Varma's Half-Year Financial Report 1 January–30 June 2026

The comparison figures in parentheses are from 30 June 2025 unless otherwise indicated.

- Total result amounted to EUR 1,507 (-24) million.
- The six-month return on investments was 5.3 (1.7) per cent.
- The market value of investments was EUR 71.4 (68.3 on 31 Dec 2025) billion.
- Solvency capital amounted to EUR 19,728 (18,221 on 1 Jan) million and 1.7 (1.7 on 1 Jan) times the solvency limit.

The economic environment

The first half of 2026 was characterised by geopolitical tensions, the war in Iran, disruptions in the energy market and a rapid shift in monetary policy expectations. Full-scale military operations in the Persian Gulf during the spring heightened concerns over energy availability and disruptions to global trade. The rise in energy prices also hit households' purchasing power and created cost pressures for businesses. However, the ceasefire between the United States and Iran enabled a partial recovery in energy exports and resulted in a downward turn in energy prices. However, the ceasefire has not held and peace negotiations have progressed slowly. The impacts of disruptions in the energy markets varied across countries. European and Asian economies are dependent on energy imports and therefore suffered relatively more than economies with greater energy independence.

In the first half of the year, US economic growth was stronger than the eurozone's. The economy continued to be supported by the tax cuts introduced in the spring, expansionary fiscal policy, and in particular, capital expenditure on artificial intelligence, data centres and defence. In the eurozone, growth was subdued, and uncertainty related to the energy situation weakened the outlook especially in industry and consumer-driven sectors. China's economic growth continued to rely on exports and industry, while consumer demand and investments were hampered by problems in the real estate sector, among other things.

In Finland, rising energy prices and persistently high unemployment put a damper on consumer confidence, but economic development has nevertheless been positive in the first half of the year. Preliminary data on economic growth in the second quarter was surprisingly strong, and real economic growth of more than two per cent this year is entirely possible. Fuelled by rising energy prices, inflation in the eurozone climbed clearly above the European Central Bank's (ECB) target in the spring. The ECB responded to the situation by raising its key interest rates and signalling that it was prepared to continue its restrictive policy if the knock-on effects of disruptions in the energy markets threaten medium-term price stability. In the United States, too, the Fed adopted a more restrictive monetary policy as rising energy prices, strong investment demand and strengthening labour markets increased inflation expectations.

Earnings-related pension system

The pension reform, which was agreed on in January 2025, entered into force on 1 July 2026. The pension reform is significant in terms of investment regulation. It strengthens the system by providing more leeway in investment activities and improving the conditions for pursuing long-term returns. Varma has carefully prepared for the change. The reform enables private-sector earnings-related pension companies to pursue better returns on their investments by increasing their risk level. Also, the funding of earnings-related pensions will be strengthened. The goal of the reform is to reduce the pressure to raise earnings-related pension contributions going forward. Pension benefits and contributions will not be affected by the reform.

The solvency regulations for earnings-related pension companies will be relaxed in three distinct stages so that pension companies can raise their investments' risk in a controlled and responsible manner. The possibility of taking out a loan will be extended to cover all real estate investments of earnings-related pension insurance institutions' subsidiaries.

Following the reform, annual variations in returns may be greater than before the reform, but the long investment horizon will level off the variations. Varma's strong solvency provides flexibility to implement the changes within an optimal timeframe, in accordance with the company's investment strategy and considering the market situation.

The Finnish Government decided in its spending limits session in April to reform the pension insurance system for self-employed persons (YEL). The goal of the reform is to improve the conditions for entrepreneurship and support economic growth. According to the Government, the YEL reform aims to moderate the pension contributions of low-income entrepreneurs and give them greater freedom of choice. Under the draft proposal, entrepreneurs would be able to choose whether their YEL income is based on an overall assessment similar to the current system, or on the taxable earned income from their business activities.

The proposed legislative amendment is currently in the consultation phase, and the plan is for the government proposal to be considered under an expedited procedure. The proposed laws would take effect on 1 January 2028. However, the provision concerning the determination of an entrepreneur's YEL income would enter into force as early as 1 November 2027 to allow the new YEL income option to be applied to the YEL income for 2028. Varma is monitoring the legislative process and preparing to implement the legislative amendments according to the timetable for their entry into force.

The Ministry of Social Affairs and Health has appointed a rapporteur to assess the possibilities of applying the Swedish premium pension model (premiepension) in Finland. He will also assess the benefits of and challenges related to different implementation options. The term of the rapporteur ends in January 2027 and he will provide a final report on his work.

The insurance contribution interest rate used in the compounding of TyEL insurance contributions increased to 2.7 per cent on 1 July 2026. The interest on YEL insurance contributions remained unchanged at 2.2 per cent.

Varma's economic development

Varma's total result at fair value for the six-month period amounted to EUR 1,507 (-24) million. The most significant factor of the total result is the investment result, which was EUR 1,482 (-28) million. The return on investments at fair value amounted to EUR 3,627 (1,089) million, and the interest credited on the technical provisions was EUR 2,144 (1,118) million. The estimated technical underwriting result was EUR 27 (5) million. In accordance with the principles of the company-specific administrative cost component, Varma collects from its customers an administrative cost component that has been adjusted to reflect Varma's costs. The loading profit was EUR -3 (-1) million.

Varma's solvency remained at a strong level. The solvency capital, which serves as a risk buffer for investment operations, was EUR 19,728 million at the end of June (18,221 million on 1 Jan), and 137.4 per cent in relation to the technical provisions (135.7 on 1 Jan).

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

Tables illustrating Varma's financial development are presented as attachments to this half-year report.

Insurance business

Varma's pension recipients numbered 348,000 at the end of June (348,000 on 1 Jan). Claims paid in January–June totalled EUR 3,884 (3,805) million.

By the end of June, 14,679 new pension decisions and preliminary decisions were made, which is roughly 7 per cent more than in the corresponding period last year. A total of 27,068 pension decisions were made in January–June.

The number of decisions related to partial early old-age pension increased by nearly 70 per cent compared to the same period last year. A new age cohort became eligible for the benefit as of the beginning of 2026, which resulted in an increase in applications and decisions.

Compared to the corresponding period last year, the number of old-age applications remained almost unchanged, increasing by only 0.3 per cent.

At the end of June, 655,640 (626,435 on 1 Jan) employees and entrepreneurs were insured by Varma. The TyEL payroll grew 4.2 per cent during the review period compared to the same period of 2025. As a result of the transfer rounds between earnings-related pension insurance companies in the first half of the year, a net total of EUR 2 million in annual TyEL premiums written will be transferred from Varma. In the corresponding period of 2025, Varma's net result in the transfer rounds amounted to EUR +73 million. Sales of pension insurance policies to new customers in January–June amounted to EUR 44 (39) million.

At the end of May, Varma filed an application concerning the actuarial principles for the 2027 administrative cost component with the Ministry of Social Affairs and Health. The ministry is expected to confirm the principles in August.

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 11,460 entrepreneurs whose income was at least 25,000 during 2025. In 2026, the review applies to entrepreneurs whose YEL income is less than EUR 15,000. For Varma, this means reviewing the YEL insurance of approximately 13,000 entrepreneurs. Varma will also review the YEL income of entrepreneurs whose YEL income has not been reviewed in the last three years. The reviews began at the start of summer.

Investments

Market risk sentiment fluctuated sharply in the first half of the year in the cross-currents of the Persian Gulf crisis and the AI boom. After a volatile start to the year, equity markets showed exceptionally robust performance. The rise was driven especially by companies and sectors benefiting from the AI boom. Energy supply disruptions following the war in Iran accelerated global inflation, but the downward turn in oil prices in late spring eased concerns about a more persistent acceleration in inflation.

The ECB was the first of the major central banks to respond to the accelerating inflation by raising its key interest rates in June, and expectations of tighter monetary policy by the US Fed also increased. The rise in government bond yields eased in the second quarter, following the sharp increase seen earlier in the year. In the currency market, the US dollar strengthened, supported by geopolitical uncertainty, interest rate differentials and the relatively stronger economic growth in the United States.

In the first half of the year, the return on Varma's investments was 5.3 (1.7) per cent and the value of investments stood at EUR 71,365 (68,287 on 31 Dec 2025) million at the end of June. Varma's solvency ratio strengthened to 137.4 per cent (135.7 per cent on 31 Dec 2025).

The return on equity investments was 8.0 (1.0) per cent. Listed equities reached 10.7 (3.6) per cent. North American equities performed very well, supported by the AI boom, but in terms of regions, emerging market equities showed the strongest performance, driven by South Korean and Taiwanese semiconductor manufacturers. At 2.2 (-4.1) per cent, the reported returns on private equity investments showed clearly weaker development than the return on listed equities.

The return on fixed income investments was low, at 0.4 (2.8) per cent. The return on bonds was 0.5 (3.2) per cent, as longer-duration government bonds in particular suffered from rising yields. The return on money market investments was negative at -0.3 (2.4) per cent, and returns on loan receivables were also modest at 0.9 (2.2) per cent.

The return on real estate investments was negative, at -2.0 (1.2) per cent. Central banks' tighter monetary policies and geopolitical tensions once again put upward pressure on return expectations for real estate investments, which was reflected in weaker valuations, particularly in Finland. On the other hand, international markets have repriced real estate investments earlier and more significantly. The fair value of Varma's directly owned real estate portfolio is assessed regularly, and an impairment of EUR 87 million was recorded in the portfolio. The impairment was based on the assessment of an independent third party.

On 1 April 2026, Varma and Lumo Asuminen completed a transaction in which Varma sold all the residential properties it owned to Lumo. At the same time, Varma increased its holding in Lumo Kodit Oyj (formerly Kojamo Oyj). Varma continues its residential investments as a major shareholder in Lumo Kodit.

The pension reform that took effect at the beginning of July 2026 allows pension companies to use leverage in their real estate investments. Varma prepared carefully for the entry into force of the pension reform during the spring and, at the beginning of July, implemented a financing arrangement under which a significant proportion of Varma's real estate investments were transferred into structures that enable Varma to make full use of the borrowing permitted under the pension reform.

The return on other investments rose to 5.1 (3.2) per cent. Hedge fund investments performed relatively strongly during the period, and the negative impact of rising interest rates was limited due to the low duration.

Varma has foreign-currency-demoninated 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 appreciated slightly against the euro in the first half of the year, which had a positive impact on Varma's investment returns.

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. Equity investments are the biggest source of market risk. The VaR (Value-at-Risk) figure describing the total risk of Varma's investments stood at EUR 3,437 (3,400) million.

Operating expenses and personnel

Varma's total operating expenses during the reporting period were EUR 72 (70) million. The loading profit during the period was EUR -3 (-1) million. Varma implements statutory earnings-related pension cover in an efficient manner. Following the introduction of the company-specific administrative cost component, the administrative cost component included in the insurance contribution has been adjusted to reflect Varma's costs.

Varma's parent company had an average of 542 employees in the first half of the year (552 in 2025). At the end of June, Varma's personnel were distributed as follows: pension and insurance services 23 (24) per cent, customer service departments 17 (16) per cent, work ability services 15 (12) per cent, investment operations 15 (15) per cent and other functions 31 (32) per cent.

Varma's personnel development has focussed on further development of strategic competence, especially in the areas of change management, AI and customer experience. During the year, a common change management framework has been developed, which will be launched in the autumn. Varma also strengthened employees' AI capabilities and supported the development of a customer-centric culture. The hybrid work model was also updated.

Governance

Varma's Supervisory Board held its constitutive meeting on 20 May 2026. Christoph Vitzthum continues as Chair of the Supervisory Board. Päivi Leiwo and Petri Vanhala continue as Deputy Chairs.

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. Varma's website also contains an up-to-date list of the positions of trust held by Varma's management.

Sustainability

Varma developed its investee engagement practices during the reporting period. In its engagement activities, Varma both responds to identified risks and norm violations and proactively engages on selected themes. Engagement activities cover Varma's direct investments, fund management companies and the investees of funds across all asset classes.

Climate change, biodiversity loss, technology transformation and geopolitical uncertainty have an increasing impact on the operating environment. During the second quarter, Varma conducted a double materiality assessment which examined how these themes relate to the investment portfolio, pension insurance activities and supply chain. The themes may manifest as impacts, risks and opportunities but not necessarily across all of these areas. Varma developed a structural sustainability model for its investment portfolio as part of its long-term risk management.

Varma participated in over 600 shareholder meetings in the reporting period. Voting at annual general meetings is a key part of investee engagement. Through voting, Varma promotes responsible business practices, good governance and the long-term sustainability of its investments. At international general meetings, large index funds play a prominent role.

The annual analysis of the boards of listed companies in Varma's investment portfolio has been completed. The analysis shows that approximately 1 (1) per cent of the boards consist of members of just one gender. Overall, women account for approximately 36 per cent of the board members of companies in Varma's investment portfolio, weighted by the value of the investments. The corresponding figure for Finnish companies is around 40 per cent.

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.

The Board of Directors has confirmed the principles for the company's internal control and risk management system. 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 goals set for investments, the diversification and liquidity goals, and the principles for organising 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.

Outlook

The moderate growth of the global economy has continued, driven by strong AI capex. At the same time, inflation has picked up due to the war in Iran. Energy prices have risen and the risk of long-term disruptions to the supply of oil, natural gas and other refined products has increased. Military alliances between the USA and Europe have deteriorated, eroding NATO's credibility and operational capacity. Trade policy has, at least for the time being, taken a backseat to the war. In monetary policy, the easing cycle is over for now due to inflationary pressures caused by the energy shock and the AI capex boom.

Sentiment in the financial markets has fluctuated sharply amid cross-currents of optimism surrounding AI and the war in Iran. Companies earnings forecasts have risen sharply, especially in the technology sector. Global interest rates have risen as markets price in tighter monetary policy. Corporate bond spreads remain relatively low by historical standards. Capital expenditure on AI and data centres is growing at a record pace, but the risk of overcapacity has increased the likelihood of potential setbacks. The US dollar has strengthened, reflecting the country's stable growth outlook, interest rate expectations and the favourable position afforded by its energy independence.

Global geopolitical risks have remained high. The war in the Persian Gulf has undermined global energy security and created challenges for several sectors in terms of raw material availability. There is no quick or easy fix for resolving the supply bottlenecks. The security threats posed by Russia in Europe have also not disappeared. Additional investments in defence and climate change mitigation combined with the cost pressures associated with an aging population also create challenges for the sustainability of fiscal policy and political cohesion. Artificial intelligence has the potential to significantly improve productivity development in the future, but its impacts on global growth, employment and productivity remain unclear.

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, 21 August 2026

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 1,003,000 people in the private sector. Premiums written totalled EUR 6.9 billion in 2025 and pension payments stood at EUR 7.7 billion. Varma's investment portfolio amounted to EUR 71.4 billion at the end of June 2026.

FURTHER INFORMATION:
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ATTACHMENT: Graphs and charts
www.varma.fi/en
https://www.varma.fi/annualreport

Balance sheet at fair values (Parent Company)

€ million	6/2026	6/2025	12/2025
Assets			
Investments	71,365	64,879	68,287
Receivables	1,876	1,880	1,325
Furniture and fixtures	1	2	1
Total Assets	**73,242**	**66,760**	**69,613**
Liabilities			
Capital and reserves	172	164	168
Valuation differences	18,040	14,924	16,209
Provision for future bonuses	1,529	1,694	1,858
Off-balance-sheet items other deductions	-13	-12	-14
Solvency capital, total	19,728	16,769	18,221
Provision for current bonuses (for client bonuses)	0	0	175
Equity-linked provision for current and future bonuses	2,834	1,511	1,715
Actual technical provision	49,996	47,787	49,235
Total	52,830	49,298	50,950
Other liabilities	683	692	266
Total Liabilities	**73,242**	**66,760**	**69,613**

Income statement at fair values (Parent Company)

€ million	1-6/2026	1-6/2025	1-12/2025
Premiums written	3,520	3,438	6,901
Claims paid	-3,884	-3,805	-7,621
Change in technical provisions	-1,705	-695	-2,348
Net investment income	3,654	1,112	4,811
Total operating expenses	-72	-70	-132
Other income/expenses	0	0	1
Taxes	-7	-4	-9
Total result [1)]	**1,507**	**-24**	**1,603**

[1)] Result at fair value before the change in provision for current and future bonuses

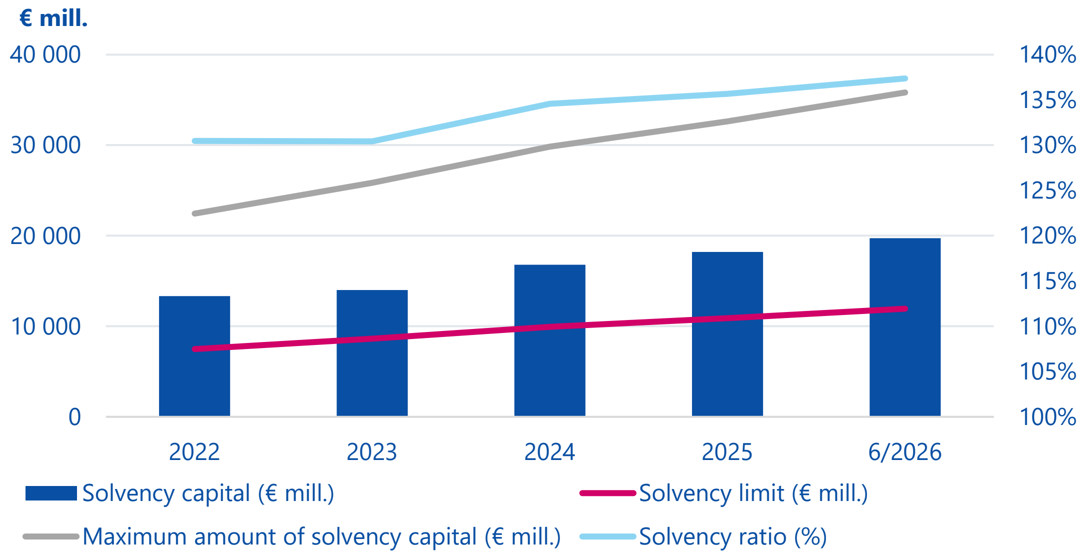
€ million	1-6/2026	1-6/2025	1-12/2025
Underwriting profit/loss	27	5	3
Investment result	1,482	-28	1,598
Loading profit	-3	-1	1
Other income/expenses	0	0	1
Total result	**1,507**	**-24**	**1,603**

Solvency capital and limits

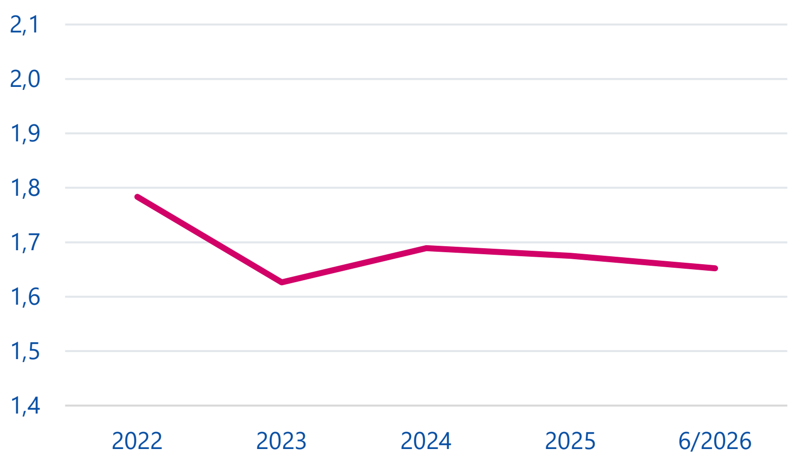
	30/06/2026	30/06/2025	31/12/2025
Solvency limit (€ mill.)	11,941	9,625	10,879
Maximum amount of solvency capital (€ mill.)	35,823	28,874	32,638
Solvency capital (€ mill.)	19,728	16,769	18,221
Solvency ratio (%) [1)]	137.4	134.0	135.7
Solvency capital/Solvency limit [2)]	1.7	1.7	1.7

[1)] 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).
[2)] Solvency capital in relation to the solvency limit.
Under the pension reform that took effect on 1 July 2026, the solvency limit would have been EUR 9.1 billion based on investments at the end of June. Calculated from this, the solvency position would be 2.2.

Solvency development



Solvency capital in relation to the solvency limit



Investments at fair value

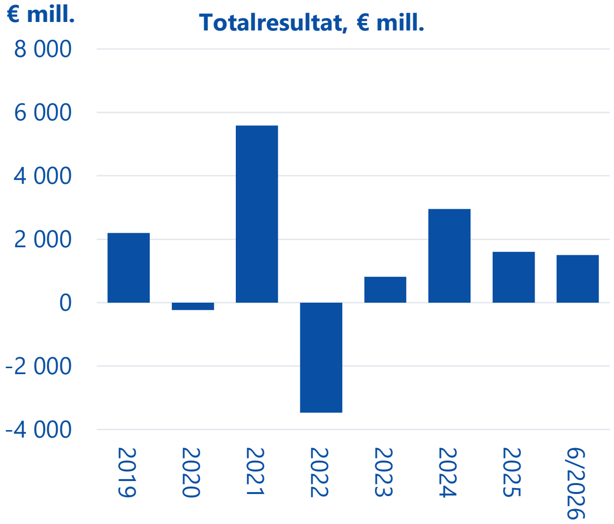
	30 Jun 2026				30 Jun 2025				31 Dec 2025				1-6/2026	1-6/2025	1-12/2025	24 m
	Market Value				Market Value				Market Value				Return	Return	Return	Volati-lity
	Market Value		Risk position		Market Value		Risk position		Market Value		Risk position		MWR	MWR	MWR	
	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	%	%	%	
Fixed-income investments [1]	**13,298**	**19**	**16,823**	**24**	**12,825**	**20**	**23,509**	**36**	**12,927**	**19**	**13,845**	**20**	**0.4**	**2.8**	**4.1**	
Loan receivables	1,827	3	1,827	3	2,997	5	2,997	5	2,069	3	2,069	3	0.9	2.2	4.0	
Bonds	8,894	12	10,418	15	7,502	12	8,239	13	8,880	13	10,173	15	0.5	3.2	4.7	4.0
Public bonds	6,041	8	7,466	10	3,735	6	4,375	7	4,884	7	6,081	9	0.4	3.5	4.0	
Other bonds	2,853	4	2,952	4	3,766	6	3,864	6	3,996	6	4,092	6	0.8	2.9	5.3	
Other money-market instruments and deposits	2,576	4	4,578	6	2,327	4	12,273	19	1,979	3	1,603	2	-0.3	2.4	2.1	
Equity investments	**42,834**	**60**	**43,312**	**61**	**35,527**	**55**	**35,779**	**55**	**39,274**	**58**	**39,640**	**58**	**8.0**	**1.0**	**10.6**	
Listed equities	29,999	42	30,477	43	23,256	36	23,507	36	26,777	39	27,143	40	10.7	3.6	16.4	10.8
Private equity	11,682	16	11,682	16	11,135	17	11,135	17	11,417	17	11,417	17	2.2	-4.1	-0.6	
Unlisted equities	1,153	2	1,153	2	1,137	2	1,137	2	1,079	2	1,079	2	1.3	3.8	10.7	
Real estate investments	**4,328**	**6**	**4,328**	**6**	**5,776**	**9**	**5,776**	**9**	**5,470**	**8**	**5,470**	**8**	**-2.0**	**1.2**	**1.0**	
Direct real estates	1,976	3	1,976	3	2,998	5	2,998	5	2,956	4	2,956	4	-5.2	1.2	0.2	
Real estate funds	2,352	3	2,352	3	2,777	4	2,777	4	2,514	4	2,514	4	1.4	1.1	1.9	
Other investments	**10,905**	**15**	**10,905**	**15**	**10,751**	**17**	**10,743**	**17**	**10,616**	**16**	**10,616**	**16**	**5.1**	**3.2**	**4.9**	
Hedge funds	10,891	15	10,891	15	10,746	17	10,746	17	10,616	16	10,616	16	5.0	3.2	5.0	1.1
Commodities	10	0	10	0	3	0	-5	0	0	0	0	0				
Other investments	5	0	5	0	2	0	2	0	0	0	0	0				
Total investments	**71,365**	**100**	**75,369**	**106**	**64,879**	**100**	**75,806**	**117**	**68,287**	**100**	**69,570**	**102**	**5.3**	**1.7**	**7.5**	**4.7**
Impact of derivatives			-4,004	-6			-10,927	-17			-1,284	-2				
Investment allocation at fair value	**71,365**	**100**	**71,365**	**100**	**64,879**	**100**	**64,879**	**100**	**68,287**	**100**	**68,287**	**100**				

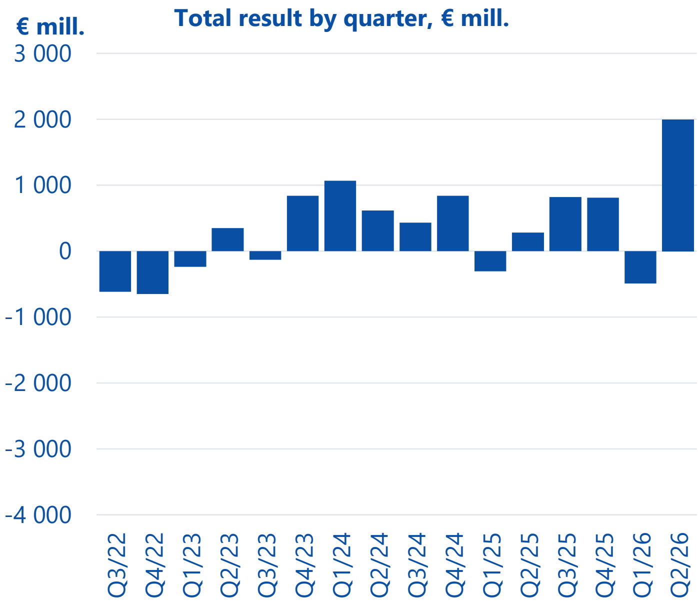
The modified duration for all the bonds is 7.05.

The open currency position is 33.3 per cent of the market value of the investments.

[1] Includes accrued interest

Total result





Summary of the key figures

	1-6/2026	1-6/2025	1-12/2025
Premiums written, € million	3,520	3,438	6,901
Net investment income at fair value, € million	3,627	1,089	4,768
Return on invested capital, %	5.3	1.7	7.5

	6/2026	6/2025	12/2025
Technical provisions, € million	54,359	50,992	52,984
Solvency capital, € million	19,728	16,769	18,221
in relation to solvency limit	1.7	1.7	1.7
Pension assets, € million	72,521	66,035	69,308
% of technical provisions	137.4	134.0	135.7
TyEL payroll, € million	27,980	27,025	27,034
YEL payroll, € million	1,116	1,094	1,097

VARMA

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

	Market value						Risk position					
	30 Jun 2026		30 Jun 2025		31 Dec 2025		30 Jun 2026		30 Jun 2025		31 Dec 2025	
	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%
Fixed-Income Investments	**13,298**	**18.6**	**12,825**	**19.8**	**12,927**	**18.9**	**16,823**	**23.6**	**23,509**	**36.2**	**13,845**	**20.3**
Loan receivables	1,827	2.6	2,997	4.6	2,069	3.0	1,827	2.6	2,997	4.6	2,069	3.0
Bonds	8,894	12.5	7,502	11.6	8,880	13.0	10,418	14.6	8,239	12.7	10,173	14.9
Other money-market instruments and deposits	2,576	3.6	2,327	3.6	1,979	2.9	4,578	6.4	12,273	18.9	1,603	2.3
Equity investments	**42,834**	**60.0**	**35,527**	**54.8**	**39,274**	**57.5**	**43,312**	**60.7**	**35,779**	**55.1**	**39,640**	**58.0**
Listed equities	29,999	42.0	23,256	35.8	26,777	39.2	30,477	42.7	23,507	36.2	27,143	39.7
Private equity	11,682	16.4	11,135	17.2	11,417	16.7	11,682	16.4	11,135	17.2	11,417	16.7
Unlisted equities	1,153	1.6	1,137	1.8	1,079	1.6	1,153	1.6	1,137	1.8	1,079	1.6
Real estate investments	**4,328**	**6.1**	**5,776**	**8.9**	**5,470**	**8.0**	**4,328**	**6.1**	**5,776**	**8.9**	**5,470**	**8.0**
Direct real estates	1,976	2.8	2,998	4.6	2,956	4.3	1,976	2.8	2,998	4.6	2,956	4.3
Real estate funds	2,352	3.3	2,777	4.3	2,514	3.7	2,352	3.3	2,777	4.3	2,514	3.7
Other investments	**10,905**	**15.3**	**10,751**	**16.6**	**10,616**	**15.5**	**10,905**	**15.3**	**10,743**	**16.6**	**10,616**	**15.5**
Hedge funds	10,891	15.3	10,746	16.6	10,616	15.5	10,891	15.3	10,746	16.6	10,616	15.5
Commodities	10	0.0	3	0.0	0	0.0	10	0.0	-5	0.0	0	0.0
Other investments	5	0.0	2	0.0	0	0.0	5	0.0	2	0.0	0	0.0
Total	**71,365**	**100.0**	**64,879**	**100.0**	**68,287**	**100.0**	**75,369**	**105.6**	**75,806**	**116.8**	**69,570**	**101.9**
Impact of derivatives							-4,004	-5.6	-10,927	-16.8	-1,284	-1.9
Total	**71,365**	**100.0**	**64,879**	**100.0**	**68,287**	**100.0**	**71,365**	**100.0**	**64,879**	**100.0**	**68,287**	**100.0**

Modified duration of the bond portfolio 7.1

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
			30 Jun 2026	30 Jun 2025	31 Dec 2025
	€ million	€ million	%	%	%
Fixed-Income Investments	**57**	**12,811**	**0.4**	**2.8**	**4.1**
Loan receivables	17	1,895	0.9	2.2	4.0
Bonds	46	8,900	0.5	3.2	4.7
Other money-market instruments and deposits	-7	2,016	-0.3	2.4	2.1
Equity investments	**3,149**	**39,476**	**8.0**	**1.0**	**10.6**
Listed equities	2,886	26,954	10.7	3.6	16.4
Private equity	249	11,415	2.2	-4.1	-0.6
Unlisted equities	14	1,106	1.3	3.8	10.7
Real estate investments	**-101**	**5,098**	**-2.0**	**1.2**	**1.0**
Direct real estates	-134	2,611	-5.2	1.2	0.2
Real estate funds	34	2,487	1.4	1.1	1.9
Other investments	**548**	**10,708**	**5.1**	**3.2**	**4.9**
Hedge funds	539	10,708	5.0	3.2	5.0
Commodities	-2	7			
Other investments	11	-6			
Total	**3,653**	**68,093**	**5.4**	**1.7**	**7.5**
Unallocated income, costs and operating expenses from investment activities	-26	14			
Net investment return at fair value	**3,627**	**68,107**	**5.3**	**1.7**	**7.5**

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