



Investor Presentation

Q1 2020

*Compelling combination of self-funded savings growth
and capital return from maturing guaranteed back-book*

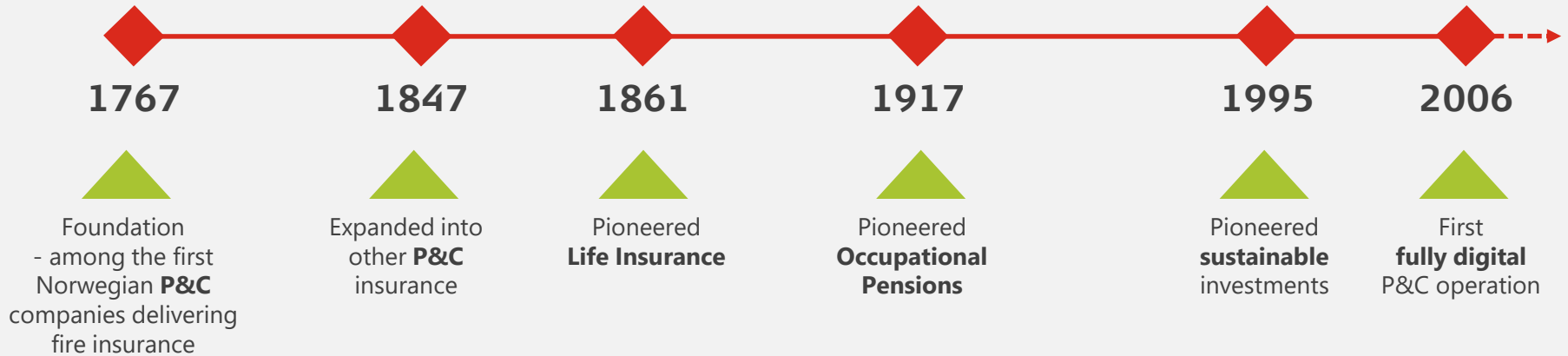
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This document may contain forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may be beyond the Storebrand Group's control. As a result, the Storebrand Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in these forward-looking statements. Important factors that may cause such a difference for the Storebrand Group include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) market related risks such as changes in equity markets, interest rates and exchange rates, and the performance of financial markets generally.

The Storebrand Group assumes no responsibility to update any of the forward looking statements contained in this document or any other forward-looking statements it may make.

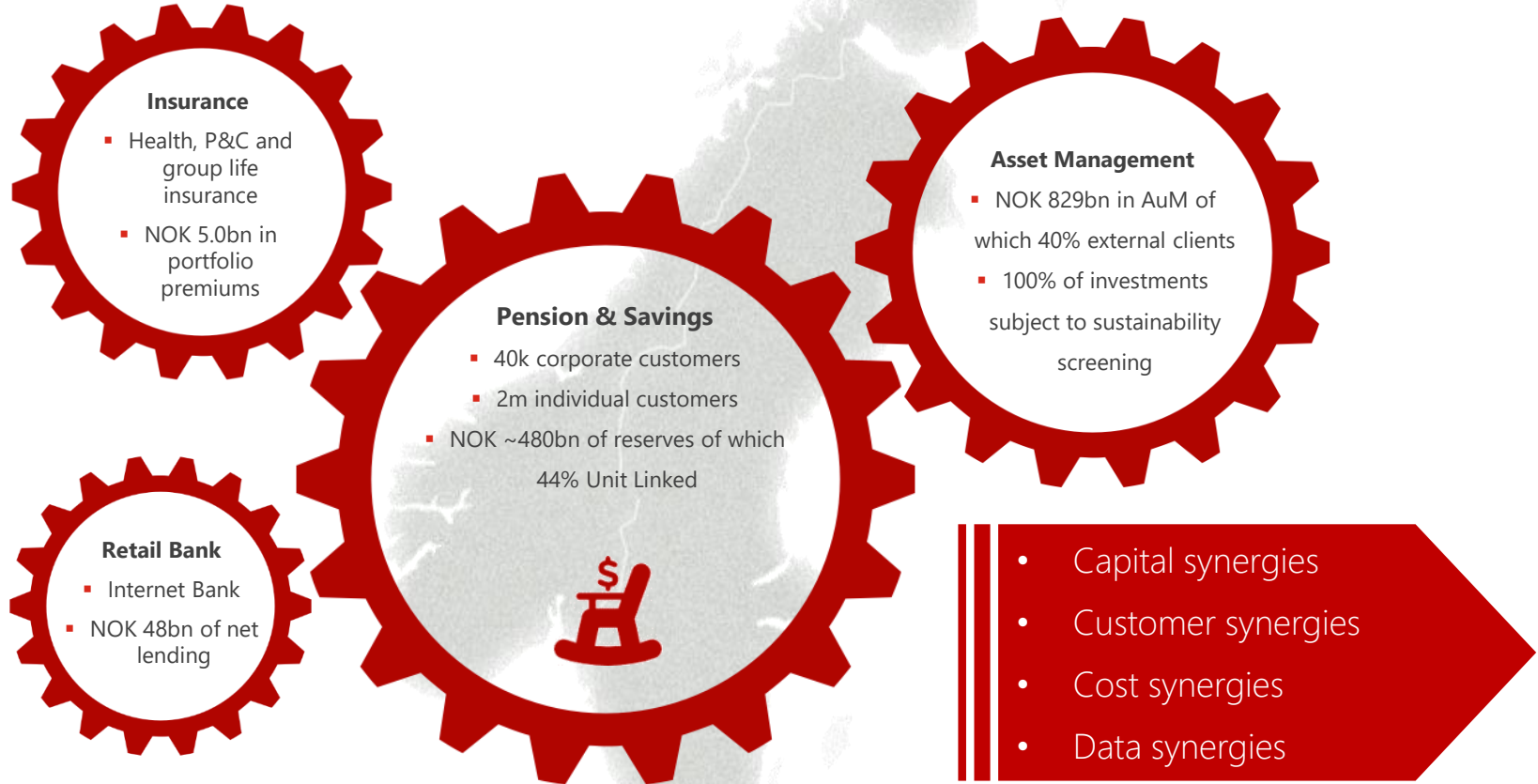
Strategy

250 years of pioneering in the Nordic financial industry





Storebrand - An Integrated Financial Service Group



Storebrand | Response to COVID19



1. Keep employees safe



2. Respond and allocate resources to customers' needs



7. Open to new opportunities partnerships and M&A



6. Keep growing the core



5. High degree of uncertainty. Scenario planning for business and capital



Storebrand

We're in this together with the rest of society



3. Operations are running close to normal



4. Strong financial starting point robust solvency and liquidity, no need for refinancing

Leading position in Norway and strong contender in Sweden

Market share occupational pensions (Defined Contribution)



Clear value proposition



- ✓ **Best customer satisfaction** with all time high score for large Norwegian corporates



- ✓ **Best customer service** in Sweden

World leader in corporate sustainability



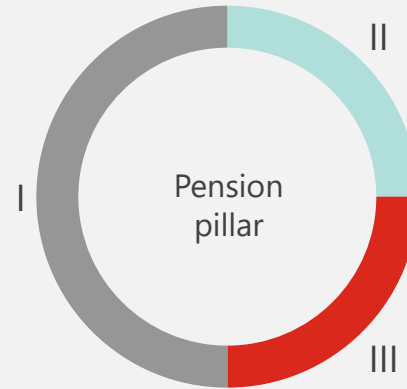
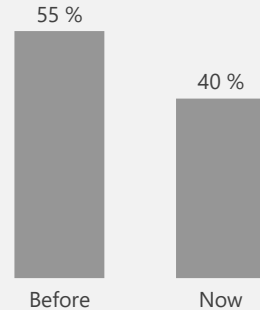
World's most sustainable insurance company 2020

Demographic change has driven pension reforms in Norway with opportunities emerging

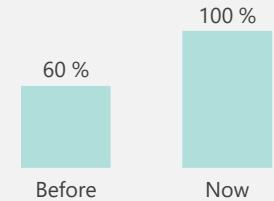
Workers per pensioner



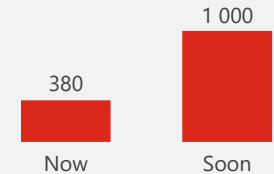
Public pension replacement rate¹



Occupational pension coverage²

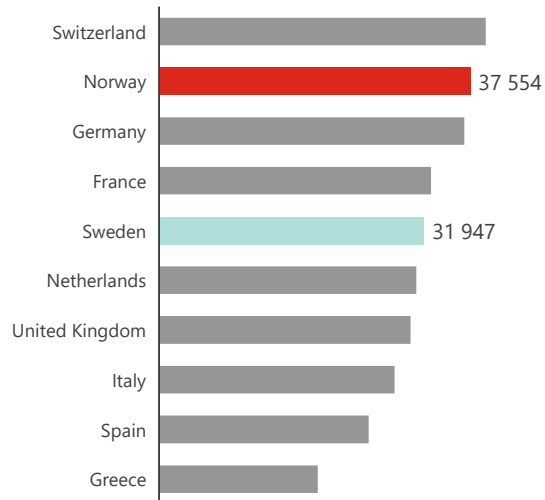


Retail savings (AuM, bn NOK)³

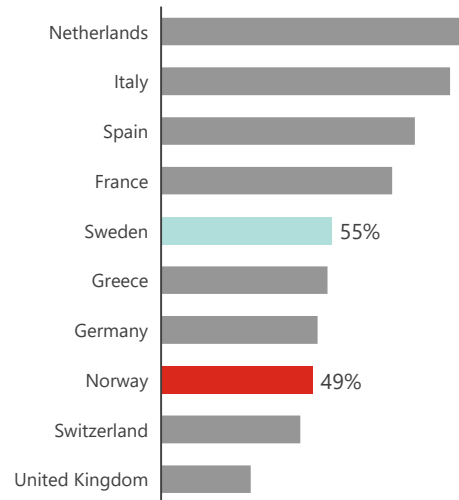


Moderate replacement rates and a wealthy population with an overweight in bank deposits fuel growth potential in retail market for savings

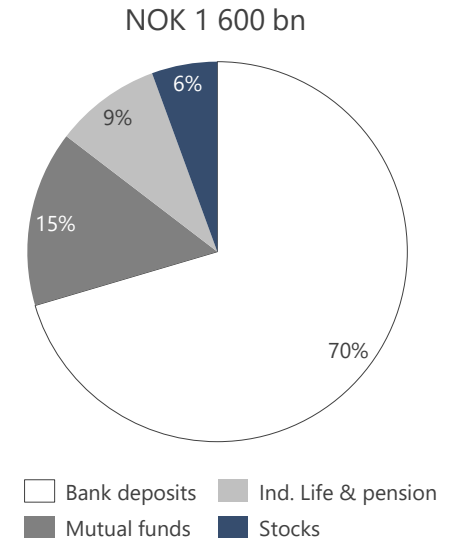
Household disposable income¹



Net replacement rate²

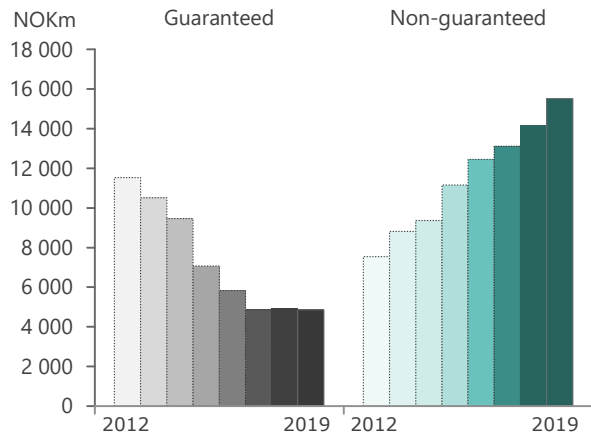


Household financial assets Norway³

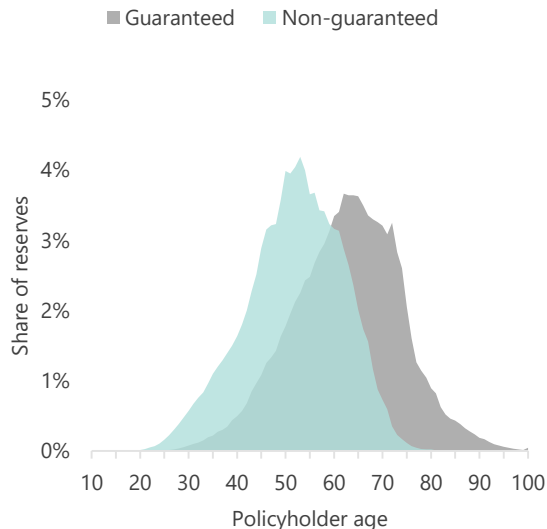


Continued shift from Guaranteed to Non-guaranteed pension

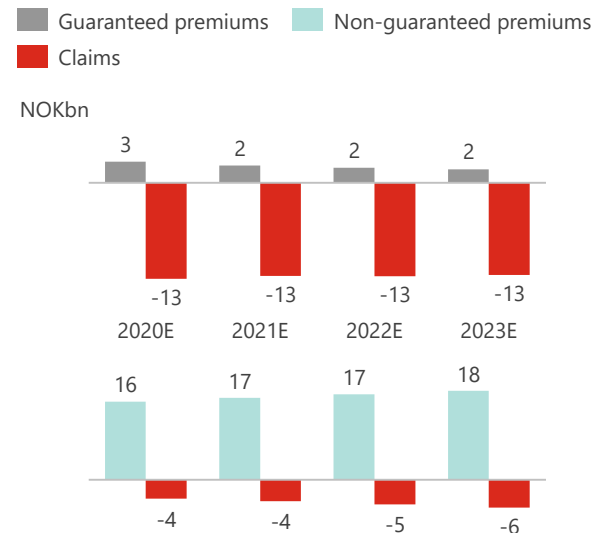
Historic premium income¹



Current share of reserves²



Expected flow of reserves³

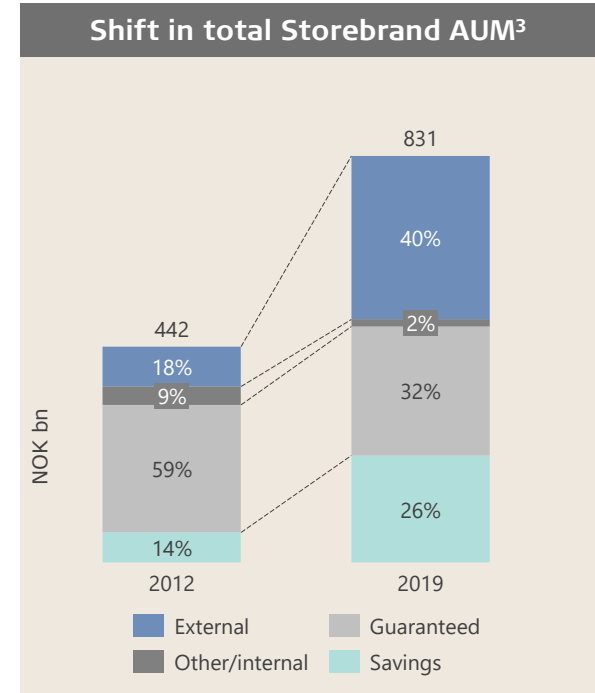
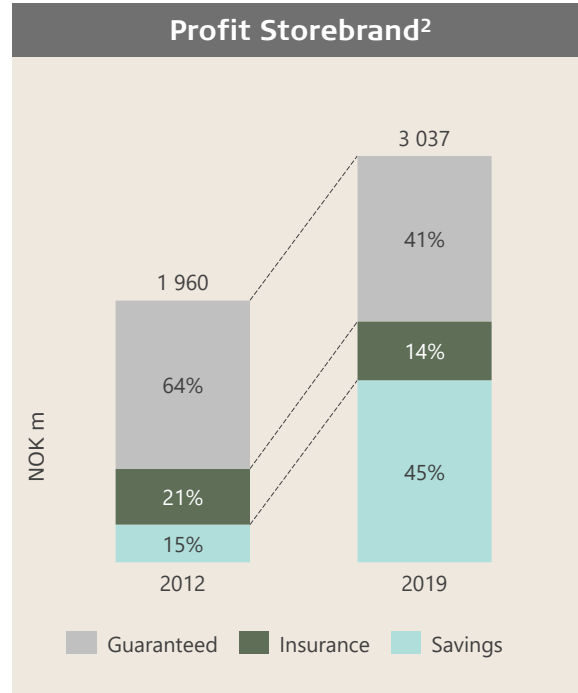
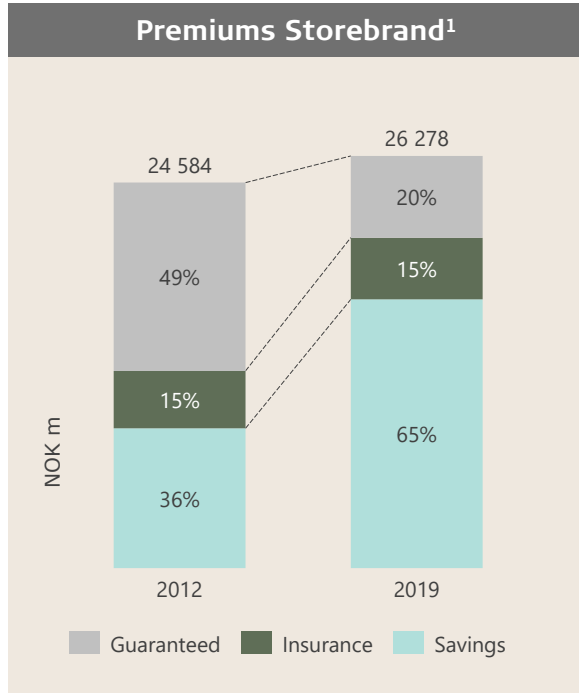


¹ Guaranteed: Defined Benefit Norway and Guaranteed pension Swede, excl. transfers. Non-guaranteed: Unit Linked (occupational pension) Norway and Sweden, excl. transfers.

² Guaranteed: Defined Benefit and Paid-up policies Norway and Guaranteed pension Sweden. Non-guaranteed: Unit Linked (occupational pension) Norway and Sweden. As of 2018.

³ Aggregated numbers from Norwegian and Swedish pension products. Acquired premiums from Silver excluded.

Successful transition from Guaranteed to non-guaranteed Savings



¹ Pension premiums in Guaranteed products, Insurance and Unit Linked products, Storebrand Group.
² Profit before amortisation. "Guaranteed" includes "Other" segment.

³ Savings: Unit linked reserves, Guaranteed: Guaranteed reserves, External: External AUM in Storebrand Asset Management, Other/internal: residual group internal AUM including company portfolio.

Our strategy: A compelling combination of self-funding growth and capital return from maturing guaranteed back-book

1

Build a world class Savings business - supported by Insurance

A

Leading position Occupational Pension

B

Uniquely positioned in growing retail savings market

C

Asset manager with strong competitive position and clear growth opportunities

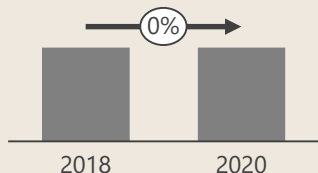
D

Bolt-on M&A

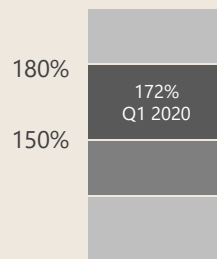
2

Manage balance sheet and capital

A. Cost discipline



B. SII capital management framework

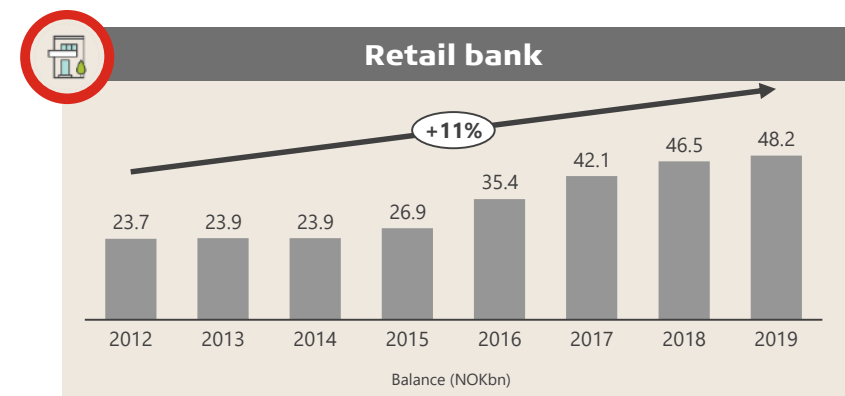
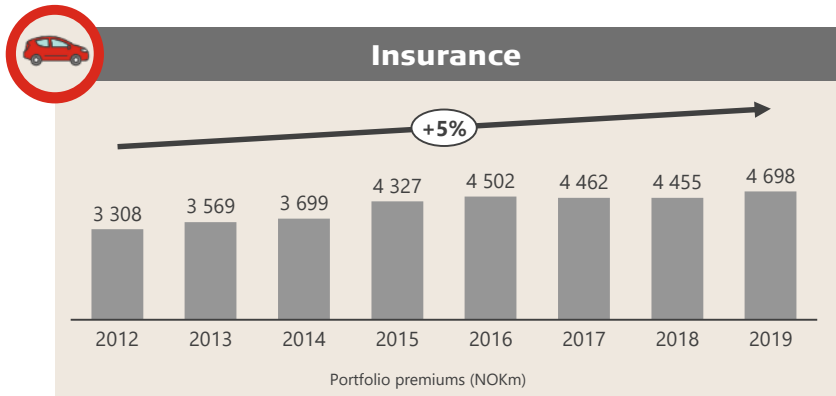
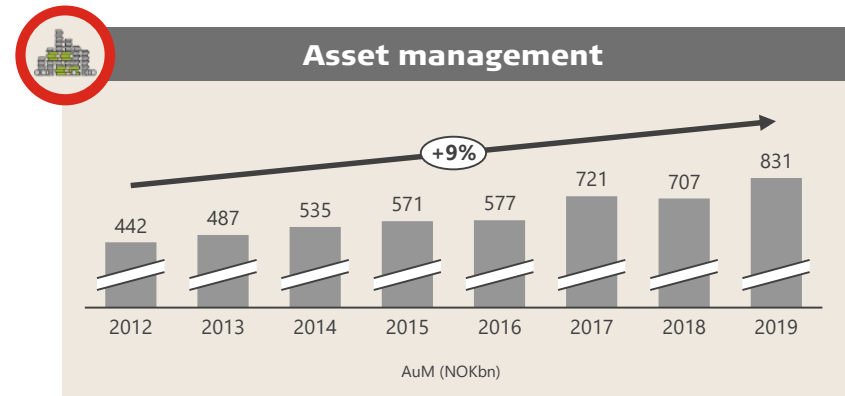
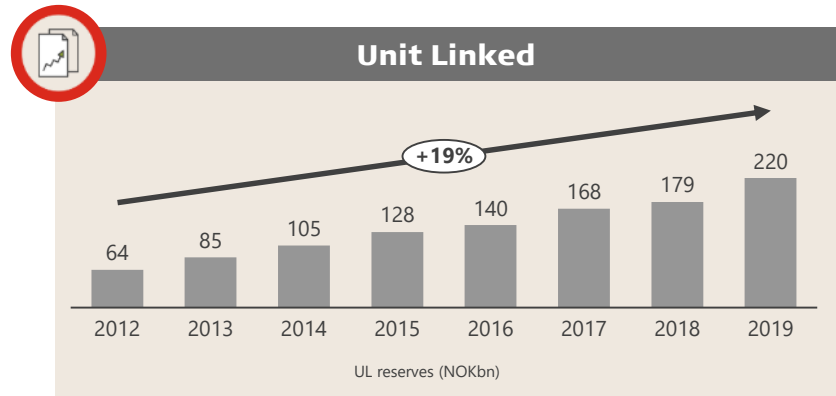


C. Increased return



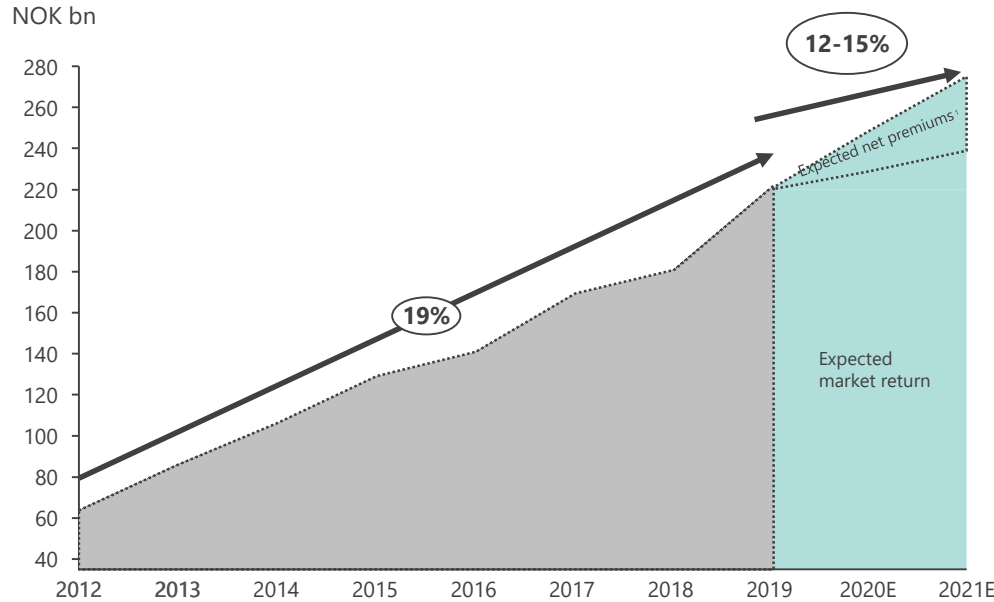
Manage for capital release and increased dividend pay-out ratio

Growth in Savings and Insurance



Net premiums and market return drive AuM growth

AuM development Unit Linked

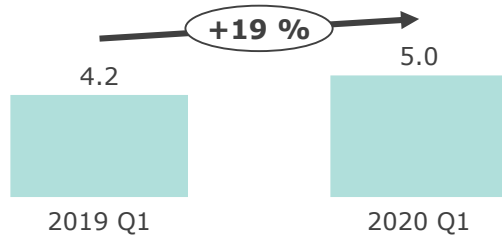


Drivers of expected net premiums

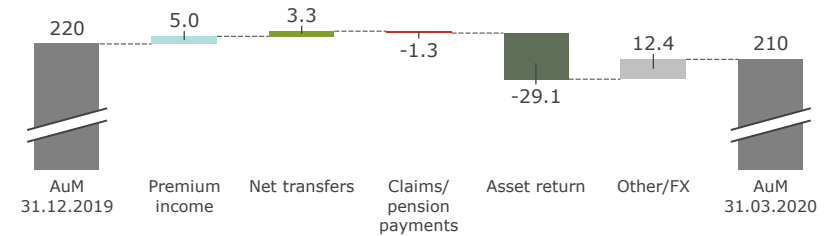
- Majority of premiums generated by active policies
- Growth driven by:
 - Increased salaries and savings rates
 - Population growth
 - Age distribution of policyholders
 - DB conversions
 - New sales
 - New retail savings products
 - Positive transfer balance
 - Market returns

Premium and net flow development in pension savings

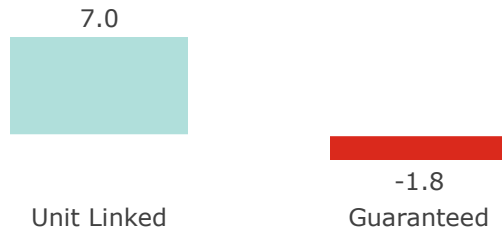
Quarterly premium income, Unit Linked (NOK bn)



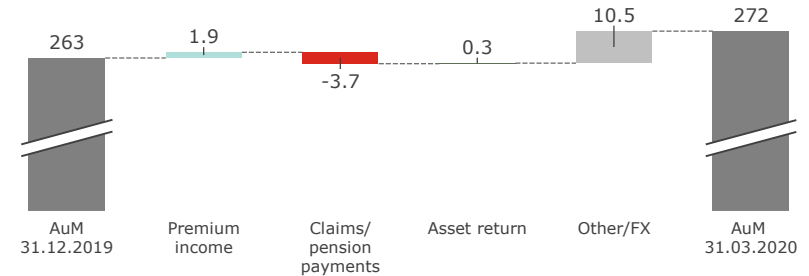
Unit Linked flow (NOK bn)



Net flow (NOK bn)



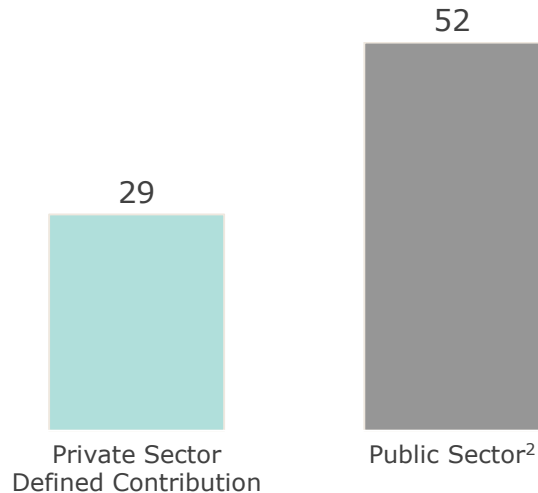
Guaranteed flow (NOK bn)



Storebrand to enter Norwegian public sector pension market

Large public sector market opening up for competition

Annual market premium NOK bn¹



New regulation will make it attractive for Storebrand to enter the market again

- With effect from 2020, the pension system for public employees will be adjusted to better fit the 2010 Norwegian pension reform.
- Market monopoly today.
- Capital efficient product offering.
- 5% expected annual market premium growth.
- Storebrand will build on existing systems and solutions and execute within previously communicated cost target for the group.

¹ Private sector as of 2018, Public sector est. 2018

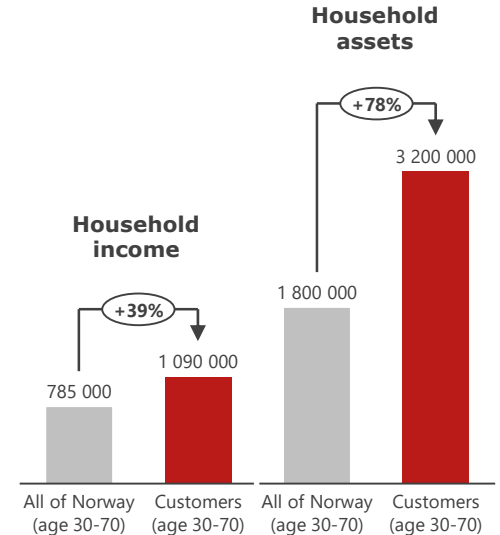
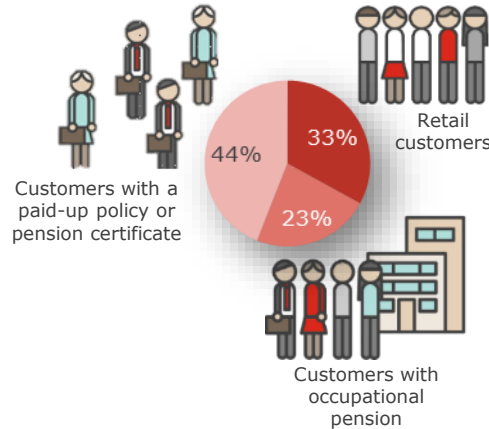
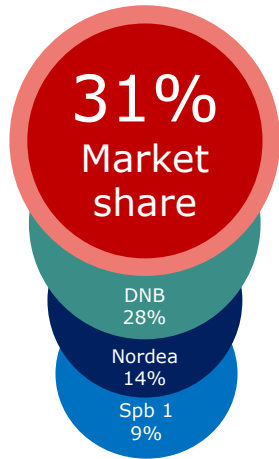
² Norwegian municipalities, does not include pay as you go scheme for state employees.

Building on our relationship with employers to reach out to individuals

Our position in the Norwegian occupational pension market...

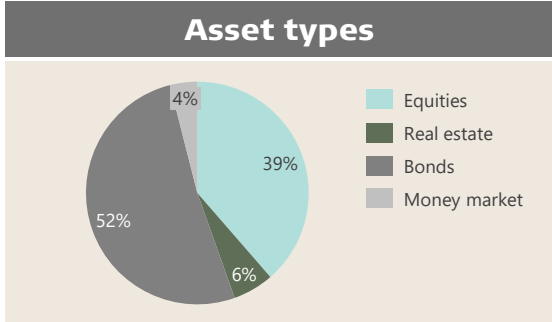
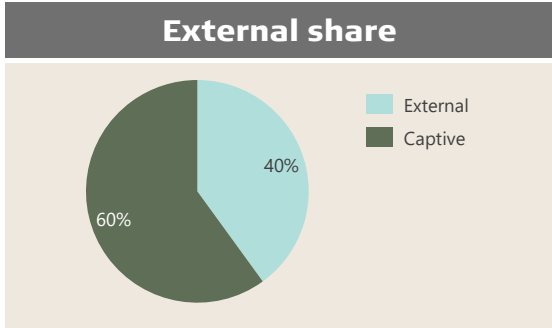
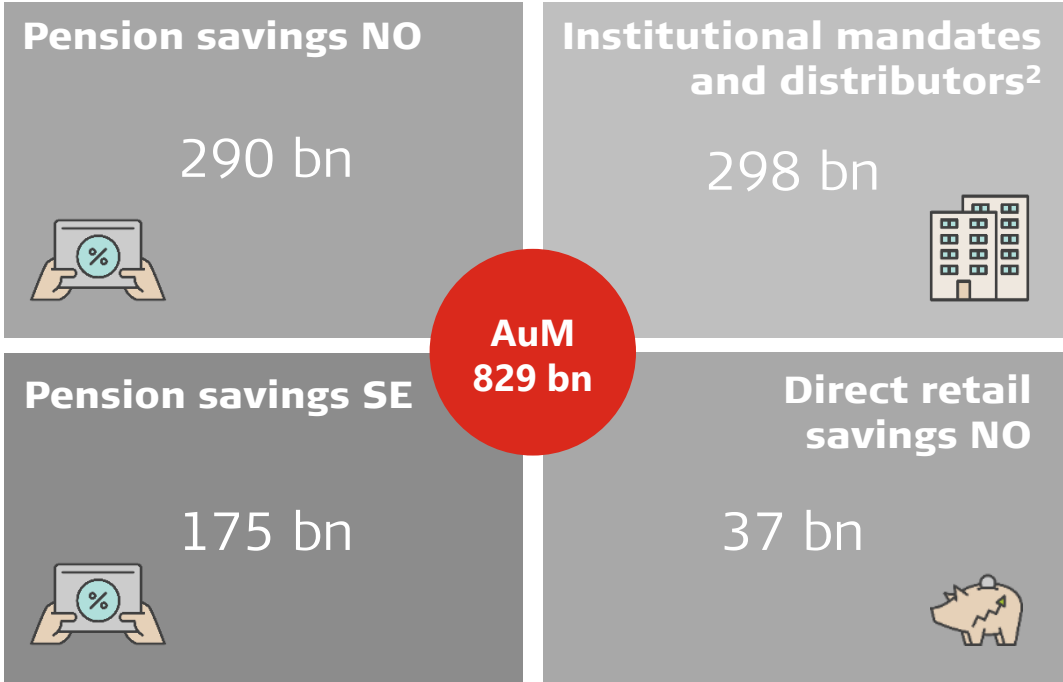
...gives us a customer base of 1.3 million individuals..

..with above average financials and savings capacity



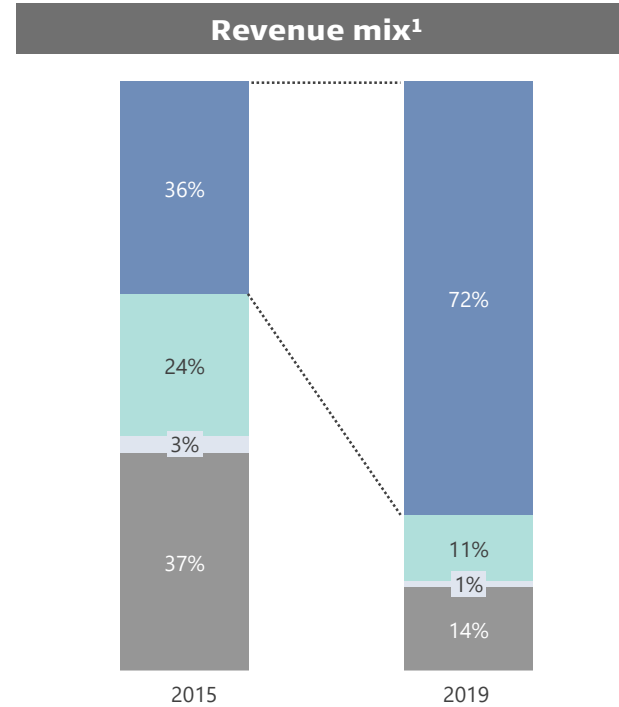
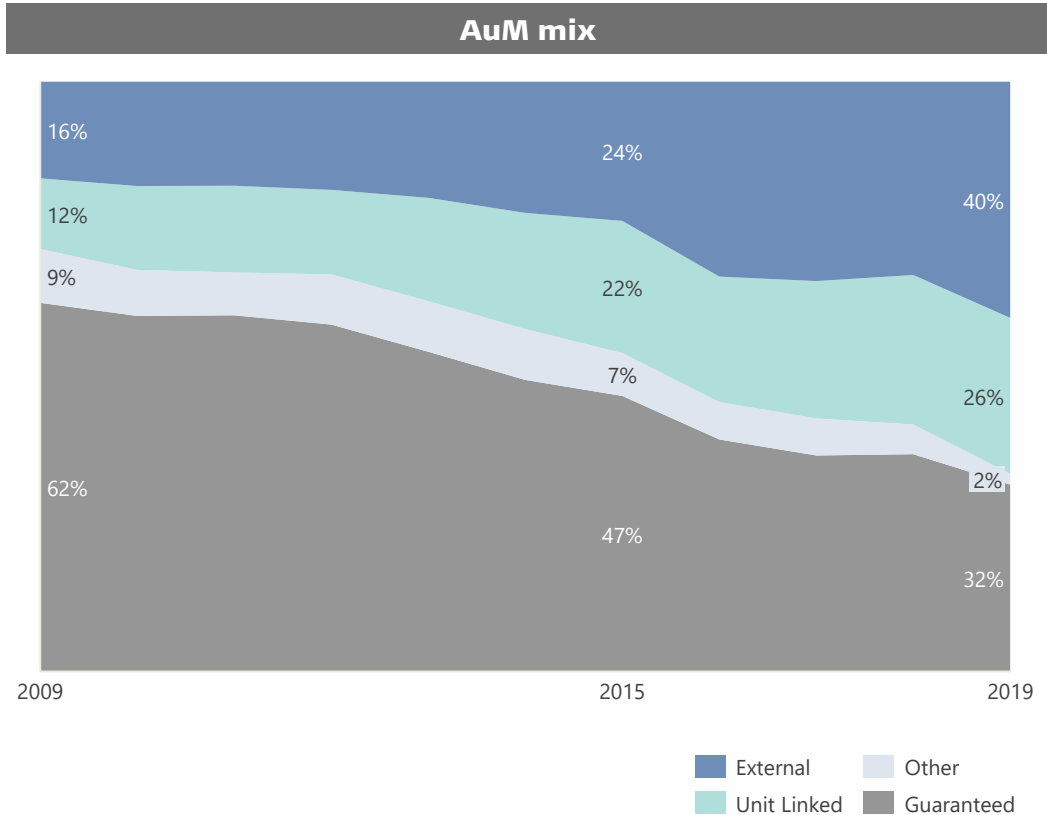
Fast growing Nordic asset manager with a blend of captive pension assets and external clients

Main channels for AuM (NOK)¹



¹ Data as of Q1 2020.
² Includes company capital.

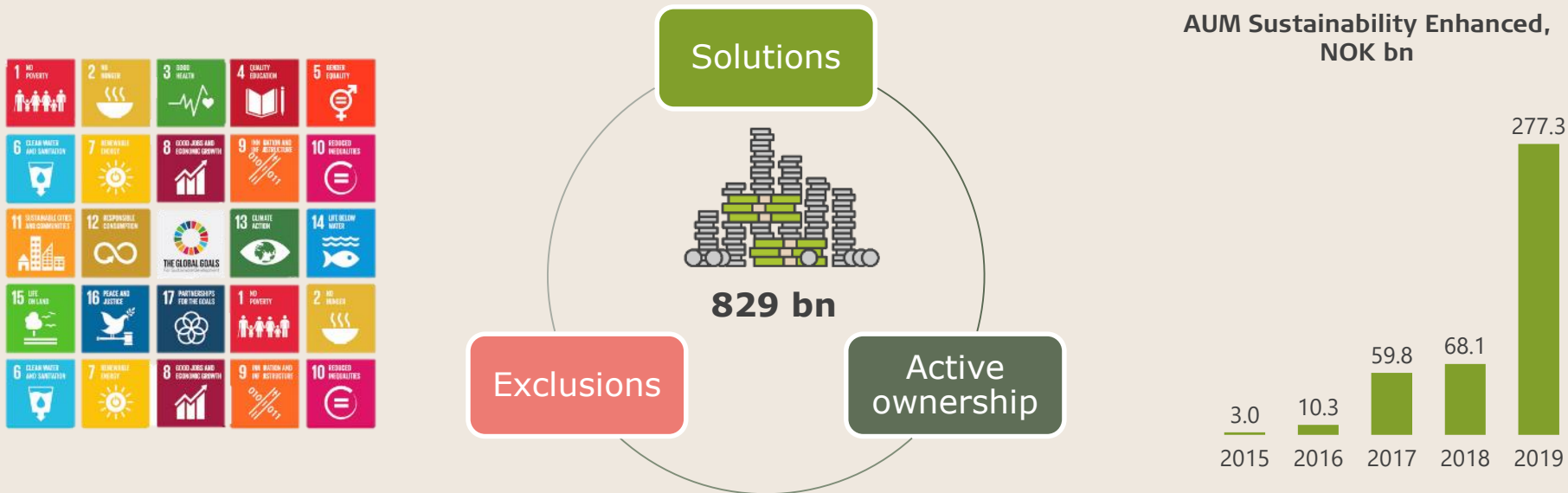
Increased external share in Asset Management



¹ Revenue & AuM include Skagen from 01.01.2017 proforma

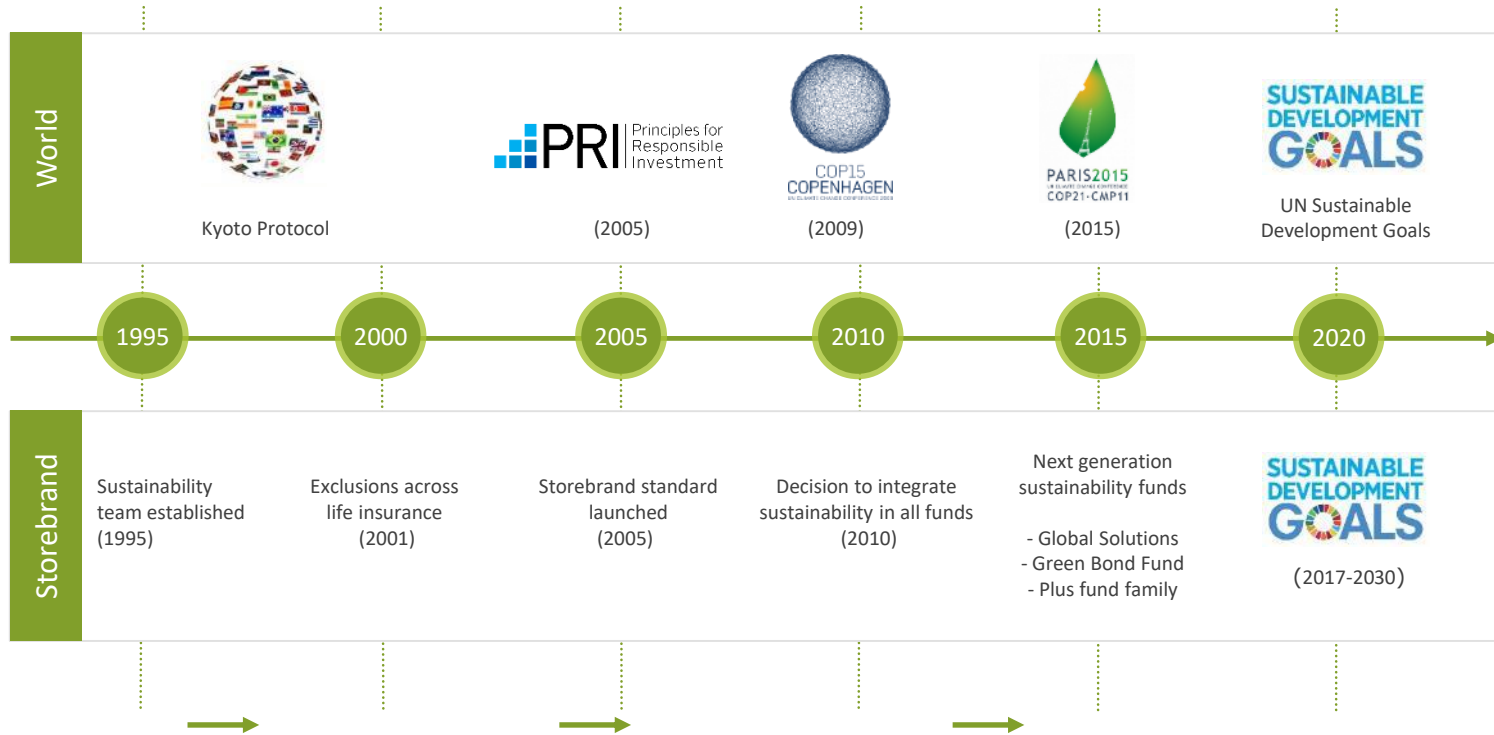
Sustainability at the core of our business

NOK 829 bn AuM aligned to contribute to the UN Sustainability Goals

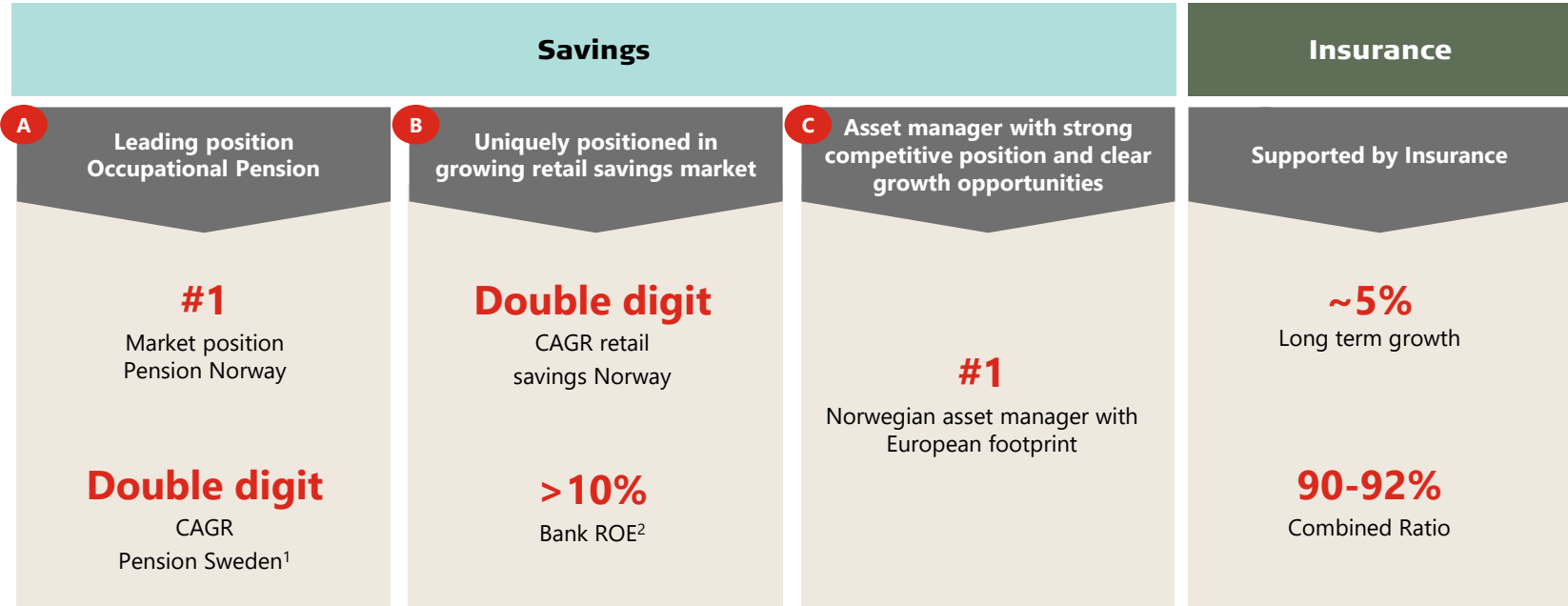


All assets under management are subject to sustainability screening

Storebrand's History of Sustainable Investments



Ambition: Build a world class Savings business supported by Insurance



¹ Within segment 'Other occupational pensions'.

² RoE Retail banking only.

Significant difference in capital consumption and return profile between old and new business

ILLUSTRATIVE
FROM CMD 2018

	Savings	Insurance	Guaranteed ³	Group
IFRS earnings ¹ (NOKm)	1 552	638	982	3 172
Allocated Equity ² (NOKbn)	5.5	2.0	23.6	31.1
Pro forma RoE adj(%) ⁴	31%	36%	5%	11%

The equity in the Group sits within different legal units. This allocation of equity is done on a pro-forma basis to reflect an approximation to the IFRS equity consumed in the different reporting segments after group diversification. The estimated allocation is based on the capital consumption under SII and CRD IV adjusted for positive capital contribution to own funds. The Insurance segment has been allocated an increased capital level which is more in line with long-term expected diversification effects.

¹ Result before amortisation and after tax, Q1 2017 – Q1 2018

² Based on solvency II position pr. Q1 2018 incl. transitional rules on 165%. IFRS equity allocated on a pro forma basis.

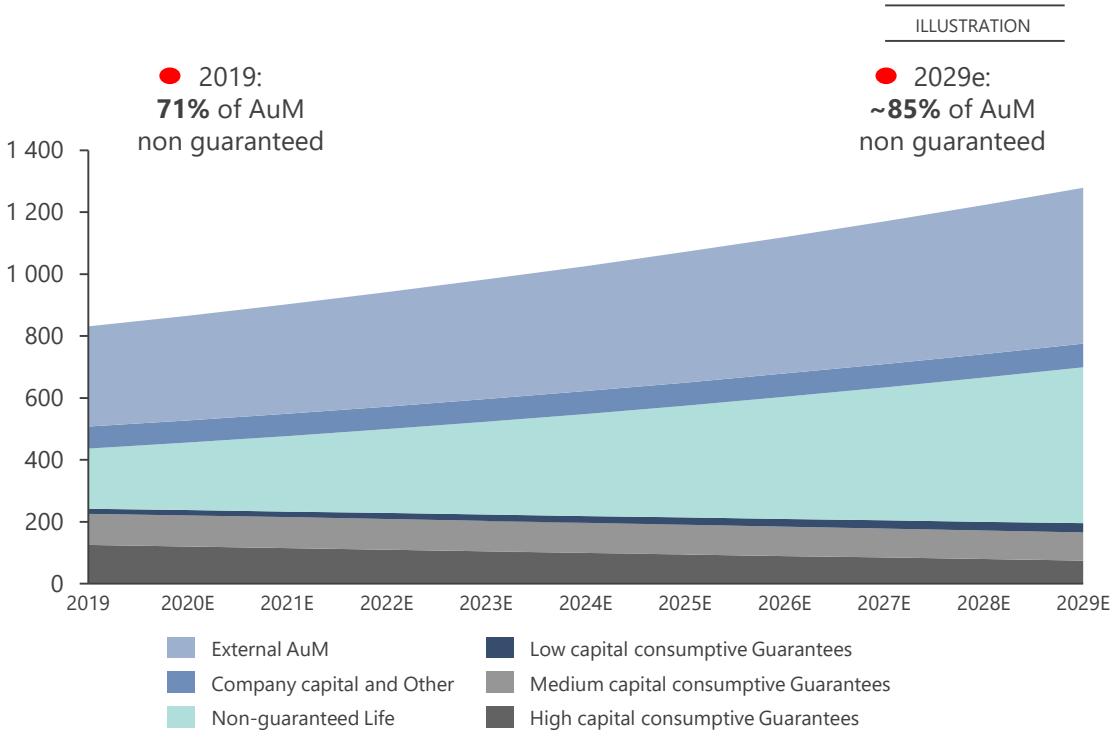
³ Includes reporting segment "Other".

⁴ Allocated equity 1Q 2018, ROE calculated on 1Q 2017.

Majority of AUM in Storebrand is already capital efficient and growing while capital consumptive guaranteed AUM is trailing off

Forecast assets under management (NOKbn)

Implications



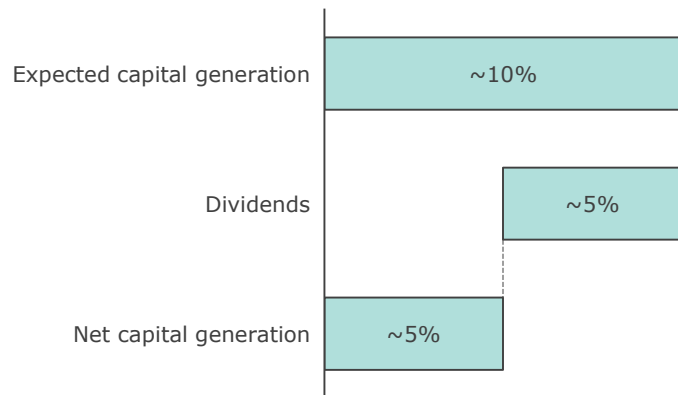
- Guaranteed portfolio has reached Solvency II peak capital consumption
- New growth in Savings and Insurance need little new capital
- Increased free cash flow and dividend capacity
- Increased fee and adm. income and reduced sensitivity to financial markets

Company capital and Other: Company portfolios, buffer capital and BenCo. External AuM: Non-life AuM in Storebrand Asset Management. Non-guaranteed Life: Unit Linked Norway and Sweden. Low capital consumption Guarantees: Capital-light guarantees Sweden. Medium capital consumption Guarantees: Defined Benefit and medium guaranteed Sweden and paid ups with high buffers/low guarantees. High capital consumption Guarantees: Paid-up policies, Individual Norway and capital consumptive guarantees Sweden. Categories change in time due to buffer building.

Capital generation from increasing fee based earnings in front book and capital release from the back book

From CMD

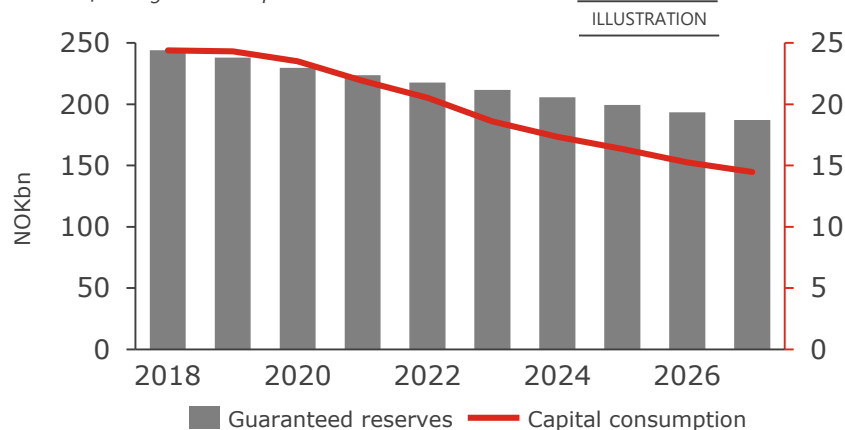
Estimated solvency generation (annual) short term¹



- Expected annual capital generation of ~10pp of improved solvency ratio after new business strain
- Further management actions have the potential to further improve solvency

Estimated reduced capital consumption back book

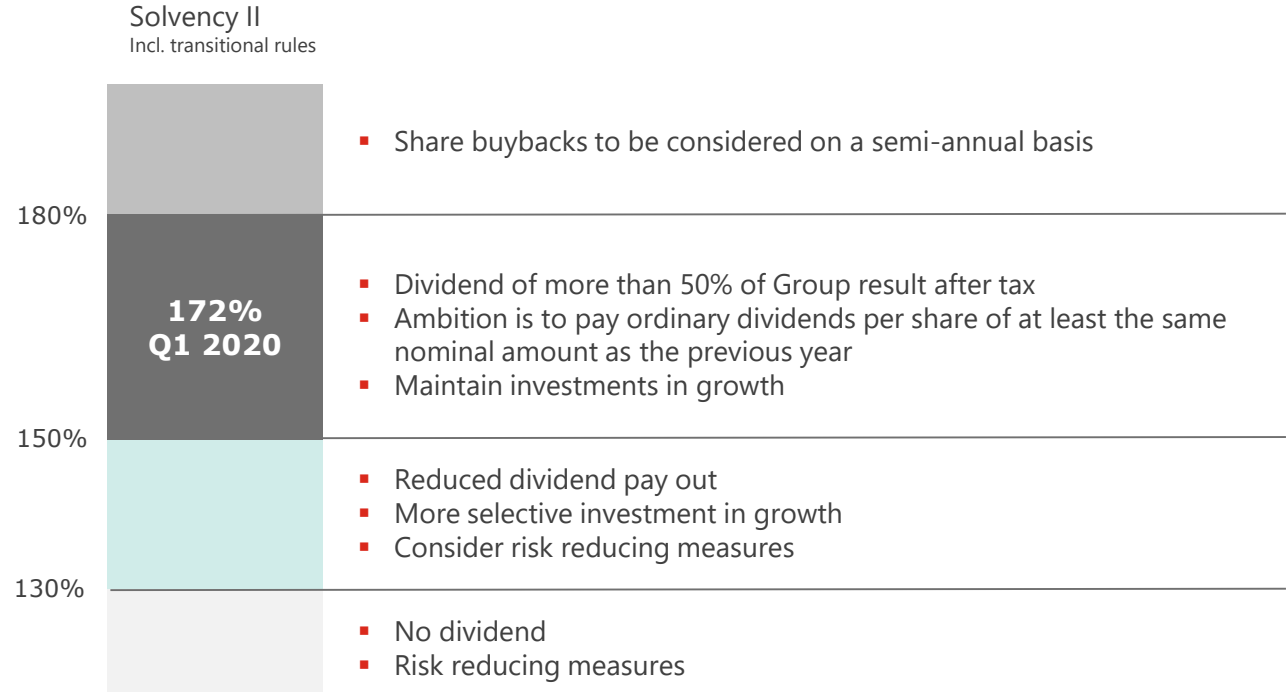
Capital consumption includes sum of solvency capital requirement and sum of VIF for all guaranteed products



- Lower capital consumption because guaranteed portfolio in run-off, interest rate guarantee reduced and new policies have lower guarantees, hence more capital light

¹ Solvency generation (%) on Solvency II ratio without transitional rules.

Group capital management policy sets thresholds for distribution of cash dividends



Ambitions Capital – back book has reached peak capital and is expected to contribute with cash together with growing front book

FROM CMD 2018

Low case:

Release capital from the business

- Regulatory change
- Lower interest rates
- Margin pressure

Base case:

Release capital from the business

2021

Expected start of capital release as dividends when S2 ratio >180%

~NOK 10 BN


Back book capital release until 2027

High case:

Release capital from the business

- Regulatory change
- Higher interest rates
- Better profitability

Financial Targets are maintained

	Target	Actual 2019
 Return on equity ¹	> 10%	8.0%
 Dividend pay-out ratio ²	> 50%	Suspended due to Covid-19
 Solvency II margin Storebrand Group ³	> 150%	176%

¹ Before amortisation after tax.

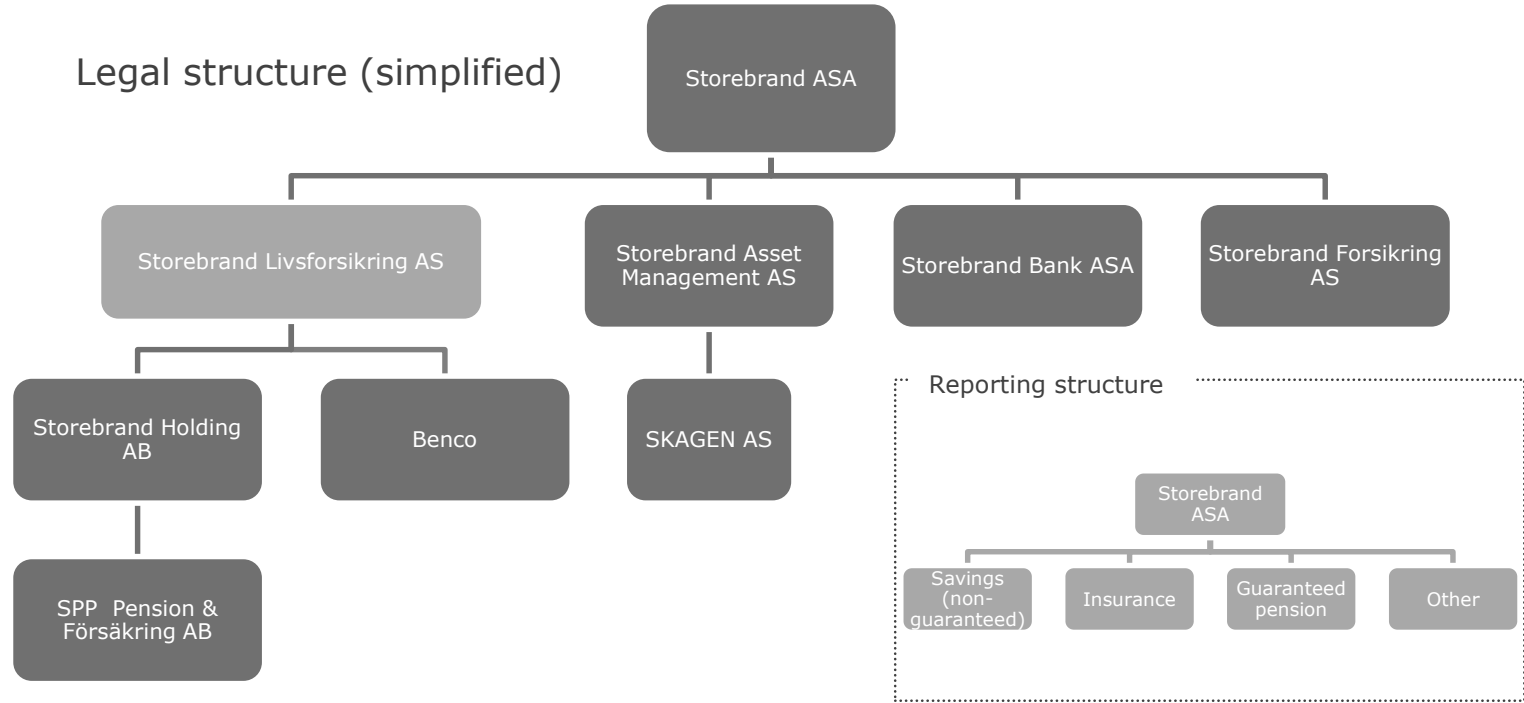
² After tax

³ Including transitional rules.

Capital Management

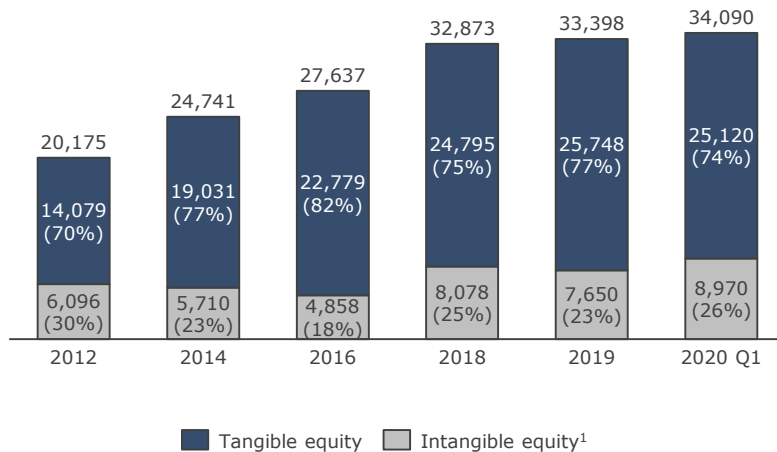
Storebrand Group Structure

Diversified cash flow to holding company Storebrand ASA

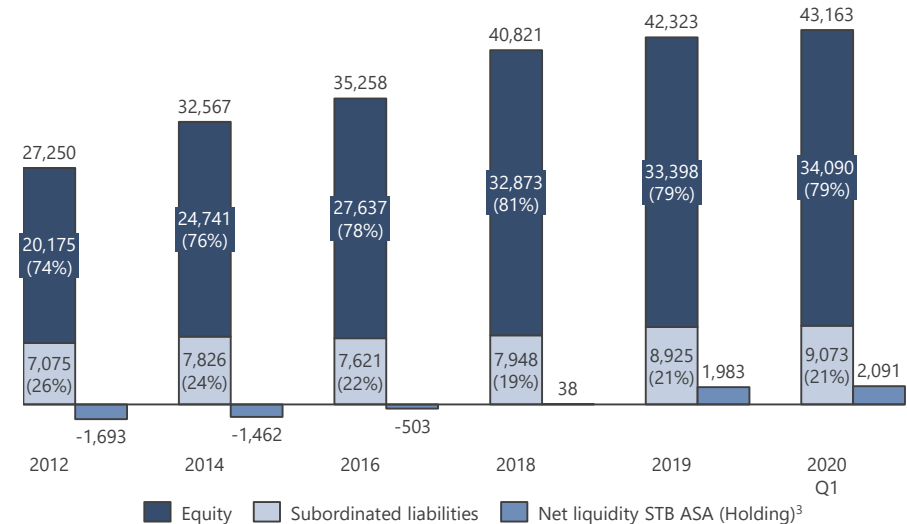


Strong Group IFRS equity and capital structure – reduced financial leverage

Group equity (NOK bn)



Group capital structure²



¹ Intangible equity: Brand names, IT systems, customer lists and Value of business-in-force (VIF), and goodwill. VIF and goodwill mainly from acquisition of SPP.

² Specification of subordinated liabilities:

- Hybrid tier 1 capital, Storebrand Bank ASA and Storebrand Livsforsikring AS

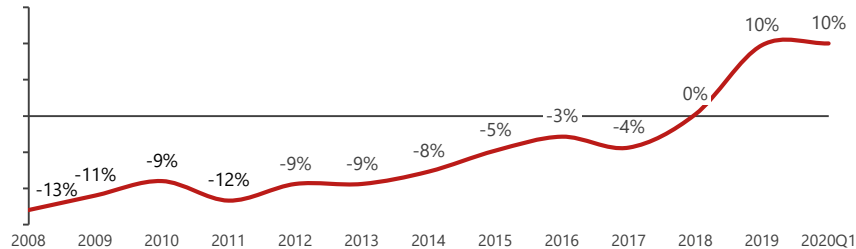
- Perpetual subordinated loan capital, Storebrand Livsforsikring AS

- Dated subordinated loan capital, Storebrand Bank ASA and Storebrand Livsforsikring AS

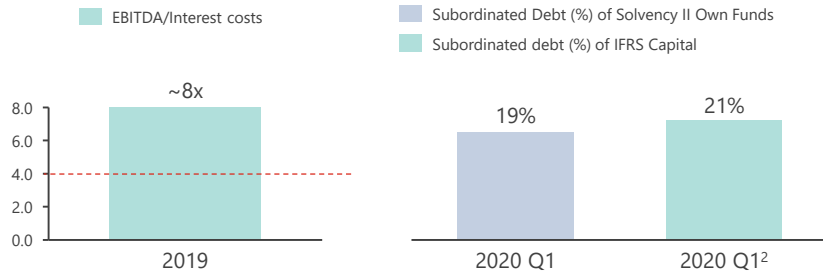
³ (Senior debt – liquidity portfolio) in holding company shown in separate column as it is not part of group capital.

Strong liquidity and low leverage

Net liquidity ratio Storebrand ASA (holding)



Interest charge coverage Storebrand group¹

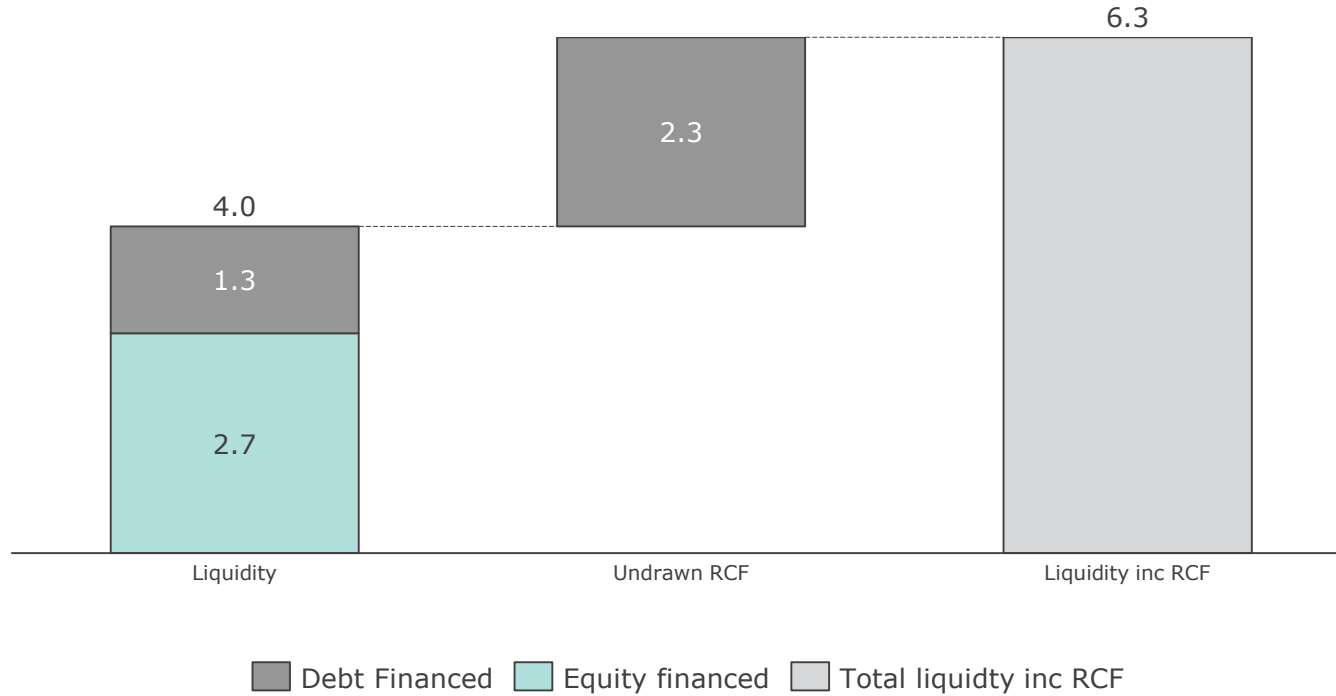


- Proceeds from subsidiaries have been used to pay dividends, reduce debt in the holding company and increase the liquidity buffer
- Holding company net liquidity ratio of 10% (net debt ratio of -10%)
- Refinancing of debt at lower credit spreads, both in the holding company and life insurance company, have reduced the overall interest expenses for the group
- Fixed charge coverage ratio ~ 8x

¹ EBITDA STB Group ex Bank. Interest rate costs Storebrand Livsforsikring and ASA.

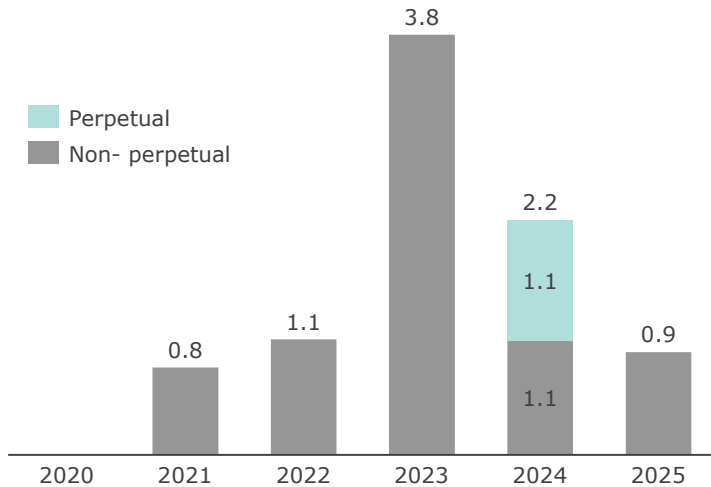
² Q1 2020. Subordinated debt divided on IFRS Equity + Subordinated debt Storebrand Group.

Group Liquidity NOK bn

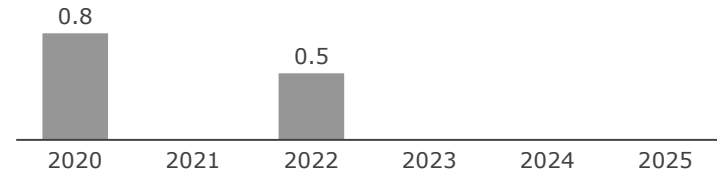


Term structure debt – no refinancing needs until 2021

Term structure sub-debt Storebrand Livsforsikring¹ (bn NOK)



Term structure senior debt Storebrand ASA (bn NOK)



The Solvency Calculation – moving to a market consistent balance sheet and risk sensitive capital requirements

IFRS balance sheet



Moving to economic balance sheet



Solvency II balance sheet



1 in 200 years shock

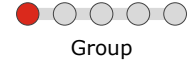


Solvency II Balance Sheet under 1/200 years shock

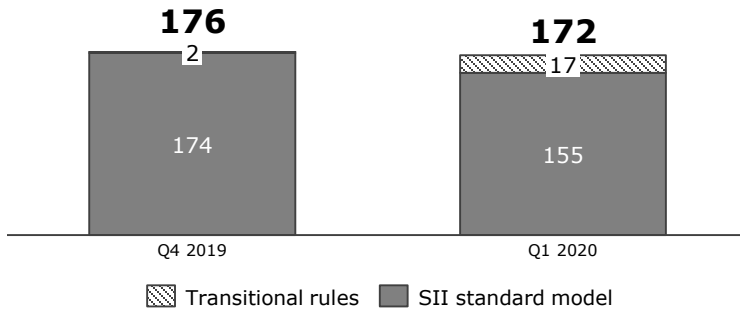


$$\text{Group solvency II ratio} = \frac{\text{Own Funds}}{\text{SCR}} = \frac{\text{NOK 47bn}}{\text{NOK 28bn}} = \mathbf{172\%}$$

SII position Storebrand Group



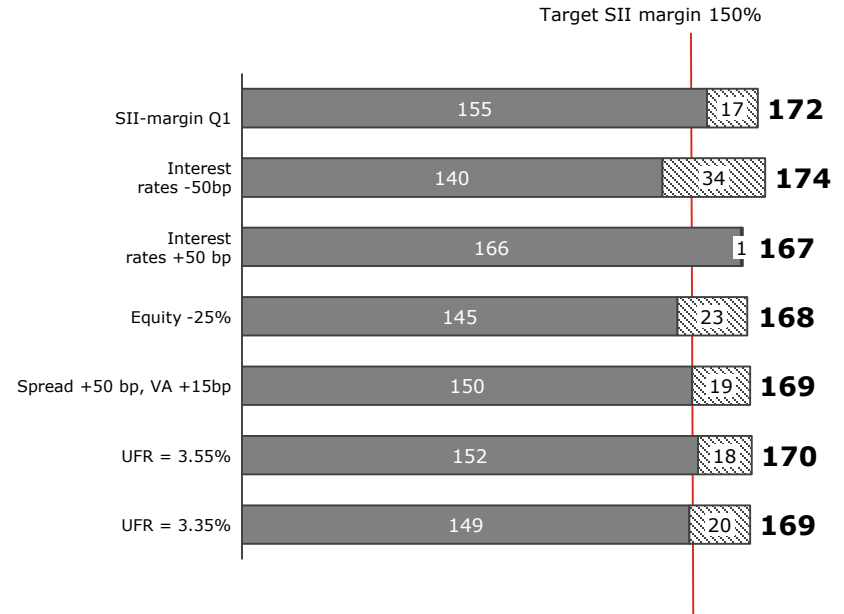
Solvency position(%)¹



Key takeaways

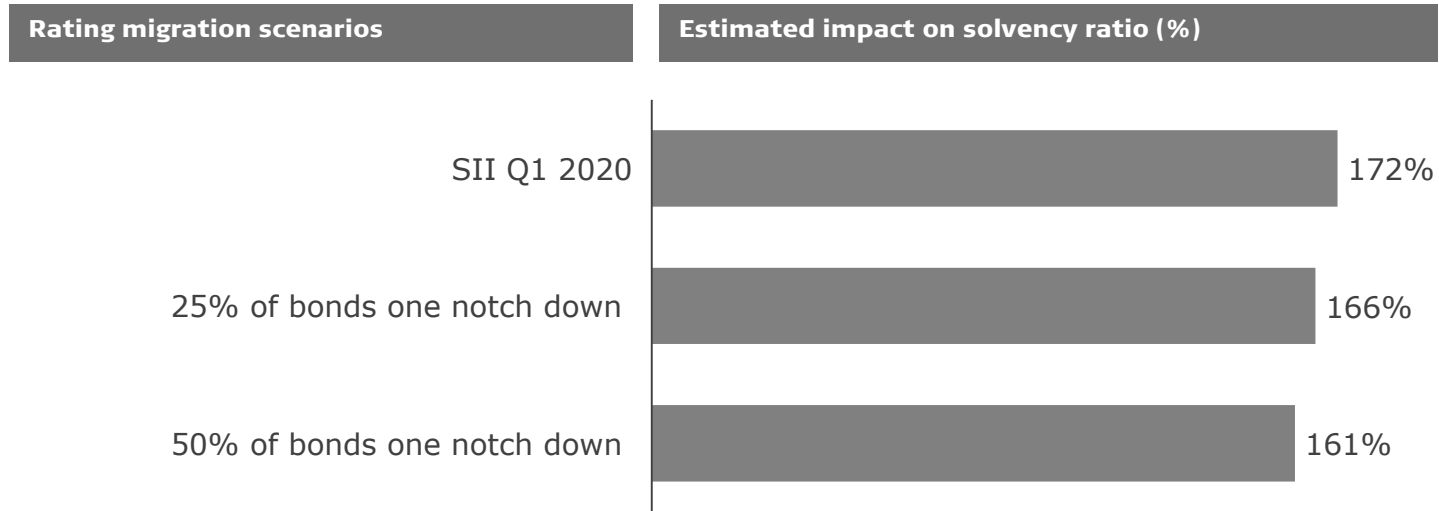
- Lower interest rates, mostly offset by transitional rules
- Increased credit spreads, mostly offset by increased VA
- Fall in equity prices, offset by reduced exposure and equity stress factors

Estimated sensitivities



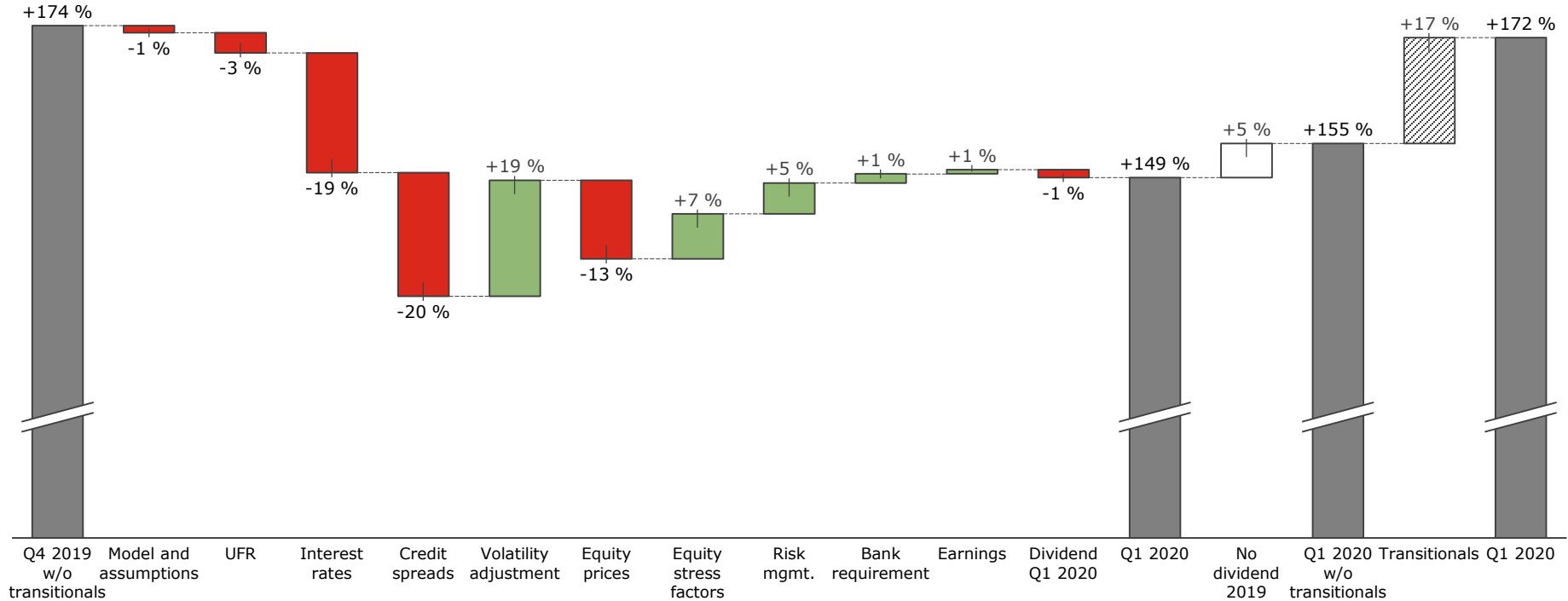
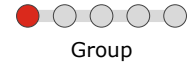
¹ The estimated Economic solvency position of Storebrand Group is calculated using the current Storebrand implementation of the Solvency II Standard model with the company's interpretation of the transition rules from the NFSA. Output is sensitive to changes in financial markets, development of reserves, changes in assumptions and improvements of the calculation framework in the economic capital model as well as changes in the Solvency II legislation and national interpretation of transition rules.

Rating migration would have limited impact because of high asset quality and relatively low credit duration



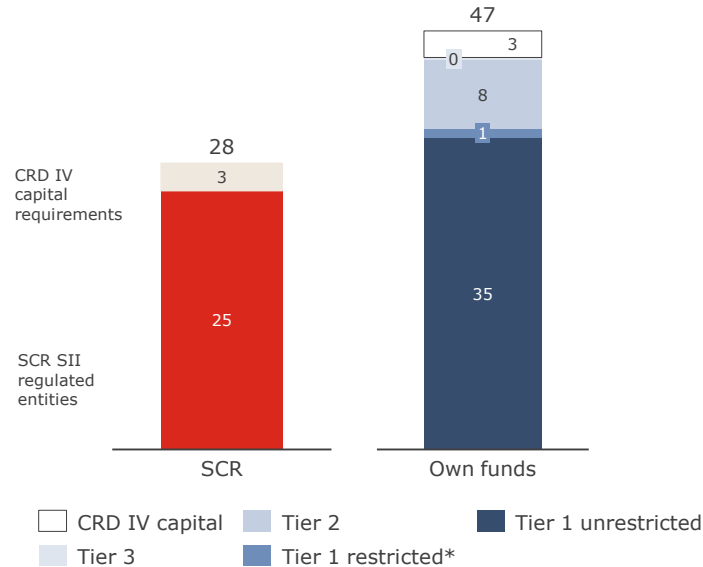
Movement from Q4 2019 to Q1 2020

Storebrand Group Solvency Ratio



High quality capital base under Solvency II

SCR and own funds (NOK bn)



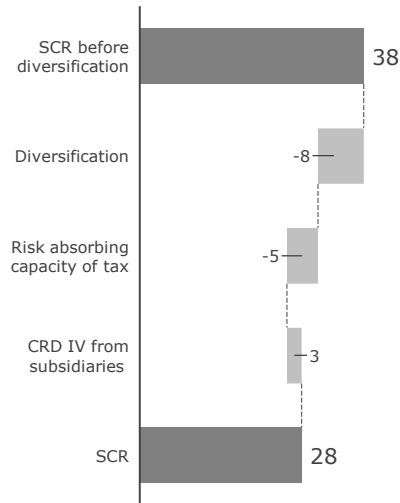
Own funds in % of SCR (excluding CRD IV subsidiaries)

	Regulatory limit	OF % of SCR	OF % of total
Tier 3	≤ 15% SCR	1%	1%
Tier 2	≤ 50% SCR ∑ T2+T3	31%	16%
Tier 1 Restricted	≤ 20% T1	4%	2%
Tier 1 Unrestricted	≥ 50% SCR ∑ All T1	141%	75%

Solvency Capital Requirements (SCR)

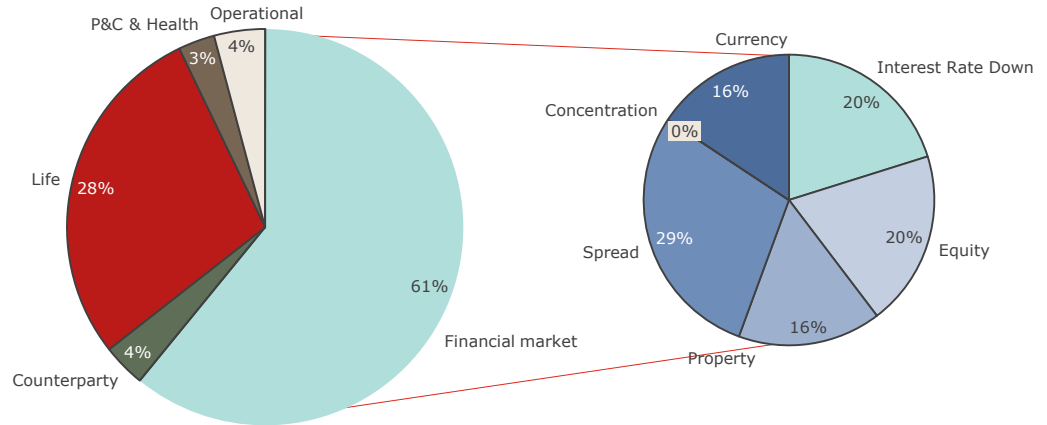
SCR calculation Q1 2020

NOKbn

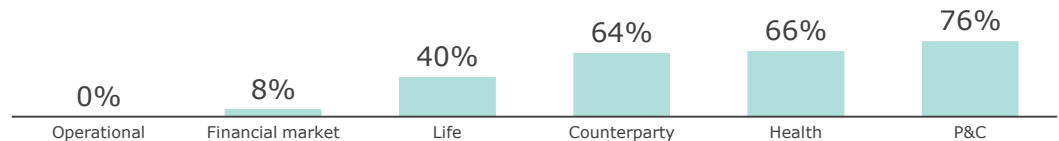


SCR excludes effect of transitionals on equity of NOK -101m.

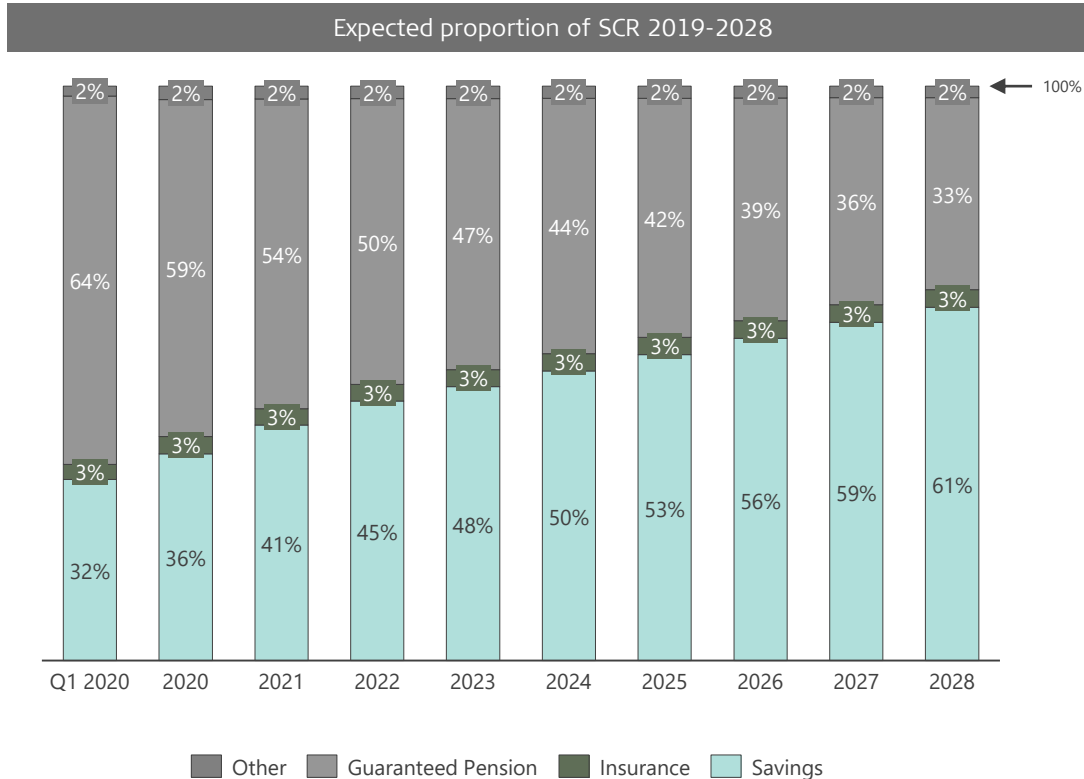
SCR dominated by financial market risk...



...Strong diversification benefits from adding more insurance risk¹



Reduced Solvency Capital Requirement from Guaranteed business



- **Guaranteed** products have more financial market risk
- High buffer need to SCR because of high volatility

- **Insurance** products have strong diversification effects
- Medium buffer need to SCR because of low volatility

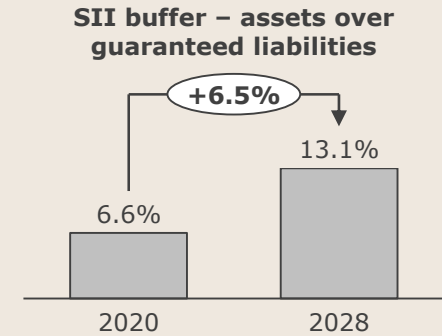
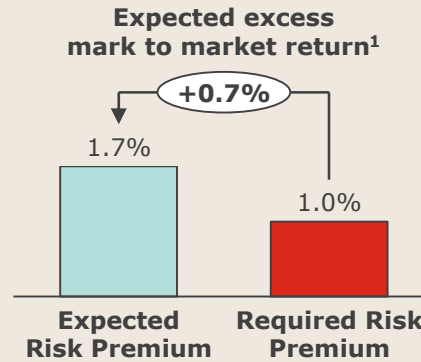
- **Savings** products generates own funds, low need to hold hard capital in the form of equity/sub debt
- Low buffer need to SCR because of low volatility

Investment management

Liability Driven Investments are expected to generate SII Capital and Stabilise IFRS Results

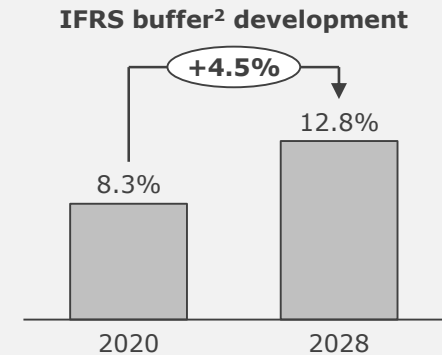
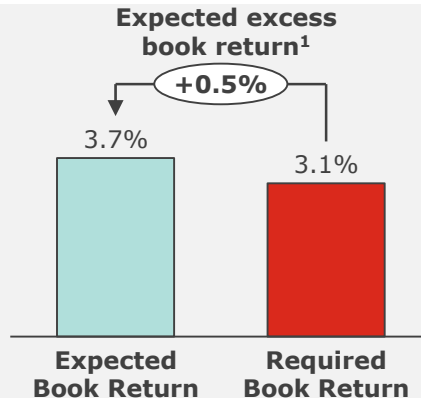
SII

Long term perspective
Risk management of **own funds** and **SCR**



IFRS

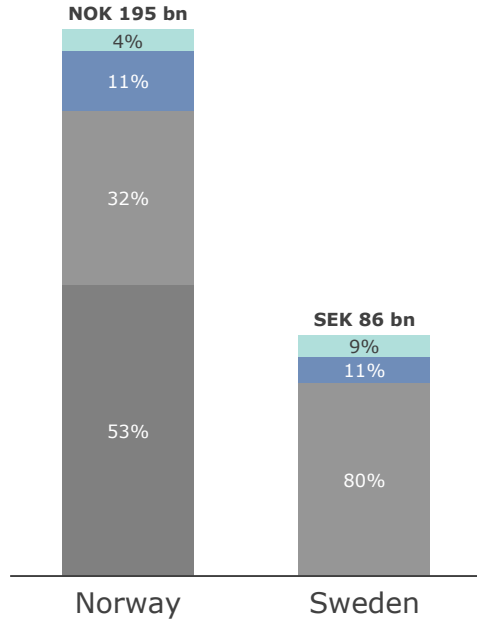
Annual perspective
Risk management of **financial result** and **buffers**



¹ Norwegian portfolio only. Numbers per Q1 2020

² IFRS buffer capital includes additional statutory reserves and market value adjustment reserves, but not excess value of bonds at amortised cost

High quality assets with fixed income as the backbone



Equities

80%

MSCI World

20%

Local Index (OMX & OBX)

Amortising
bonds and loans

Average rating

AA-

Real estate

Prime

Location & Quality

Fixed income

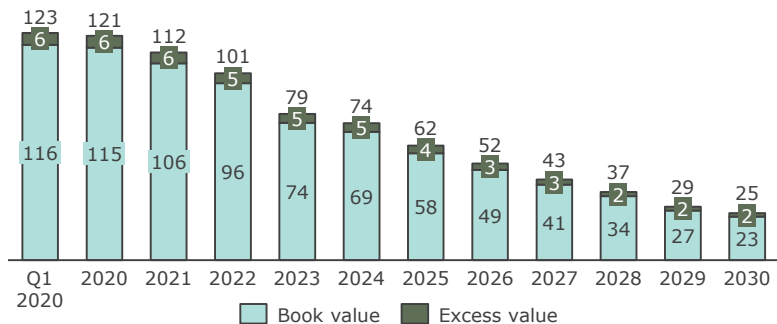
Average rating

A

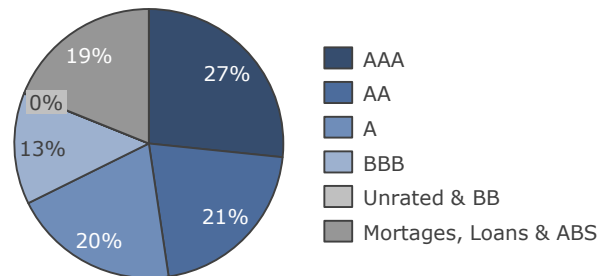
High Quality Fixed Income I

- Characteristics of Bonds at Amortised Cost¹

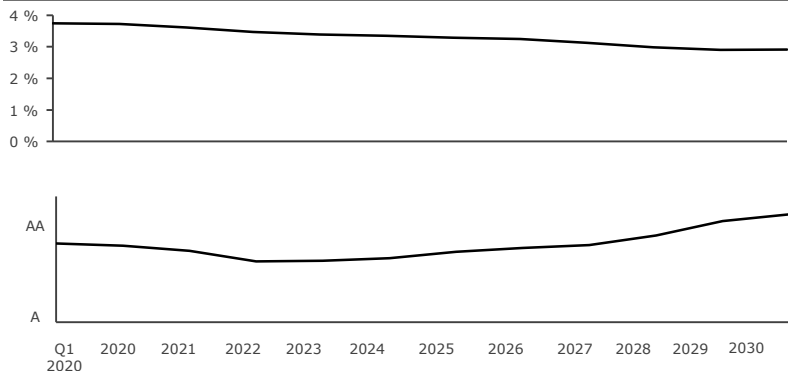
Market & book value – no reinvestment (NOKbn)



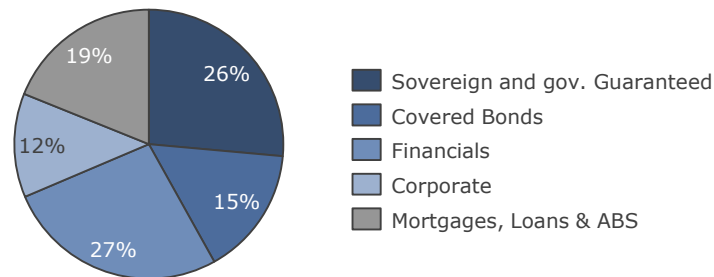
Rating distribution (%)



Yield and rating development – no reinvestment



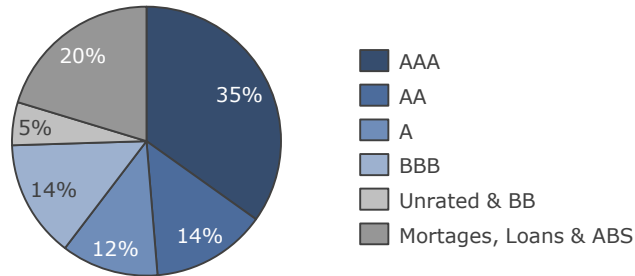
Sector distribution (%)



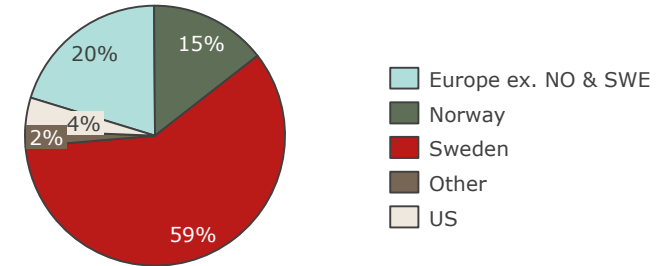
High Quality Fixed Income II

- Characteristics of Mark to Market Fixed Income¹

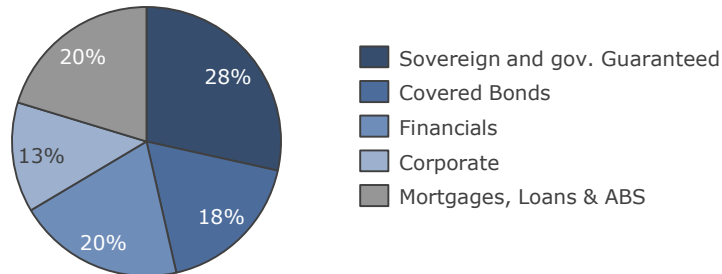
Rating distribution (%)



Geographical distribution² (%)



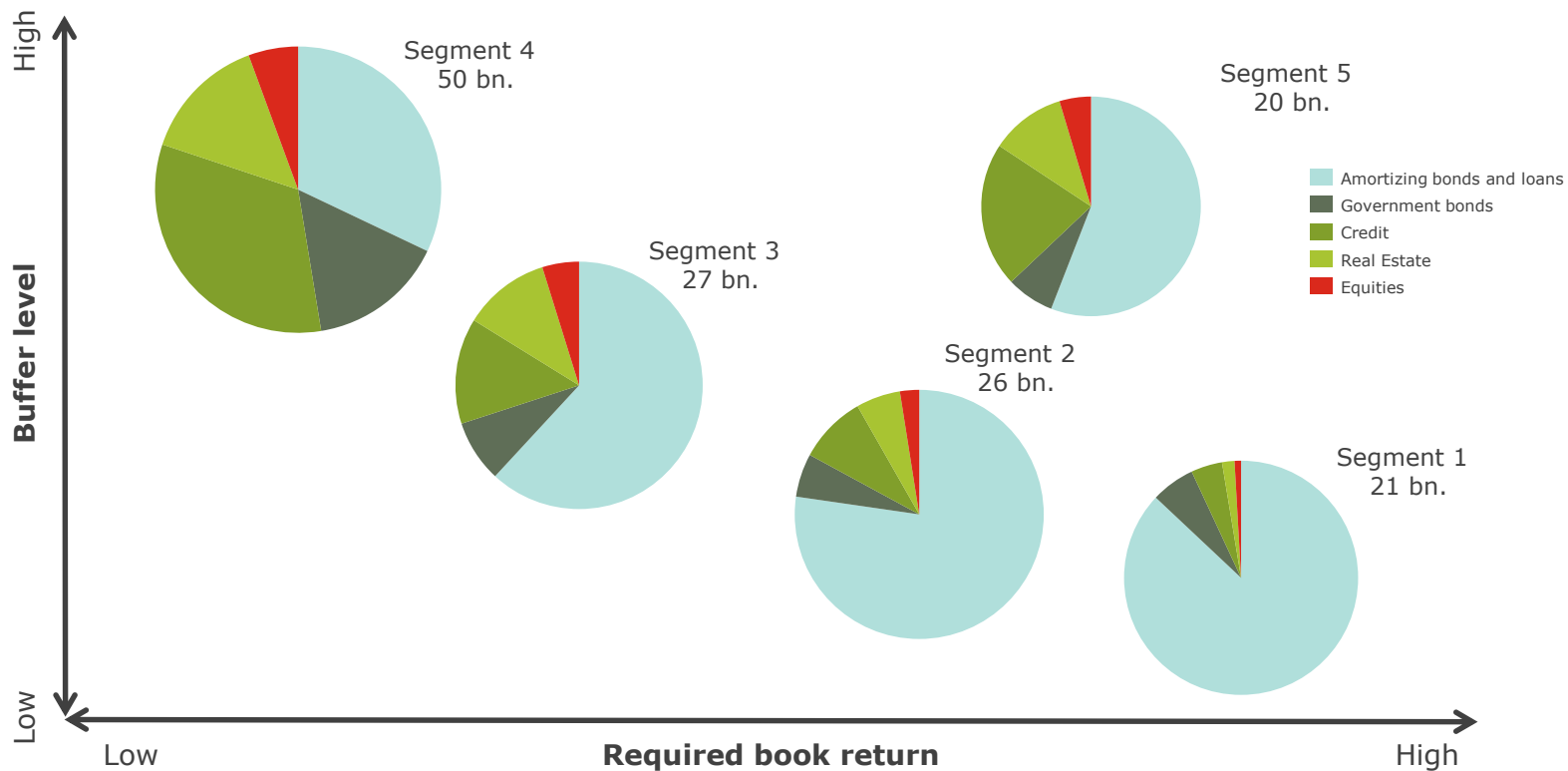
Sector distribution (%)



¹ Total of Norwegian and Swedish guaranteed portfolios.

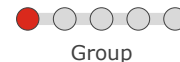
² Excluding Mortgages, Loans & ABS.

Paid up policies in Norway: Segmentation According to Risk Capacity

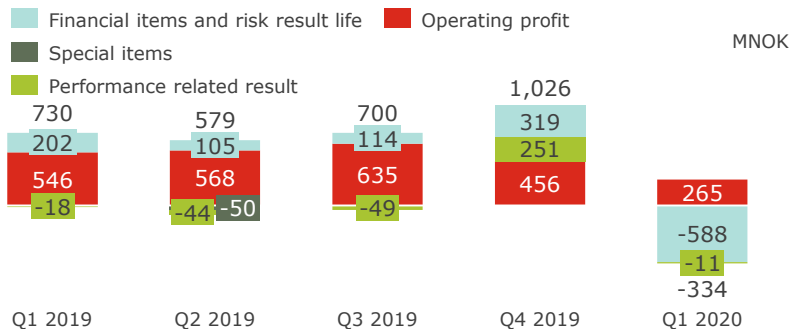


Q1 2020 Results

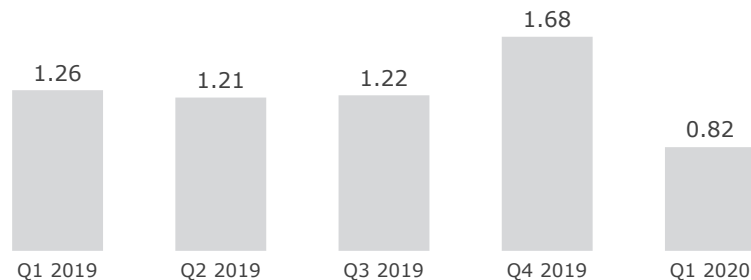
Key figures



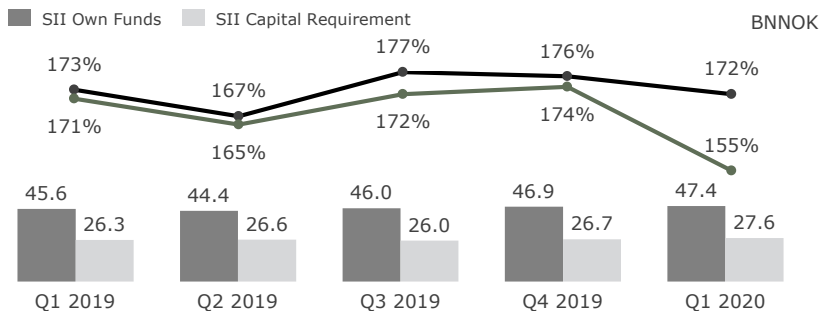
Result development¹



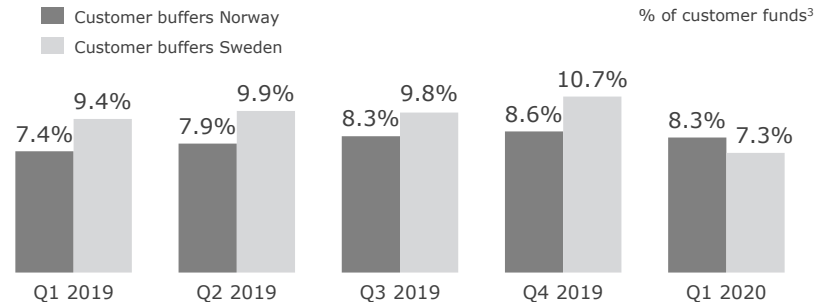
Earnings per share²



SII Own funds and SCR⁴



Customer buffers development



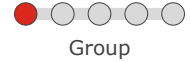
¹ Result before amortisation and tax, adjusted for performance related result.

² Earnings per share after tax adjusted for amortisation of intangible assets.

³ Excluding customer buffers Benco. Surplus values of HTM bonds cost excluded.

⁴ Includes transitional capital.

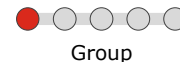
Storebrand Group



Profit¹

NOK million	Q1		Full year
	2020	2019	2019
Fee and administration income	1 349	1 215	5 308
Insurance result	-71	245	1 005
Operational cost	-1 024	-929	-4 015
Operating profit	254	531	2 298
Financial items and risk result life	-588	202	739
Profit before amortisation	-334	733	3 037
Amortisation and write-downs of intangible assets	-119	-99	-444
Profit before tax	-453	634	2 593
Tax	717	-139	-511
Profit after tax	264	494	2 082

Storebrand Group



Profit¹

NOK million	Q1		Full year
	2020	2019	2019
Fee and administration income	1 349	1 215	5 308
Insurance result	-71	245	1 005
Operational cost	-1 024	-929	-4 015
Operating profit	254	531	2 298
Financial items and risk result life	-588	202	739
Profit before amortisation	-334	733	3 037

Profit per line of business

NOK million	Q1		Full year
	2020	2019	2019
Savings - non-guaranteed	276	290	1 364
Insurance	-268	103	439
Guaranteed pension	95	249	1 029
Other profit	-437	91	205
Profit before amortisation	-334	733	3 037

Profit¹

NOK million	Q1		Full year
	2020	2019	2019
Fee and administration income	1 349	1 215	5 308
Insurance result	-71	245	1 005
Operational cost	-1 024	-929	-4 015
Operating profit	254	531	2 298

Operating profit adjusted for performance related income and costs²

NOK million	Q1		Full year
	2020	2019	2019
Booked performance related OPEX	-11	-18	-
Adjusted operating profit	265	549	-

NOK million	Q1		Full year
	2020	2019	2019
<i>Performance income earned not booked</i>	59	66	-
<i>Operating profit including income earned not booked</i>	313	597	-

¹ The result includes special items. Please see storebrand.com/ir for a complete overview.

² Performance related costs refer to performance bonuses and kick-backs in funds with performance fees that are booked on a quarterly basis. The corresponding income is not booked until the end of the year. The numbers will vary with performance development through the year.

Savings (non-guaranteed)

Profit

NOK million	Q1		Full year
	2020	2019	2019
Fee and administration income	1 043	896	3 996
Operational cost	-669	-615	-2 621
Operating profit	375	281	1 375
Financial items and risk result life	-98	9	-11
Profit before amortisation	276	290	1 364

Profit per product line

NOK million	Q1		Full year
	2020	2019	2019
Unit linked Norway	69	85	275
Unit linked Sweden	79	65	291
Asset management	102	73	526
Retail banking	27	67	272
Profit before amortisation	276	290	1 364

Savings (non-guaranteed)

Profit

NOK million	Q1		Full year
	2020	2019	2019
Fee and administration income	1 043	896	3 996
Operational cost	-669	-615	-2 621
Operating profit	375	281	1 375

Operating profit adjusted for performance related income and costs¹

NOK million	Q1		Full year
	2020	2019	2019
Booked performance related OPEX	-11	-18	-
Adjusted operating profit	386	299	-

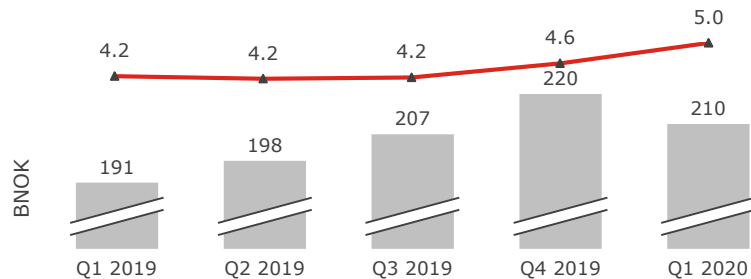
NOK million	Q1		Full year
	2020	2019	2019
<i>Performance income earned not booked</i>	59	66	-
<i>Operating profit including income earned not booked</i>	434	347	-

Savings (non-guaranteed)

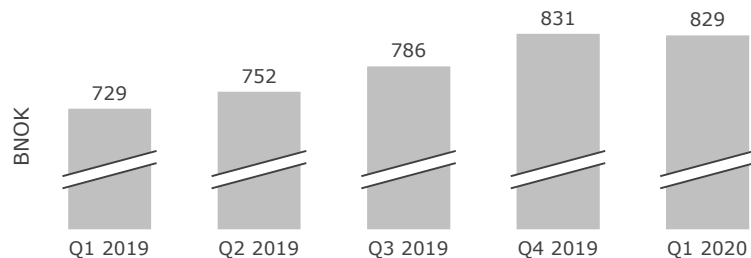
- strong growth



Reserves and premiums Unit Linked



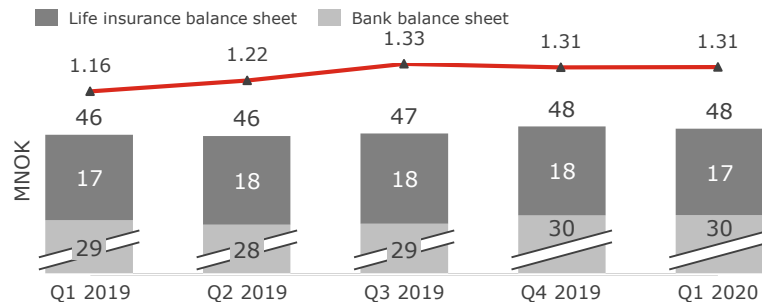
Assets under management



Comments¹

- 19% growth in UL premiums
- 10% growth in UL reserves
- 14% growth in assets under management
- Stable interest margin in the bank

Retail bank balance and net interest margin (%)



Profit

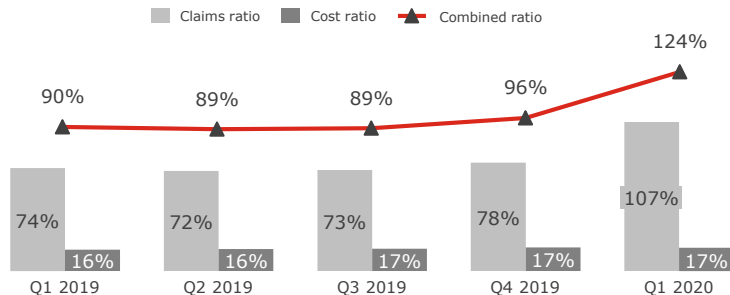
NOK million	Q1		Full year
	2020	2019	2019
Insurance premiums f.o.a.	1 019	948	3 909
Claims f.o.a.	-1 090	-703	-2 904
Operational cost	-175	-150	-648
Operating profit	-246	95	357
Financial result	-22	8	83
Profit before amortisation	-268	103	439

Profit per product line

NOK million	Q1		Full year
	2020	2019	2019
P&C & Individual life	1	85	335
Health & Group life	-263	-20	-41
Pension related disability insurance Nordic	-6	38	145
Profit before amortisation	-268	103	439

Insurance – reserve strengthening

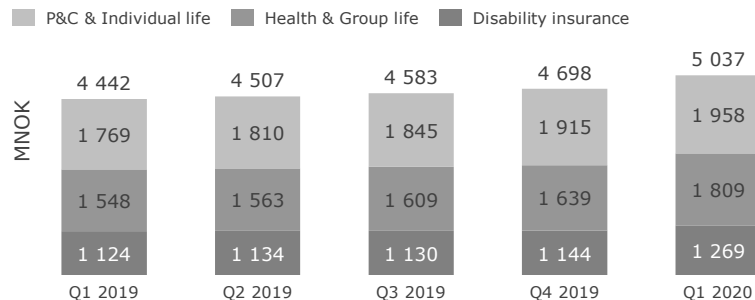
Combined ratio



Comments Combined ratio and results

- 124% combined ratio 2019 due to reserve strengthening for contracts with disability coverage
- Good cost control with stable 17% cost ratio

Portfolio premiums



Comments premiums and growth

- Strong growth within Health insurance and P&C

Guaranteed pension

Profit

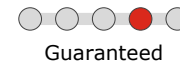
NOK million	Q1		Full year
	2020	2019	2019
Fee and administration income	349	361	1 475
Operational cost	-202	-186	-819
Operating profit	147	174	657
Risk result life & pensions	-26	61	215
Net profit sharing	-26	13	157
Profit before amortisation	95	249	1 029

Profit per product line

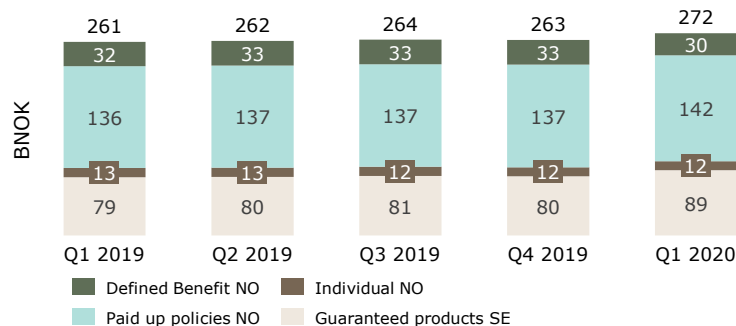
NOK million	Q1		Full year
	2020	2019	2019
Defined benefit (fee based)	-8	76	287
Paid-up policies, Norway	82	109	409
Individual life and pension, Norway	-3	2	21
Guaranteed products, Sweden	24	62	312
Profit before amortisation	95	249	1 029

Guaranteed pension

- robust buffer situation



Reserves guaranteed products



Comments

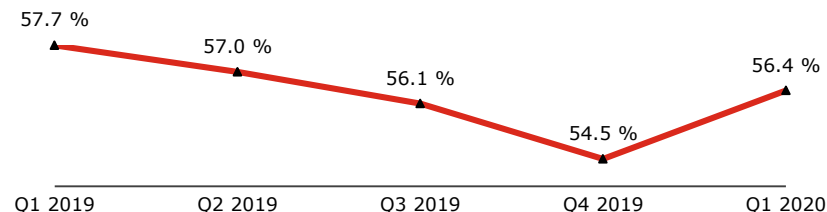
- Result dampened by disability reserve strengthening
- Last large Norwegian DB contract converted to Hybrid plan, increases Paid up policies
- Overall reserve growth due to SEKNOK FX-effect
- Strong buffer capital despite market turmoil in Q1

Buffer capital

NOK million	Q1 2020	Q4 2019	Change
Market value adjustment reserve	5 279	5 500	- 221
Excess value of bonds at amortised cost	6 719	4 697	+ 2 022
Additional statutory reserve	8 699	9 023	- 324
Conditional bonuses Sweden	6 774	7 802	- 1 027
Total	27 471	27 022	+ 449

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

Guaranteed reserves in % of total reserves



Other¹

Profit

NOK million	Q1		Full year
	2020	2019	2019
Fee and administration income	13	14	51
Operational cost	-35	-33	-143
Operating profit	-22	-19	-91
Financial items and risk result life	-416	111	296
Profit before amortisation	-437	91	205

Profit per product line

NOK million	Q1		Full year
	2020	2019	2019
BenCo	-21	8	33
Holding company costs and net financial results in company portfolios	-417	83	173
Profit before amortisation	-437	91	205



Investor Relations contacts

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