financial year 2024.

Continuing as Supervisory Board members are Christoph Vitzthum (Chair), Päivi Leiwo (Deputy Chair), Petri Vanhala (Deputy Chair), Juri Aaltonen, Ari Akseli, Eero Broman, Petri Castrén, Kim Forsström, Lasse Heinonen, Marko Hovinmäki, Mika Joukio, Janne-Olli Järvenpää, Jukka Jäämaa, Risto Kalliorinne, Anne Karjalainen, Ville Kopra, Tapio Korpeinen, Katariina Kravi, Pekka Kuusniemi, Elisa Markula, Maria Mäkynen, Pasi Pesonen, Marko Piirainen, Perttu Puro, Simo Pöyhönen, Mika Rautiainen, Pekka Tiitinen, Jorma Vehviläinen and Anssi Vuorio.

The Annual General Meeting chose the audit firm Ernst & Young Oy as the company's auditor for the 2025 financial year, with Kristina Sandin (Authorized Public Accountant, Authorized Sustainability Auditor) serving as the principal auditor. By the Annual General Meeting's resolution, the audit firm Ernst & Young Oy will also audit the 2025 sustainability report.

As of the beginning of 2025, Varma's Board of Directors is composed of Jaakko Eskola (Chair), Anu Ahokas (Deputy Chair), Antti Palola (Deputy Chair), Riku Aalto, Nina Arkilahti, Eveliina Dahl, Anja Frada, Kristiina Mäkelä, Simon-Erik Ollus, Teo Ottola, Pekka Piispanen and Saana Siekkinen, and the deputy members are Jari Elo, Jouni Hakala and Ville Talasmäki.

An up-to-date Corporate Governance Statement based on the recommendations of the Finnish Corporate Governance Code is presented on Varma's website. Varma publishes quarterly interim reports with the aim of ensuring transparent public financial reporting that conforms to best practices.

## Sustainability

In addition to the sustainability report published as part of the 2024 Report of the Board of Directors, Varma voluntarily published a review of its responsible investment in March 2025. According to the review, renewables accounted for 60 per cent, nuclear power for 31 per cent and fossil fuels for 9 per cent of Varma's investments in electricity generation. Varma's goal is for the average fossil-based electricity generation capacity of these investees to be no more than 10 per cent by 2030.

In 2024, the share of companies in Varma's equity and listed fixed income investments and real estate funds that have set emission reduction targets in compliance with the Science Based Targets (SBT) initiative was 47.5 per cent. This clearly exceeded the year-end target, which was 39.6 per cent. A major reason for this was the commitments made by several Finnish listed companies to reduce emissions.

The carbon footprint of our listed equity investments decreased by over 32 per cent over the year. The carbon footprint attribution analysis by Varma showed, however, that the reduction was mostly due to portfolio allocation changes. The impact of divested investments on the carbon footprint was -32 per cent, while the impact of new investments was around +5 per cent. The impact of the emission reductions of the companies remaining in the portfolio was only 6.2 per cent.

Since February, Varma has been preparing a new sustainability programme. The programme builds on Varma's longstanding sustainability work, guided by the current sustainability programme, which took effect in 2022. The programme's focal areas are ensuring secure pensions, investing for change, and for sustainable working life. The goal of the new sustainability programme is to specify the meaningful sustainability actions in line with the strategy, create a clear shared vision of Varma's sustainability work and respond to the sustainability requirements set by the changing operating environment. The content and form of the programme will be established during the spring and summer, and the programme is expected to be completed in October 2025.

## Risk management

Varma's most significant risks are related to investment operations and information processing. Cyber risks in particular are estimated to remain elevated. The most significant financial risks are those concerning investments. Varma's liquidity remains at a secure level.

The risks of pension insurance operations are related to pension and insurance processing and to the effectiveness of the joint systems used in the sector. The risk level related to these has remained low. As part of risk management, Varma conducts regular exercises in case of operational disturbances and threat scenarios.

Varma's Board of Directors has confirmed the principles for the company's internal control and risk management system as well as Varma's continuity plan. More information about insurance, investment, operative and other risks, the means for managing them, as well as related quantitative data, are provided in the notes to Varma's financial statements.

Varma's Board of Directors' investment plan lays down the general security, diversification and liquidity goals for investments, and the principles governing the company's currency risk hedging. The diversification of the investment portfolio is based on allocation that takes into account the return correlations of asset classes. Varma's risk and solvency assessment describes Varma's key risks and the company's measures to manage them.

## Events after the review period

In early April, the US president announced significant tariffs that will broadly affect US trade partners. This resulted in uncertainty in the investment markets, which was particularly evident in the decline in the value of US shares. Furthermore, the US dollar has depreciated against the euro during April.

Market uncertainty is expected to continue for the time being. Varma has good risk buffers that secure Varma's position during major changes in the markets.

## Outlook

The outlook for the economic operating environment is very uncertain. Global economic growth has continued to be moderate and inflation has gradually slowed, but the United States' aggressive trade policy threatens to hit global economic growth and raise inflation, especially in the US. The gaps in economic growth narrowed in late 2024, but significant uncertainty about the future of the international trading system makes forecasting the coming quarters exceptionally difficult. In the USA, a substantial rise in inflation expectations and uncertainty surrounding growth pose a challenge for the Fed's monetary policy. The risk sentiment in the market has weakened sharply due to the effects of the US president's trade policies, and market volatility is high. Pricing in the equity market has moderated rapidly, but share valuations in the United States are still relatively high by historical standards. Inflation outlook uncertainty is holding back monetary policy easing, but increasing fears of a global recession may alter the situation. Higher credit spreads threaten to raise the costs of capital, which in an environment of sluggish economic growth is a challenge for the debt service capacity of certain sectors and companies.

Geopolitical and especially trade policy risks are very high, which, combined with the uncertain economic outlook, is stalling companies' investment decisions. The potential divergence of inflation rates makes estimating the so-called equilibrium interest rate exceptionally difficult. Expenditure pressures related to the aging population, challenges related to security and energy policy, and relatively high debt service costs make pursuing sustainable economic policy challenging. International co-operation has suffered an exceptionally hard blow due to US trade policy. However, the need to react to the altered political situation may accelerate investments in security and industrial policy, especially in Europe. The rapid development of artificial intelligence may boost future development of productivity, but its impacts on global growth, employment and productivity are still difficult to assess.

Varma's strong solvency position and careful risk management create good conditions for the favourable development of investment returns and secure the pension benefits of the insured in various market conditions. Varma continues to effectively implement the earnings-related pension system.

Helsinki, 25 April 2025

Risto Murto  
President and CEO

The figures presented in this interim report are unaudited figures of the parent company.

*Varma Mutual Pension Insurance Company is a responsible and solvent investor of pension funds. The company is responsible for the statutory earnings-related pension cover of 954,000 people in the private sector. Premiums written totalled EUR 6.7 billion in 2024 and pension payments stood at EUR 7.5 billion. Varma's investment portfolio amounted to EUR 64.0 billion at the end of March 2025.*

FURTHER INFORMATION:

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ATTACHMENT: Graphs and charts

[www.varma.fi/en](http://www.varma.fi/en)

<https://www.varma.fi/annualreport>

## Balance sheet at fair values (Parent Company)

€ million	3/2025	3/2024	12/2024
<b>Assets</b>			
Investments	63,966	60,939	64,354
Receivables	1,288	1,233	1,395
Furniture and fixtures	2	2	2
<b>Total Assets</b>	<b>65,255</b>	<b>62,174</b>	<b>65,751</b>
<b>Liabilities</b>			
Capital and reserves	162	154	159
Valuation differences	15,263	14,001	14,989
Provision for future bonuses	1,075	931	1,657
Off-balance-sheet items and other deductions	-12	-9	-13
Solvency capital, total	16,487	15,078	16,793
Provision for current bonuses (for client bonuses)	0	0	170
Equity-linked provision for current and future bonuses	1,144	627	1,334
Actual technical provision	47,332	46,162	47,100
Total	48,476	46,788	48,434
Other liabilities	292	308	354
<b>Total Liabilities</b>	<b>65,255</b>	<b>62,174</b>	<b>65,751</b>

## Income statement at fair values (Parent Company)

€ million	1-3/2025	1-3/2024	1-12/2024
Premiums written	1,515	1,491	6,656
Claims paid	-1,900	-1,808	-7,263
Change in technical provisions	128	-714	-2,363
Net investment income	-13	2,140	6,071
Total operating expenses	-35	-35	-135
Other income/expenses	0	0	2
Taxes	-1	-5	-13
<b>Total result <sup>1)</sup></b>	<b>-307</b>	<b>1,068</b>	<b>2,956</b>

<sup>1)</sup> Result at fair value before the change in provision for current and future bonuses

€ million	1-3/2025	1-3/2024	1-12/2024
Underwriting profit/loss	3	5	38
Investment result	-308	1,063	2,914
Loading profit	-1	-1	2
Other income/expenses	0	0	2
<b>Total result</b>	<b>-307</b>	<b>1,068</b>	<b>2,956</b>

## Solvency capital and limits

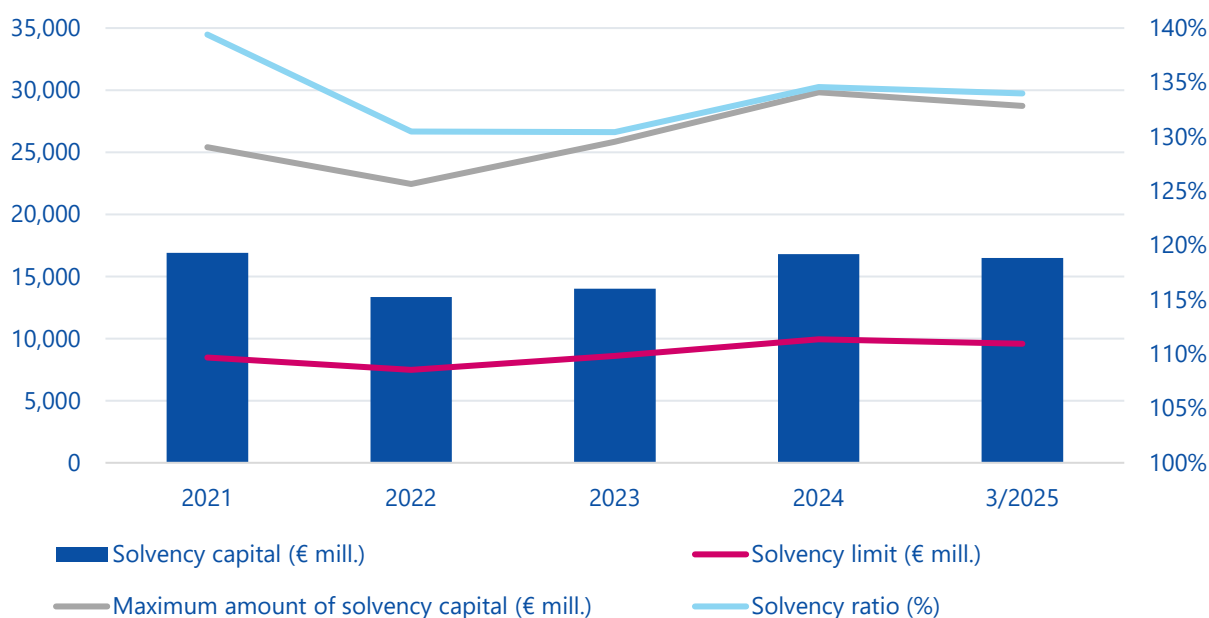
	31/03/2025	31/03/2024	31/12/2024
Solvency limit (€ mill.)	9,580	9,260	9,943
Maximum amount of solvency capital (€ mill.)	28,741	27,780	29,828
Solvency capital (€ mill.)	16,487	15,078	16,793
Solvency ratio (%) <sup>1)</sup>	134.0	132.2	134.6
Solvency capital/Solvency limit <sup>2)</sup>	1.7	1.6	1.7

<sup>1)</sup> Pension assets in relation to the technical provisions under §11 of the Ministry of Social Affairs and Health's decree governing pension institutions (614/2008).

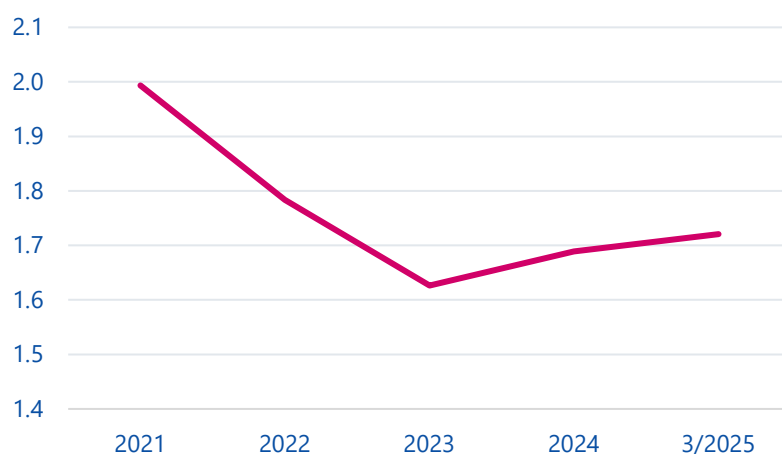
<sup>2)</sup> Solvency capital in relation to the solvency limit.

## Solvency development

€ mill.



## Solvency capital in relation to the solvency limit





## Investments at fair value

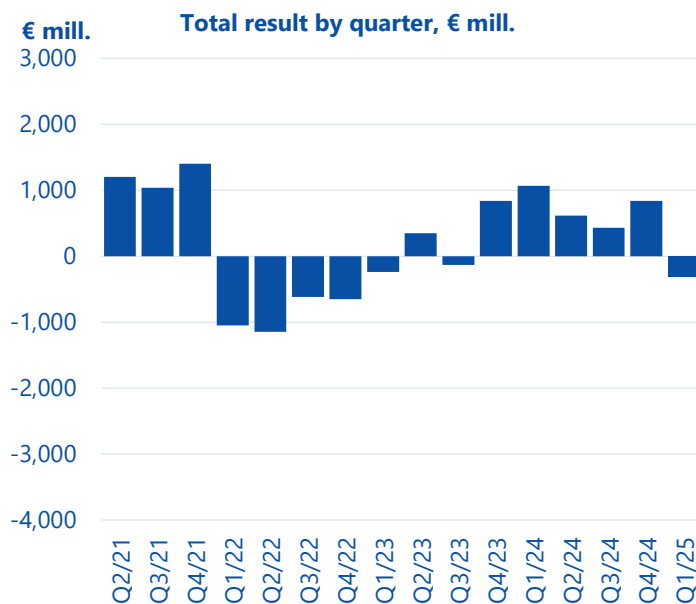
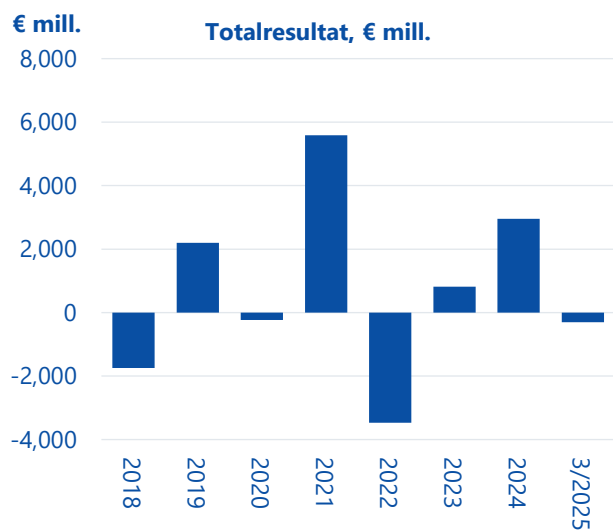
	31 Mar 2025				31 Mar 2024				31 Dec 2024				1-3/2025	1-3/2024	1-12/2024	24 m
	Market Value				Market Value				Market Value				Return	Return	Return	Volati-
	Market Value	Risk position	Market Value	Risk position	Market Value	Risk position	Market Value	Risk position	Market Value	Risk position	Market Value	Risk position	MWR	MWR	MWR	lity
	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	%	%	%	
<b>Fixed-income investments <sup>1</sup></b>	<b>12,487</b>	<b>20</b>	<b>33,199</b>	<b>52</b>	<b>11,598</b>	<b>19</b>	<b>13,495</b>	<b>22</b>	<b>12,815</b>	<b>20</b>	<b>34,854</b>	<b>54</b>	<b>1.0</b>	<b>1.0</b>	<b>4.7</b>	
Loan receivables	3,215	5	3,215	5	2,538	4	2,538	4	2,072	3	2,072	3	1.1	2.6	7.5	
Bonds	7,181	11	8,599	13	7,756	13	10,038	16	7,992	12	10,613	16	1.0	0.6	4.1	<b>4.8</b>
Public bonds	3,245	5	4,567	7	3,181	5	5,366	9	2,820	4	5,345	8	1.2	-0.4	1.5	
Other bonds	3,936	6	4,032	6	4,574	8	4,672	8	5,172	8	5,268	8	0.8	1.4	5.9	
Other money-market instruments and deposits	2,092	3	21,385	33	1,305	2	920	2	2,751	4	22,169	34	1.2	0.4	3.6	
<b>Equity investments</b>	<b>34,716</b>	<b>54</b>	<b>35,085</b>	<b>55</b>	<b>33,556</b>	<b>55</b>	<b>33,797</b>	<b>55</b>	<b>35,134</b>	<b>55</b>	<b>35,437</b>	<b>55</b>	<b>-1.0</b>	<b>5.3</b>	<b>14.9</b>	
Listed equities	21,841	34	22,211	35	21,912	36	22,153	36	22,408	35	22,711	35	-1.2	6.7	16.5	<b>9.5</b>
Private equity	11,768	18	11,768	18	10,792	18	10,792	18	11,704	18	11,704	18	-0.8	3.0	12.0	
Unlisted equities	1,106	2	1,106	2	852	1	852	1	1,022	2	1,022	2	2.6	1.6	12.7	
<b>Real estate investments</b>	<b>5,768</b>	<b>9</b>	<b>5,768</b>	<b>9</b>	<b>5,677</b>	<b>9</b>	<b>5,677</b>	<b>9</b>	<b>5,717</b>	<b>9</b>	<b>5,717</b>	<b>9</b>	<b>0.8</b>	<b>-0.7</b>	<b>-2.8</b>	
Direct real estates	3,043	5	3,043	5	3,062	5	3,062	5	3,028	5	3,028	5	0.7	1.0	-0.9	
Real estate funds	2,725	4	2,725	4	2,615	4	2,615	4	2,689	4	2,689	4	0.8	-2.7	-4.9	
<b>Other investments</b>	<b>10,995</b>	<b>17</b>	<b>10,978</b>	<b>17</b>	<b>10,109</b>	<b>17</b>	<b>10,116</b>	<b>17</b>	<b>10,687</b>	<b>17</b>	<b>10,696</b>	<b>17</b>	<b>1.4</b>	<b>3.9</b>	<b>10.5</b>	
Hedge funds	10,999	17	10,999	17	10,100	17	10,100	17	10,667	17	10,667	17	1.4	3.9	10.5	<b>1.4</b>
Commodities	0	0	-6	0	-9	0	-1	0	0	0	0	0				
Other investments	-3	0	-3	0	7	0	7	0	21	0	21	0				
<b>Total investments</b>	<b>63,966</b>	<b>100</b>	<b>85,029</b>	<b>133</b>	<b>60,939</b>	<b>100</b>	<b>63,085</b>	<b>104</b>	<b>64,354</b>	<b>100</b>	<b>86,704</b>	<b>135</b>	<b>0.0</b>	<b>3.6</b>	<b>10.2</b>	<b>3.8</b>
Impact of derivatives			-21,064	-33			-2,146	-4			-22,350	-35				
<b>Investment allocation at fair value</b>	<b>63,966</b>	<b>100</b>	<b>63,966</b>	<b>100</b>	<b>60,939</b>	<b>100</b>	<b>60,939</b>	<b>100</b>	<b>64,354</b>	<b>100</b>	<b>64,354</b>	<b>100</b>				

The modified duration for all the bonds is 6.35.

The open currency position is 26.1 per cent of the market value of the investments.

<sup>1</sup> Includes accrued interest

## Total result



## Summary of the key figure<sup>4</sup>

	1-3/2025	1-3/2024	1-12/2024
Premiums written, € million	1,515	1,491	6,656
Net investment income at fair value, € million	-23	2,126	6,026
Return on invested capital, %	0.0	3.6	10.2

	3/2025	3/2024	12/2024
Technical provisions, € million	49,551	47,720	50,261
Solvency capital, € million	16,487	15,078	16,793
in relation to solvency limit	1.7	1.6	1.7
Pension assets, € million	64,931	61,839	65,365
% of technical provisions	134.0	132.2	134.6
TyEL payroll, € million	27,025	26,357	26,111
YEL payroll, € million	1,086	1,051	1,055

## Investments at fair value, broken down as per the regulations of the Financial Supervisory Authority

	Market value						Risk position					
	31 Mar 2025		31 Mar 2024		31 Dec 2024		31 Mar 2025		31 Mar 2024		31 Dec 2024	
	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%
<b>Fixed-Income Investments</b>	<b>12,487</b>	<b>19.5</b>	<b>11,598</b>	<b>19.0</b>	<b>12,815</b>	<b>19.9</b>	<b>33,199</b>	<b>51.9</b>	<b>13,495</b>	<b>22.1</b>	<b>34,854</b>	<b>54.2</b>
Loan receivables	3,215	5.0	2,538	4.2	2,072	3.2	3,215	5.0	2,538	4.2	2,072	3.2
Bonds	7,181	11.2	7,756	12.7	7,992	12.4	8,599	13.4	10,038	16.5	10,613	16.5
Other money-market instruments and deposits	2,092	3.3	1,305	2.1	2,751	4.3	21,385	33.4	920	1.5	22,169	34.4
<b>Equity investments</b>	<b>34,716</b>	<b>54.3</b>	<b>33,556</b>	<b>55.1</b>	<b>35,134</b>	<b>54.6</b>	<b>35,085</b>	<b>54.8</b>	<b>33,797</b>	<b>55.5</b>	<b>35,437</b>	<b>55.1</b>
Listed equities	21,841	34.1	21,912	36.0	22,408	34.8	22,211	34.7	22,153	36.4	22,711	35.3
Private equity	11,768	18.4	10,792	17.7	11,704	18.2	11,768	18.4	10,792	17.7	11,704	18.2
Unlisted equities	1,106	1.7	852	1.4	1,022	1.6	1,106	1.7	852	1.4	1,022	1.6
<b>Real estate investments</b>	<b>5,768</b>	<b>9.0</b>	<b>5,677</b>	<b>9.3</b>	<b>5,717</b>	<b>8.9</b>	<b>5,768</b>	<b>9.0</b>	<b>5,677</b>	<b>9.3</b>	<b>5,717</b>	<b>8.9</b>
Direct real estates	3,043	4.8	3,062	5.0	3,028	4.7	3,043	4.8	3,062	5.0	3,028	4.7
Real estate funds	2,725	4.3	2,615	4.3	2,689	4.2	2,725	4.3	2,615	4.3	2,689	4.2
<b>Other investments</b>	<b>10,995</b>	<b>17.2</b>	<b>10,109</b>	<b>16.6</b>	<b>10,687</b>	<b>16.6</b>	<b>10,978</b>	<b>17.2</b>	<b>10,116</b>	<b>16.6</b>	<b>10,696</b>	<b>16.6</b>
Hedge funds	10,999	17.2	10,100	16.6	10,667	16.6	10,999	17.2	10,100	16.6	10,667	16.6
Commodities	-1	0.0	2	0.0	0	0.0	-18	0.0	9	0.0	8	0.0
Other investments	-3	0.0	7	0.0	21	0.0	-3	0.0	7	0.0	21	0.0
<b>Total</b>	<b>63,966</b>	<b>100.0</b>	<b>60,939</b>	<b>100.0</b>	<b>64,354</b>	<b>100.0</b>	<b>85,029</b>	<b>132.9</b>	<b>63,085</b>	<b>103.5</b>	<b>86,704</b>	<b>134.7</b>
Impact of derivatives							-21,064	-32.9	-2,146	-3.5	-22,350	-34.7
<b>Total</b>	<b>63,966</b>	<b>100.0</b>	<b>60,939</b>	<b>100.0</b>	<b>64,354</b>	<b>100.0</b>	<b>63,966</b>	<b>100.0</b>	<b>60,939</b>	<b>100.0</b>	<b>64,354</b>	<b>100.0</b>

Modified duration of the bond portfolio 6.4.

## Net return on invested capital

	Net investment return at fair value	Invested capital	Return % on invested capital	Return % on invested capital	Return % on invested capital
	€ million	€ million	31 Mar 2025 %	31 Mar 2024 %	31 Dec 2024 %
<b>Fixed-Income Investments</b>	<b>129</b>	<b>12,531</b>	<b>1.0</b>	<b>1.0</b>	<b>4.7</b>
Loan receivables	35	3,248	1.1	2.6	7.5
Bonds	66	6,929	1.0	0.6	4.1
Other money-market instruments and deposits	28	2,354	1.2	0.4	3.6
<b>Equity investments</b>	<b>-340</b>	<b>35,171</b>	<b>-1.0</b>	<b>5.3</b>	<b>14.9</b>
Listed equities	-273	22,334	-1.2	6.7	16.5
Private equity	-95	11,790	-0.8	3.0	12.0
Unlisted equities	28	1,046	2.6	1.6	12.7
<b>Real estate investments</b>	<b>43</b>	<b>5,715</b>	<b>0.8</b>	<b>-0.7</b>	<b>-2.8</b>
Direct real estates	21	3,020	0.7	1.0	-0.9
Real estate funds	22	2,695	0.8	-2.7	-4.9
<b>Real estate funds</b>	<b>154</b>	<b>10,889</b>	<b>1.4</b>	<b>3.9</b>	<b>10.5</b>
Hedge funds	155	10,877	1.4	3.9	10.5
Commodities	-2	1			
Other investments	1	11			
<b>Total</b>	<b>-13</b>	<b>64,305</b>	<b>0.0</b>	<b>3.6</b>	<b>10.3</b>
Unallocated income, costs and operating expenses from investment activities	-10	5			
<b>Net investment return at fair value</b>	<b>-23</b>	<b>64,310</b>	<b>0.0</b>	<b>3.6</b>	<b>10.2</b>