

Storebrand Q3 2021

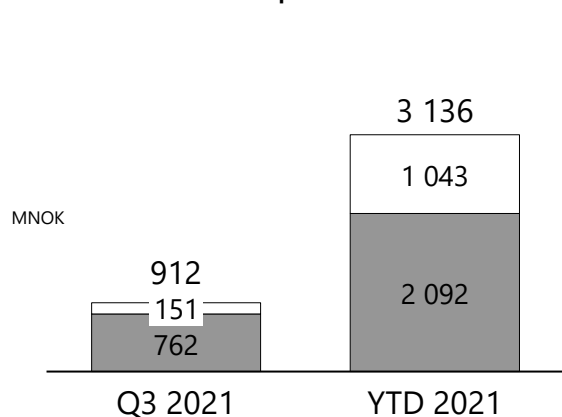
27 October 2021

Odd Arild Grefstad – CEO
Lars Aa. Løddesøl – CFO

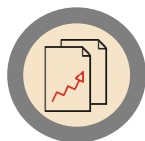
Highlights Q3 2021

Strong operating profit, solid solvency ratio and continued growth

Group result²



□ Financial items and risk result life
■ Operating profit



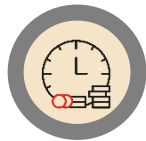
18% Defined Contribution pensions (Unit Linked) reserve growth³



18% Insurance annual portfolio premium growth³



<50% Guaranteed pension reserves⁵



NOK 364m Income earned, not booked YTD⁴



178% Solvency ratio¹

¹ Including transitional rules.

² Result before amortisation and tax.

³ Growth figures are from 2020 to 2021.

⁴ Performance related income in mutual funds is booked at the end of the year.

⁵ Of total pension reserves.

Pursuing our Group Strategy to be a leading

Sustainable Nordic Savings and Insurance Group

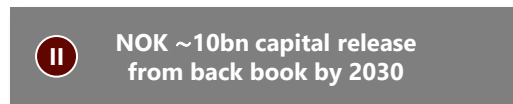
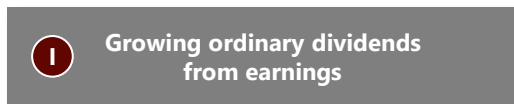
Future Storebrand
Growth focus in capital-light business areas in front book



Strategic differentiators

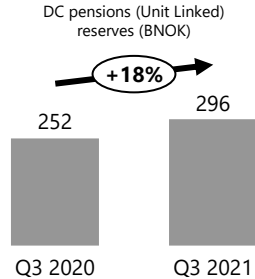


Capital
Management of capital and back book balance sheet



Progress on strategic growth ambitions

A Leading Provider Occupational Pensions Norway & Sweden



Occupational Pensions (Unit Linked)

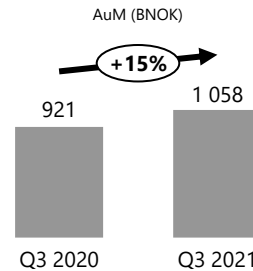
7% premium growth y/y.

~65% of transfers to Individual Pension Accounts completed in the Norwegian market.

Public Sector Occupational Pensions

New municipality mandate won, will add NOK ~1.7bn in reserves, which will be transferred early 2022.

B Nordic Powerhouse in Asset Management



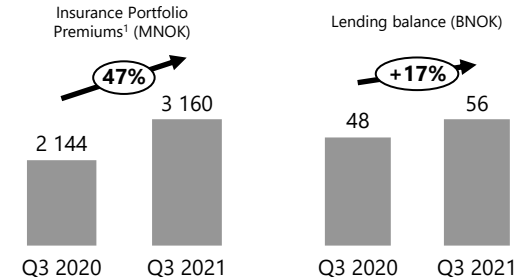
Acquisition of Capital Investment

Danish Real Estate manager strengthens our position as a gateway to the Nordics for alternative investments.

Active management

Strong active fund performance leading to NOK 364m YTD in income earned, not booked.

C Growing Challenger in Norwegian Retail Market



Exceptional growth in P&C insurance and retail mortgages

NOK ~648m in transfers from Insr completed.

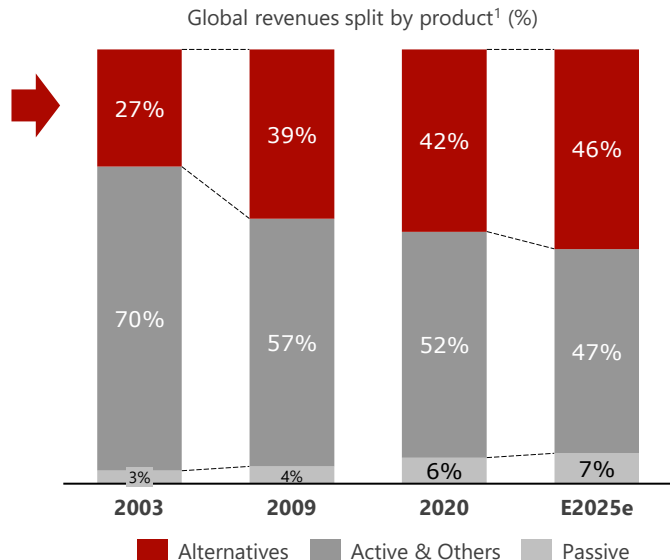
Strong profit development

NOK 301m contribution to Group Profit (33%) in the quarter.

85% profit growth YTD compared to last year.

Global trends highlight the importance of alternative assets

Global trends highlight importance of alternative assets



Storebrand is well positioned to capture growth

Nordic gateway to Private Equity

- Total committed capital ~40bn
- Primary and secondary strategies, both International and Nordic investments
- Nordic and International client base



Sustainable manager of Real Estate

- Acquired Capital Investment bring total capital to ~77bn
- 5-star GRESB rating
- Vehicles in Norway, Sweden and Denmark. Nordic Real Estate fund launched



Sustainable Infrastructure

- Partnership with highly reputed pension funds, total commitment of up to ~45bn
- AIP ranked #1 on sustainability by GRESB
- Committed ~8bn in Storebrand Infrastructure



High quality Private Debt

- Total committed capital ~50bn
- Asset backed, Mortgages and LBO
- Pension funds to build HTM portfolios



Acquisition of Capital Investment strengthens our position as a gateway to the Nordics for Real Estate investments

Capital Investment



125

properties



21 bn

AuM, NOK



500m DKK

Acquisition price



Scaling of investment capability and deal sourcing in Denmark



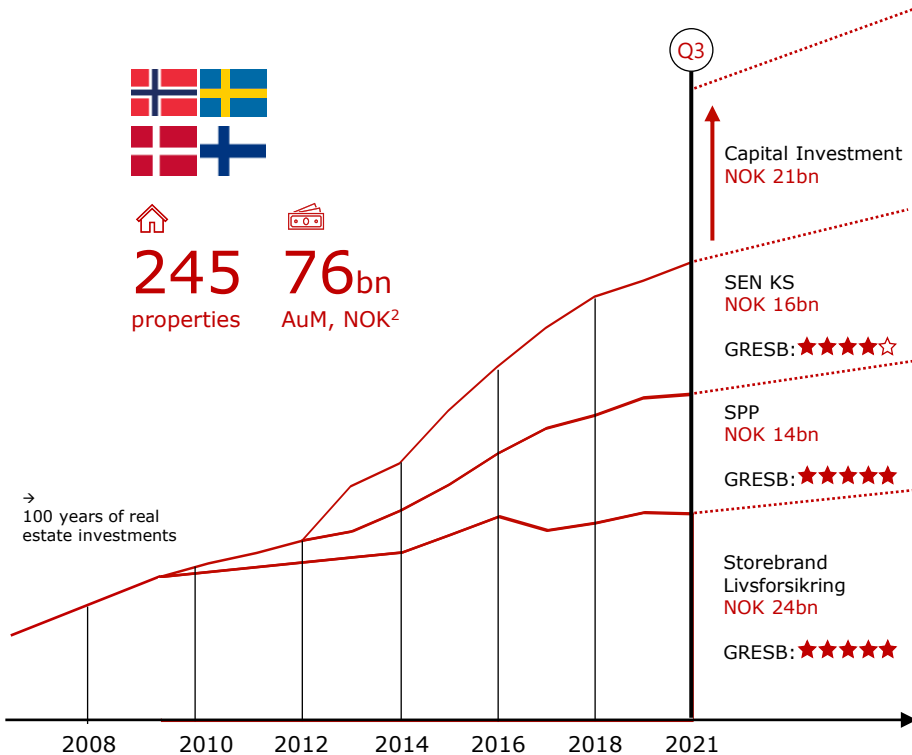
Strengthens offering to existing clients seeking diversification



Gateway to the Nordics for international Real Estate investors



Expanding Storebrand Asset Mgmt.'s Real Estate Offering



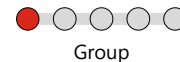
- Storebrand has over 100 years history of real estate investments.
- We leverage group internal capabilities to offer attractive solutions to external clients:
 - ✓ Open-ended fund SEN KS has raised NOK ~1bn annually since 2010.
 - ✓ Now launching Storebrand Nordic Real Estate fund.
- Diversified real estate investments including office, retail, logistics, hotel, and residential properties.
- Active ownership contributes to:
 - ✓ Attractive and vibrant city development;
 - ✓ More green and sustainable real estate with superior GRESB ratings¹.



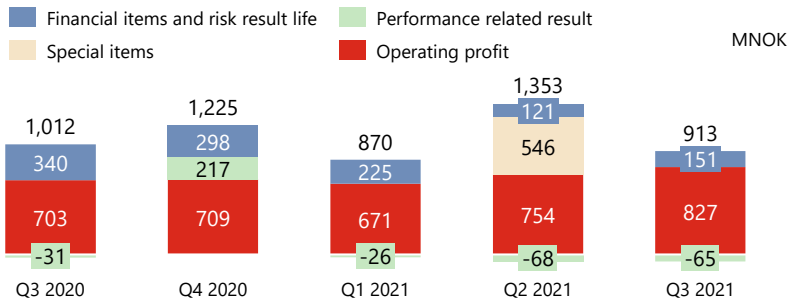


Key Figures

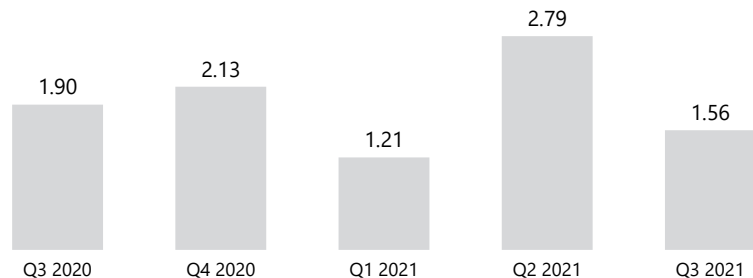
Strong operating profit, solid solvency ratio and continued growth



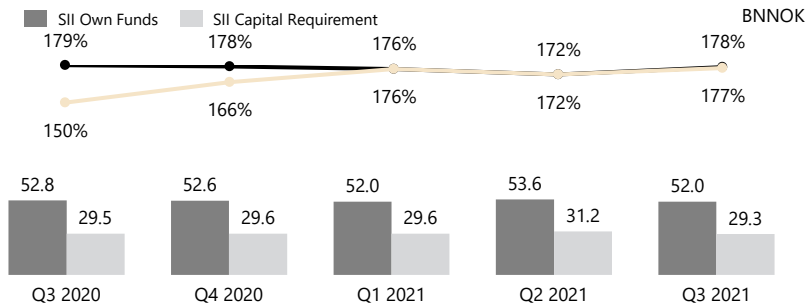
Result development¹



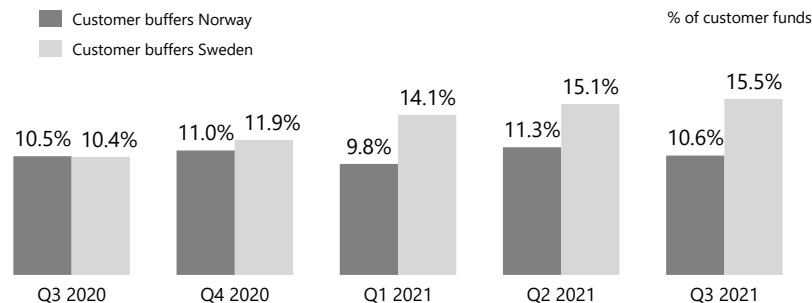
Earnings per share²



SII Own funds⁴ and SCR



Customer buffers development³



¹ Result before amortisation and tax.

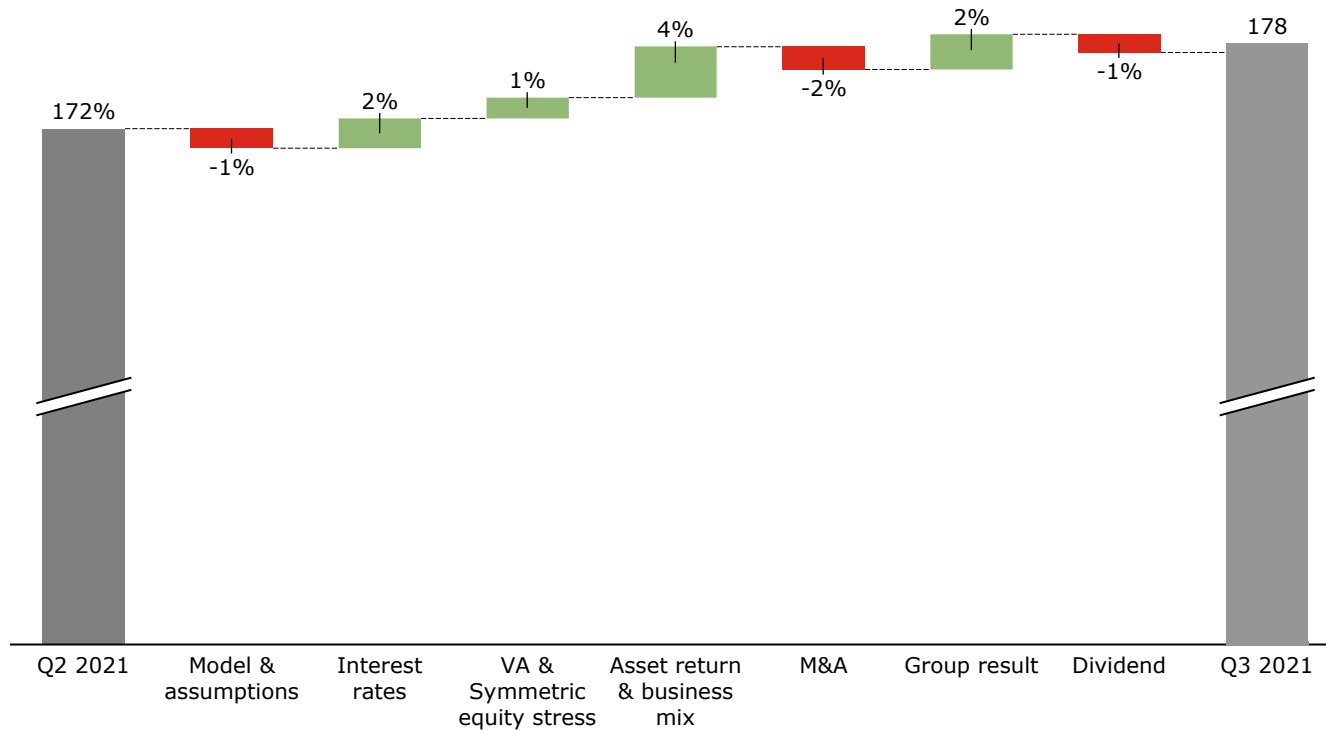
² Earnings per share after tax adjusted for amortisation of intangible assets.

³ Excluding Excess values of HTM bonds.

⁴ Own Funds including transitional capital.

Solvency movement from Q2 2021 to Q3 2021

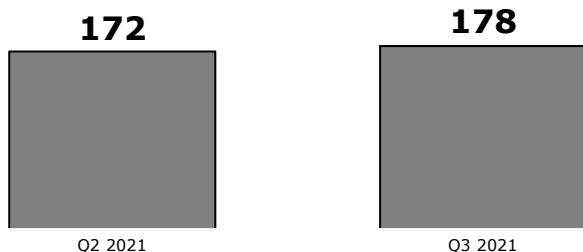
Storebrand Group



Estimated solvency sensitivities

Storebrand Group

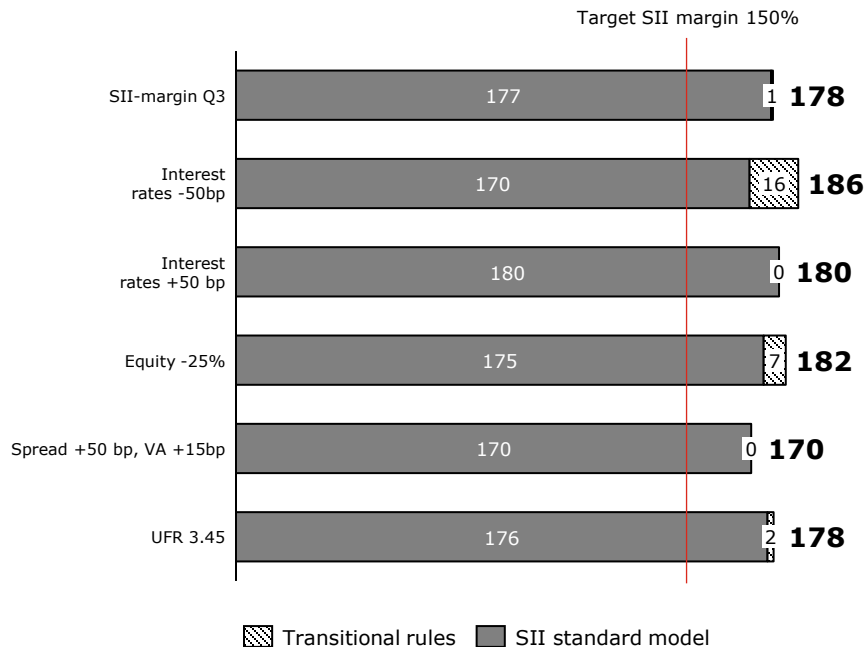
Solvency position(%)¹



Key takeaways

- Assumption changes and the acquisition of Capital Investment reduce the solvency ratio.
- VA, symmetric equity stress, and higher interest rates improve the solvency ratio.
- Less interest rate sensitivity with higher interest rates.

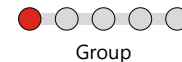
Estimated sensitivities



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.

Storebrand Group

Strong growth in operating profit

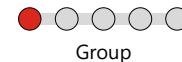


Profit¹

NOK million	Q3		YTD	
	2021	2020	2021	2020
Fee and administration income	1 544	1 352	4 499	4 001
Insurance result	342	304	894	488
Operational cost	-1 124	-984	-3 301	-2 983
Operating profit	762	672	2 092	1 506
Financial items and risk result life	151	340	1 043	-20
Profit before amortisation	912	1 012	3 136	1 486
Amortisation and write-downs of intangible assets	-133	-124	-387	-367
Profit before tax	779	889	2 749	1 119
Tax	-181	-123	-536	363
Profit after tax	598	766	2 213	1 483

Storebrand Group

Strong growth in operating profit



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Profit by reporting segment

NOK million	Q3		YTD	
	2021	2020	2021	2020
Savings - non-guaranteed	476	394	1 438	1 066
Insurance	162	173	363	29
Guaranteed pension	315	308	946	409
Other profit	-40	137	388	-18
Profit before amortisation	912	1 012	3 136	1 486

Savings (non-guaranteed)

Strong fee and profit growth despite moderate markets in the quarter



Savings

Profit

NOK million	Q3		YTD	
	2021	2020	2021	2020
Fee and administration income	1 182	1 038	3 467	3 055
Operational cost	-716	-639	-2 089	-1 908
Operating profit	466	400	1 378	1 148
Financial items and risk result life	9	-6	60	-82
Profit before amortisation	476	394	1 438	1 066

Profit per product line

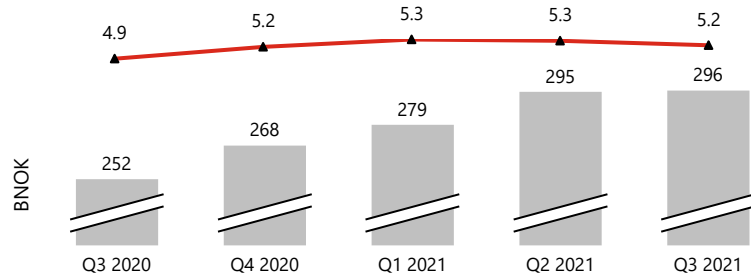
NOK million	Q3		YTD	
	2021	2020	2021	2020
Unit linked Norway	126	113	400	308
Unit linked Sweden	124	102	405	262
Asset management	136	139	418	374
Retail banking	89	40	216	122
Profit before amortisation	476	394	1 438	1 066

Savings (non-guaranteed)

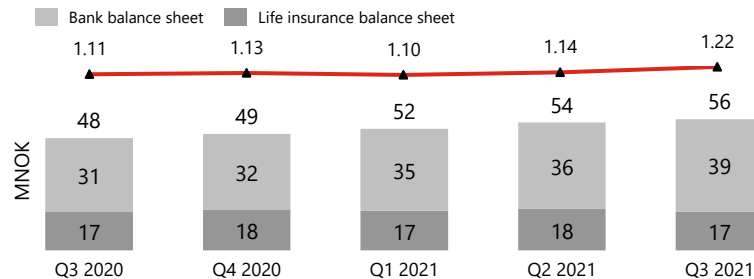
Strong fee and profit growth despite moderate markets in the quarter



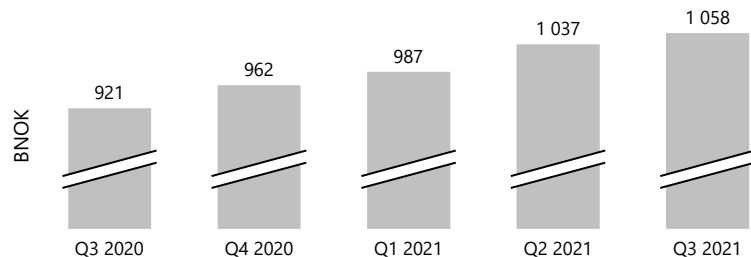
Reserves and premiums Unit Linked



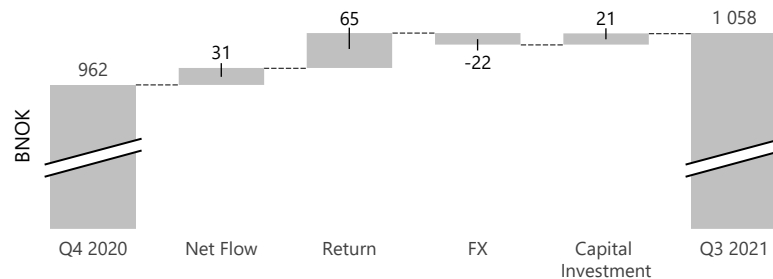
Retail bank balance and net interest margin (%)



Total assets under management



Movement in asset under management YTD¹

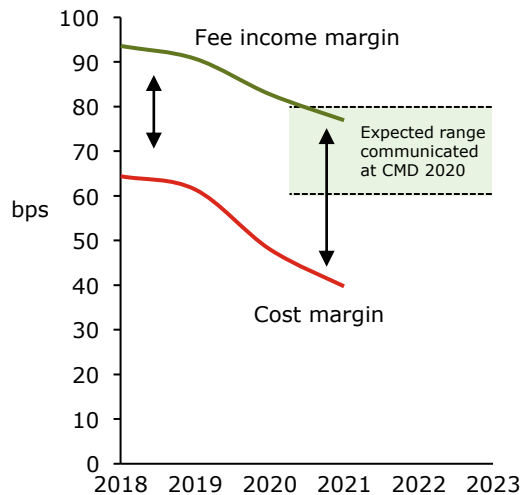


Profit growth due to cost discipline and strong volume growth offsetting lower fee income margins in Unit Linked (NO & SE)



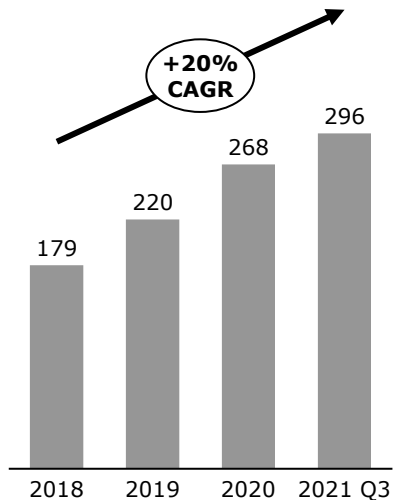
Savings

Fee income and Cost Margin¹ Decline



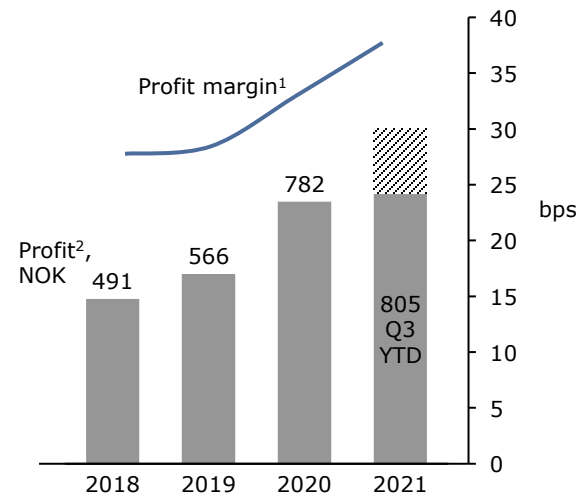
- The price for Defined Contribution pensions has come down leading to lower fee income margins.
- Strong cost discipline has reduced the cost margin relatively more.

Reserve Growth (AuM), NOK bn



- Meanwhile, the Defined Contribution pension business has grown significantly.

Profit² and Profit Margin Growth



- The resulting annual profit growth in Unit Linked has been ~20-30%.
- Individual Pension Accounts (Norway) will lead to lower profit in 2022 before growth and own measures contribute to profit growth again.

Insurance

Continued strong volume growth and profit generation within P&C and Individual Life



Insurance

Profit

NOK million	Q3		YTD	
	2021	2020	2021	2020
Insurance premiums f.o.a.	1 336	1 105	3 809	3 195
Claims f.o.a.	-995	-801	-2 915	-2 707
Operational cost	-207	-168	-622	-518
Operating profit	135	135	272	-30
Financial result	27	37	91	59
Profit before amortisation	162	173	363	29

Profit per product line

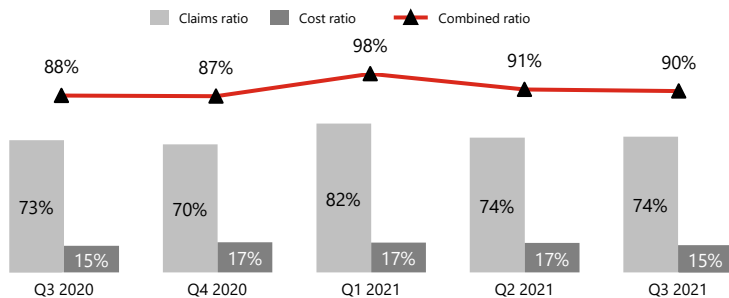
NOK million	Q3		YTD	
	2021	2020	2021	2020
P&C & Individual life	168	95	339	154
Health & Group life	-24	37	-21	-194
Pension related disability insurance Nordic	18	40	44	69
Profit before amortisation	162	173	363	29

Insurance

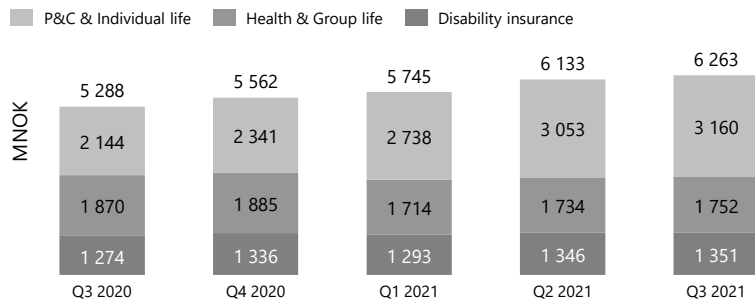
Continued strong volume growth and profit generation within P&C and Individual Life



Combined ratio



Portfolio premiums



Key Takeaways Combined Ratio and Results

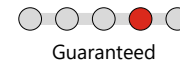
- 90% Combined Ratio, in line with target (90-92%).
- Strong cost control maintained with lower cost ratio of 15%.
- Strong P&C and Individual Life result, resulting in a Combined Ratio of 79% for the product segment.
- Reserve strengthening in Group Life reduces the quarterly result, resulting in a Combined Ratio of 122% for the segment.

Key Takeaways Premiums and Growth¹

- 18% growth in total annual portfolio premiums.
- 47% growth in P&C & Individual life portfolio premiums.
- Insr customer portfolio transfers of NOK 648m completed. Some potential left as we approach the end of transfers.
- Over 50% of insurance portfolio is now within P&C and Individual Life.

Guaranteed pension

Stable results and a shrinking share of the pensions balance sheet



Profit

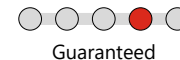
NOK million	Q3		YTD	
	2021	2020	2021	2020
Fee and administration income	423	380	1 213	1 121
Operational cost	-217	-217	-641	-643
Operating profit	206	163	572	479
Risk result life & pensions	70	-21	124	6
Net profit sharing	38	167	251	-75
Profit before amortisation	315	308	946	409

Profit per product line

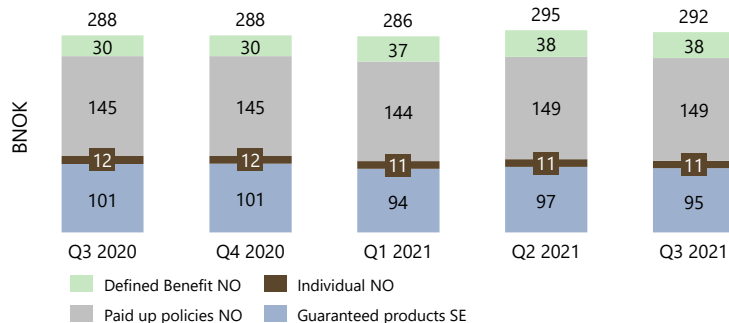
NOK million	Q3		YTD	
	2021	2020	2021	2020
Defined benefit (fee based)	51	-24	85	-6
Paid-up policies, Norway	140	109	355	272
Individual life and pension, Norway	7	15	27	20
Guaranteed products, Sweden	118	208	480	123
Profit before amortisation	315	308	946	409

Guaranteed pension

Stable results and a shrinking share of the pensions balance sheet



Reserves guaranteed products



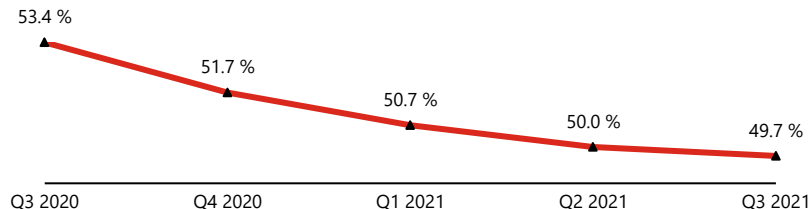
Buffer capital

NOK million	Q3 2021	Q2 2021	Change
Market value adjustment reserve	5 692	6 820	- 1 128
Excess value of bonds at amortised cost	4 840	6 418	- 1 578
Additional statutory reserve	13 218	13 333	- 115
Conditional bonuses Sweden	12 725	12 680	+ 45
Total	36 476	39 251	- 2 775

Key Takeaways

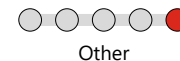
- Defined Benefit NO reserves include the new growth area Public Occupational Pensions.
- New Public Occupational Pensions mandate (NOK 1.7bn in reserves) won in Q3 – will be transferred to Storebrand early 2022.
- Buffer capital slightly reduced in the quarter due to rising interest rates.
- Guaranteed reserves now account for <50% of total pension reserves. In SPP, guaranteed pensions only account for 38% of total pensions of which one third is actively sold and capital light guarantees.

Guaranteed reserves in % of total reserves



Other¹

Modest market returns in the quarter reflected in the financial result from company portfolios

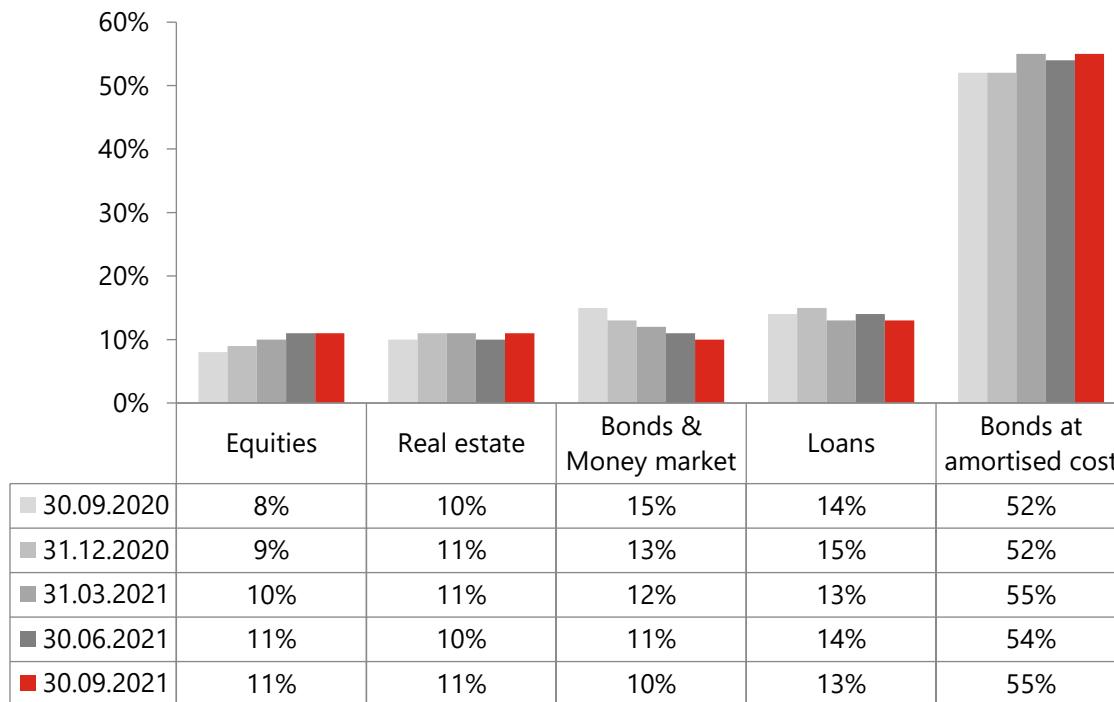


Profit

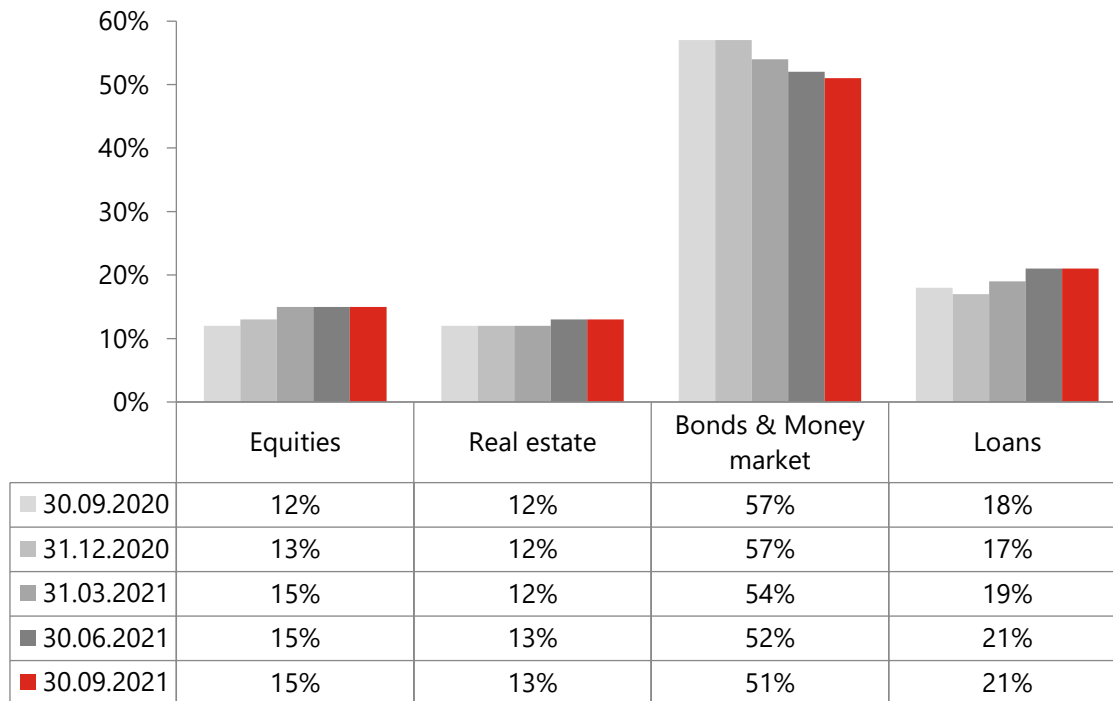
NOK million	Q3		YTD	
	2021	2020	2021	2020
Fee and administration income	6	0	13	1
Operational cost	-52	-26	-142	-90
Operating profit	-46	-25	-129	-90
Financial items and risk result life	6	163	518	72
Profit before amortisation	-40	137	388	-18

Appendix

Storebrand Life Insurance asset allocation



SPP asset allocation





*Leading the way in
sustainable value creation*

Investor Relations contacts

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IR & Rating

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).