



FINNISH MUTUAL
PATIENT INSURANCE COMPANY



SOLVENCY AND FINANCIAL CONDITION REPORT 2025 (unofficial translation)

THE FINNISH MUTUAL PATIENT INSURANCE COMPANY

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Summary

The year 2025 marked the fifth year of operation as an insurance company for the Finnish Mutual Patient Insurance Company. The company's profit before taxes was EUR 6.8 (4) million. Premiums written for 2025 amounted to EUR 37.1 (36.3) million. Claims incurred for the financial year totalled EUR 25 (27.8) million. Due to the long-term nature of patient insurance, the claims paid during the financial year only totalled EUR 13 (8.4) million, and the change in provisions for claims was EUR 11.9 (19.4) million. The company updated the calculation principles for the claims provision used in the financial statements as of 31 December 2025, and the changes in these principles reduced the claims provision by EUR 4.9 million. The change in the claims provision was affected by an increase in the discount rate from 1.5 per cent to 1.8 per cent.

The company's operating expenses were EUR 2 (2.6) million. The most significant items were the administrative charge paid to the Patient Insurance Centre, personnel expenses, and expenses paid to external suppliers and partners.

In terms of investment activities, the year was favourable for both bond and equity markets. The company's strong solvency position enabled it to operate within the framework set by the investment plan. The accounting-based net investment result was EUR 4.2 (2.2) million. The net return on invested capital at fair value was 5.8% (6.5%), with equity investments being the main source of return.

As at 31 December 2025, the market value of the investment portfolio was EUR 157 (130) million. At fair value, the portfolio consisted of 61.1% (64.7%) fixed-income investments, 26.8% (21.7%) equity investments, 8.6% (10.3%) real property investments, and alternative investments for 3.5% (3.3%) of the company's investment assets.

Key Figures for 2025 (2024):

- combined ratio: 75.5% (87.2%)
- expense ratio: 5.5% (7.6%)
- operating profit: EUR 12.9 (6.6) million
- profit for the financial year before taxes: EUR 6.8 (4) million
- average number of personnel during the financial year: 6 (5.8)
- net return on invested capital at fair value: 5.8% (6.5%)
- own funds: EUR 104.7 (78.0) million
- ratio of own funds to solvency capital requirement 238% (187%)

Other important events:

The company's outlook remains positive. Its specialised nature, organisational structure, and processes provide a strong foundation for regulatory compliance and cost-effective operations. The Supreme Administrative Court issued a negative decision regarding the insurance concept for other wellbeing services counties (transfer of authority). Expansion of operations into other wellbeing services counties is possible by broadening the ownership base.

Three internal audit reviews were carried out during 2025, and no material deficiencies were identified.

A. Business and performance

A.1 Business

The Finnish Mutual Patient Insurance Company is a mutual insurance company domiciled in Helsinki, operating within the territory of Finland. The company specialises in providing patient insurance for public medical care. The company grants patient insurance to its owners.

The company is supervised and audited by the Financial Supervisory Authority (Snellmaninkatu 6, Helsinki, www.finanssivalvonta.fi) and the responsible supervisor at the Financial Supervisory Authority is Jaana Fri-man.

The company's auditor is KPMG Oy Ab (Töölönlahdenkatu 3 A, 00101 Helsinki), with Authorised Public Accountant Marcus Tötterman serving as the principal auditor.

The ownership of the company's guarantee capital by shareholders is as follows:

33.5%	HUS Group
24.3%	Wellbeing Services County of Southwest Finland
18.5%	Wellbeing Services County of North Ostrobothnia
12.4%	Wellbeing Services County of North Savo
11.3%	Wellbeing Services County of Pirkanmaa

The company is not part of a group. As HUS Group and the Wellbeing Services County of Southwest Finland each own more than 20% of the guarantee capital, they are considered related parties under the Insurance Companies Act.

The company commenced its insurance operations on 1 January 2021, when the revised Patient Insurance Act (948/2019) came into force and the founding shareholders' patient insurance policies were entered into the company's insurance register. Thus, 2025 marked the company's fifth year of operation as an insurance company. The company is a member of organisations including the Patient Insurance Centre and Finance Finland (Finanssiala ry). The insurance revenue for the reporting period amounted to EUR 35.7 (34.9) million.

During the financial year, there were no significant changes in the company's organisation or administrative system, but the documentation has been supplemented and updated according to the annual calendar. Among the key control functions, internal audit has been outsourced.

There were no organisational or personnel changes in the company during 2025. The company updated its five-year strategy and developed a more detailed operating plan for 2026.

A.2 Underwriting performance

Premiums written for 2025 amounted to EUR 37.1 (36.3) million. The pay-as-you-go payment collected from policyholders for the Patient Insurance Centre is not included in the company's insurance premium income.

For the financial year, the company had in place an excess of loss reinsurance agreement covering claims exceeding EUR 5 million up to EUR 20 million. The reinsurers' share of the premiums written was EUR 1.5 (1.4) million. Resulting in insurance revenue of EUR 35.7 (34.9) million for 2025.

Claims incurred for the financial year totalled EUR 25.0 (27.8) million. Due to the commencement of operations and the long-term nature of patient insurance, the claims paid during the financial year only totalled EUR 13.0 (8.4) million, and the change in provisions for claims was EUR 11.9 (19.4) million. The company updated the claims provision calculation principles used in the financial statements as of 31 December 2025, and the changes in these principles reduced the claims provision by EUR 4.9 million. The change in the claims provision was affected by an increase in the discount rate from 1.5 per cent to 1.8 per cent, among other things.

In accordance with the above, the balance on technical account before change in equalisation provision was EUR 8.7 (4.5) million. A total of EUR 6.1 (2.6) million was accumulated for the equalisation provision. Thus, the balance on technical account was EUR 2.6 (1.9) million.

Operating expenses for the financial year totalled EUR 2.0 (2.6) million. The most significant items were the administrative charge paid to the Patient Insurance Centre, personnel expenses, and IT and legal expenses paid to external suppliers and partners.

The balance on the technical account was EUR 2.6 million and the investment result stood at EUR 4.2 million during the financial period, resulting in a profit of EUR 5.5 (3.7) million.

Key figures for non-life insurance		2025	2024	2023
Written premiums	EUR mill.	37,1	36,3	33,2
Loss ratio	%	70,0	79,7	77,4
Loss ratio excluding technical interest	%	68,9	79,0	77,0
Expense ratio	%	5,5	7,6	7,6
Combined ratio	%	75,5	87,2	85,1
Combined ratio excluding technical interest	%	74,4	86,5	84,7
Operating profit/loss	EUR mill.	12,9	6,6	7,4
Total income	EUR mill.	16,9	11,8	11,9

A.3 Investment performance

The year 2025 was good for investors. This was also reflected in the company's net investment income, which was better than forecast and totalled EUR 4.2 million. Returns were generated broadly from both the stock and interest rate markets. In early April, tariffs that were significantly higher than expected were placed on China, Canada and the rest of the world on the Liberation Day declared by Donald Trump. At the beginning of April, American stocks saw their fourth-largest drop since World War II over two days. Investment activities responded to market changes and the allocation of investments was changed, realising capital gains, especially during the first half of the year, while capital losses and impairments remained moderate.

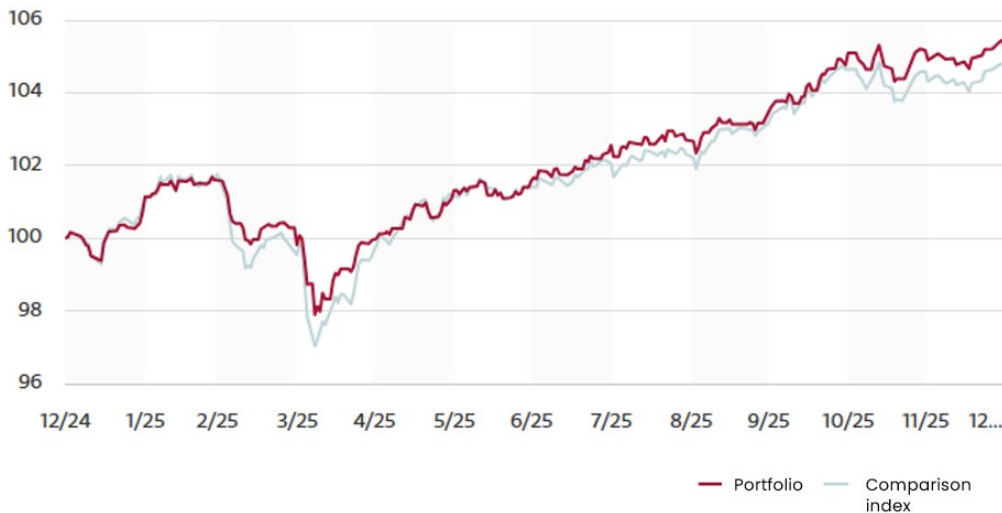
During the first quarter of the year, the company lost EUR 1.9 million of the valuation difference of its portfolio, partly due to changes in portfolio allocation and the weakening of the dollar, and concerns about the trade war ate into investment returns during the first half of the year.

Since the spring, the portfolio has recovered and the valuation difference totalled EUR 13.9 million at the end of the year. The valuation difference increased by EUR 4 million during the year. The book value of the investments was EUR 143 million, and the market value of the investments was EUR 157 million.

The return on both investment assets and technical provisions is affected by market interest rate developments. The return on technical provisions is positive when interest rates rise, while the present value of technical provisions decreases, and the effect is opposite when interest rates fall. Compared to investment

assets, the effect of interest rate changes is opposite to that of technical provisions. The company has set a return target for its investment activities that exceeds the return requirement on technical provisions and thus increases the company's solvency capital. The net return on investments at fair value was 5.8% (6.5%), with equity investments being the main source of return in the financial period.

Portfolio yield development 2025



The real estate market did not recover during 2025, despite central banks having lowered their key interest rates. On 31 December 2024, OP-Rahastoyhtiö Oy announced the temporary suspension of redemptions and subscriptions in two of its real estate funds to protect the interests of the unit holders; funds remained closed throughout the year. The company's investments in these closed funds stood at a total of EUR 7.8 million. Given the long-term nature of these investments, the fund closures are considered to have only a minor impact on the company's overall investment activities and therefore did not require any measures for the company.

The market value of investments was EUR 157 (130) million at the balance sheet date. At fair value, the portfolio consisted of 61.1% (64.7%) fixed-income investments, 26.8% (21.7%) equity investments, 8.6% (10.3%) real property investments, and alternative investments for 3.5% (3.3%) of the company's investment assets. Of the currency distribution of investments, 83% of investments are denominated in euros and all direct fixed income investments are denominated in euros. The currency risk of direct investments has not been hedged because the economic grounds are not considered to be sufficient for doing so.

Key figures for investment activities		2025	2024	Difference
Return on total capital	%	9,1	7,6	1,5
Net investment return at fair value	EUR mill.	9,4	8,3	1,1
Investment return on committed capital	%	5,8	6,5	-0,7

The company aims to invest its assets responsibly. In practice, sustainability risk management is carried out by selecting asset managers who have established principles for responsible investment embedded in their operations and who report on ESG factors in their investment targets. A responsibility analysis covering nearly the entire portfolio was conducted based on the situation at the end of August. The analysed portfolio amounted to EUR 130 million. Real estate funds and alternative investments were excluded from the analysis due to a lack of available data on the investments. Based on the analysis, the overall responsibility of the investments is at a good level. The portfolio's ESG responsibility rating was A. In addition, the carbon footprint of the investment portfolio was significantly lower than that of the benchmark index.

A.4 Performance of other activities

The Finnish Mutual Patient Insurance Company does not engage in any business activities other than those presented in section A1.

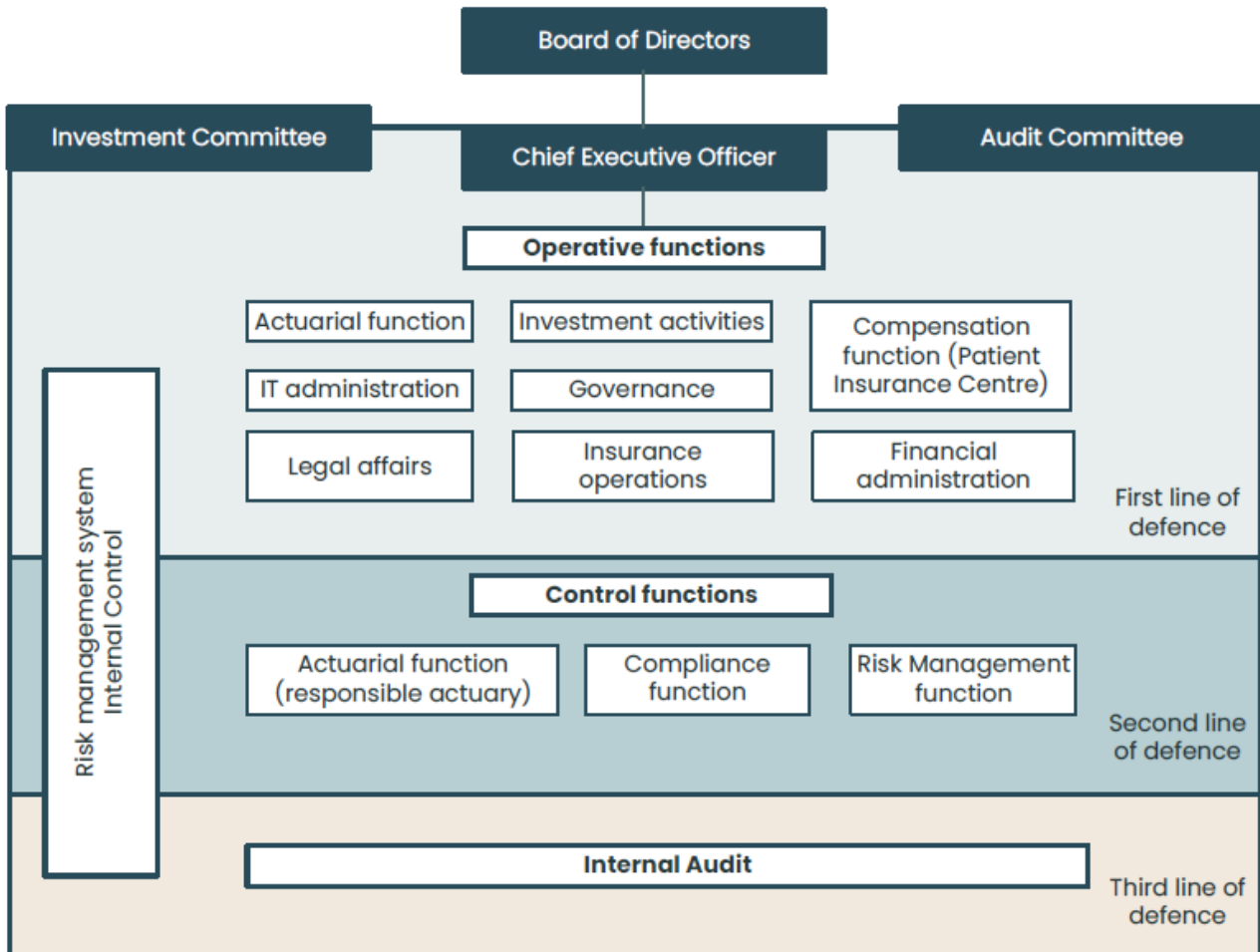
A.5 Other information

No other information.

B. System of governance

B.1 General information on the system of governance

The structure of the Finnish Mutual Patient Insurance Company's system of governance:



The General Meeting of Shareholders appoints the company's Board of Directors and selects the company's auditor. The Board of Directors is responsible for the governance of the company and for ensuring the proper organisation of its operations. The Board of Directors comprises a minimum of five and a maximum of seven members. Together with the CEO, the Board of Directors professionally manages the company and issues instructions to the CEO. The work of the Board of Directors is guided by a charter.

The CEO is responsible for the company's operational activities in accordance with the instructions and orders of the Board of Directors. The CEO reports to the Board of Directors and is subject to the provisions of the Limited Liability Companies Act, the Insurance Companies Act, and the regulations of the Finnish Financial Supervisory Authority.

The Board of Directors has elected from its members an Audit Committee, the duty of which is to monitor and assess the company's financial reporting system, monitor and assess the effectiveness of internal control and internal audit and risk management, and monitor and assess how the agreements and other legal transactions made between the company and its related parties meet the requirements on belonging to customary activities and market conditions. In addition, the Audit Committee prepares the selection of the company's auditor, monitors and assesses the independence of the auditor and especially their offering of non-audit services, and monitors the audit of the company's accounts.

The Board of Directors has also selected an Investment Committee to steer and prepare the company's investment activities. The members of the Investment Committee are the Chairman of the Board, CEO, CFO and an investment expert who acts as a consultant. The Director of Actuarial and Risk Management has the right to be present and speak at the meetings of the Investment Committee. The Compliance Officer has the right to be present at the meetings of the investment committee. The asset managers report to the Investment Committee.

The goal of risk management is to support the company's business strategy by identifying, measuring, monitoring, managing, reducing and reporting in advance about possible risks the realisation of which would have a negative effect on the company's financial and/or other business commitments and would thus limit the company's opportunities to implement its business strategy in full.

The duty of the risk management and compliance functions is to steer, monitor and support the company and its personnel in the implementation of the risk management system and internal control. The risk management function is responsible for the company's risk management framework and maintains and develops the risk management methods and the company's succession planning. The risk management function prepares the risk management system and the documents related thereto, such as the risk strategy, for verification by the Board of Directors, and monitors the risk position. The compliance function supports the company's business operations in ensuring the compliance of activities with regulations, reliable governance, and effectiveness and sufficiency of internal control. Additionally, the actuarial function supports the business and participates in risk management as required by the Insurance Companies Act. It monitors the calculation of technical provisions and solvency as required by legislation. The actuarial function gives statements and reports to the Board as required by legislation.

The company also has an internal audit function, which is independent from operational activities and is responsible for assessing the adequacy of internal control and other governance systems. The internal audit function must be independent from operational activities. Given the size of the company, the internal audit function is outsourced.

In terms of the company's other resources, the Chief Information Officer and asset managers are outsourced. Furthermore, IT administration, the Data Protection Officer, part of financial administration, and the whistleblowing channel are outsourced.

Significant changes in the system of governance during the period under review

At the company's Annual General Meeting on 24 March 2025, Anu Vuorinen was elected as a new member of the Board of Directors, due to the agreed rotation principle, to replace Kari Janhonen, the representative of the founding shareholder representing financial expertise. Otherwise, the composition of the Board remained unchanged. Due to the change in Board members, Board member Markku Mäkijärvi was appointed

as the new Vice Chairman of the Board and Board member Irene Luukkonen was appointed as a member of the Audit Committee. There were no other material changes to the company's governance system in 2025.

Company salary and remuneration policy

The company complies in its remuneration policy with the remuneration principles confirmed by the Board of Directors. The universally binding collective agreement for the finance sector is complied with in the company's remuneration practices, in addition to which the remuneration for the company's management and other personnel is based on the legislation concerning the governance of insurance companies and limited liability companies, and the company's Articles of Association.

The fixed and variable remuneration elements included in the company's flexible remuneration policy are balanced in such a way that the fixed remuneration elements represent a large enough share of the overall remuneration, so that the personnel of the company are not too dependent on variable elements of the salary. Thus, the company applies a mostly fixed salary element. A fixed salary element means basic salary, ordinary increments and salary benefits, employment pension, and pay for the period of notice.

Variable salary element means results-based rewards linked to the employee's performance and reaching the determined goals in the company. In assessing individual performance, both financial and non-financial criteria are taken into account. The company's CEO and clerical employees have a variable salary element.

When deciding on remuneration, the company aims at ensuring that the remuneration would not under any circumstances lead to or encourage undesirable ways of working or unsustainable risk-taking. The remuneration criteria are not determined in a way that would encourage taking risks in terms of sustainability.

The General Meeting decides on the remuneration for the Board of Directors and the committees and commissions set by the Board of Directors. The Board of Directors decides on the salaries, results-based rewards and any other benefits of the CEO and other directors and clerical employees it has appointed, and annually approves the indicators and realisation used as the basis for any results-based rewards for the other personnel of the company.

During the financial year, the company has not concluded any significant transactions with the owners, those exercising significant power in the company or members of the governance, management or control systems.

B.2 Fit and proper requirements

All persons working in the company shall be fit and proper for their position, and they shall possess the professional competence required by their position. Regarding the Board of Directors, management and persons responsible for the key functions, it is also a question of the propriety of governance which is a key requirement for operations subject to authorisation.

The company has introduced procedures and routines related to the appointment of persons responsible for management and key functions, assessment of the fitness and propriety of the persons, and the assessment of the collective competence of the Board of Directors, which include documentation, reporting and archiving.

The procedures are described in more detail in the fit and proper principles approved by the Board of Directors. Each module – fitness, propriety and competence – is assessed separately for each person responsible for management and key functions. Lack of propriety, for example, cannot be replaced with high competence. Any register information retrieved as background information, the information provided by the person

and any other information that may be considered objectively reliable shall be taken into account in assessing fitness, propriety and competence.

In addition, the Board members shall possess sufficient knowledge of the insurance markets and their regulation, financial reporting and the company's operating environment or they shall commit themselves in writing to take training to the extent considered necessary based on their previous education and experience. Furthermore, the Board members shall have independent ability regarding consideration and decision-making. They shall be able to question decisions in a constructive manner and monitor the company's operational management.

B.3 Risk management system including the own risk and solvency assessment

The company's risk management system is integrally linked to the company's business strategy and the company's operational activities that implement it. The goal of the risk strategy is to ensure the effectiveness and succession of the company, irrespective of the fluctuation of the economy and the other operating environment.

The goal of the company's risk management system is to identify, assess and manage the risks directed at the company. The risks are monitored and reported regularly.

Company's risk classes

The company's risk classification is based on the following division of main and sub classes:

- Underwriting risks
 - Technical risks
 - Reinsurance risks
 - Operating environment risks
- Financial risks
 - Market risks
 - Credit risks
 - Liquidity risks
- Operational risks
 - Operative risks
 - Abuse risks
 - Strategic risks
 - Sustainability risks

A key element of the company's risk management system is the risk management process. It is common to all risk classes and is implemented as an integrated part of other processes. At the general level, the risk management process comprises

- identification of risks
- assessment of risks
- management of risks
- monitoring of risks
- analysing and reporting of risks.

Identified risks, their seriousness, probability and any measures for reducing the risks are described in the company's risk register. As an outcome of the risk mapping, the company forms a view on risks that threaten its operations and the required management measures.

Risk appetite

For steering the operations, the Board of Directors determines the strategic, financial and operational goals as well as the risk appetite for each risk class within the limits the business risk-taking adheres to. In the area of financial risks, an internal solvency target is determined, which is at the same time the definition of the risk appetite related to solvency. The risk appetite of operational risks is determined qualitatively.

Operational risks

Operational risks result from missing, deficient, incorrectly determined, incorrectly functioning or incorrectly implemented operational processes, persons, information and other systems, or events outside the company.

The risk appetite in the company's operational activities is low. Principles of prudence and diligence are complied with in the activities, and unnecessary risk-taking is avoided.

Sustainability risks

Sustainability risk means an event or circumstance related to the environment, society or governance, the realisation of which may have a negative impact either on the company's business operations or the value of investments.

The identification, assessment and management of sustainability risks are integrated into the company's risk management process. In investment activities, sustainability risks are considered in order to ensure responsible asset allocation. This means that, in addition to financial aspects, attention is also paid to an event or circumstance related to the environment, society and good governance (ESG) that may cause a fundamental negative impact on the value of the investment if realised. The company actively follows the value and ESG classification of the investments and portfolio in the reports of the asset managers and at the same time conducts dialogue on the classifications of the investments with the asset managers.

Underwriting risks

Underwriting risks arise from the underwriting, maintenance, and execution of insurance contracts. These risks relate to deviations in the actual cost of contractual obligations from the initially estimated costs. The company has identified risks related to underwriting, premium risk, and technical provisions risk.

Insurance is granted only to owners. Other wellbeing services counties may also have been insured under the owners' insurance policies. As the clients are publicly funded entities, underwriting and premium risks are considered low.

The company mitigates insurance risk through reinsurance. The retention level in reinsurance was EUR 5 million. Reinsurance is purchased from reputable, financially sound international reinsurers.

Management of assets and liabilities

The company's goal is for the anticipated cash flows of assets and liabilities to correspond with each other closely enough. The operations are still in an early phase, so the number of known incidents is still relatively low. The share of permanent damage in the company's contingent liabilities will grow over time.

Investment risk

The risk appetite of the company's investments is moderate. The company's funds are invested profitably and securely. The goal is to achieve reasonable returns while taking moderate risk. Each year, the company's Board of Directors approves the investment plan, which determines the limits for the diversification and risk-taking of investments, the neutral allocation of the investment portfolio, and the limits for different investment instruments.

The company's asset management is outsourced to two asset managers who compile and submit a monthly report on the company's investments, helping the company in forming an investment view.

Roles and responsibilities in implementing risk management

The company's Board of Directors and CEO bear overall responsibility for the organisation and effectiveness of the company's risk management system.

The Board of Directors

- determines the risk appetite and the limits concerning general risk bearing capacity,
- verifies the company's risk strategy at least once a year,
- ensures the effectiveness of the risk management system and sees to it that the risk management function has adequate resources for the development and maintenance of the risk management system and fulfillment of its goals.

The company's Board of Directors, and the Audit Committee in particular, continuously monitors the company's risk and solvency management. The purpose is to ensure that the management of the company has an overall view of the company's risks and the status and development of risk and solvency management. The Board of Directors has to have a comprehensive overall view of the company's risks and solvency to support its decisions that steer the company's business activities as well as risk and solvency management.

The CEO is responsible for the implementation of the risk strategy. The Director of Risk Management is responsible for the risk management function.

The duty of the risk management function is to assist the company's Board of Directors and other functions to ensure effective risk management. The function monitors the functioning of the risk management system and the company's risk profile on the whole and reports on exposure to risks. In addition, the function advises the Board of Directors in matters concerning risk management, and identifies and assesses emerging risks.

According to the company's processes, the risk mapping is reviewed regularly, at least once a year, and is updated as required. The mapping is carried out together with all staff, which increases the awareness of risks.

The Director of Risk Management reports on risks at Board meetings at least quarterly. Investment risks are assessed monthly in connection with investment reporting. External risks are assessed at least once per year.

Risk and solvency assessment

The company carries out an own risk and solvency assessment (ORSA) annually. The statutory solvency calculation provides information on solvency and the solvency capital requirement at the time of calculation. The ORSA complements the official solvency calculation as follows:

- The ORSA looks forward. The ORSA involves calculating an estimate on the development of solvency in the coming years, based on the current strategy and business plan.
- The ORSA examines solvency in several different scenarios. Regarding investment activities, assessments are made for basic scenarios and a serious investment scenario combining simultaneous significant equity and real property stress, for example.
- The insurance business is stressed with catastrophe damage, for example.
- The ORSA process assesses the need for capital and means of management in different scenarios.
- The ORSA report includes recommendations on the required measures.

The ORSA process creates the basis for forming the company's overall solvency need and links together solvency, risk management and enterprise resource planning processes. The ORSA is compiled annually and updated without delay, if the risk profile changes significantly.

The ORSA process description describes details such as schedules, responsibilities, phases, and controls. The Director of Risk Management is responsible for the implementation and organisation of the ORSA process. All personnel participate in compiling the ORSA. The ORSA report is approved by the Board of Directors. The sufficiency and quality of the ORSA process is assessed annually as part of the self-assessment of the company's system of governance, for example.

B.4 Internal control system

The company's public control is the responsibility of the auditor and the Financial Supervision Authority in the way stipulated in the regulations concerning the company's operations. Internal control means the company's internal procedures and methods that aim at ensuring the company's goals are achieved, the effectiveness of the use of the company's resources, compliance with regulations, and the reliability of the information used to support management of the company.

Internal control is directed at operational activities and is risk and rotation based. The controls of the internal control system form an important element of the risk management measures. Internal control is directed both at the company's internally organised and outsourced activities, because in accordance with insurance regulations, the responsibility for the legal compliance in the organisation of outsourced services remains with the company. Furthermore, the company may also direct control measures at third parties and systems maintained by third parties.

The responsibility for the organisation of internal control lies with the company's Board of Directors and CEO. The company's compliance and risk management functions support the operational organisation in the implementation of internal control and are responsible for the documentation of the control system. In its internal control, the company focuses on previously determined risk-preventing processes for enhancing internal control. The company's key processes are mapped and described with an adequate level of accuracy, so that it is possible to state at which phases or sub-processes the internal control is directed.

The risk management function controls and assesses the appropriateness and functioning of the processes and the controls integrated in them in accordance with the operating plan. The risk management function reports to the Board of Directors on the state of the internal control system and other risk management system as part of the regular risk reporting. The reporting includes e.g. reporting disturbances in internal control and other risk events observed.

The internal control environment comprises control measures directed at the company's processes or integrated into them. These measures may be:

- instructive, such as determination of operating principles and other steering documents
- preventive, such as advance verifications and validations
- observant, such as assessments and inspections and other retrospective controls.

Regarding internal control, the responsibilities of the functions have been described and are known to the parties involved. The purpose of the measures is also to ensure that the control operations are systematic and regular.

The Board of Directors

- is responsible in particular for ensuring the effectiveness of internal control

- ensures that the company has sufficient financial and operational resources for the development and maintenance of the internal control system
- sees to it that the company has a clear organisational structure in which the responsibility and reporting relationships have been determined unambiguously
- bears responsibility for keeping the principles of internal control up to date and appropriate in relation to the company's business operations and strategy
- assesses and approves the principles of internal control regularly and at least once a year.

The Board of Directors handles in its meetings the company's internal control based on reporting of the risk management and other functions. The Board of Directors documents its decision-making based on internal control in accordance with the Board's charter. If necessary, the Board of Directors acts on its own initiative in acquiring the required information to be used as the basis of its decision-making.

CEO

- is responsible for the organisation and supervision of daily operations based on the principles and guidelines approved by the Board of Directors
- is responsible for the implementation and monitoring of internal control in the company's operational activities
- ensures that outsourced functions are also subject to internal control
- ensures that the control measures of internal control are integrated into the company's key operational processes.

Director of Risk Management

- bears responsibility for the maintenance of the principles of internal control
- bears responsibility for the methodical support to internal control practices and the documentation of controls
- consults the CEO and, if necessary, the Board of Directors about the development of the internal control system
- reports to the Board of Directors about fundamental observations made in internal control
- supports and advises the personnel of the company in matters concerning internal control and risk management.

Chief Financial Officer

- sees to it for their part that the company's operations and use of resources are profitable and effective from the point of view of the company's goals
- bears responsibility in particular for the planning, documentation and implementation of internal control in financial calculation and reporting
- prepares and monitors the investment plan and co-ordinates investment activities
- bears responsibility for the co-ordination of the company's reporting to the authorities.

Chief Legal Officer

- is responsible for the accuracy of Board meeting minutes and providing legal support for decision-making
- is responsible for ensuring the currency and accuracy of the governance system
- provides legal support to other functions.

Compliance Officer

- ensures that the company complies with laws, regulations, and administrative orders
- carries out monitoring in accordance with their own operating plan
- acts in co-operation with the Director of Risk Management, supporting them, in matters related to internal control.

Director of Actuarial function (responsible actuary)

- implements internal control of valuation of assets and liabilities by ensuring the correctness of the calculations
- is responsible for the correctness of the company's other calculations.

B.5 Internal audit function

The goal of internal audit is to produce an independent assessment of the company's risk management and the organisation, appropriateness, adequacy and effectiveness of internal control and other governance.

The internal audit function is independent of the company's operational and risk-taking functions. It supports the company in reaching its goals by providing a systematic way to approach the assessment and development of the effectiveness of the company's risk management, control, management and governance processes.

Internal audit has the right to access all information required for performing the audit duties, including the minutes of meetings of the company's different governing bodies, management and the Board of Directors. Internal audit is responsible for ensuring that the information it receives remains confidential.

The company has outsourced the internal audit function. As a small mutual insurance company, the company has determined that outsourcing the internal audit is a more appropriate solution than organising an internal audit function internally, given the scale and quality of operations. Outsourcing also ensures the full independence of the internal audit from the company's other core activities. Despite the outsourcing, the company remains responsible for ensuring that the internal audit meets the legal requirements and other regulatory obligations.

Internal audit has the right to receive information necessary from the point of view of its duties. It has the right, without being prevented by non-disclosure provisions, to get access without delay to all information and documents and user rights to information systems that it considers necessary for carrying out its duties. Additionally, internal audit has the right to access all company facilities, interview personnel, and receive the necessary assistance in performing its duties. To exercise its right to information, internal audit has the right to attend and speak at relevant company committees, such as the management team, Audit Committee, and Board meetings, as needed.

Each year, internal audit draws up a risk and rotation-based audit plan for the internal audit. The audit plan specifically takes into account the company's objectives, strategic changes, and significant changes to the organisation, operations, and systems. The plan assesses potential risks arising from the operating environment, the effectiveness of risk management processes, and issues stemming from the control environment raised in previous audits. The audit plan should outline the goal of the audits, the processes and functions to be audited, resource allocation, and the timing. The audit plan is approved by the company's Board of Directors. Internal audit reports to the company's Board of Directors and CEO. If the report concerns the company's CEO, internal audit reports solely to the Board of Directors.

If necessary, internal audit may also carry out audits that are not included in the audit plan.

The remuneration of the internal audit function is structured to ensure that it does not compromise the objectivity of the internal audit. In accordance with the company's remuneration policy, the remuneration paid to an external service provider shall be based on market conditions.

Internal audit has prepared audit reports for the audits conducted in 2025, and no significant deficiencies were found in the audited areas.

B.6 Actuarial function

The company's actuarial function and the responsible actuary are key elements of the company's system of governance. The tasks of the actuarial function and the responsible actuary are defined in legislation and other regulatory guidelines.

The core processes of the actuarial function and the responsible actuary comprise of the following components: calculation of and reporting on the underwriting risk, as well as Solvency II insurance risk calculation and reporting. The actuarial function and the responsible actuary report to the company's management and Board of Directors on the company's technical provisions, solvency, reinsurance arrangements, insuring policy, investment activities, risk management, and the ORSA. The key observations and conclusions of those reports are recorded as part of the minutes of the Board of Directors.

B.7 Outsourcing

Considering the size of the company's organisation and the scope of its business operations, it is appropriate to outsource some of its functions. Outsourcing must not interfere with the company's internal audit, risk management, business operations, implementation of internal controls, or any other significant operations, nor should it prevent effective regulatory supervision.

Written contracts have been drawn up for all outsourcing arrangements, and the company operates in accordance with the outsourcing principles approved by the Board of Directors. Outsourcing agreements are only made if they comply with internal and external guidelines and regulations, as well as the company's current strategy and business plan.

Consequently, when outsourcing essential, critical and important tasks and functions, special care must be taken. The more important a function is to the company's strategy or business, the more likely it is to be considered essential, critical or important. However, the final decision is made by the company's Board based on the decision material compiled by the responsible person for the outsourced function and their opinion. The decision materials also include an assessment of the compliance and risk management function on the method and risks of outsourcing. The company and its control functions must always have the opportunity to control the outsourced duties and functions. The outsourcing agreement can only be made after the Board of Directors' decision.

Ongoing outsourcing arrangements and their risks are assessed at least annually in the outsourcing review conducted by the Chief Legal Officer and the risk management function's risk assessment of outsourcing.

The company's most essential outsourced functions and duties are internal audit, IT administration including the Chief Information Officer, asset managers, the Data Protection Officer, part of financial administration, and administration of the whistleblowing channel. All service providers are located in Finland.

B.8 Other information

The company regularly assesses the appropriateness and suitability of its governance system and operating principles. The assessment is carried out in accordance with the Board of Directors' charter and the annual clock appended thereto. Strategic and business operation goals and risks are taken into account in

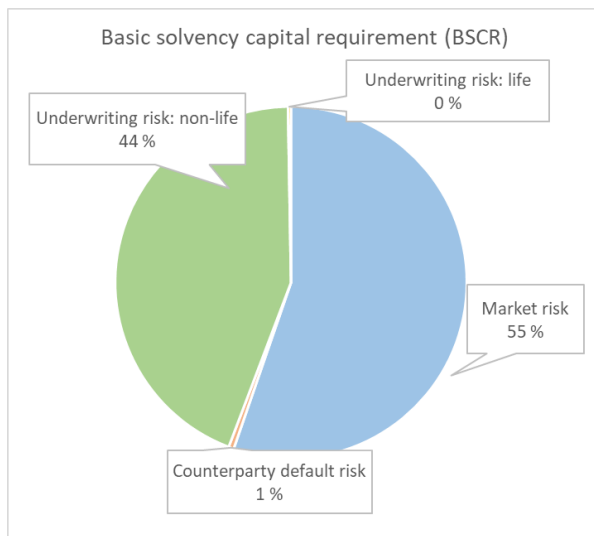
the assessment. The company's Board of Directors decides on any necessary changes, with the responsible party acting as the rapporteur.

The company estimates that the system of governance is in accordance with the business operations and goals, considering the nature, scope and complexity of the risks inherent in its business operations.

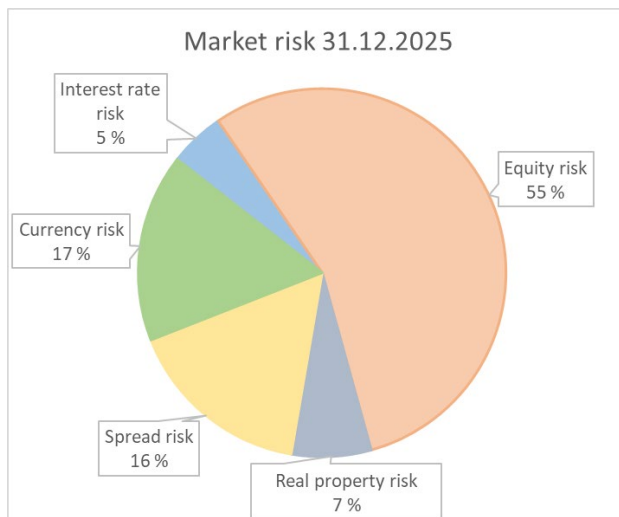
The company has not had other significant issues to report regarding the company's system of governance during the period under review.

C. Risk profile

The company's most significant risks are market risk and underwriting risk. The basic solvency capital requirement is presented in the diagram below:



The most significant market risk is the equity risk. The sub-categories of market risk are presented in the following diagram:



The most significant market risk is the equity risk, which accounts for around 55% of the capital requirement for the entire market risk. The currency risk is the second biggest risk. There was no concentration risk at the end of 2025.

Operational risk accounts for 3.7% of the overall solvency requirement. Liquidity risk is low because the company's largest cash expenses, such as reinsurance premiums and the Patient Insurance Centre's advance and distribution system fees, are well known in advance. The Patient Insurance Centre handles the payment of patient insurance compensations. The company has no other essential risks.

C.1 Underwriting risk

Underwriting risks refer to risks related to the granting, maintenance and implementation of insurance policies. Underwriting risk describes the deviation of the final costs of contractual obligations from the original estimate. The company has identified risks related to underwriting, premium risk, and technical provisions risk.

Insurance is granted only to owners. Policies taken out by owners may insure other wellbeing services counties. As the clients are publicly funded entities, underwriting and premium risks are considered low.

Insurance premium risk is managed through appropriate pricing and reinsurance. The company's retention in reinsurance is EUR 5 million. Patient insurance pricing is based on statistical data produced by the Patient Insurance Centre.

Reserve risk means the risk that the provisions made turn out to be insufficient. The risk is related to the assumptions used in calculating technical provisions and possible adverse deviations in estimated claims amounts, operating expenses and cash flows.

A non-life insurance company must use conservative calculation criteria when determining technical provisions. The actuarial estimates underlying the calculation criteria are based on information available at the balance sheet date and on losses that occurred before the balance sheet date. Factors to be monitored include, among others, claims development, changes in legislation, legal praxis, the policies of the Patient Injury Board and the development of population mortality. The company validates the calculation of technical provisions at least annually and whenever there is reason to suspect that the assumptions, information or methods used are no longer appropriate. The actuarial function ensures compliance with the guidelines for the technical provisions level and develops methods and systems to support this.

As the company has only been operational for five years and the development of patient injury claims is slow, the volume of paid claims is still low. Individual reserves account for less than a quarter of the claims provision. Claims handling and case-specific reserving are carried out by the Patient Insurance Centre. The company monitors the development of paid claims and reserves each month, and the claims provision is reported to the Board of Directors on a quarterly basis.

The objective of underwriting risk management is to ensure that the calculation bases used for premiums and provisions are prudent and reliable, as required by the legislation. To mitigate these risks, the premiums and technical provisions are determined based on the average insurance portfolio as part of the preparation of the calculation criteria.

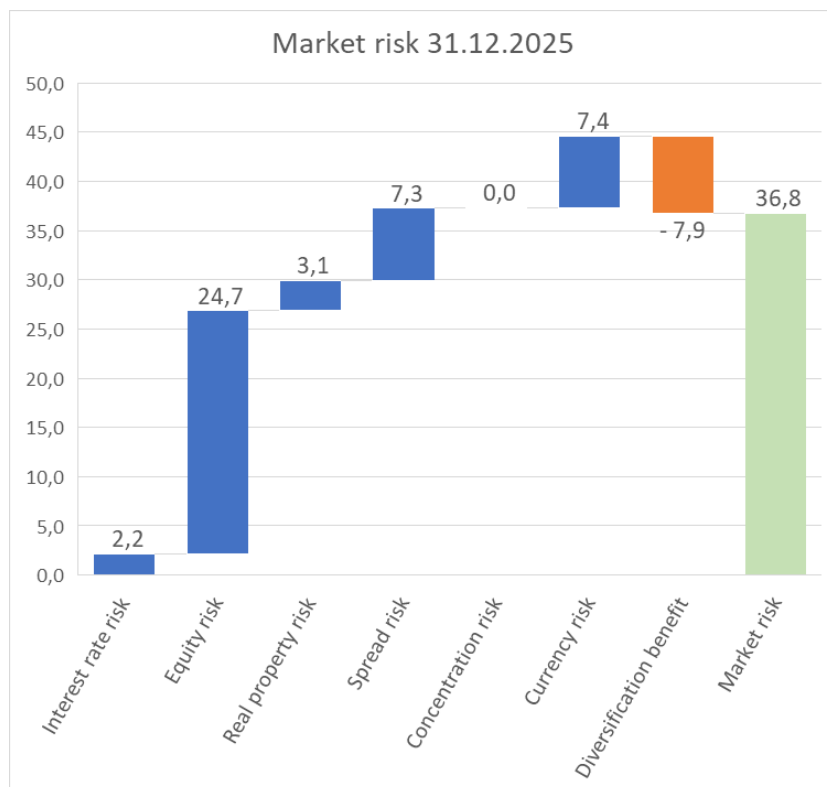
C.2 Market risk

Market risk refers to the decrease in the value of investment assets due to general price changes in the market. The realisation of market risk can cause fluctuations in both the company's profit/loss and solvency ratio through changes in the value of investment assets.

The company's risk appetite in investment activities is moderate. The assets are invested productively and securely, aiming for a reasonable return at a controlled risk level. Each year, the company's Board of Directors approves the investment plan, which determines the principles for the diversification investments, risk-taking limits, the target or neutral allocation of the investment portfolio, and the limits for different investment instruments.

The company's market risk capital requirement on 31 December 2025 consisted of the following risk items:

Market risk, EUR mill.	31.12.2025
Interest rate risk	2,2
Equity risk	24,7
Real property risk	3,1
Spread risk	7,3
Concentration risk	0,0
Currency risk	7,4
Total	44,6
Diversification benefit	-7,9
Total market risk	36,8



Equity risk stems from the fluctuation of the value of and income from equities.

Interest rate risk arises from the impact of changes in interest rates on the value of fixed-income investments. In the Solvency II calculation, fluctuations in interest rates also have a significant impact on the present value of technical provisions, which is reflected in the amount of own funds.

Spread risk describes investors' assessments of the issuer's repayment ability. Spread risk refers to the risk caused by an unexpected increase in credit margins and the resulting changes in the value of investments.

Property risk refers to the risk that arises from fluctuations in the fair value of real estate investments.

Currency risk is the risk of loss that arises when the value of the currency of an investment or technical provision changes in relation to the euro.

Concentration risk is the risk of loss caused by significant risk concentrations in relation to risk-bearing capacity, either in insurance or investment activities. At the end of 2025, there was no concentration risk in the market risk. Reinsurance concentration and counterparty default risk have been reduced by spreading the coverage among four reinsurers.

In total, the capital requirements for market risk are EUR 44.6 million, and after diversification benefits, the requirement is EUR 36.8 million. Market risk capital requirements are monitored in accordance with the company's risk strategy.

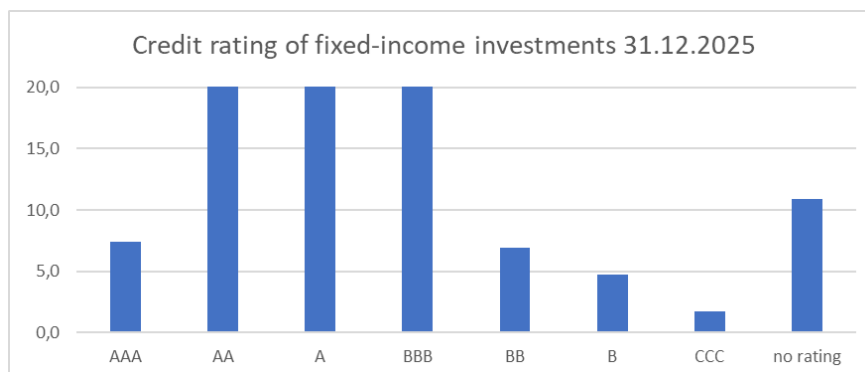
Market risk taking is guided by the principles and limits defined in the investment plan. The ORSA process includes analyses of the impact of various income scenarios on the company's solvency and its capabilities to continue operations safely.

C.3 Credit risk

Credit risk refers to the risk associated with a contractual counterparty that the counterparty is unable to fulfil its contractual obligations, which can lead to credit losses and weaken the profit/loss. Credit risk is associated with both bonds issued by the company and fixed income investments made through investment funds, where the source of risk is the repayment ability of the investment issuers. In the Solvency II calculation, sovereign bonds are not subject to credit risk.

Credit risk is managed by defining limits for different investment instruments and counterparty groups in the investment plan approved annually by the Board of Directors. This ensures sufficient diversification and that the risk to individual counterparties does not become too high.

The distribution of the company's investment assets across different credit ratings is as follows:

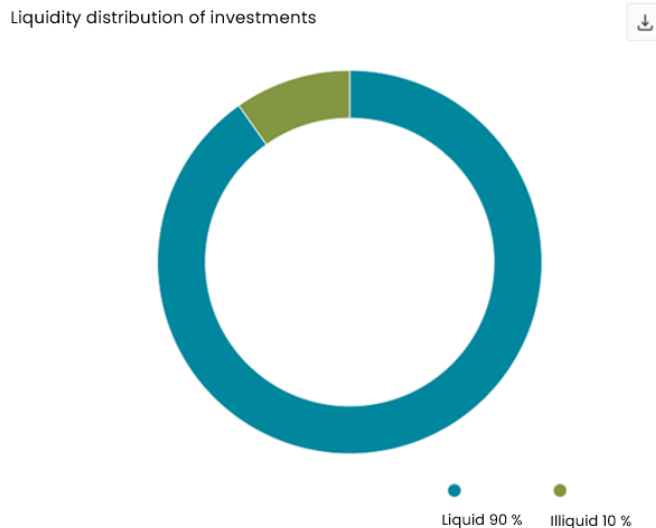


C.4 Liquidity risk

Liquidity risk refers to the risk that funds will not be sufficient to pay current expenses, such as pensions and other benefits. In addition, each investment instrument has its own liquidity risk: the less easily an instrument can be converted into cash, the greater the risk that its rapid realisation will result in a low sales price.

90% of the company's investments are liquid.

The following figure shows the liquidity distribution of investments as at 31 December 2025:



Liquid assets encompass the company's bank accounts and short-term fixed-income funds. The company consistently has liquid assets equivalent to at least three months of average expenses, and cash flows are highly predictable. The sufficiency of liquid assets is regularly monitored through cash flow statements.

The company's liquidity was sufficient throughout the reporting period, and no special measures were needed to secure liquidity.

C.5 Operational risk

Operational risks arise from incomplete, incorrectly defined or incorrectly functioning processes, personnel activities, information and other systems, and external events.

The operational risks identified by the company include compliance risks, which also include reputational risk. Reputational risk refers to the risk of decline of the company's public image or customer trust. Reputational risk may also result from the activities of outsourced or co-operation partners, if their values or operating principles deviate from those of the company. Reputational risk is often a consequence of the realisation of some other risk or operational disruption.

Other key operational risks include IT and cybersecurity risks, criminal risks, personnel-related risks and external risks.

In terms of operational risk management, it is essential that the company has clear and documented business processes and properly defined responsibilities and tasks for both its own personnel and outsourced service providers. In addition, the maintenance and development of employee expertise is ensured.

The aim is to identify, prevent and mitigate operational risks, and to limit their impacts. An important part of risk management is also compliance with laws, regulations and rules, as well as consistent and thoughtful external communication.

Operational risks are actively monitored, and they are reported to the company's Board of Directors at least quarterly.

C.6 Other material risks

Catastrophe damage

Catastrophe damage means damage with expected claims expenditure of at least EUR 5 million. Such damage may be directed at a single party or consist of serial damage. It is impossible to predict catastrophe damage. In Finland, no company has suffered such extensive damage during the period of validity of patient insurance. The company is prepared for catastrophe damage by arranging reinsurance protection for risks in excess of EUR 5 million. The goal is to maintain solvency in such a way that a single case of catastrophe damage does not cause a significant fluctuation in the solvency position.

According to the company's ORSA, solvency and financial position will deteriorate significantly if severe investment stress materialises or if both severe investment stress and catastrophe damage occur in the same year. The company actively monitors market development and, if necessary, takes action to strengthen its solvency. The company's owners have an additional payment obligation based on the articles of association, for which the company received permission from the Financial Supervisory Authority in 2023 to count it as part of its own additional assets.

The means available to strengthen solvency include the following, for example:

- price increases
- change of allocation of investment assets
- volatility adjustment
- reinsurance
- investing more capital in the company.

Organising reinsurance and other means to reduce risks

The risk profile of patient insurance requires comprehensive and sufficient reinsurance protection. The company's Board of Directors approves reinsurance contracts. The company's reinsurance is diversified across several solvent international operators to keep the concentration risk associated with a single reinsurer at a moderate level.

Reinsurance always involves counterparty risk, which occurs if the reinsurer is not solvent when the reinsurance coverage is triggered. Counterparty risk is reduced by using multiple reinsurers and requiring them to have at least an A credit rating. Moreover, the aim is to select operators with experience in patient insurance for the contracts.

Appropriateness of credit ratings

The company utilises credit ratings when assessing the solvency of investments and reinsurers. The company relies on well-known and reputable credit rating agencies such as Moody's and Standard & Poor's.

Analyses and assumptions, risk and solvency assessment

The ORSA process was carried out based on the situation at the end of September 2025.

The company's financial performance and solvency are significantly affected by the development of the value of investments. The impact of catastrophe damage is limited by reinsurance, which limits the company's liability to a maximum of five million euros in compensation cost. In the event of catastrophe damage, reinsurance coverage must be purchased again for the remaining insurance period. The basic scenario assumes that the current reinsurance arrangement remains unchanged until 2032.

In the event of severe investment market stress, the following declines in value are assumed:

- Equities: -40%
- Real property: -20%
- Spread risk of fixed-income investments: Solvency II requirement doubled

The aim of the stress tests was to assess the development of the company's solvency under the most significant and realistic risk conditions. The tests combined major loss and market stress scenarios. The stress is assumed to materialise during 2026. A total of nine stress scenarios were examined, the most significant of which were:

- Catastrophe damage in 2026
- Serious market disturbance in 2026
- Catastrophe damage and serious market disturbance in 2026.

Key results of risk and solvency assessment

Based on the risk and solvency assessment, the company meets the solvency requirements in all scenarios examined. The following table shows the development of the company's solvency position in the basic scenario and severe stress scenarios:

EUR mill.	Own funds - solvency capital requirement					
	2025	2026	2027	2028	2029	2030
Basic scenario	51,1	55,8	62,2	70,2	78,6	87,4
Catastrophe damage	51,1	51,7	57,3	64,2	71,5	79,0
Serious market disturbance	51,1	25,5	30,9	37,9	45,2	53,0
Catastrophe damage and serious market disturbance	51,1	21,1	25,7	31,6	37,8	44,2

Even though the company's solvency declines in a situation where both a serious market disruption and a catastrophic loss occur in the same year, solvency remains at a sufficient level, and there is no need to initiate measures to strengthen solvency.

C.7 Other Information

No other information.

D. Valuation for solvency purposes

The following table summarises the impact of adjustments made for solvency calculations on the Solvency II balance sheet. It shows the euro-denominated difference between Solvency II calculations and the financial statements, with a brief explanation of the differences.

SII AND FAS ASSETS & LIABILITIES 31.12.2025	Financial			Comment
	Solvency II	statements	Difference	
	kEUR	kEUR	kEUR	
ASSETS				
Equities and shares	9	9		
Other investments	157 354	143 442	13 912	1)
Receivables from policyholders	0	37 689	-37 689	2)
Other receivables	4 193	4 193		
Tangible assets	8	8		
Cash in hand and at banks	6 926	6 926		
Total assets	168 490	192 268	-23 778	
LIABILITIES				
Technical provisions	68 437	105 350	-36 913	3)
Provision for claims	0	93 566		
Equalisation provision	0	11 784		4)
Best estimate	57 487	0		3)
Risk margin	10 950	0		3)
Deferred tax liabilities	10 163	0	10 163	5)
Liabilities from direct business	0	37 689	-37 689	6)
Other liabilities	7 199	7 199		
Total liabilities	85 799	150 239	-64 440	
Excess of assets over liabilities	82 691	42 029	40 662	

1) Valuation in SII balance sheet is fair value and in financial statements investments are valued at acquisition cost or fair value, whichever is lower

2) Insurance premium receivables are taken into account in SII provision for unearned premiums

3) SII value: calculated as the sum of the best estimate and risk margin. Future cash flows are also taken into account in the calculation.

4) No equalisation provision in SII balance sheet

5) Deferred tax liabilities for valuation differences and technical provisions

6) Liabilities from direct business taken into account in SII provision for unearned premiums

More detailed descriptions are provided in the following sections.

D.1 Assets

Equities and shares in associated companies are valued at the acquisition cost of the equities, the associated companies are not listed in the stock exchange. Other investments are listed equity, fixed-income and real property funds, equities and financial instruments that are valued at acquisition cost or matched acquisition cost. Under Solvency II regulations, investments are valued at the confirmed market price at the valuation date. The market value of investments in the Solvency II balance sheet is EUR 157.4 (130.0) million. Receivables from policyholders, EUR 37.7 (37.1) million, and liabilities arising from direct insurance operations, EUR 37.7 (37.1) million, consist of 2026 insurance premiums invoiced to policyholders. In the Solvency II balance sheet, receivables from policyholders are accounted for in the calculation of the premium provision and netted accordingly.

The company has no intangible assets on its balance sheet. Tangible fixed assets amounting to EUR 8 (25) thousand are valued at acquisition cost less depreciation in both the Solvency II balance sheet and the national financial statements. The depreciation period of machinery and equipment is five years. Cash and bank balances are valued at nominal value. The company only has bank accounts denominated in euros.

Other receivables amounting to EUR 4.2 (3.7) million and other liabilities amounting to EUR 7.2 (3.3) million do not differ from each other in the solvency calculation and national financial statements. Assets and liabilities are valued at nominal value and consist of ordinary business-related transactions.

D.2 Technical provisions

Technical provisions for the financial statements are calculated according to the national regulations.

For solvency purposes (Solvency II), technical provisions are valued at the amount at which the obligations could be transferred to a knowledgeable and independent recipient. The Solvency II technical provisions consist of two parts: the best estimate and the risk margin.

The following table shows the valuation of the company's technical provisions in accordance with Solvency II and the financial statements.

EUR mill.	Financial	
	Solvency II statements	
	2025	2025
Provision for unearned premiums		
Best estimate (gross)	-4,0	0,0
Receivables from reinsurance contracts	0,0	0,0
Provision for unearned premiums (net)	-4,0	0,0
Provision for claims		
Best estimate (gross) non-life	58,3	93,6
Best estimate (gross) life	3,3	
Receivables from reinsurance contracts	0,0	0,0
Provision for claims (net)	61,5	93,6
Risk margin	10,9	0,0
Equalisation provision	0	11,8
Total technical provisions	68,4	105,3

Insurance policies that start in the future are not taken into account when calculating technical provisions in the financial statements. In Solvency II calculations, technical provisions also include insurance policies that begin after the reporting period and to which the company has already committed.

The Solvency II premium provision takes into account the premiums for policies starting after 1 January 2026, as well as the claims expenses and other costs related to these policies. Since insurance premiums are greater than estimated claims and operating expenses, the insurance premium provision becomes negative.

In the financial statements, future claims and other cash flows are not discounted, while in Solvency II, all cash flows are discounted using a risk-free interest rate curve, which reduces the amount of technical provisions.

Methods for calculation of technical provisions

The best estimate of the Solvency II technical provisions is calculated as the difference between the present value of the cash flows of claims and other expenses and the present value of the cash flows of insurance premiums. The fair values are calculated using the risk-free interest rate published by EIOPA. The company does not use volatility adjustment.

The risk margin is calculated using a method in which the calculated solvency capital requirements for future years are multiplied by the 6% capital cost rate determined by the commission. The development of capital requirements in the coming years is approximated from the solvency capital requirement for the year under review by risk segment, reducing it in the same proportion as the technical provisions for the corresponding risk segments are expected to decrease annually.

Uncertainty of technical provisions

There is always uncertainty involved in estimating technical provisions. The company's insurance operations began at the beginning of 2021, which is why its own claims data is still limited. However, the company receives comprehensive statistical data from the Patient Insurance Centre, which produces both Solvency II cash flow data and loss-specific provisions.

Statistical data is transferred to the company from the Patient Insurance Centre on a weekly basis. The company monitors the development of compensation paid for known claims and provisions on a monthly basis, and prepares a more detailed report for the Board of Directors on a quarterly basis. The actuarial function assesses the adequacy of technical provisions at least once a year.

D.3 Other liabilities

Deferred tax liabilities comprise the valuation differences of investments and technical provisions under Solvency II. Deferred tax liabilities are calculated with a tax rate of 20%. Other liabilities and liabilities for direct business are explained in section D1.

D.4 Alternative methods for valuation

No alternative valuation methods are used by the Finnish Mutual Patient Insurance Company.

D.5 Other Information

The Finnish Mutual Patient Insurance Company has no other essential information to report.

E. Capital management

The management of solvency is based on the applicable solvency legislation and the company's strategy. Based on these, an internal solvency target has been defined for the company, i.e. risk appetite from a solvency management perspective. Risk appetite further determines the company's risk tolerance and risk limits. In solvency management, risk tolerance is described using a traffic light model. The company's solvency is currently at a good level.

Capital adequacy management is an essential part of the company's risk management and is implemented in accordance with the risk strategy. A key tool in assessing solvency is the company's ORSA process, which examines the development of solvency in various stress scenarios and changing operating environments.

E.1 Own funds

The company's own funds comprise basic own funds and ancillary own funds.

Basic own funds are assets on the company's balance sheet, while ancillary own funds consist of off-balance sheet items for which the company can demand payment, if necessary.

The basic own funds are calculated based on the equity in the financial statements, and are adjusted in the solvency review by valuation differences between investments and technical provisions, for example. In addition, the company has approved ancillary own funds. The company's own funds on 31 December 2025 are presented in the following table:

<i>Own funds</i>	31.12.2025
<u>Shareholders' equity</u>	42,0
Guarantee capital	30,0
Invested unrestricted equity	5,0
Other shareholders' equity	7,0
<u>Valuation differences</u>	50,8
From investment assets	13,9
From technical provisions	36,9
<u>Other items</u>	-10,2
Deferred tax liability	-10,2
Basic own funds	82,7
Approved ancillary own funds	22,0
Own funds (EOF)	104,7

Changes in own funds

The amount of reconciliation reserve in own funds is EUR 52.7 million. The most significant changes during the year were as follows:

- Valuation differences in technical provisions: EUR 36.9 million, increase of EUR 21.1 million – increase due to the difference between FAS and SII liability and the increase in the equalisation amount
- Valuation differences in investments: EUR 13.9 million, increase of EUR 4.0 million – increase due to the increased value of the investments
- Approved ancillary own funds: EUR 22.0 million, increase of EUR 1.2 million

Structure of own funds

- Basic own funds: EUR 82.7 million (category 1)
 - Basic own funds can be used to cover the minimum capital requirement (MCR).
- Ancillary own funds: EUR 22.0 million (category 2)
 - Ancillary own funds comprise possible ancillary charges.

The total eligible own funds are EUR 104.7 million and can be used to cover the solvency capital requirement (SCR).

As at 31 December 2025, the company's SCR was EUR 52.6 million, and the MCR was EUR 11.0 million. Thus, the ratio of the company's own funds to the SCR was 238%, and the ratio of own funds to the MCR was 751%.

The company's Board of Directors assesses capital adequacy on a quarterly basis and has paid particular attention to the level of core assets in relation to the SCR requirement. The goal is for the amount of basic own funds to clearly exceed the SCR.

E.2 Solvency capital requirement and minimum capital requirement

The company calculates the solvency capital requirement (SCR) using a standard formula. In the calculation of SCR for non-life insurance the company does not use company-specific parameters for now. The table below presents the company's SCR as at 31 December 2025.

Solvency capital requirement, EUR mill.	
Basic solvency capital requirement (BSCR)	31.12.2025
Market risk	36,8
Counterparty default risk	0,3
Underwriting risk: non-life	29,2
Underwriting risk: life	0,2
Diversification benefit	-13,9
Total (BSCR)	52,6
Operational risk	1,6
Loss-absorbing capacity of deferred taxes	-10,2
Solvency capital requirement (SCR)	44,0

The company's linear MCR, based on premium income and technical provisions, was EUR 11.0 million at the end of 2025.

E.3 Use of a duration-based equity risk sub-module in calculation of solvency capital requirement

The Finnish Mutual Patient Insurance Company does not use a duration-based equity risk sub-module in calculation of solvency capital requirement.

E.4 Differences between the standard formula and an internal model used

The Finnish Mutual Patient Insurance Company does not use an internal model for calculation of SCR.

E.5 Non-compliance with the minimum capital requirement and solvency capital requirement

The Finnish Mutual Patient Insurance Company has complied with both the MCR and SCR throughout the 2025 reporting period.

E.6 Other information

The Finnish Mutual Patient Insurance Company has no other essential information to report.

Attachments

SE.02.01.16.01 Balance sheet

SE.02.01.16.01 Balance sheet		Solvency II value	Statutory accounts value
	Assets	C0010	C0020
R0060	Property, plant & equipment held for own use	8 003	8 003
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	157 353 672	143 450 921
R0090	Holdings in related undertakings, including participations	8 995	8 995
R0100	Equities	12 854 579	10 062 218
R0110	Equities - listed	12 854 579	10 062 218
R0120	Equities - unlisted		
R0130	Bonds	41 754 493	41 718 063
R0140	Government Bonds	29 531 589	29 819 759
R0150	Corporate Bonds	12 222 905	11 898 304
R0180	Collective Investments Undertakings	102 735 606	91 661 645
R0200	Deposits other than cash equivalents		
R0360	Insurance and intermediaries receivables	0	37 689 409
R0370	Reinsurance receivables		
R0380	Receivables (trade, not insurance)	4 193 468	4 193 468
R0410	Cash and cash equivalents	6 925 924	6 925 924
R0420	Any other assets, not elsewhere shown		
R0500	Total assets	168 481 068	192 267 725
-	Liabilities		
R0510	Technical provisions - non-life	64 586 014	103 107 578
R0520	Technical provisions - non-life (excluding health)	64 586 014	103 107 578
R0530	Technical provisions calculated as a whole	0	
R0540	Best Estimate	54 218 104	
R0550	Risk margin	10 367 911	
R0560	Technical provisions - health (similar to non-life)	0	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	3 850 751	2 242 204
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	3 850 751	2 242 204
R0660	Technical provisions calculated as a whole		
R0670	Best Estimate	3 269 016	0
R0680	Risk margin	581 735	
R0780	Deferred tax liabilities	10 163 154	0
R0790	Derivatives		
R0800	Debts owed to credit institutions		
R0820	Insurance & intermediaries payables	0	37 689 409
R0830	Reinsurance payables		
R0840	Payables (trade, not insurance)	7 199 471	7 199 471
R0900	Total liabilities	85 799 390	150 238 661
R1000	Excess of assets over liabilities	82 681 678	42 029 064

S.05.01.01.01 Premiums, claims and expenses by line of business

Premiums, claims and expenses by line of business			
S.05.01.01.01			
	Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)	
		General liability insurance	TOTAL
		C0080	C0200
	Premiums written		
R0110	Gross - Direct Business	37 106 231	37 106 231
R0140	Reinsurers' share	1 455 366	1 455 366
R0200	Net	35 650 865	35 650 865
R0210	Gross - Direct Business	37 106 231	37 106 231
R0240	Reinsurers' share	1 455 366	1 455 366
R0300	Net	35 650 865	35 650 865
R0310	Gross - Direct Business	17 118 712	17 118 712
R0400	Net	17 118 712	17 118 712
R0550	Expenses incurred	8 409 935	8 409 935
R0610	Gross - Direct Business	1 590 616	1 590 616
R0700	Net	1 590 616	1 590 616
R0710	Gross - Direct Business	242 209	242 209
R0800	Net	242 209	242 209
R0810	Gross - Direct Business	6 458 144	6 458 144
R0900	Net	6 458 144	6 458 144
R0910	Gross - Direct Business	118 966	118 966
R1000	Net	118 966	118 966
R1300	Total expenses		8 409 935
S.05.01.01.02			
	Life	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	
	Line of Business for: life insurance obligations		TOTAL
		C0260	C0300
	Premiums written		
R1410	Gross	0	0
R1420	Reinsurers' share	0	0
R1500	Net	0	0
	Premiums earned		
R1510	Gross	0	0
R1520	Reinsurers' share	0	0
R1600	Net	0	0
	Claims incurred		
R1610	Gross	1 636 431	1 636 431
R1620	Reinsurers' share	0	0
R1700	Net	1 636 431	1 636 431
R1900	Expenses incurred	0	0
R2600	Total expenses		0
R2700	Total amount of surrenders		0

S.17.01.01.01 Non-Life Technical Provisions

S.17.01.01.01 Non-Life Technical Provisions			
	Direct business and accepted proportional reinsurance	General liability insurance	Total Non-Life obligation
		C0090	C0180
-	Premium provisions		
R0060	Gross - Total	-4 043 577	-4 043 577
R0070	Gross - direct business	-4 043 577	-4 043 577
R0150	Net Best Estimate of Premium Provisions	-4 043 577	-4 043 577
-	Claims provisions		
R0160	Gross - Total	58 261 681	58 261 681
R0170	Gross - direct business	58 261 681	58 261 681
R0250	Net Best Estimate of Claims Provisions	58 261 681	58 261 681
R0260	Total Best estimate - gross	54 218 104	54 218 104
R0270	Total Best estimate - net	54 218 104	54 218 104
R0280	Risk margin	10 367 911	10 367 911
R0320	Technical provisions - total	64 586 014	64 586 014
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re-total	64 586 014	64 586 014
-	Line of Business: further segmentation (Homogeneous Risk Groups)		
R0350	Premium provisions - Total number of homogeneous risk groups	1	
R0360	Claims provisions - Total number of homogeneous risk groups	2	
-	Cash-flows of the Best estimate of Premium Provisions (Gross)		
-	Cash out-flows		
R0370	Future benefits and claims	28 739 916	28 739 916
R0380	Future expenses and other cash-out flows	4 139 397	4 139 397
-	Cash in-flows		0
R0390	Future premiums	36 922 889	36 922 889
R0410	Future benefits and claims	45 338 695	45 338 695
R0420	Future expenses and other cash-out flows	12 922 985	12 922 985
R0450	Percentage of gross Best Estimate calculated using approximations	0,00 %	0,00 %
R0470	Technical provisions without transitional on interest rate	64 586 014	64 586 014
R0480	Best estimate subject to volatility adjustment	0	0
R0490	Technical provisions without volatility adjustment and without others transitional measures	64 586 014	64 586 014
R0500	Expected profits included in future premiums (EPIFP)	-339 533	-339 533

S.23.01.01.01 Own funds

S.23.01.01.01 Own funds		TOTAL	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	C0010	C0020	C0030	C0040	C0050
R0040	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	30 000 000	30 000 000		0	
R0130	Reconciliation reserve	52 681 678	52 681 678			
R0290	Total basic own funds after deductions	82 681 678	82 681 678	0	0	0
-	Ancillary own funds					
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	29 028 331			29 028 331	0
R0400	Total ancillary own funds	29 028 331			29 028 331	0
-	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	111 710 009	82 681 678		29 028 331	0
R0510	Total available own funds to meet the MCR	82 681 678	82 681 678			
R0540	Total eligible own funds to meet the SCR	104 703 294	82 681 678		22 021 616	0
R0550	Total eligible own funds to meet the MCR	82 681 678	82 681 678			
R0580	SCR	44 043 232				
R0600	MCR	11 010 808				
R0620	Ratio of Eligible own funds to SCR	237,73 %				
R0640	Ratio of Eligible own funds to MCR	750,91 %				

S.25.01.01.01 Solvency Capital Requirement (SCR) – for undertakings on Standard Formula

S.25.01.01.01 Basic Solvency Capital Requirement				
		Net SCR	Gross SCR	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
R0010	Market risk	36 769 710	36 769 710	0
R0020	Counterparty default risk	321 743	321 743	0
R0030	Life underwriting risk	178308,27	178308,27	0
R0040	Health underwriting risk	0	0	0
R0050	Non-life underwriting risk	29 236 963	29 236 963	0
R0060	Diversification	-13 941 593	-13 941 593	
R0070	Intangible asset risk	0	0	
R0100	Basic Solvency Capital Requirement	52 565 132	52 565 132	

S.25.01.01.02 Calculation of the solvency capital requirement

S.25.01.01.02 Calculation of Solvency Capital Requirement		
		Value
		C0100
R0120	Adjustment due to RFF/MAP nSCR aggregation	0
R0130	Operational risk	1 641 254
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-10 163 154
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	Solvency Capital Requirement excluding capital add-on	44 043 232
R0210	Capital add-on already set	0
R0220	Solvency capital requirement	44 043 232
R0450	Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	No adjustment

S.28.01.01.05 Minimum Capital Requirement (MCR) – Solo Life or Non-Life Insurance or Reinsurance Activity

S.28.01.01.05 Overall MCR calculation		
		C0070
R0300	Linear MCR	10 323 377
R0310	SCR	44 043 232
R0320	MCR cap	19 819 455
R0330	MCR floor	11 010 808
R0340	Combined MCR	11 010 808
R0350	Absolute floor of the MCR	4 000 000
R0400	Minimum Capital Requirement	11 010 808