



# FINNISH INSURANCE IN 2020

# **FINNISH INSURANCE IN 2020**

**Financial overview of Finnish insurance companies**

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# FINNISH INSURANCE IN 2020

## Financial overview of Finnish insurance companies

### HIGHLIGHTS

Insurance premiums written in Finland decreased by 11% to a total of €23.1bn.

Claims and pension benefits were paid out for €23.9bn, which was also a decrease of 11%.

Life insurers' premium income fell 33%, totalling €4.0bn. Surrenders decreased from €5.1bn to less than €2bn.

Non-life insurers' combined ratio was 92.6%. Loss ratio was 72.2%, expense ratio 20.4%.

Investments yielded a return of 4.5%. The biggest returns came once again from equities.

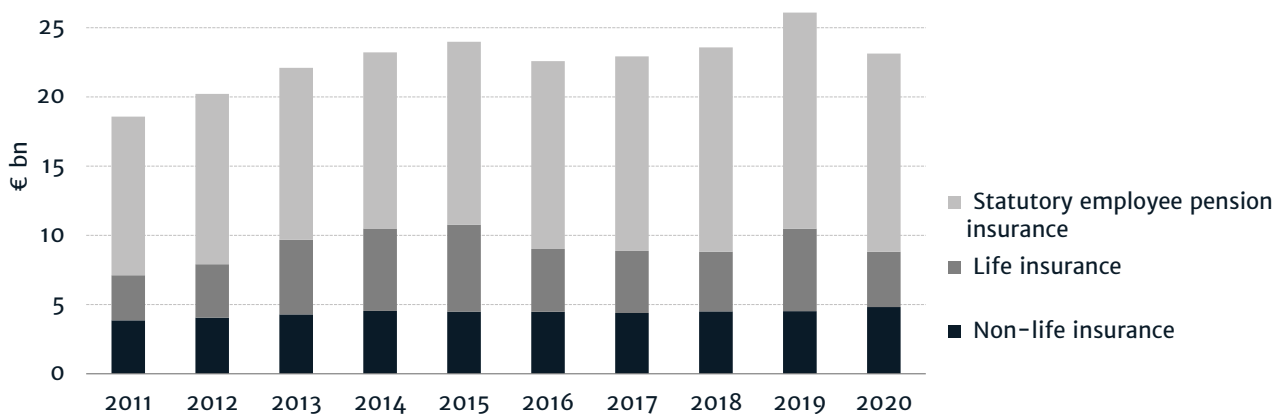


Figure 1. Breakdown of gross premiums written by Finnish insurers 2011–2020

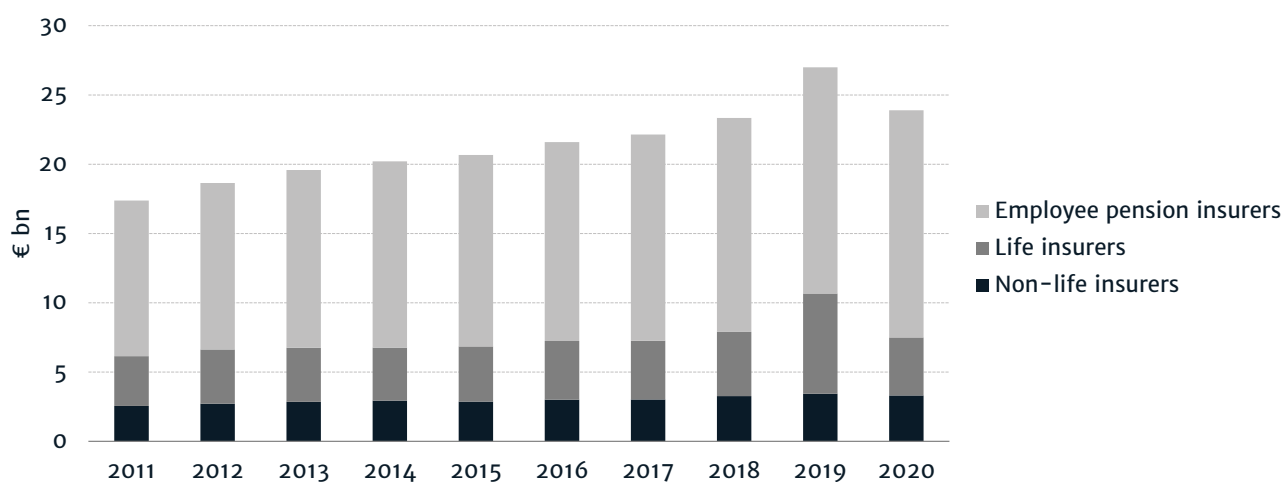


Figure 2. Claims paid by Finnish insurers 2011–2020

## GLOBAL PANDEMIC WEAKENED INSURERS' PREMIUM INCOME

The effects of the coronavirus pandemic showed in every sector of society. Employment clearly weakened, and its effects were visible in insurers' premium income: most notably in employee pension insurance, but also in statutory accident insurance. In life insurance, reduced premium income was not the result of the pandemic but caused by changes in taxation: tax changes that entered into force at the turn of 2020 made the 2019 premium income peak higher than usual. On the other hand, the measures to control the pandemic restricted movement and social activity in general, which contributed to better results for non-life insurers as the number of damages fell.

In 2020, insurance premiums written in Finland shrank 11% to a total of €23.1bn. Life insurers' premium income shrank by 33%, and employee pension premiums decreased by 8%. On the other hand, non-life insurers' premium income grew by 7%.

The amount of compensations paid by insurance companies fell substantially. The main reason for this were the exceptionally large life insurance surrenders that took place during 2019. In non-life insurance, the decrease in paid compensations was especially related to the pandemic mitigation measures in early 2020. With diminished economic activity and movement, loss events also decreased in number.

The volume of claims paid by employee pension insurers grew only slightly.

Finnish insurers paid claims and pension benefits in 2020 for a total of €23.9bn, which is 11% less than the year before.

The coronavirus was also reflected in lower operating expenses for insurance companies. The amount of operating costs was 7% smaller than in 2019, totalling €1.5bn.

Meanwhile in the investments market, especially in equity investments, the year was polarised. Share prices crashed in the first half but turned sharply upwards towards the end of the year. The operating profits of life and non-life insurers thus remained on a good level. Total performance, i.e. operating profits after the change in valuation differences is accounted for, was noticeably higher than the ten-year average.

According to the Finnish Financial Supervisory Authority (FIN-FSA), insurers' solvency ratios remained at least on a good level. The solvency positions of employee pension insurers and non-life insurance companies improved clearly. Life insurers' solvency declined slightly but nevertheless remained on a good level. The companies' solid solvency levels and good asset quality will help them withstand even significant changes in the investment market.

## Gross premiums written\*, loss ratio and claims paid in Finland in 2020

	Premiums written €m	Change %	Loss ratio % 1)	Claims paid €m	Change %
<b>Pension insurance</b>					
- statutory pension	14,319	-8.2		16,400	0.5
<b>Life insurance</b>					
- unit-linked life insurance	1,197	-38.5			
- capital redemption policies	1,769	-38.6			
- other life insurance	251	-19.5			
- employees group life	41	1.4			
- other group life insurance	152	8.1			
- personal pension, unit linked	240	-5.8			
- other personal pension	55	-6.2			
- group pension, unit linked	151	2.4			
- other group pension	134	-24.3			
- reinsurance	0	-35.5			
<b>Life insurance total</b>	<b>3,992</b>	<b>-33.1</b>		<b>4,183</b>	<b>-42.2</b>
<b>Non-life insurance</b>					
- workers' compensation	550	-5.9	78.6	450	-15.2
- other accident and health	743	7.1	65.7	474	-4.2
- motor vehicle	916	4.9	75.0	669	-2.8
- marine and railway rolling stock	105	10.7	74.1	71	12.2
- goods in transit	58	-2.6	45.8	26	-12.1
- fire and other damage to property	1,090	4.3	70.2	728	-1.6
- motor liability	718	1.0	75.8	471	-6.8
- liability	226	168.3	63.0	174	23.0
- credit and suretyship	27	-2.4	8.7	4	4.2
- legal expenses and other direct ins.	188	86.1	87.8	139	-0.8
<b>Direct non-life business total</b>	<b>4,621</b>	<b>6.2</b>	<b>72.2</b>	<b>3,207</b>	<b>-3.9</b>
- reinsurance	198	16.0	72.7	110	8.3
<b>Non-life insurance total</b>	<b>4,819</b>	<b>6.6</b>	<b>72.2</b>	<b>3,317</b>	<b>-3.6</b>
<b>TOTAL</b>	<b>23,130</b>	<b>-11.4</b>		<b>23,899</b>	<b>-11.5</b>

\* includes Finnish companies and those foreign insurers whose figures have been reported to Finance Finland

1) Claims incurred / premiums earned before reinsurers' share

One of the special characteristics of the Finnish insurance sector is that statutory lines generate a major share of premium income. Last year, two thirds of all premiums written came from statutory insurance, i.e. employee pension, workers' compensation and motor liability insurances. Another typical feature of the Finnish insurance market is high concentration. About 84% of all premiums were written by the four largest life and non-life insurance companies/groups. The number of employee pension insurance companies has dropped to four, of which the two largest ones together hold a market share of over 70%.

### INSURANCE SECTOR'S EMPLOYMENT UNCHANGED

At the end of 2020, there were 45 licensed Finnish insurers in Finland: 32 specialising in non-life business and reinsurance, 9 in life insurance, and 4 in statutory employee pension insurance. The annual average number of persons employed by insurance companies was 9,813. This is 13 employees fewer than the year before.

At the end of 2020, there were 19 branches operated by non-Finnish insurers in Finland. In addition, 580 foreign companies had notified the FIN-FSA that they provided cross-border insurance services. The Insurance Brokers Register (maintained by the FIN-FSA) included 89 insurance broker businesses at the end of the year.

There was one merger and one transfer of portfolio in 2020. In March, commercial transport insurance provider A-Insurance merged into Pohjola Insurance Ltd. In May, Försäkringsaktiebolaget Liv-Alandia transferred its whole life insurance portfolio to Aktia Livförsäkring Ab. It then changed its name to Alandia Konsolidering Ab in November and was merged with its parent company Alandia Försäkring Abp in January 2021.

### PROFITABILITY OF NON-LIFE INSURANCE IMPROVED IN THE PANDEMIC

Non-life insurers' total premiums written increased by 6.5% to €4.8bn. Companies paid non-life claims for €3.3bn, which is 4% less than in 2019. Balance on technical account before change in equalisation provision (premiums earned less claims incurred and operating expenses) was €336m. The profitability of insurance operations was therefore very good.

Non-life insurers' combined ratio, which reflects both loss ratio and expense ratio, improved clearly to 92,6%. Loss ratio (claims incurred to premiums earned) decreased from 83.3% to 72.2%. Expense ratio (operating expenses to premiums earned) also improved to 20.4%. Loss ratio before unwinding of discount was 70.9%, and the corresponding combined ratio before unwinding of discount was 91.3%.

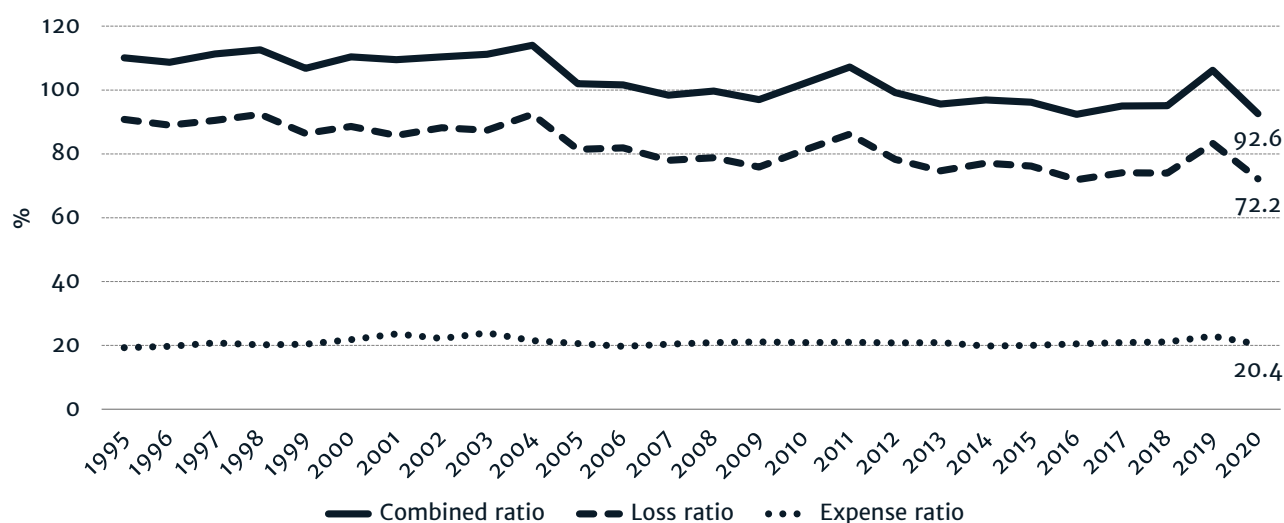


Figure 3. Non-life insurance ratios 1995 –2020

The good claims development can be attributed especially to the COVID-19 control measures. Claims expense was lower due to reduced movement and social activity during the soft lockdown. With many employees switching to remote work, accidents on the way to or from the workplace decreased. There was little snow in the winter months, which also decreased motor vehicle damages.

According to the FIN-FSA's report, non-life insurers' solvency even improved despite the changes caused by the pandemic in the operating environment. The profitability of investing and insurance business both improved, bolstering solvency. The fast recovery of the investment market increased investment income. Companies had good solvency buffers to start with and were thus protected against the effects of changing market prices.

The net profits of non-life insurers' investments were clearly lower than in 2019 with a total of €464m calculated on current values. Return on investments on capital employed was 3.4% on current values. Companies still reported an aggregate operating profit of €739m, an increase of 38%. When the change in valuation differences is added to the operating profit, the total figure rose slightly compared to the previous year, settling at €896m.

Insurance against fire and other damage to property remained the largest non-life class. This group of insurance classes includes both business and personal property cover. Its

premium income increased by 4% to a total of €1.1bn. Loss ratio improved slightly to 70.2%. Combined ratio was 91.2%, this too slightly better than in 2019.

Premiums written in land vehicles' voluntary motor vehicle insurance grew by 5% to €916m. Reduced movement and social activity due to the pandemic mitigation did decrease vehicle accidents especially in the first quarter. Vehicle accidents were also reduced by the low-snow winter in Southern Finland. Loss ratio improved noticeably to 75%. The number of cars in service was about 2% larger than in 2019.

According to the FIN-FSA's report, the premiums written in property and vehicle insurance were increased partially due to premium rate hikes.

Premiums written in statutory motor liability insurance grew about one percent to €716m. The COVID-19 control measures reduced the number of traffic accidents. According to Statistics Finland, the number of traffic accidents reported to the police was over 30% smaller than in 2019. The number of injured was also smaller with 4,392 persons in total (5,313 in 2019). Despite this development, the number of fatal traffic accidents increased: traffic accidents claimed the lives of 221 persons (211 in 2019). Good claims development significantly improved the loss ratio of motor liability insurance to 75.8%.

Premiums written in other voluntary accident and health insurance increased to €743m. This is a growth of 7% from the previous year. The

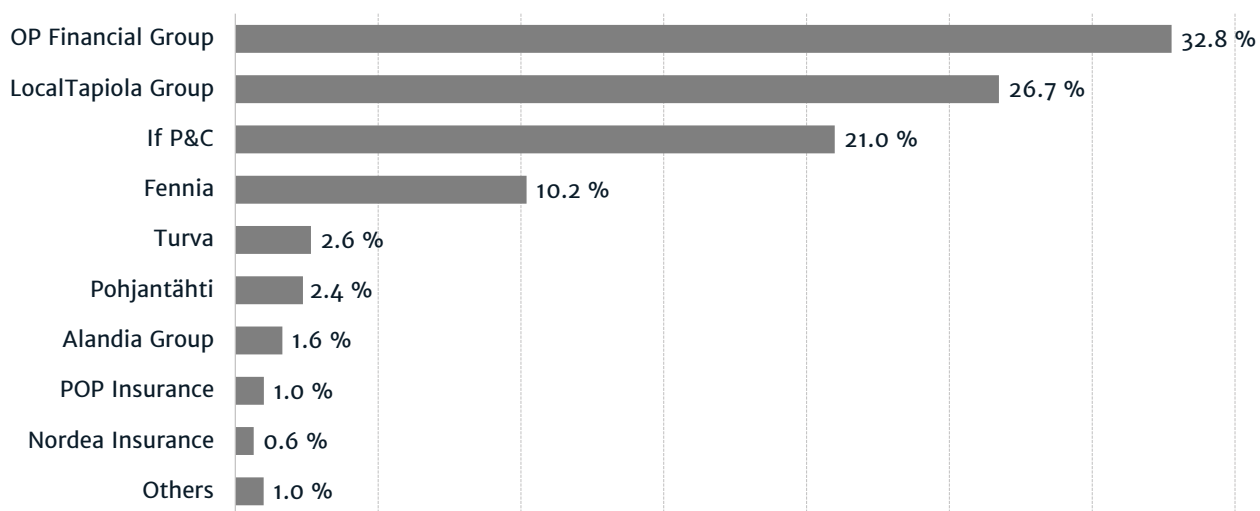


Figure 4. Non-life insurers' market shares in 2020



popularity of medical expenses insurance has been steadily growing, in particular, and the number of such insurance policies has grown about 45% in ten years. Loss ratio improved substantially to 65.7%.

The pandemic mitigation measures also had a strong effect on the premium income of statutory workers' compensation insurance. Negative payroll development, which was the fastest in the second quarter of the year, decreased the premium income of workers' compensation insurance by 6% to €550m. On the other hand, remote work and muted economic activity reduced the number of occupational accidents. This made the loss ratio in this insurance line drop to the best level ever: 78.6%.

Premiums written on accepted reinsurance grew 16% to a total of €198m. More than half of this was intra-group reinsurance within the LocalTapiola Group.

The volume of domestic direct premiums written by non-life insurers rose over 6% to €4.6bn. OP Financial Group lost a tiny amount of its market share, settling at 32.8%. LocalTapiola retained its position as the second biggest company, maintaining a market share of 26.7%. If P&C gained some market share, rising to 21%. Fennia's market share fell slightly to 10.2%. These four largest insurer groups commanded 90.7% of the market. Small, new and specialised companies for the most part succeeded in improving their premium income, which showed as growth of their combined market share.

## LIFE INSURANCE SECTOR'S PREMIUM INCOME NORMALISED

Life insurers' premium income went through an extraordinary fall in 2020. Premiums written shrank 33% to about €4bn. The main reason for this unusual development was the massive surge in surrenders incited by tax amendments that entered into application at the turn of 2020. Comparing 2020 with a more typical year of 2018 shows a decrease of about 7% in the volume of premiums written.

Claims paid under life insurance increased a whopping 42% to €4.2bn. Much of this was related to policy surrenders. The tax amendments that were applied at the start of 2020 significantly increased the number of policy surrenders made in 2019. In 2020, policy surrenders covered slightly under €2bn, when the previous year they amounted to more than €5bn. Repayments of policy benefits totalled €0.5bn, pensions were paid out for €1.3bn, and other benefit and compensation payouts totalled €0.4bn. Policy surrenders reduced by more than 60%. Other items remained more or less the same.

Premium income from capital redemption policies and unit-linked life insurance returned to a more typical level after the temporary peak in 2019. Premium income from capital redemption policies returned to €1.8bn like in 2018. Compared to 2019, this was a decrease of 39%, but this can be attributed to the reasons mentioned above. A similar development took

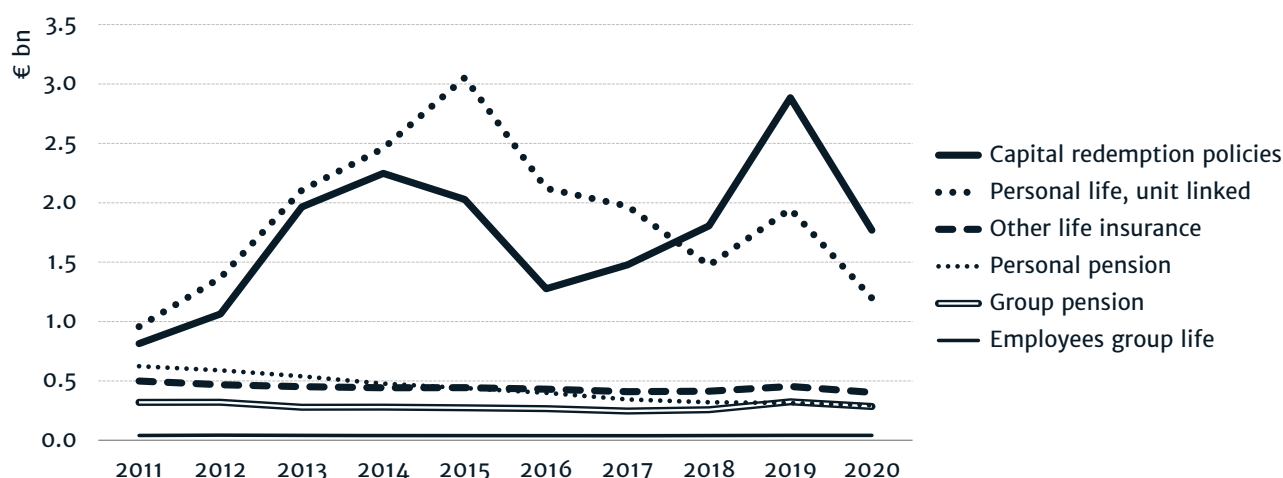


Figure 5. Life insurance premiums written 2011–2020

place in unit-linked life insurance: premium income fell 39%, totalling €1.2bn. Claims paid under other life insurance also decreased by 38% to €453m.

Premium income from personal pension policies fell by 6%. This year they generated €295m. This is in line with the downward trend of personal pension insurance that began in 2013. Premium income from voluntary group pension insurance decreased 12% to €285m, of which €151m was unit-linked.

Premiums on employees' group life insurance, a cover agreed between social partners, paid €41.4m, which is about one percent more than the previous year.

Calculated on current values, life insurers' investments gave a return of 4%. In total the investments generated €853m.

Operating expenses decreased 5% to €368m. Life insurers' operating profit improved to €755m. Total profit weakened slightly but remained on a strong level at €812m. Bonuses and rebates were paid for a total of €83m.

The FIN-FSA reported that life insurers' solvency position remained on a good level at the end of 2020. Solvency II ratios nevertheless decreased slightly compared with the corresponding period a year earlier. All life insurance companies fulfilled both minimum capital and solvency capital requirements.

In life insurance, market share is measured on premium income and life insurance assets. The three largest companies/groups commanded the market in both with a combined market share of more than 75%. Measured in premium income, the largest market share was held by Nordea Life Assurance, Mandatum Life and OP Life Assurance. Nordea had the largest market share also in terms of life assets.

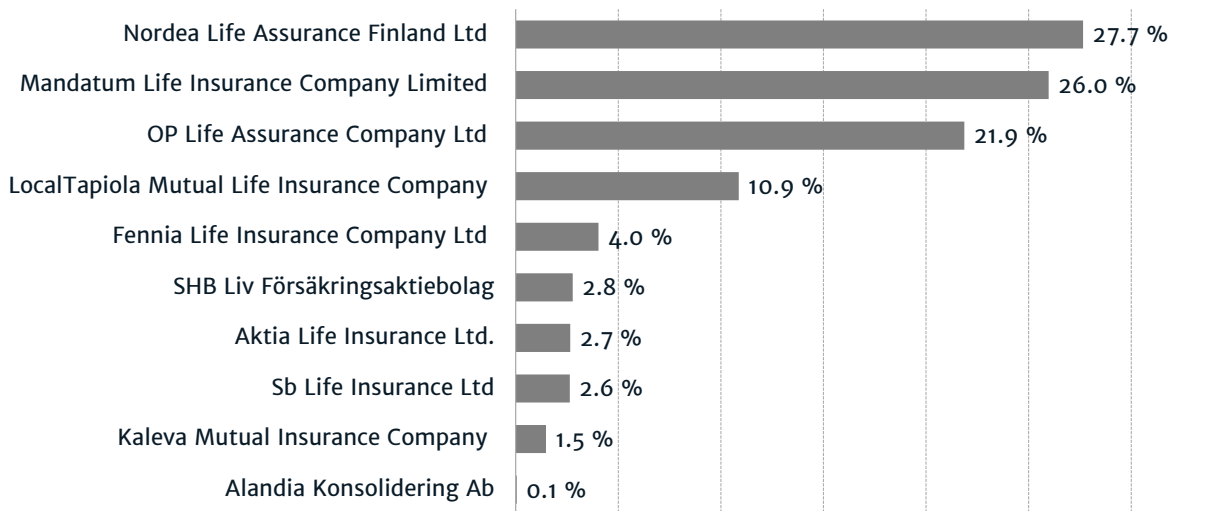


Figure 6. Life insurers' market shares in 2020

## CORONAVIRUS CONTROL MEASURES RESTRICTED AUTHORISED PENSION COMPANIES' PREMIUM INCOME

Employment and the economy both took a hit during the remarkably difficult year 2020. Pension insurers' premium income fell 8% to €14.3bn. The premium income of statutory pension insurance is heavily dependent on the total payroll of the private sector, and this negative development was thus largely caused by the 1% shrink in the payroll and the temporary discount in employee pension contributions. The companies paid pensions for a total of €16.4bn. In fact, pension payments continuously exceed premium income, and closing this gap places high expectations on pension insurers' investment operations. In 2020, they were relatively successful.

According to the FIN-FSA's report, the year 2020 was polarised for pension insurers. Over the first quarter, the solvency of the employee pension sector weakened significantly as the pandemic incited a wave of sales and the value of investment property fell. In the second quarter, the sector's solvency began to recover with the massive recovery measures initiated by central banks and member states. Pension insurers' investment income developed positively after the first quarter. Equity holdings were the key factor in terms of how the total investment income developed in each quarter of the year. Especially

in the last quarter, the return on equities pushed the cumulative income to positive.

The overall performance of authorised pension companies' pension investments was 5% calculated on current values. The aggregate value of their investments grew to a total of €128bn. Investment income was €1.5bn calculated on current values. Underwriting profits were €13m, and loading profit was €145m. These formed a total profit of €1.6bn. Bonuses and rebates were paid out from the operating profit for €141m. The remaining €1.5bn were used to grow the companies' solvency capital. The main reason for this good result was again the good development of share prices towards the end of the year, which was strongly reflected in pension insurers' investment income. Return on other investment classes remained modest.

## INSURERS' INVESTMENTS TOTALLED €163 BILLION

The aggregate market value of insurers' investments totalled €163bn on 31 December 2020. This was an increase of a few percent compared to year-end 2019. Employee pension providers held the largest investment portfolio, worth €128bn. Life insurers' investments totalled €19bn, and non-life insurers held investments worth €16bn. The notable growth in investments is mainly due to changes in valuation differences. The value of shares grew strongly towards the end of the year.

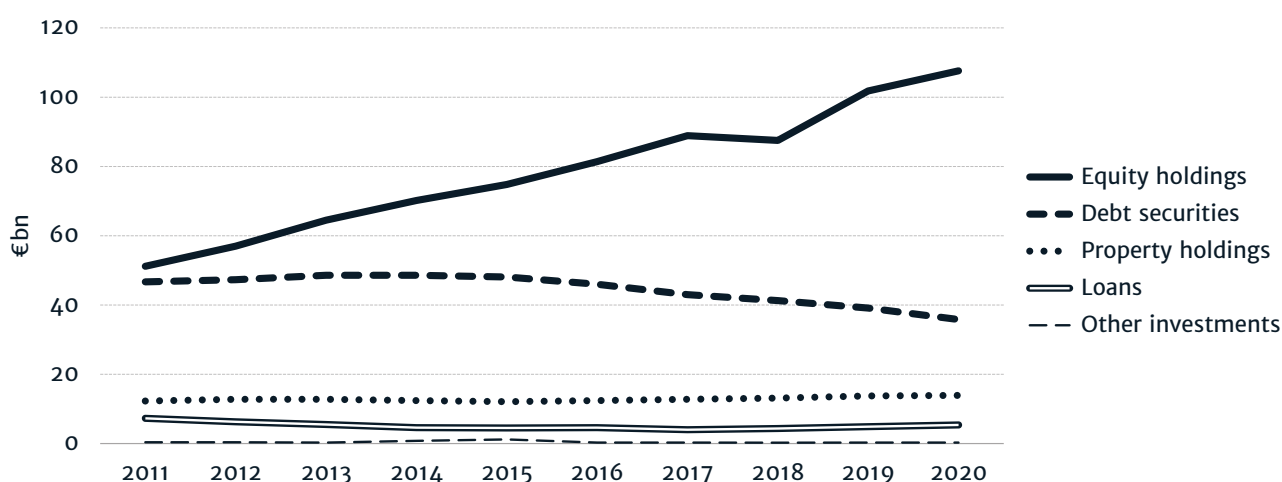


Figure 7. Finnish insurers' investments at current values 2011–2020

Shares and other equities were the largest investment class in the insurers' portfolio. Compared to the previous year, their market value grew 6% and totalled €108bn. Their proportion in the portfolio increased 2 percentage points to 66%. Calculated on current values, equities returned a profit of 8%.

Debt securities were the second largest investment class. Their amount shrank 9% to €36bn. Their proportion of all investments also shrank, to 22%. Return on investments in debt securities was 2%.

Real estate investments totalled slightly under €14bn. Their volume grew slightly, but their proportion to all investments stayed the same. Return on investments in real estate was 2%.

Finnish insurers' lending increased 17%, amounting to a total of more than €5bn. The total amount does not include loans that the insurers had granted within their own groups. In terms of the entire investment portfolio, the proportion of lending remained level at 3%. Return on the loan portfolio was 1%.

### EQUITY HOLDINGS YIELDED THE BEST INVESTMENT INCOME

Net investment income is calculated from the difference of profits and expenses by adding unrealised gains and subtracting value adjustments from the amount. In 2020, it

totalled €8.6bn. When the income is calculated on current values, valuation differences are also taken into account. Last year valuation differences increased by €0.8bn. The return on unit-linked insurance investments is also subtracted from the total, and in 2020 its effect was -€2.0bn. These corrections make up a total income of €7.3bn at current values. The previous year returned a total income of €16.5n.

The net performance of investments (i.e. the proportion of investments to capital employed) was 4.5%. Best income came from equities, which yielded 8.4%. Real estate yielded an income of 1.7%. Bonds yielded 2.2%, and nearly all the other investment classes also performed positively.

### Net performance of insurers' investments in 2020, calculated on current values\*

	Capital employed (€m)	Net income (€m)	Return (%)
Shares and other equity	66,111	5,578	8.4
Bonds	47,611	1,057	2.2
Real estate investments	18,331	305	1.7
Other debt securities and deposits	8,007	-87	-1.1
Loan receivables	5,395	58	1.1
Other investments	16,105	637	4.0
<b>TOTAL</b>	<b>161,448</b>	<b>7,340</b>	<b>4.5</b>

\*) These figures do not include If P&C Insurance plc's branch in Finland.

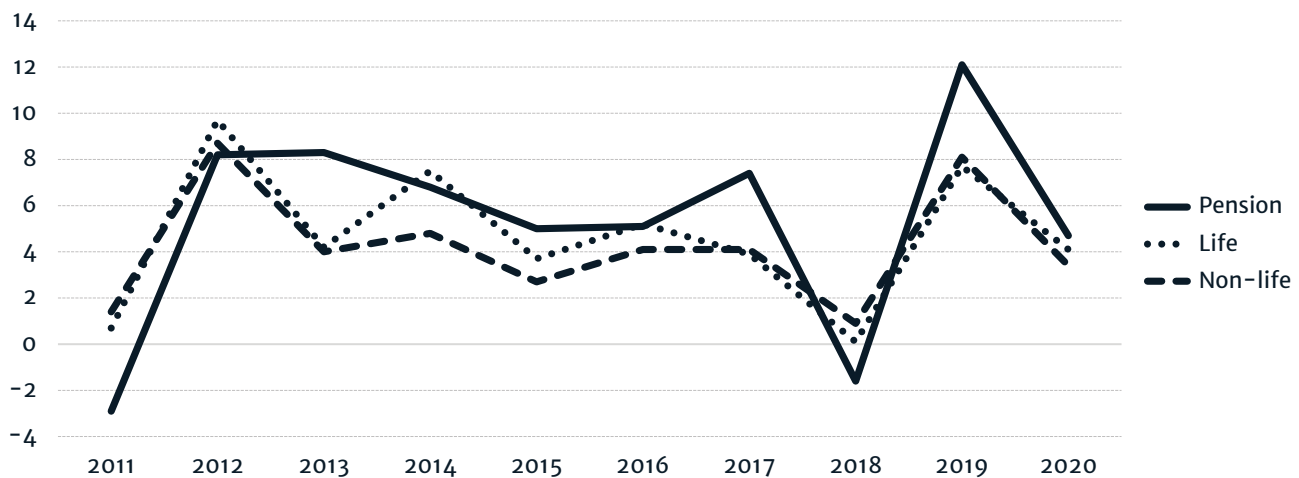


Figure 8. Net income on investments at current value, % of capital employed 2011–2020

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**Non-life insurers' gross premiums written in 2020 broken down by lines, €m**

	Market share %	Direct domestic insurance	Gross premiums written	Workers' compensation	Other accident and health	Motor vehicle	Marine and railway trans.	Goods in transit	Fire and other damage to property	Motor liability	General liability	Credit and suretyship	Other direct insurance	Reinsurance
Pohjola Insurance Ltd 1)	31.4	1,446	1,507	150	306	270	9	24	322	203	90	2	74	55
LocalTapiola Group	26.7	1,230	1,345	161	186	250	8	5	330	202	44	4	39	115
If P & C Insurance Company Ltd	21.0	965	991	108	133	201	8	15	255	149	46	2	49	26
Fennia Mutual Insurance Company 2)	10.2	469	470	86	45	101	5	8	104	81	24	1	14	0
Turva Mutual Insurance Company	2.6	122	122	5	21	32	1	0	31	25	3	0	4	0
Pohjantähti Mutual Insurance Company	2.4	109	109	10	20	22	1	0	28	19	3	0	6	0
Försäkringsaktiebolaget Alandia	1.6	76	85	2	0	0	73	5	0	0	5	0	0	0
A-Insurance Ltd 1)	1.3	62	62	24	0	19	0	0	2	14	3	0	1	0
Finnish P&C Insurance Ltd.	1.0	46	46	0	2	16	0	0	5	22	0	0	1	0
Nordea Insurance Finland Ltd	0.6	30	30	0	29	0	0	0	0	0	0	0	1	0
Aaland Mutual Insurance Company	0.5	21	29	3	0	4	0	0	13	4	3	0	0	2
Garantia Insurance Company Ltd.	0.4	19	19	0	0	0	0	0	0	0	0	19	0	0
Ins. Co. for Pharmaceutical Injury Indemnities	0.1	5	5	0	0	0	0	0	0	0	5	0	0	0
Valion Keskinäinen Vakuutusyhtiö	0.0	1	1	1	0	0	0	0	0	0	0	0	0	0
<b>Total 2020</b>	<b>100.0</b>	<b>4,601</b>	<b>4,819</b>	<b>550</b>	<b>743</b>	<b>916</b>	<b>105</b>	<b>58</b>	<b>1,090</b>	<b>718</b>	<b>226</b>	<b>27</b>	<b>188</b>	<b>198</b>
Total 2019	100.0	4,334	4,522	584	694	873	95	60	1,044	711	84	27	178	171
Change, %		6.2	6.6	-5.9	7.1	4.9	10.7	-2.6	4.3	1.0	168.3	-2.4	5.6	16.0
OP Financial Group 1)	32.8	1,508	1,568	174	306	289	9	24	324	216	93	2	75	55
LocalTapiola Group	26.7	1,230	1,345	161	186	250	8	5	330	202	44	4	39	115
If P & C Insurance Company Ltd	21.0	965	991	108	133	201	8	15	255	149	46	2	49	26
Fennia	10.2	469	470	86	45	101	5	8	104	81	24	1	14	0
Others	9.3	429	446	21	72	74	74	6	77	70	20	19	11	2
<b>Total 2020</b>	<b>100.0</b>	<b>4,601</b>	<b>4,819</b>	<b>550</b>	<b>743</b>	<b>916</b>	<b>105</b>	<b>58</b>	<b>1,090</b>	<b>718</b>	<b>226</b>	<b>27</b>	<b>188</b>	<b>198</b>

**Non-life insurers' financial ratios for 2020**

	Turnover €m	Loss ratio %	Expense ratio %	Combined ratio %	Operating profit €m	Operating margin %	Net income on investments at current value %
Pohjola Insurance Ltd	1698.6	72.5	18.6	91.2	282.8	16.6	5.4
LocalTapiola Group	1478.6	75.9	22.3	98.3	125.9	8.5	2.7
If P & C Insurance Company Ltd	1062.3	74.3	15.4	89.7	170.3	16.0	
Fennia Mutual Insurance Company	513.9	62.3	26.5	88.8	99.5	19.4	3.9
Turva Mutual Insurance Company	121.2	65.1	27.7	92.7	6.8	5.6	2.5
Pohjantähti Mutual Insurance Company	114.8	66.8	28.0	94.8	15.6	13.6	1.3
Försäkrings Ab Alandia	92.1	72.6	22.7	95.3	13.7	14.9	3.4
Finnish P&C Insurance Ltd.	45.0	73.1	21.9	95.0	2.9	6.4	1.1
Aaland Mutual Insurance Company	34.2	68.4	36.1	104.4	2.8	8.3	5.0
Nordea Insurance Finland Ltd	20.0	19.6	17.5	37.1	12.4	62.1	0.3
Garantia Insurance Company Ltd.	19.3	4.0	33.8	37.8	13.0	67.3	1.7
A-Insurance Ltd	19.0	92.5	17.8	110.3	-7.7	-40.5	-3.3
Ins. Co. for Pharmaceutical Injury Indemnities	6.2	61.3	17.0	78.3	2.0	31.8	1.2
Valion Keskinäinen Vakuutusyhtiö	1.5	181.1	39.5	220.6	-1.1	-78.2	5.1
<b>Yhteensä</b>	<b>5226.8</b>	<b>72.2</b>	<b>20.4</b>	<b>92.6</b>	<b>738.8</b>	<b>14.1</b>	<b>3.4</b>

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**Non-life insurers' profit and loss account for 2020, €m**

	Premiums earned	Claims incurred	Operating expenses	Change in equalisation provision	Net investment income	Other income and expenses	Indirect taxes	Profit/Loss for the year
Pohjola Insurance Ltd	1,486	-1,077	-277	-31	151	0	-50	201
LocalTapiola Group	1,246	-947	-278	5	100	5	-16	115
If P & C Insurance Company Ltd	951	-706	-147	0	73	0	-34	136
Fennia Mutual Insurance Company	460	-286	-122	-2	49	0	-14	84
Pohjantähti Mutual Insurance Company	98	-66	-28	-8	10	0	-1	6
Försäkrings Ab Alandia	73	-53	-17	-1	5	5	-2	10
Turva Mutual Insurance Company	68	-44	-19	-5	2	0	0	2
Finnish P&C Insurance Ltd.	43	-32	-9	0	1	0	0	3
A-Insurance Ltd	24	-22	-4	0	-5	0	2	-6
Nordea Insurance Finland Ltd	20	-4	-4	0	0	0	-2	10
Aaland Mutual Insurance Company	20	-14	-7	-2	6	-2	0	0
Garantia Insurance Company Ltd.	15	-1	-5	1	4	0	-3	11
Ins. Co. for Pharmaceutical Injury Indemnities	4	-3	-1	-1	1	0	0	1
Valion Keskinäinen Vakuutusyhtiö	1	-2	0	1	0	0	0	0
<b>Total</b>	<b>4,509</b>	<b>-3,256</b>	<b>-918</b>	<b>-44</b>	<b>395</b>	<b>8</b>	<b>-122</b>	<b>573</b>

Finance Finland

**Non-life insurers' balance sheet for 2020, €m**

	ASSETS					LIABILITIES							
	Intangible assets	Investments	Total debtors	Prepayments Other and accrued assets income		Total assets	Capital and reserves	Untaxed reserves	ordinated debt	Technical provisions	Total creditors	Accruals and deferred income	Total liabilities
LocalTapiola Group	92	5,588	327	277	14	6,299	2,475	2	0	3,663	119	41	6,299
Pohjola Insurance Ltd	113	3,471	583	604	23	4,794	802	11	135	3,688	107	52	4,794
If P & C Insurance Company Ltd	3	3,358	255	17	91	3,724	136	1	0	2,820	701	66	3,724
Fennia Mutual Insurance Company	70	1,765	179	55	19	2,087	412	0	0	1,511	121	43	2,087
Pohjantähti Mutual Insurance Company	9	216	38	9	4	275	59	2	0	193	15	6	275
Försäkrings Ab Alandia	0	215	33	15	5	269	67	0	60	132	3	7	269
Turva Mutual Insurance Company	8	197	31	12	1	249	50	0	0	185	10	4	249
Aaland Mutual Insurance Company	0	152	12	7	1	172	69	0	0	89	11	3	172
Garantia Insurance Company Ltd.	0	151	1	1	1	156	47	0	0	103	0	5	156
Finnish P&C Insurance Ltd.	5	57	11	6	1	80	31	1	0	44	3	2	80
Nordea Insurance Finland Ltd	0	8	12	17	0	36	17	0	0	19	0	0	36
Ins. Co. for Pharmaceutical Injury Indemnities	0	22	0	8	0	30	8	0	0	21	0	0	30
Valion Keskinäinen Vakuutusyhtiö	0	21	0	1	0	22	5	0	0	17	1	0	22
<b>Total</b>	<b>301</b>	<b>15,219</b>	<b>1,482</b>	<b>1,029</b>	<b>162</b>	<b>18,192</b>	<b>4,177</b>	<b>16</b>	<b>195</b>	<b>12,484</b>	<b>1,091</b>	<b>229</b>	<b>18,192</b>



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## Life insurers' gross premiums written in Finland in 2020, €m

	Personal life unit linked	Capital redemption policies	Other life	Employees' group life	Other group life	Personal pension unit linked	Other personal pension	Group pension unit linked	Other group pension	Total direct business	Reinsurance	Total premiums written	Market share, direct business %
Nordea Life Assurance Finland Ltd	195	826	22	0	0	52	9	0	0	1,104	0	1,104	18.5
Mandatum Life Insurance Company Limited	112	689	45	10	14	54	6	84	24	1,037	0	1,037	17.4
OP Life Assurance Company Ltd	481	127	67	12	2	78	21	23	62	873	0	873	14.6
LocalTapiola Mutual Life Insurance Company	149	35	64	12	78	26	12	24	34	434	0	434	7.3
Fennia Life Insurance Company Ltd	66	40	2	6	14	4	4	13	12	161	0	161	2.7
SHB Life	48	42	0	0	0	17	0	5	0	111	0	111	1.9
Aktia Life Insurance Ltd.	73	0	13	1	9	5	2	2	2	106	0	106	1.8
Sb Life Insurance Ltd	73	12	15	0	0	4	0	1	0	105	0	105	1.8
Kaleva Mutual Insurance Company	0	0	22	0	36	0	0	0	0	59	0	59	1.0
Alandia Konsolidering Ab	0	0	2	0	0	0	0	0	0	2	0	2	0.0
<b>Total 2020</b>	<b>1,197</b>	<b>1,769</b>	<b>251</b>	<b>41</b>	<b>152</b>	<b>240</b>	<b>55</b>	<b>151</b>	<b>134</b>	<b>3,992</b>	<b>0</b>	<b>3,992</b>	<b>66.9</b>
Total 2019	1,947	2,884	312	41	141	255	59	147	177	5,962	0	5,963	100.0
Growth, %	-38.5	-38.6	-19.5	1.4	8.1	-5.8	-6.2	2.4	-24.3	-33.1	-35.5	-33.1	

Finance Finland

**Life insurers' financial ratios for 2020**

	Turnover €m	Return on assets %	Net income on investments at current value %	Expense ratio % of total expense loadings %
Mandatum Life Insurance Company Limited	204.0	5.7	5.6	98.3
OP Life Assurance Company Ltd	167.5	3.4	4.5	176.1
Nordea Life Assurance Finland Ltd	155.6	8.0	1.4	38.2
Kaleva Mutual Insurance Company	111.3	7.3	4.5	72.0
LocalTapiola Mutual Life Insurance Company	51.7	2.7	2.2	120.9
Fennia Life Insurance Company Ltd	19.8	7.1	6.0	93.9
Alandia Konsolidering Ab	12.3		5.1	
Aktia Life Insurance Ltd.	10.9	5.7	3.9	88.0
Sb Life Insurance Ltd	10.2	6.8	7.6	145.0
SHB Life	10.1		4.6	85.0
<b>Total/average</b>	<b>753.3</b>		<b>4.1</b>	

## Finance Finland

## Life insurers' profit and loss account for 2020, €m

	Premiums written	Investment income	Unrealised gains/ losses	Claims incurred	Change in provision for unearned premiums	Operating expenses	Investment expenses	Other income and expenses	Indirect taxes	Profit/Loss for the year
Nordea Life Assurance Finland Ltd	1,098	234	1,017	-974	-819	-20	-380	0	-30	126
Mandatum Life Insurance Company Limited	1,051	607	346	-1,095	-272	-103	-336	0	-45	152
OP Life Assurance Company Ltd	861	738	450	-1,167	-209	-126	-384	-2	-32	131
LocalTapiola Mutual Life Insurance Company	431	232	13	-375	-57	-56	-110	0	-15	63
Fennia Life Insurance Company Ltd	160	61	86	-109	-96	-15	-68	0	-4	14
SHB Life	135	0	94	-85	-122	-5	-15	9	-2	8
Aktia Life Insurance Ltd.	105	21	79	-110	-60	-13	-11	0	-2	9
Sb Life Insurance Ltd	104	26	60	-78	-66	-20	-17	1	-2	8
Kaleva Mutual Insurance Company	59	140	0	-105	3	-10	-58	0	0	28
Alandia Konsolidering Ab	2	9	0	3	9	-1	-10	0	-2	10
<b>Total</b>	<b>4,006</b>	<b>2,068</b>	<b>2,144</b>	<b>-4,096</b>	<b>-1,690</b>	<b>-368</b>	<b>-1,390</b>	<b>8</b>	<b>-135</b>	<b>548</b>

## Life insurers' balance sheet for 2020, €m

	ASSETS					LIABILITIES						
	Intangible assets	Investments	Covering unit-linked business	Total debtors	Other assets	Total assets	Capital and reserves	Subordinated debt	Technical provisions	Technical provisions for unit-linked business	Total creditors	Total liabilities
Nordea Life Assurance Finland Ltd	0	1,926	16,507	42	184	18,659	331	70	1,715	16,514	29	18,659
OP Life Assurance Company Ltd	39	5,505	11,285	180	1,080	18,090	409	245	5,754	11,323	359	18,090
Mandatum Life Insurance Company Limited	0	4,306	8,772	50	692	13,821	1,052	349	3,520	8,765	135	13,821
LocalTapiola Mutual Life Insurance Company	11	2,896	2,421	10	176	5,514	554	100	2,390	2,418	52	5,514
Fennia Life Insurance Company Ltd	6	719	1,367	15	47	2,154	167	0	541	1,369	78	2,154
Aktia Life Insurance Ltd.	1	520	970	2	33	1,526	118	0	427	970	11	1,526
Kaleva Mutual Insurance Company	0	1,126	0	5	196	1,326	270	0	1,042	0	14	1,326
SHB Life	0	0	1,110	0	56	1,166	52	0	0	1,110	4	1,166
Sb Life Insurance Ltd	5	150	857	0	2	1,013	51	0	99	855	9	1,013
Alandia Konsolidering Ab	0	97	0	0	4	102	39	60	0	0	3	102
<b>Total</b>	<b>61</b>	<b>17,246</b>	<b>43,289</b>	<b>303</b>	<b>2,470</b>	<b>63,370</b>	<b>3,041</b>	<b>824</b>	<b>15,489</b>	<b>43,323</b>	<b>692</b>	<b>63,370</b>

## Pension insurers' gross premiums written and financial ratios in 2020, €m

	Self-employed		Total premiums written	Market share 2019 %	Total profit €m	Solvency capital €m	Solvency ratio at current value %	Net income on investments at current value %
	Employee pension	persons' pension						
Ilmarinen Mutual Pension Insurance Company	4,833	388	5,220	36.5	1,769	12,542	30.2	7.1
Varma Mutual Pension Insurance Company	4,746	185	4,931	34.4	-231	11,517	29.3	2.8
Elo Mutual Pension Insurance Company	3,205	41	3,616	25.3	1	5,055	23.6	3.6
Veritas Pension Insurance Company Ltd	482	69	552	3.9	76	892	28.8	5.6
<b>Total/average 2020</b>	<b>13,266</b>	<b>1,053</b>	<b>14,319</b>	<b>100.0</b>	<b>1,615</b>	<b>30,006</b>	<b>28.5</b>	<b>4.7</b>
Total/average 2019	14,547	1,058	15,605		7,261	28,340	27.7	12.1
Growth, %	-8.8	-0.6	-8.2			5.9		

## Pension insurers' profit and loss account for 2020, €m

	Premiums written	Investment income	Claims incurred	Change in provision for unearned premiums	Operating expenses	Investment expenses	Other income and expenses	Indirect taxes	Profit/Loss for the year
Varma Mutual Pension Insurance Company	4,931	7,305	-6,372	-593	-58	-5,204	0	-3	6
Elo Mutual Pension Insurance Company	3,616	3,301	-4,257	-164	-68	-2,424	1	-4	0
Veritas Pension Insurance Company Ltd	552	386	-639	-32	-13	-252	0	0	1
<b>Total</b>	<b>14,319</b>	<b>42,598</b>	<b>-18,073</b>	<b>-1,372</b>	<b>-223</b>	<b>-37,225</b>	<b>1</b>	<b>-9</b>	<b>15</b>
Total 2019	15,605	39,940	-17,667	-3,876	-266	-33,693	3	-29	17

## Pension insurers' balance sheet for 2020, €m

	ASSETS			Other assets	LIABILITIES				
	Intangible assets	Investments	Total debtors		Total assets	Capital and reserves	Technical provisions	Total creditors	Total liabilities
Ilmarinen Mutual Pension Insurance Company	43	42,245	4,043	1,663	47,993	191	43,539	4,264	47,993
Varma Mutual Pension Insurance Company	0	38,823	1,238	1,803	41,864	130	40,726	1,008	41,864
Elo Mutual Pension Insurance Company	11	20,209	826	1,664	22,710	101	22,381	227	22,710
Veritas Pension Insurance Company Ltd	5	3,023	180	203	3,412	17	3,321	73	3,412
<b>Total</b>	<b>60</b>	<b>104,300</b>	<b>6,287</b>	<b>5,333</b>	<b>115,979</b>	<b>440</b>	<b>109,967</b>	<b>5,573</b>	<b>115,979</b>
Total 2019	67	101,679	5,725	2,467	109,937	438	105,876	3,623	109,937



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