

3 Claims incurred

P&C insurance

EURm	2016			2015		
	Gross	Ceded	Net	Gross	Ceded	Net
P&C insurance						
Claims cost attributable to current-year operations						
Claims paid	-1,643	11	-1,633	-1,607	17	-1,590
Change in provision for claims outstanding (incurred and reported losses)	-666	40	-626	-691	20	-672
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	-557	11	-546	-574	12	-562
Claims-adjustment costs	1	-	1	-1	-	-1
Change in claims provision for annuities	-8	-	-8	-8	-	-8
Total claims cost attributable to current-year operations	-2,873	62	-2,811	-2,881	48	-2,833
Claims costs attributable to prior-year operations						
Claims paid	-1,055	56	-999	-1,011	45	-966
Annuities paid	-124	0	-124	-204	0	-204
Change in provision for claims outstanding (incurred and reported losses)	588	-20	568	635	-26	609
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	721	-33	688	516	-16	500
Total claims cost attributable to prior-year operations	130	3	133	-64	3	-61
Insurance claims paid						
Claims paid	-2,698	67	-2,632	-2,618	61	-2,557
Annuities paid	-132	-	-132	-132	-	-132
Claims portfolio	1	7	8	16	-	-
Total claims paid	-2,828	73	-2,755	-2,734	61	-2,689
Change in provision for claims outstanding						
Change in provision for claims outstanding (incurred and reported losses)	-78	20	-57	-56	-6	-62
Change in provision for claims outstanding (incurred but not reported losses, IBNR)	119	-22	97	-127	-4	-131
Change in claims provision for annuities	44	-	44	-11	0	-11
Claims-adjustment costs	1	-	1	-1	-	-1
Total change in provision for claims outstanding	87	-2	85	-195	-10	-205
P&C insurance, total	-2,741	71	-2,670	2,929	51	-2,894

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 2016 amounted to EURm 277 (261). The non-discounted value was EURm 367 (351). The exchange effect on the discounted provisions was a decrease of EURm 10. The real increase was EURm 9.

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

	2016	2015
Sweden	1.65%	2.01%
Finland	1.50%	1.50%
Denmark	0.72%	1.71%

Life insurance

EURm	Claims paid		Change in provision for claims outstanding		Claims incurred	
	2016	2015	2016	2015	2016	2015
Insurance contracts						
Life insurance						
Contracts with discretionary participation feature (DPF)	-43	-47	2	2	-41	-45
Other contracts	0	0	0	0	0	-1
Unit-linked contracts	-205	-183	2	14	-203	-170
Total	-248	-231	4	16	-244	-215
Pension insurance						
Contracts with discretionary participation feature (DPF)	-425	-397	92	-19	-334	-417
Unit-linked contracts	-18	-15	-19	-21	-37	-36
Total	-443	-412	73	-40	-370	-453
Assumed reinsurance	-1	0	0	0	0	-1
Insurance contracts total, gross	-692	-644	77	-25	-615	-668
Reinsurers' share	3	3	0	0	3	3
Insurance contracts total, net	-689	-641	77	-25	-612	-666
Investment contracts						
Capital redemption policies						
Contracts with discretionary participation feature (DPF)	0	0	-	-	0	0
Unit-linked contracts	-355	-358	-	-	-355	-358
Investment contracts, total	-355	-358	-	-	-355	-358
Life insurance, total	-1,044	-999	77	-25	-967	-1,023

Claims paid by type of benefit

EURm	2016	2015
Insurance contracts		
Life insurance		
Surrender benefits	-7	-8
Death benefits	-21	-19
Maturity benefits	-6	-10
Other	-10	-10
Total	-44	-48
Life insurance, unit-linked		
Surrender benefits	-149	-132
Death benefits	-45	-41
Maturity benefits	-10	-10
Total	-205	-183
Pension insurance		
Pension payments	-415	-386
Surrender benefits	-2	-6
Death benefits	-9	-5
Total	-425	-397
Pension insurance, unit-linked		

Pension payments	-4	-1
Surrender benefits	-10	-11
Death benefits	-4	-3
Total	-18	-15
Assumed reinsurance	-1	0
Insurance contracts total, gross	-692	-644
Reinsurers' share	3	3
Insurance contracts total, net	-689	-641
Investment contracts		
Capital redemption policy, with-profit		
Surrender benefits	-372	-375
Loss adjustment expenses	17	17
Total	-355	-358
Investment contracts total, gross	-355	-358
Claims paid total, gross	-1,047	-1,001
Claims paid total, net	-1,044	-999
Elimination items between segments	10	-
EURm	2016	2015
Group, total	-3,627	-3,917