

3 Claims incurred

P&C insurance

EURm	2014			2013		
	Gross	Ceded	Net	Gross	Ceded	Net
P&C insurance						
Claims cost attributable to current-year operations						
Claims paid	-1,643	14	-1,629	-1,718	21	-1,697
Change in provision for claims outstanding (incurred and reported losses)	-695	15	-680	-715	19	-696
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	-594	11	-583	-633	13	-620
Claims-adjustment costs	-8	-	-8	-4	0	-4
Change in claims provision for annuities	-10	-	-10	-7	0	-7
Total claims cost attributable to current-year operations	-2,951	41	-2,910	-3,078	53	-3,025
Claims costs attributable to prior-year operations						
Claims paid	-1,199	181	-1,019	-1,274	165	-1,108
Annuities paid	-255	0	-255	-77	0	-77
Change in provision for claims outstanding (incurred and reported losses)	798	-183	615	915	-140	775
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	687	-21	666	508	-18	489
Total claims cost attributable to prior-year operations	32	-24	8	71	7	79
Insurance claims paid						
Claims paid	-2,843	195	-2,648	-2,991	186	-2,805
Annuities paid	-127	-	-127	-129	-	-129
Total claims paid	-2,969	195	-2,774	-3,120	186	-2,935
Change in provision for claims outstanding						
Change in provision for claims outstanding (incurred and reported losses)	103	-168	-65	199	-121	79
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	-88	-10	-98	-126	-5	-131
Change in claims provision for annuities	43	0	43	45	0	45
Claims-adjustment costs	-8	-	-8	-4	-	-4
Total change in provision for claims outstanding	50	-178	-128	114	-126	-11
P&C insurance, total	-2,919	17	-2,902	-3,006	60	-2,946

The provision for annuities is valued in accordance with normal actuarial principles taking anticipated inflation and mortality into consideration, and discounted to take the anticipated future investment return into account. To cover costs for the costs for the upward adjustment of annuity provisions required for the gradual reversal of such discounting, an anticipated return is added to the annuity results. Provisions for incurred but not reported losses pertaining to annuities in Finland are discounted. The provisions in 2014 amounted to EURm 257 (282). The non-discounted value was EURm 388 (453). The exchange effect on the discounted provisions was an increase of EURm 16. The real decrease EURm 26 is explained by the model adjustment for Motor Third Party Liability and Workers' Compensation insurances.

Interest rate used in calculating the technical provisions of annuities (%)

	2014	2013

Sweden	1,75%	1,19%
Finland	2,00%	2,50%
Denmark	1,47%	2,00%

Life insurance

EURm	Claims paid		Change in provision for claims outstanding		Claims incurred	
	2014	2013	2014	2013	2014	2013
Insurance contracts						
Life insurance						
Contracts with discretionary participation feature (DPF)	-45	-50	1	-0	-44	-50
Other contracts	-0	-0	-12	-0	-12	-0
Unit-linked contracts	-177	-160	0	0	-177	-160
Total	-223	-211	-11	0	-233	-210
Pension insurance						
Contracts with discretionary participation feature (DPF)	-350	-344	35	24	-316	-320
Unit-linked contracts	-13	-12	-23	-16	-36	-29
Total	-364	-357	12	8	-351	-349
Assumed reinsurance	-1	-1	1	-1	0	-2
Insurance contracts total, gross	-587	-568	3	7	-585	-560
Reinsurers' share	3	3	-0	-1	3	2
Insurance contracts total, net	-585	-565	3	7	-582	-559
Investment contracts						
Capital redemption policies						
Contracts with discretionary participation feature (DPF)	-0	-1	-	-	-0	-1
Unit-linked contracts	-294	-172	-	-	-294	-172
Investment contracts, total	-294	-173	-	-	-294	-173
Life insurance, total	-879	-738	3	7	-876	-731

Claims paid by type of benefit

EURm	2014	2013
Insurance contracts		
Life insurance		
Surrender benefits	-8	-10
Death benefits	-21	-21
Maturity benefits	-5	-9
Loss adjustment expenses	-0	-0
Other	-10	-10
Total	-45	-50
Life insurance, unit-linked		
Surrender benefits	-114	-115

Death benefits	-50	-34
Maturity benefits	-13	-12
Loss adjustment expenses	-0	0
Total	-177	-160
Pension insurance		
Pension payments	-319	-319
Surrender benefits	-25	-20
Death benefits	-6	-5
Loss adjustment expenses	-0	-0
Total	-350	-344
Pension insurance, unit-linked		
Surrender benefits	-10	-9
Death benefits	-3	-4
Other	-0	-0
Total	-13	-12
Assumed reinsurance	-1	-1
Insurance contracts total, gross	-587	-569
Reinsurers' share	3	3
Insurance contracts total, net	-585	-565
Investment contracts		
Capital redemption policy, with-profit		
Surrender benefits	-0	-0
Loss adjustment expenses	-	-0
Total	-0	-1
Investment contracts		
Capital redemption policy, unit-linked		
Surrender benefits	-316	-170
Loss adjustment expenses	22	-2
Total	-294	-172
Investment contracts total, gross	-295	-173
Claims paid total, gross	-882	-741
Claims paid total, net	-879	-738
Elimination items between segments	8	-
EURm	2014	2013
Group, total	-3,771	-3,677