

Storebrand Q1 2023

10 May 2023

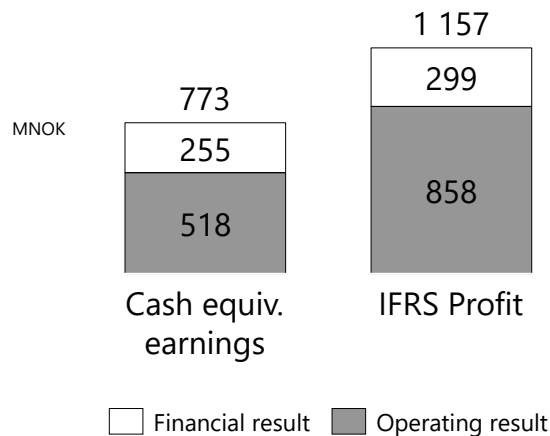
Odd Arild Grefstad – CEO
Lars Aa. Løddesøl – CFO

Highlights Q1 2023

Strong underlying growth and record high assets under management, but increased disability impacts profit negatively

Group result¹ Q1 2023

New accounting standards IFRS 17 & 9 implemented from Q1 2023



1 111 bn NOK in assets under management



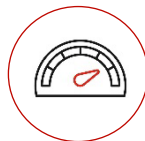
19% growth in insurance²



18% growth in retail banking²



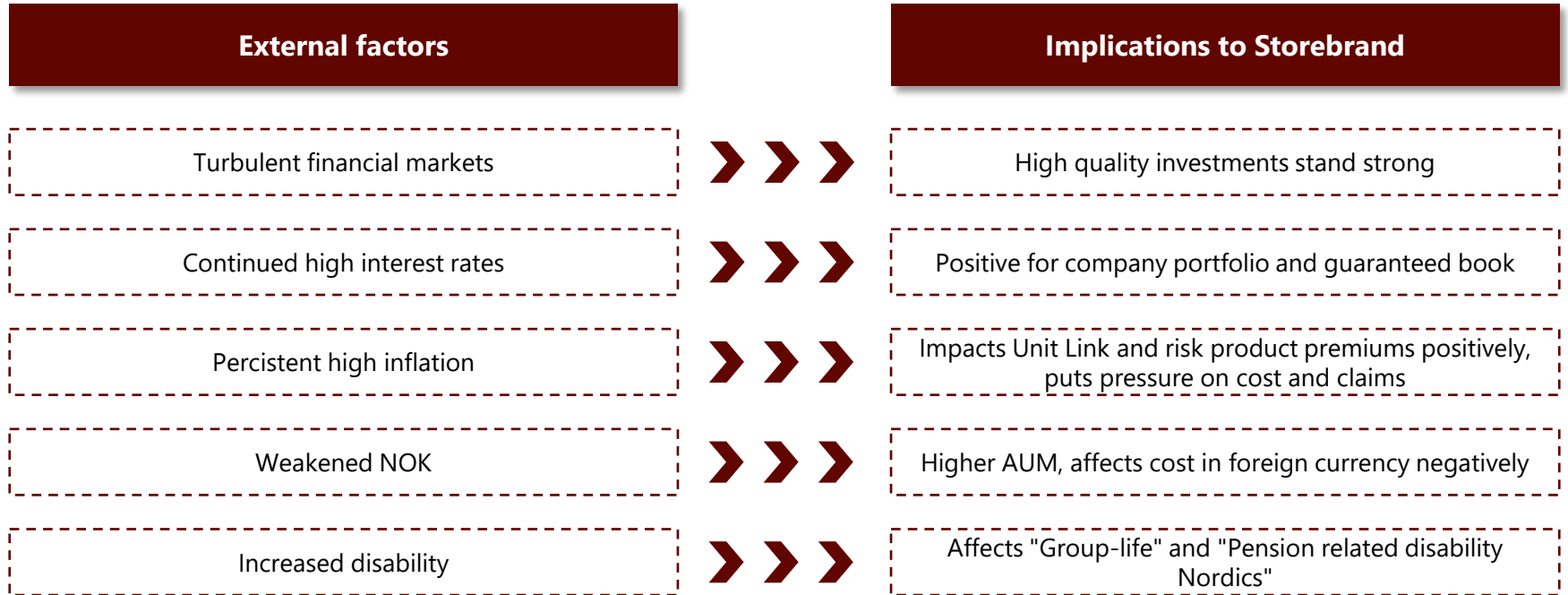
30% growth in Unit linked premiums²



179% Solvency ratio

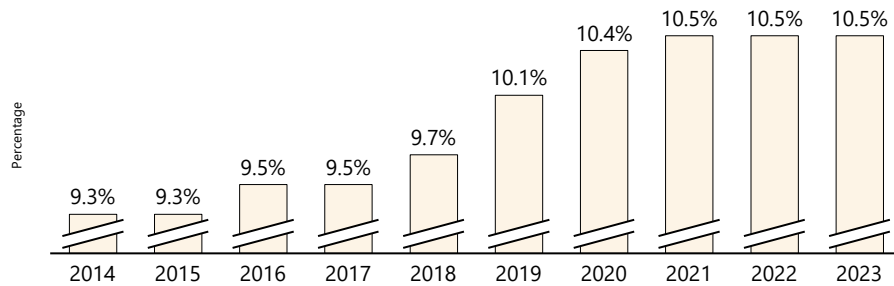
¹ Cash equivalent earnings (APM) before amortisation and tax split between Cash equivalent earnings from operations and Financial items and risk result life, and Profit/loss before amortisation and tax split between Operating profit and Net financial result (IFRS).
² Growth figures are from corresponding quarter in 2022 to 2023.

Despite macro and financial turbulence, Storebrand stands strong

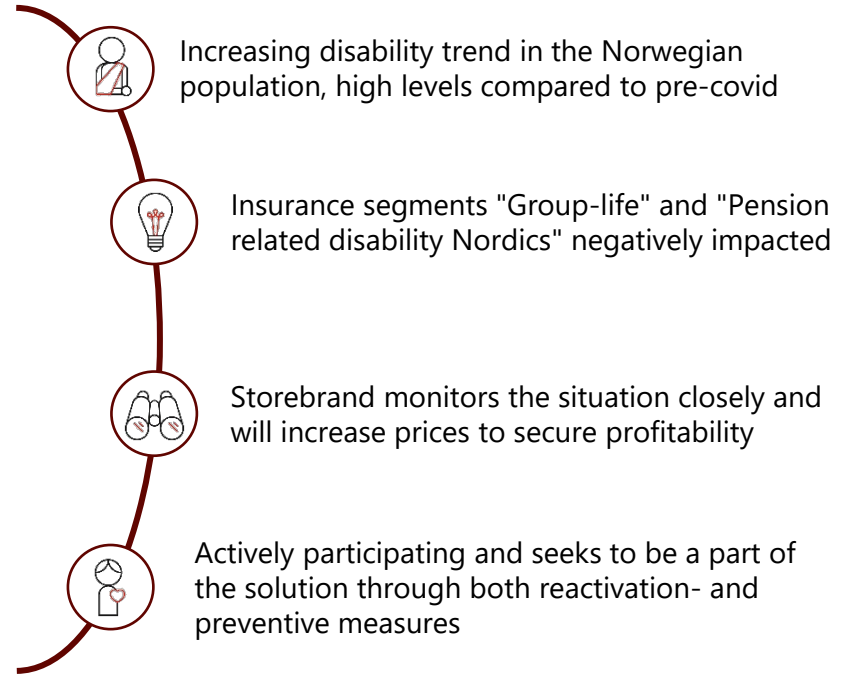
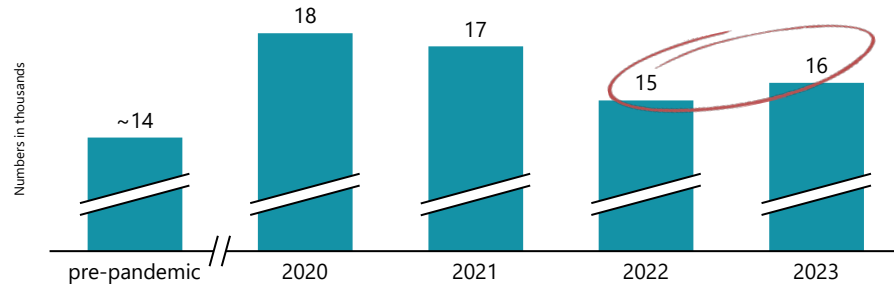


Disability increasing in Norwegian population

People on disability schemes in % of total workforce^{1,2}



New recipients of work assessment allowance (AAP) in Norway^{1,3}



¹ Norwegian Labour and Welfare Administration - <https://www.nav.no/no/nav-og-samfunn/statistikk/aap-nedsatt-arbeidsevne-og-uforetrygd-statistikk/uforetrygd>

² Disability statistics as a percentage from 18-67 years: <https://www.nav.no/no/nav-og-samfunn/statistikk/aap-nedsatt-arbeidsevne-og-uforetrygd-statistikk/taeller/mottakere-av-uforetrygd-som-andel-av-befolkningen--etter-fylke-og-kjonn-aldersstandardiserte-tall-pr-31.03.2014-2023--present>

³ Recipients of work assessment allowance <https://www.nav.no/no/nav-og-samfunn/statistikk/aap-nedsatt-arbeidsevne-og-uforetrygd-statistikk/arbeidsavklaringspenger>

Pursuing our Group Strategy: Leading The Way In Sustainable Value Creation to be a leading Sustainable Nordic Savings and Insurance Group

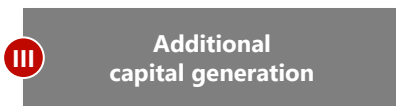
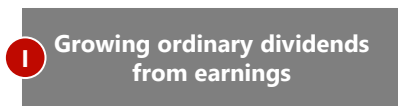
Future Storebrand
Growth focus in capital-light business areas in front book



Strategic
differentiators



Capital Management



Strong organic growth in the Unit Linked business, supported by the Danica acquisition

Highlights



Unit Linked **premiums grew 30%** year on year

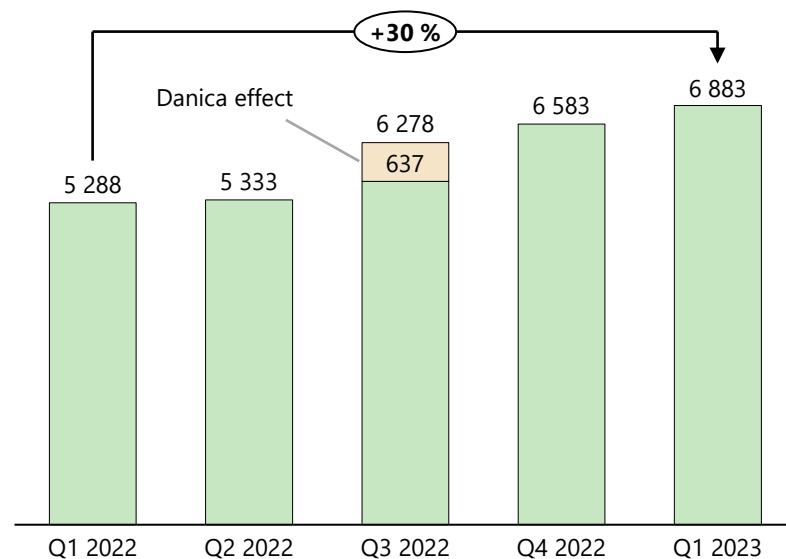
- Danica integration according to plan
- Positive new sales and transfer balance development in both Norwegian and Swedish business



For the first time, SPP is selectable in both segments in the unionized market¹ in Sweden:

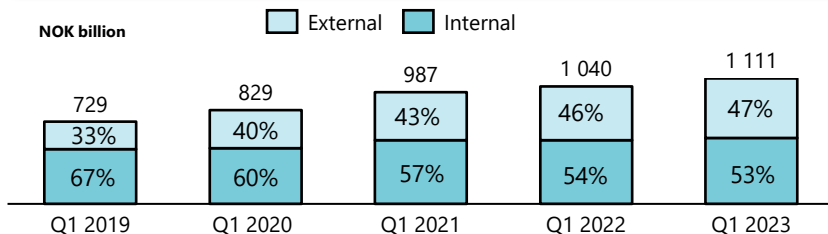
- Unit linked
- Capital light guarantees

Unit Linked premiums (NOK million)

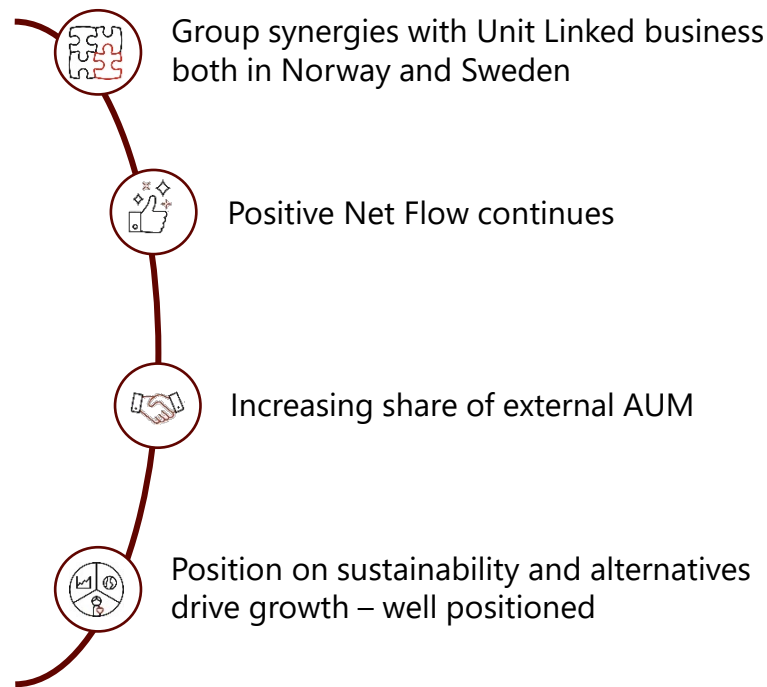
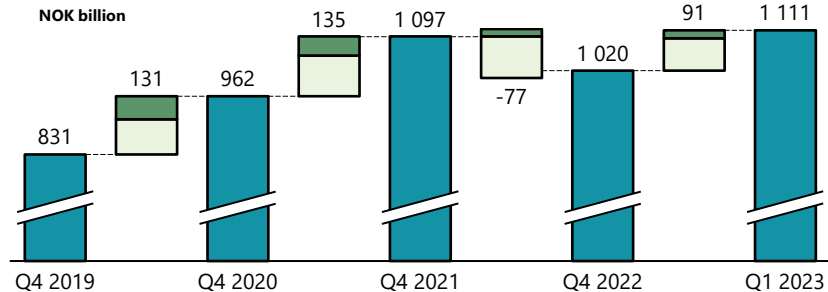


All time high Assets Under Management supported by strong Net Flow in the quarter

Increasing share of external AUM



Continued positive Net Flow supports AUM growth

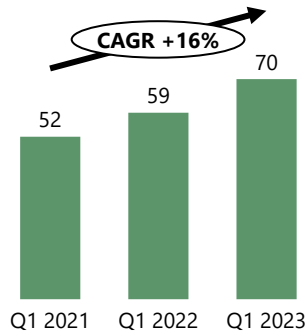


Retail bank driving growth and value creation as a central part of the retail market offering

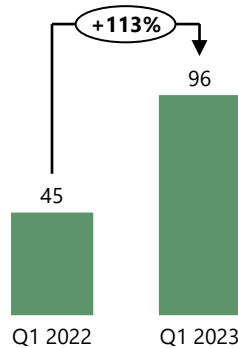


Highlights

Mortgage balance
NOK billion



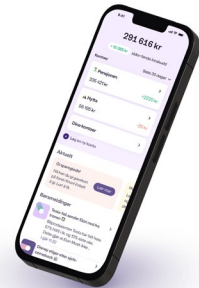
Bank profit
NOK million



Insurance penetration¹
share of mortgage customers
with insurance product

40%

Increased engagement
8.800 new savings
Agreements in Q1 2023 through
Kron, Storebrand's investment app



Storebrand continues the digital journey



Cloud Transformation

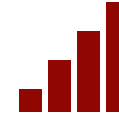


Core Renewal



Digital Business

Accelerating our adoption of Artificial Intelligence (AI)



- Building on broad experience and unique in-house competence
- Mobilizing the organization to leverage the potential in the new wave of generative AI
- Ensuring safe and responsible use, paying close attention to risks

Storebrand will continue its existing reporting, result lines renamed to *Cash equivalent earnings* due to implementation of IFRS 17

Key Takeaways

- Storebrand will continue its current Alternative Performance Measure (APM) reporting with the four reporting segments post IFRS 17
- This reporting is still a good approximation of free cash flow and value creation generated by the business
- Result lines renamed to *Cash equivalent earnings*, 2022-numbers are adjusted (see below) to provide comparable figures
- *Cash equivalent earnings* cannot be reconciled with IFRS result due to the backward-looking nature of cash reporting vs forward-looking IFRS

Alternative Income Statement

NOK million	2023	2022
Fee and administration income		
Insurance result [1]		
Operational cost		
Cash equivalent earnings from operations		
Financial items and risk result life [1]		
Cash equivalent earnings before amortisation		
Amortisation and write-downs of intangible assets [2]		
Cash equivalent earnings before tax		
Tax [3]		
Cash equivalent earnings after tax		

Impacted items

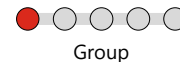
[1] Non-material changes to Insurance segment due to introduction of IFRS 17 in Storebrand Forsikring's (P&C business) company accounts

[2] Amortisation will be lower due to exclusion of Group adjustments

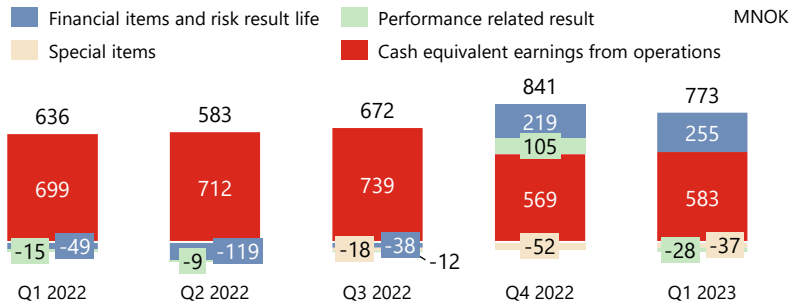
[3] Tax will change due to exclusion of tax on Group adjustments

Key Figures

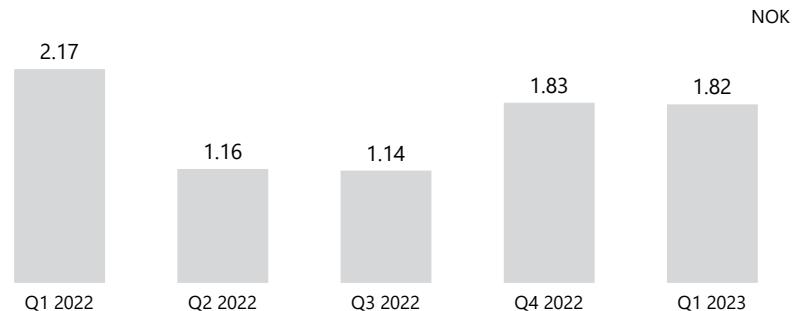
Improved financial result and a solid solvency position



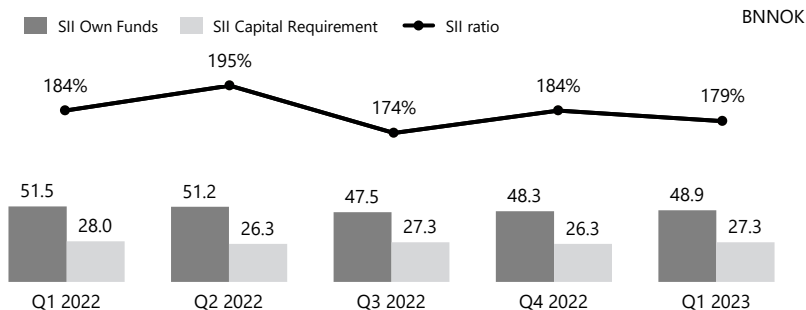
Cash earnings development¹



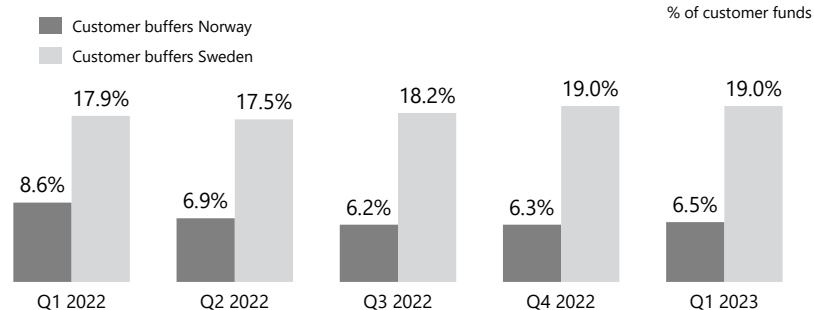
Cash earnings per share²



SII Own funds⁴ and SCR



Customer buffers development³



¹ Cash equivalent earnings before amortisation and tax

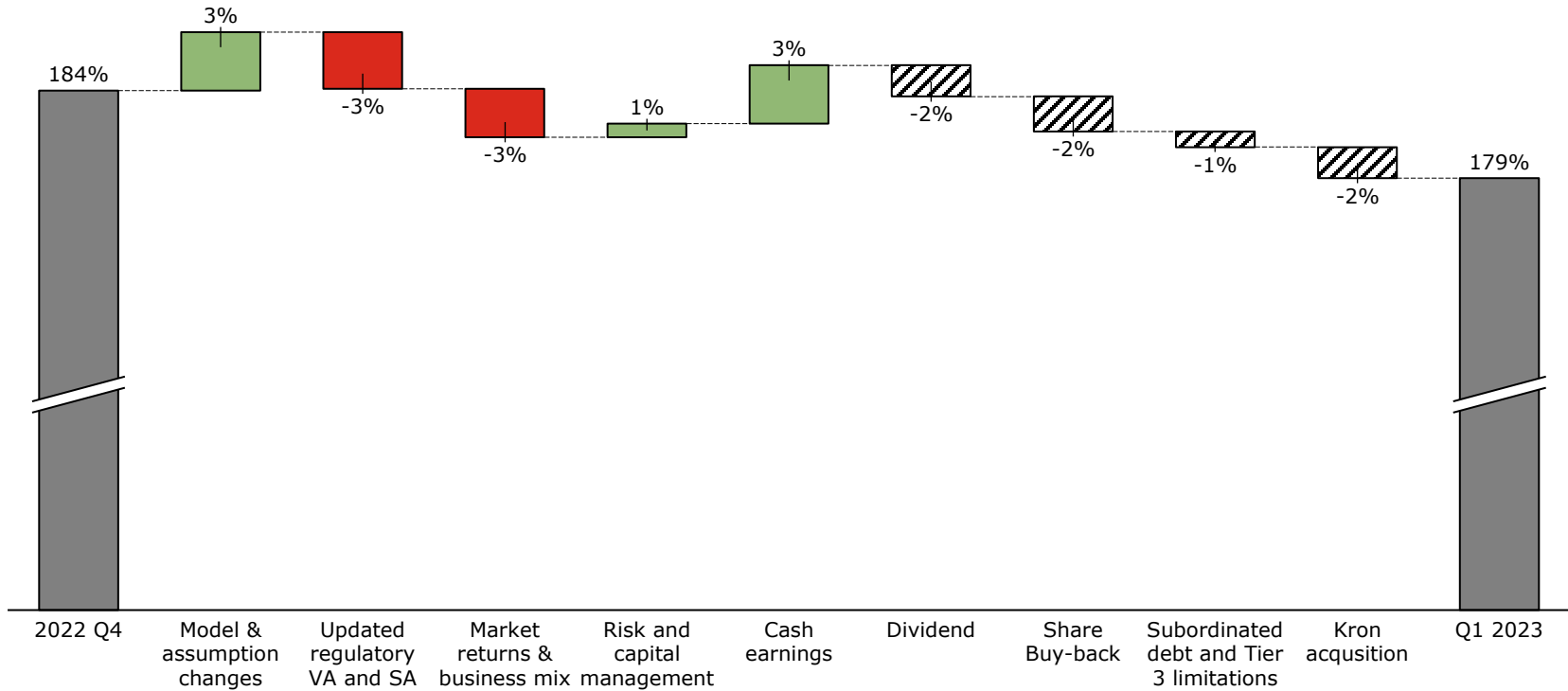
² Cash equivalent earnings per share after tax adjusted for amortisation of intangible assets.

³ Excluding Excess values of HTM bonds.

⁴ Own Funds including transitional capital.

Solvency movement from Q4 2022 to Q1 2023

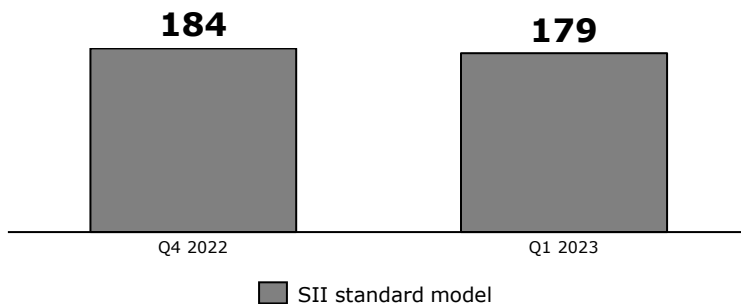
Storebrand Group



Solvency position and sensitivities Q1 2023

Storebrand Group

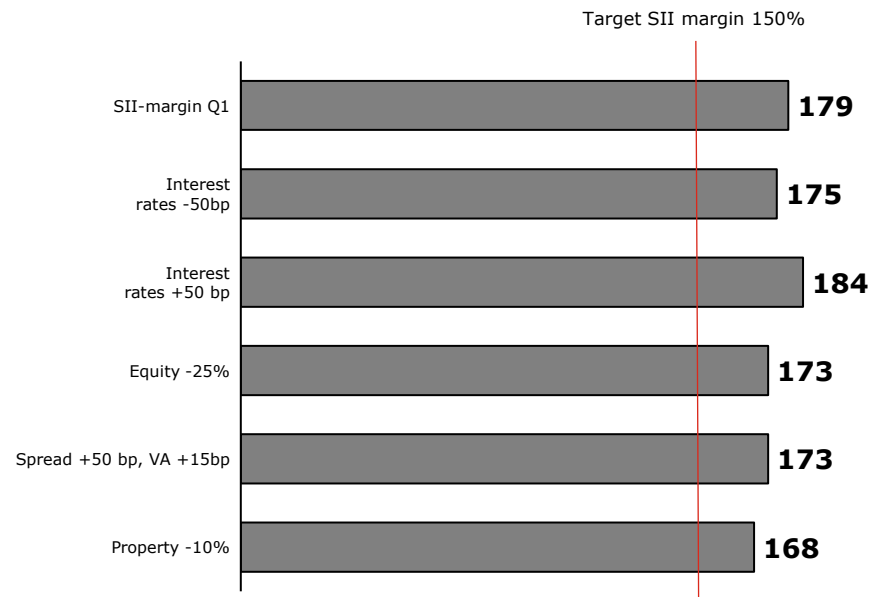
Solvency position(%)¹



Key takeaways

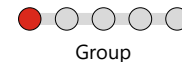
- Result generation from operations and positive changes stemming from model and assumption changes contributed positive to the solvency ratio
- The improvement was offset by increased equity exposure, a higher symmetric equity stress adjustment (SA) and decreased interest rates

Estimated sensitivities



Storebrand Group

Growth continues to be strong across the business, weaker insurance result due to disability

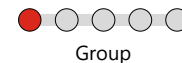


Profit¹

NOK million	Q1		Full year
	2023	2022	2022
Fee and administration income	1 552	1 457	6 062
Insurance result	357	372	1 664
Operational cost	-1 391	-1 145	-5 008
Cash equivalent earnings from operations	518	685	2 718
Financial items and risk result life	255	-49	13
Cash equivalent earnings before amortisation	773	636	2 732
Amortisation and write-downs of intangible assets	-62	-39	-202
Cash equivalent earnings before tax	711	597	2 530
Tax	70	386	225
Cash equivalent earnings after tax	781	983	2 754

Storebrand Group

Profit by line of business



Profit¹

NOK million	Q1		Full year
	2023	2022	2022
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Profit per product line

NOK million	Q1		Full year
	2023	2022	2022
Savings - non-guaranteed	361	404	1 653
Insurance	56	117	596
Guaranteed pension	285	232	903
Other profit	71	-116	-420
Cash equivalent earnings before amortisation	773	636	2 732

Savings (non-guaranteed)

All time high assets under management, strong growth in unit linked and retail banking



Profit

NOK million	Q1		Full year
	2023	2022	2022
Fee and administration income	1 234	1 136	4 733
Operational cost	-861	-702	-3 031
Cash equivalent earnings from operations	373	434	1 701
Financial items and risk result life	-12	-30	-49
Cash equivalent earnings before amortisation	361	404	1 653

Profit per product line

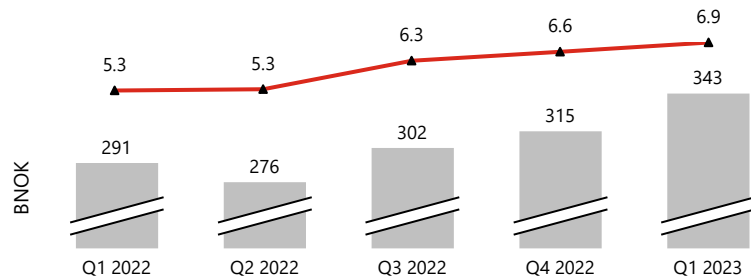
NOK million	Q1		Full year
	2023	2022	2022
Unit linked Norway	137	118	383
Unit linked Sweden	64	93	322
Asset management	88	148	667
Retail banking	96	45	281
Kron*	-23		
Cash equivalent earnings before amortisation	361	404	1 653

Savings (non-guaranteed)

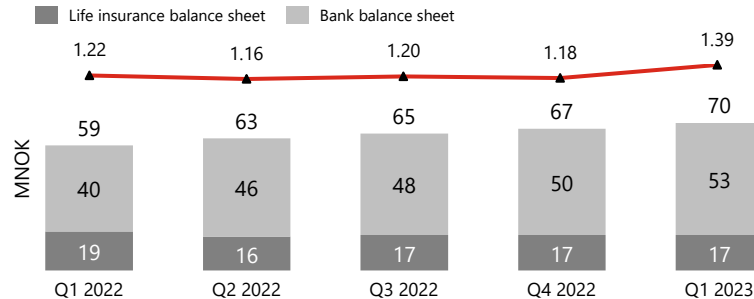
Key figures



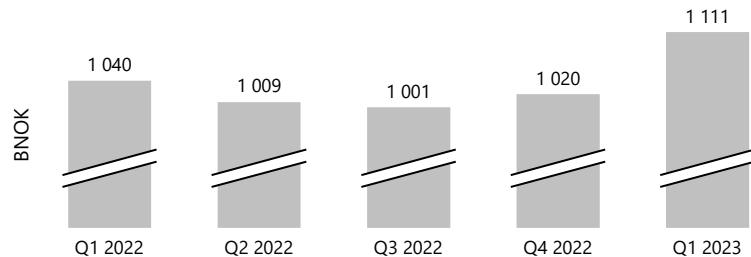
Reserves and premiums Unit Linked



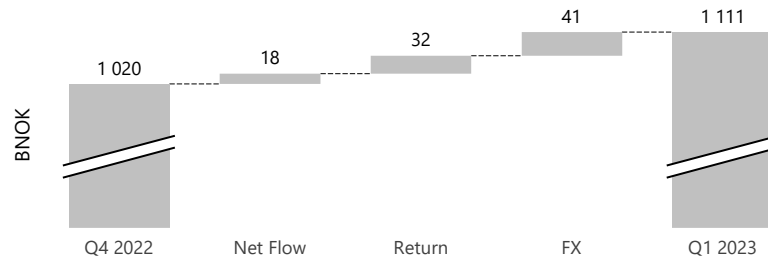
Retail bank balance and net interest margin (%)



Assets under management



Movement in asset under management YTD¹



Insurance

Q1 impacted by seasonal claims in motor and high disability claims, continued solid growth



Insurance

Profit

NOK million	Q1		Full year
	2023	2022	2022
Insurance premiums f.o.a.	1 672	1 397	6 088
Claims f.o.a.	-1 315	-1 025	-4 424
Operational cost	-310	-251	-1 112
Cash equivalent earnings from operations	47	121	552
Financial result	9	-4	43
Cash equivalent earnings before amortisation	56	117	596

Profit per product line

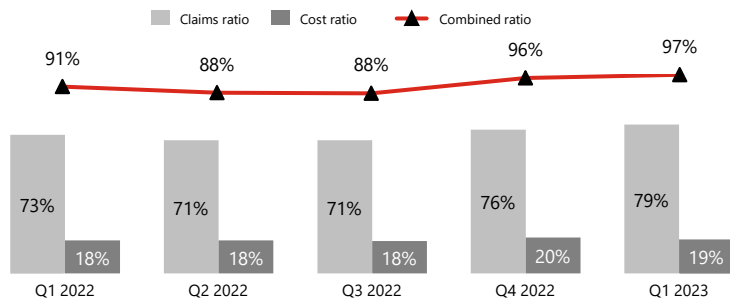
NOK million	Q1		Full year
	2023	2022	2022
P&C & Individual life	72	79	387
Health & Group life	-24	-6	8
Pension related disability insurance Nordic	8	44	201
Cash equivalent earnings before amortisation	56	117	596

Insurance

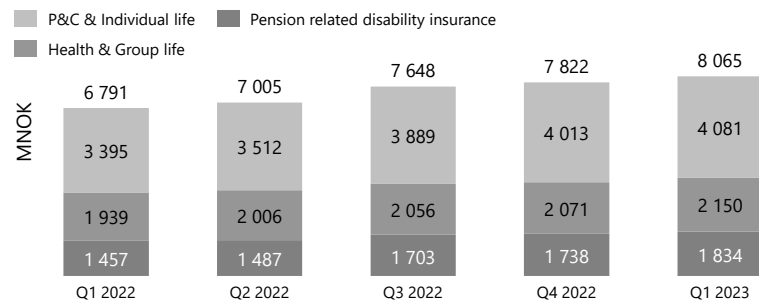
Key figures



Combined ratio



Portfolio premiums



Key Takeaways Combined Ratio and Results

- 92% combined ratio trailing twelve months
- 1st quarter negatively impacted by seasonal claims in motor and high disability claims
- Inflation reflected in continuous repricing

Key Takeaways Premiums and Growth¹

- 20% overall portfolio premium growth
- 13% overall portfolio premium growth, adjusted for Danica
- Increased retail P&C market share from 6.0% in Q1 2022 to 6.4% in Q1 2023

Guaranteed pension

Stable cash equivalent earnings from operations and continued strong risk result



Profit

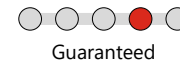
NOK million	Q1		Full year
	2023	2022	2022
Fee and administration income	378	391	1 597
Operational cost	-192	-202	-850
Cash equivalent earnings from operations	186	189	747
Risk result life & pensions	81	82	262
Net profit sharing	18	-39	-106
Cash equivalent earnings before amortisation	285	232	903

Profit per product line

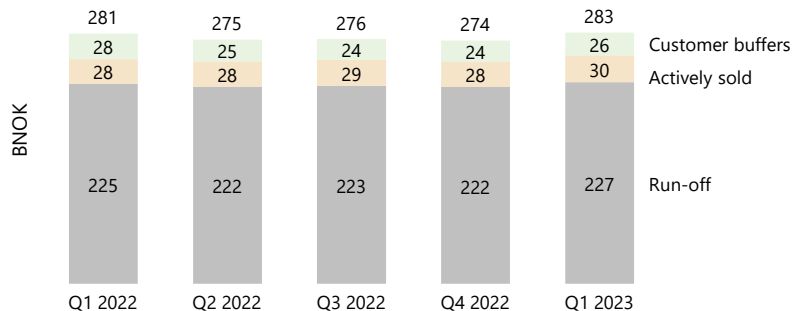
NOK million	Q1		Full year
	2023	2022	2022
Defined benefit (private & public sector), Norway	59	68	244
Paid-up policies, Norway	119	122	502
Individual life and pension, Norway	5	3	33
Guaranteed products, Sweden	102	38	124
Cash equivalent earnings before amortisation	285	232	903

Guaranteed pension

Key figures



Reserves guaranteed products



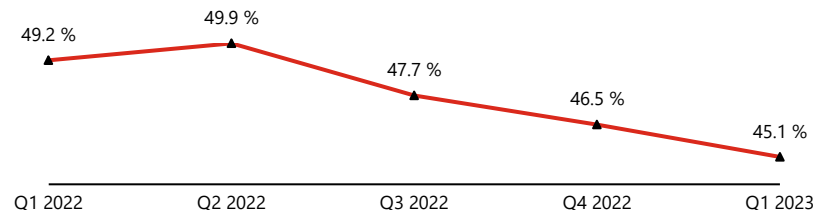
Key Takeaways

- Continued run-off of guaranteed reserves with net flow of premiums and pension payments of NOK -2.3bn in 1st quarter
- FX causes temporary increase in run-off reserves when measured in NOK
- Strengthened buffer capital by NOK 2bn¹ in the 1st quarter
- Strong risk result due to positive longevity result

Buffer capital*

NOK million	Q1 2023	Q4 2022	Change
Market value adjustment reserve**	3 311	1 783	+ 1 528
Excess value of bonds at amortised cost	-9 817	-10 197	+ 380
Additional statutory reserve	8 700	9 664	- 964
Conditional bonuses SPP	13 567	12 540	+ 1 027
Total	15 761	13 790	+ 1 971

Guaranteed reserves in % of total reserves



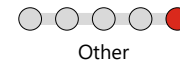
* The term Buffer capital in this table is not consistent with the definition of buffer capital made in the IFRS accounting.

** Includes Public Occupational Pensions buffer fund.

1) Excluding excess value of bonds at amortised cost

Other¹

Financial result improving from a higher interest rate level



Profit

NOK million	Q1		Full year
	2023	2022	2022
Fee and administration income	6	6	17
Operational cost	-94	-64	-299
Cash equivalent earnings from operations	-88	-59	-282
Financial items and risk result life	159	-57	-138
Cash equivalent earnings before amortisation	71	-116	-420

Changes in IFRS from Q1 2023: Implementation of IFRS 17 and 9

Changes in IFRS

- IFRS 17 *Insurance contracts* is a new accounting standard, effective from 1 January 2023
- IFRS 9 *Financial instruments* is also applicable to Storebrand from 1 January 2023
- The Q1 results presented today are Storebrand's first under IFRS 17/9
- A restated balance under IFRS 17 and 9, in addition to comparable figures for Q1 2022, are released today¹

Information in this presentation

- Information about financial reporting post IFRS changes in Storebrand
- High-level introduction to the P&L under IFRS 17/9
- Appendix with sensitivities and balance sheet

Key effects

- Fundamentals will remain unchanged under IFRS 17 - no implications for strategy, risk appetite and business plans
- IFRS 17 do not affect Storebrand's solvency or ability to deliver capital returns
- Any changes to financial targets such as ROE will be released in connection with Capital Markets Day (CMD) in Q4 2023
- IFRS 17/9 will serve as an additional source of information together with existing reporting in Storebrand

Storebrand reporting post IFRS changes

The Group will continue its current Alternative Performance Measure (APM) reporting with the segments Savings, Insurance, Guaranteed Pension and Other

Quarterly reporting format

Adjustments and changes from Q1 2023

Interim report 1st quarter 2023

Storebrand Group (unaudited)



Financial performance business areas

Storebrand Group
Savings
Insurance
Guaranteed pension
Other
Balance sheet and capital situation
Outlook

Financial statements Storebrand Group

Income statement
Statement of comprehensive income
Statement of financial position
Statement of changes in equity
Statement of cash flow
Notes

Financial statements Storebrand ASA

Income statement
Statement of comprehensive income
Statement of financial position
Statement of changes in equity
Statement of cash flow
Notes

This section shows Storebrand's Cash-equivalent reporting, based on APMs

- Minor changes to Insurance segment (non-material)
- Lower amortisation due to exclusion of Group adjustments
- APM-result will be renamed to "Cash equivalent earnings"
- Cash equivalent earnings cannot be reconciled with IFRS result
- Lower Group Equity post IFRS 17 implementation

This section shows Storebrand Group's official IFRS statements with notes

- Adoption of IFRS 17 for relevant products¹
- Significant changes to financial statements and results

This section shows Storebrand ASA's official NGAAP statements with notes

- Financial statements according to NGAAP
- No changes in financial statements and results

Simplified¹ P&L under IFRS – How to read the statement

Profit & Loss IFRS (MNOK)	Q1 2023	Q1 2022	Full year 2022	Comments - New IFRS statement
[1] Income from unit linked	508	451	1 888	[1] Unit linked Norway and Sweden (excl. Norwegian unit-linked sub-product FMI measured under IFRS 17)
Income from asset management	669	659	2 783	
Income from banking activities	616	249	1 460	
Other income	177	102	430	
[2] Operating income excl. Insurance	1 970	1 461	6 561	[2] Gross income from products outside IFRS 17, essentially Savings products in the Alternative income statement
Insurance revenue	2 351	2 049	8 551	
[3] Insurance services expense	-1 696	-1 341	-6 203	[3] Note 8 in the quarterly report shows a detailed breakdown of insurance related revenue and expenses by product category, including CSM and Loss component information
Net income (expenses) from reinsurance contracts	-19	-22	-66	
[4] Insurance service result	637	687	2 282	
Operating income incl. insurance result	2 606	2 147	8 842	[4] Result from Insurance and Guaranteed pension products subject to IFRS 17
Operating expenses	-1 244	-1 020	-4 409	
Interest expenses from banking activities	-393	-92	-739	
Other expenses	-112	-43	-94	
Total expenses	-1 748	-1 155	-5 243	
Operating profit	858	992	3 600	
[5] Net financial result¹	299	-273	-919	[5] Includes both return on customer funds and Group investments. The Net financial result equals investment income and financing expenses for the Group
Profit/loss before amortisation and tax	1 157	719	2 681	
Amortisation of intangible assets	-98	-71	-324	
Tax expenses	-10	412	19	
Profit/loss for the period	1 050	1 060	2 376	

Simplified¹ P&L under IFRS – Key takeaways

Profit & Loss IFRS (MNOK)	Q1 2023	Q1 2022	Full year 2022
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Tax expenses	-10	412	19
Profit/loss for the period	1 050	1 060	2 376

Comments

[1] Group's profit before amortisation and tax was NOK 1,157m in quarter, compared to NOK 719m in 2022²

- High Group profit after tax expenses under IFRS compared to Cash equivalent earnings stems from:
 - CSM created by equity on transition
 - Release of risk adjustment
 - Discounting effect on claims

[2] Insurance service result under IFRS was NOK 637m in the 1st quarter (NOK 687m)

[3] CSM release of NOK 513m in the quarter, CSM sensitivities and IFRS balance sheet shown in the appendix

Dividend policy adjusted to reflect changes in IFRS

Background and changes

- The following phrase has been a part of Storebrand's dividend policy: *Storebrand aims to pay a dividend of more than 50 % of Group result after tax.*
- The implementation of the new accounting standard IFRS 17 introduces increased volatility to the official IFRS financial statements
- Consequently, the Board of Directors has decided to remove the abovementioned phrase related to payout ratio
- Continued ambition of paying ordinary dividends per share of at least the same nominal amount as the previous year, subject to a solvency targets

Dividend policy as of May 10, 2023

"The Board of Directors ambition is to pay ordinary dividends per share of at least the same nominal amount as the previous year. Ordinary dividends are subject to a sustainable solvency margin of above 150%. If the solvency margin is above 175%, the Board of Directors intends to propose special dividends or share buy backs."

Q&A

Please join the MS Teams Webinar to participate in the Q&A session.



Group CFO

Lars Aa. Løddesøl



Group CEO

Odd Arild Grefstad



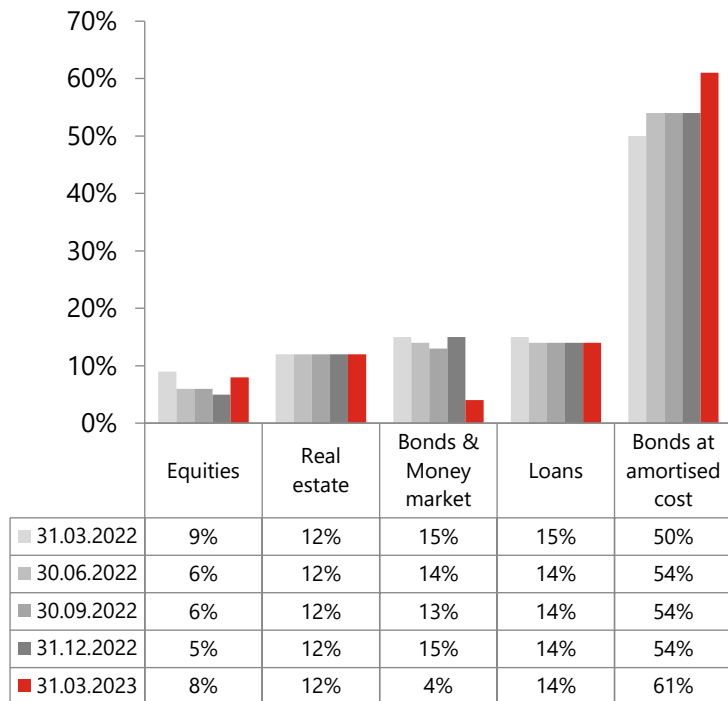
Group CIO &
Investor relations (Interim)

Trond Finn Eriksen

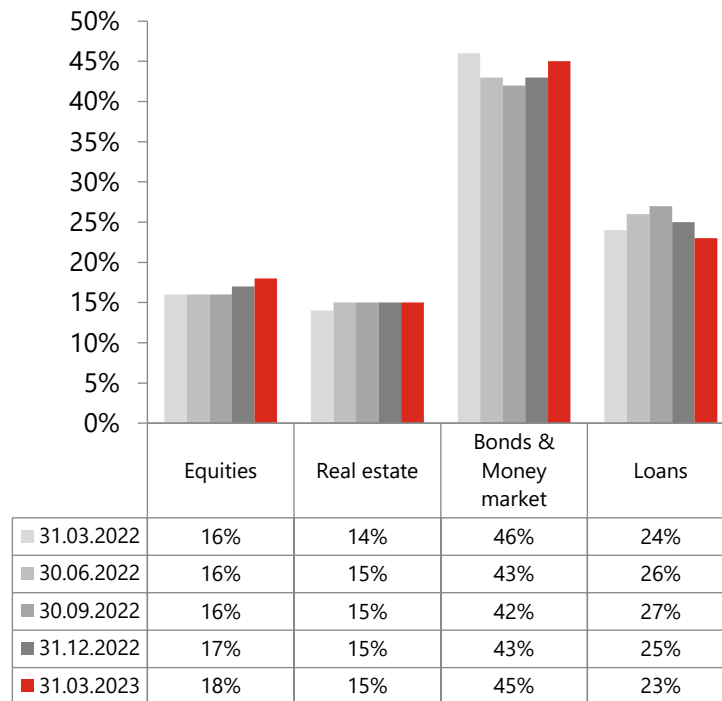
Appendix

Asset allocation – Guaranteed products

Storebrand Livsforsikring AS (Norway)



SPP (Sweden)



Statement of financial position at transition to IFRS 17 1.1.22

Statement of financial position IFRS 17 (MNOK)	31.12.21	Reclassification	1.1.22
Assets			
[1] Deferred tax assets	1 512	1 827	3 340
Other assets	8 715	-1 607	7 108
[2] Financial assets	690 114	3 372	693 486
Reinsurance contracts assets	32	0,9	33
Bank deposit	9 986	0	9 986
Receivables	9 816	-1 178	8 637
Minority portion of consolidated mutual funds	54 912	0	54 912
Total assets	775 088	2 415	777 502
Equity and liabilities			
[3] Equity	37 709	-8 103	29 606
[4] Insurance liabilities (excl CSM)	300 819	-5 879	294 939
Contractual Service Margin (CSM)	0	11 810	11 810
Risk Adjustment (RA)	0	4 685	4 685
Investment contract liabilities	309 330	0	309 330
Reinsurance contract liabilities	14	0	14
Financial liabilities	57 565	9	57 573
Other liabilities	14 740	-108	14 632
Minority portion of consolidated mutual funds	54 912	0	54 912
Total liabilities	737 379	10 517	747 896
Total equity and liabilities	775 088	2 415	777 502

Key Takeaways

[1] Increase of deferred tax assets driven by changes in equity when implementing IFRS 9 and IFRS 17

[2] Changes in financial assets mainly related to valuation of debt instruments measured at fair value through profit or loss, previously measured at amortised cost

[3] Equity down by 8 103 mNOK primarily due to establishment of the CSM and risk adjustment

[4] Insurance liabilities decreased by 5 879 mNOK due to reclassification of certain receivables to liabilities, new measurement models and discounting effects introduced by IFRS 17

Statement of financial position according to IFRS Q1 2023

Statement of financial position IFRS 17 (MNOK)	31.3.23	31.3.22	31.12.22
Assets			
Deferred tax assets	2 840	3 167	2 979
Other assets ¹	7 689	6 115	7 163
Investments in associated companies and joint ventures	8 955	8 425	8 910
[1] Financial assets	715 116	649 275	673 926
Bank deposits	15 059	12 354	14 511
[2] Reinsurance contracts assets	310	43	317
Receivables	38 887	7 488	4 192
Minority portion of consolidated mutual funds	48 581	67 707	55 006
Total assets	837 437	754 574	767 004
Equity and liabilities			
Equity	30 266	30 298	29 519
[3] Insurance contracts liabilities	313 647	317 050	303 210
Investment contract liabilities	319 854	268 540	292 931
[2] Reinsurance contract liabilities	51	6	38
Financial liabilities	80 593	60 199	76 992
Other liabilities ²	44 446	10 774	9 309
Minority portion of consolidated mutual funds	48 581	67 707	55 006
Total liabilities	807 171	724 276	737 485
Total equity and liabilities	837 437	754 574	767 005

Key Takeaways

[1] Financial assets are measured at fair value

[2] Groups of insurance (or reinsurance) contracts that are in an asset position presented separately from groups of insurance (or reinsurance) contracts that are in a liability position

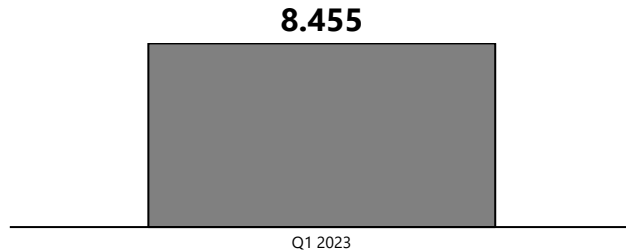
[3] CSM is a liability in the balance sheet. It is included in the "insurance contracts liabilities"

[3] Risk adjustment is a liability in the balance sheet. It is included in the "insurance contracts liabilities"

IFRS 17 CSM sensitivities Q1 2023

Storebrand Group

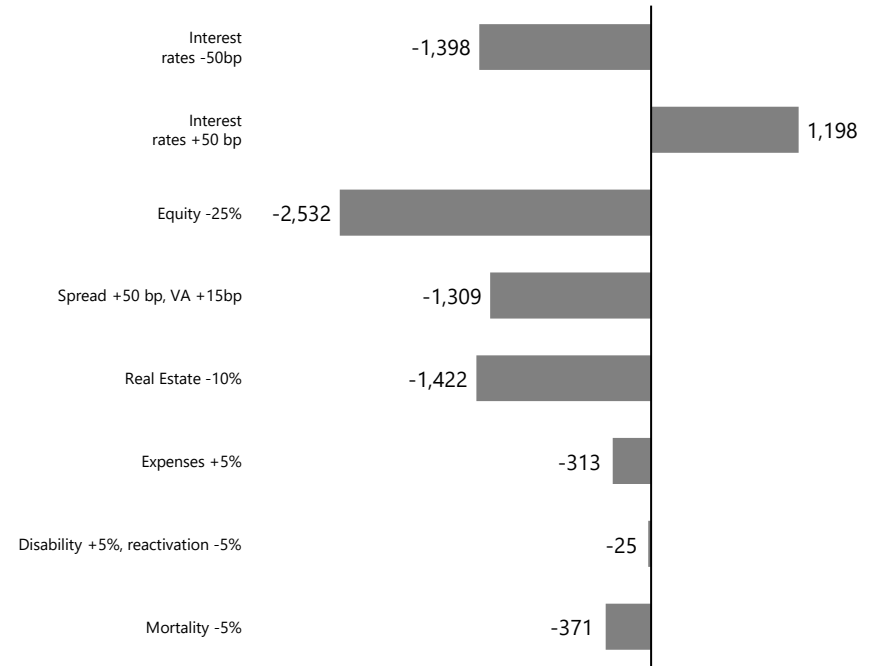
CSM as at end of period in mNOK



Key takeaways

- For SPP the CSM is less sensitive to changes in interest rate as the interest rate sensitivity on the asset side closely matches the liability side
- Change in **non-financial** assumptions gives a lower impact on the Group CSM compared to changes in financial assumptions

Estimated sensitivities in mNOK



IFRS 17 and 9 abbreviations

PAA	Premium Allocation Approach (measurement model)
GMM	General Measurement Model (measurement model),
VFA	Variable Fee Approach (measurement model)
CSM	Contractual Service Margin – balance sheet liability, containing deferred discounted future profits of in-force business
RA	Risk Adjustment – additional reserve for non-financial risks, reflecting future compensation for uncertainty in cash flows
LC	Loss Component – balance sheet liability, booked for onerous contracts
Onerous contracts	Contract is onerous because the expected losses plus risk adj. are higher than expected income
CSM amortisation	The amount of CSM released from the balance sheet each period
PVFCF	Present value of future cash flows – discounted expected cash flows to policyholders and attributable expenses
OCI	Other Comprehensive Income. Refers to items of income and expense not recognized in profit or loss in accordance with IFRS Standards
NGAAP	The accounts for Statutory accounts is issued in accordance with Norwegian GAAP (NGAAP), which mainly corresponds to IFRS
Fair Value Approach	Price that would be received for an asset in an orderly transaction between market participants at the measurement date of transition



*Leading the way in
sustainable value creation*

Investor Relations contacts

Lars Aa Løddesøl lars.loddesol@storebrand.no
Group CFO +47 9348 0151

Trond Finn Eriksen trond.finn.eriksen@storebrand.no
Group CIO & +47 99164 135
Head of
Investor relations Interim

This document contains Alternative Performance Measures as defined by the European Securities and Market Authority (ESMA). An overview of APMs used in financial reporting is available on [storebrand.com/ir](https://www.storebrand.com/ir).