

Interim report 3rd quarter 2022

Storebrand Livsforsikring AS (unaudited)

3rd
quarter
2022



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Interim report Storebrand Livsforsikring Group

Third quarter 2022

Storebrand Livsforsikring AS is a wholly owned subsidiary of the listed company Storebrand ASA. For information about the Storebrand Group's 3rd quarter result please refer to the Storebrand Group's interim report for the 3rd quarter of 2022. Storebrand Group's ambition is to provide our customers with financial freedom and security by being the best provider of long-term savings and insurance. The Group offers an integrated product range spanning from life insurance, P&C insurance, asset management and banking to private individuals, companies and public sector entities. The Group is divided into the segments Savings, Insurance, Guaranteed Pension and Other.

The figures in brackets are from the corresponding period last year.

Profit Storebrand Livsforsikring Group

NOK million	2022			2021			01.01 - 30.09		Full year
	Q3	Q2	Q1	Q4	Q3	2022	2021	2021	
Fee and administration income	916	856	898	936	959	2,670	2,856	3,792	
Insurance result	304	208	184	158	148	696	441	599	
Operational expenses	-718	-625	-617	-724	-602	-1,961	-1,799	-2,523	
Operating profit	502	438	464	371	505	1,404	1,497	1,868	
Financial items and risk result life & pension	-44	-157	-5	361	141	-206	862	1,223	
Profit before amortisation	458	281	459	731	646	1,198	2,359	3,091	
Amortisation	-110	-88	-87	-90	-92	-284	-276	-366	
Profit before tax	348	193	372	641	554	914	2,084	2,725	
Tax	-85	18	425	-157	-118	358	-406	-563	
Profit after tax	263	211	797	484	436	1,271	1,677	2,162	

The profit before amortisation was NOK 458m (NOK 646m) in the 3rd quarter and NOK 1,198m (NOK 2,359m) year to date. The figures in brackets are from the corresponding period last year, and the year to date result include a positive gain of NOK 409m from the divestment of AS Værdalsbruket. The underlying growth continued in the quarter, as reflected in a strong operating profit, despite persistent market turbulence this year. However, weak market returns have led to a negative financial result in the quarter and year to date. This is primarily due to mark-to-market effects from rising rates and wider credit spreads in the company portfolios, which is expected to generate higher yields on investments going forward and a stronger financial result. Strong buffer capital levels and prudent risk management have secured sufficient customer returns in the guaranteed products and shielded the Group's results from market volatility.

The acquisition of Danica was completed on the 1st of July 2022 and is included in the Group's accounts as of the 3rd quarter. Danica's contribution to the Group's profit before amortisation was NOK 35m in the 3rd quarter, driven by a strong insurance result. Its Insurance segment reported a profit before amortisation of NOK 33m while its Savings segment reported a profit before amortisation of NOK 11m. The Guaranteed Pension segment in Danica incurred a loss of NOK 11m and the Other segment reported a profit of NOK 2m.

Total fee and administration income amounted to NOK 916m (NOK 959m) in the 3rd quarter and NOK 2,670m (NOK 2,856) year

to date, corresponding to a decrease of 4% compared to the same quarter last year and a decrease of 7% year to date. Adjusted for currency effects, the fee and administration income was unchanged. Continued underlying growth in Unit Linked and Public Occupational Pensions, as well as the acquisition of Danica contribute to income growth. However, the growth is offset by lower assets under management due to weak market returns, and by lower fee margins in Unit Linked due to the introduction of Individual Pensions Accounts during 2021.

The Insurance result improved to NOK 304m (NOK 148m) in the 3rd quarter and NOK 696m (NOK 441m) year to date due to strong premium growth and lower claims ratios in Group Life and Pension related disability. The total combined ratio for the Insurance segment was 82% (93%) in the 3rd quarter and 87% (93%) year to date -better than the target of 90-92%.

Operational cost amounted to NOK -718m (NOK -602m) in the 3rd quarter and NOK -1,961 (NOK -1,799m) year to date. Adjusted for the operational cost in Danica of NOK -77m, the Group's operational cost in the quarter was NOK -641m. Growth initiatives are gradually increasing costs during the year. Storebrand continues to focus on strong cost discipline, as has been demonstrated over the past decade.

Overall, the operating profit amounted to NOK 502m (NOK 505m) in the 3rd quarter and NOK 1,404m (NOK 1,497m) year to date.

The 'financial items and risk result' amounted to NOK -44m (NOK 141m) in the 3rd quarter and NOK -206m (NOK 862m) year to date. Rising interest rates, wider credit spreads and falling equities have resulted in lower mark-to-market valuations so far this year, leading to weak investment results and negative financial result – particularly in Storebrand's company portfolio. Running yield in the portfolios have increased accordingly. Net profit sharing amounted to NOK -116m (NOK 38m) in the 3rd quarter and NOK -143m (NOK 251m) year to date. The quarterly loss stems from a lower discount rate and increased need for Deferred Capital Contribution in Swedish guaranteed liabilities, due to a reduction in the Volatility Adjustment. The risk result has strengthened, particularly in the Norwegian guaranteed products with reduced disability and somewhat higher mortality this year, and amounted to NOK 74m (NOK 70m) in the 3rd quarter and NOK 210m (NOK 124m) year to date.

Amortisation of intangible assets amounted to NOK -110 (NOK -92m) in the 3rd quarter and NOK -284m (NOK -276m) year to date. Quarterly amortisation of intangible assets is expected to amount to around NOK -110m going forward due to amortisation of acquired business.

Storebrand Livsforsikring Group booked a tax expense of NOK 85m (NOK 118m) in the quarter and an income of NOK 358m (expense NOK 406m) year to date. The estimated normal tax rate is 21-23%, depending on each legal entity's contribution to the lifeinsurance group result. Different tax rates in different countries of operations and currency fluctuations impact the quarterly tax rate. The effective tax rate in the 3rd quarter is higher than normal due to a lower contribution to the pre-tax result from the Swedish business. The lifeinsurance group has uncertain tax positions. Tax related issues are described more in the Outlook section and in note 8.

Profit Storebrand Livsforsikring group - by business areas

NOK million	2022			2021			01.01 - 30.09		Full year
	Q3	Q2	Q1	Q4	Q3	2022	2021	2021	
Savings	171	162	211	197	250	544	805	1,001	
Insurance	165	97	81	55	64	343	205	261	
Guaranteed pensions	148	254	232	485	315	633	946	1,432	
Other	-27	-232	-64	-6	17	-323	403	397	
Profit before amortisation	458	281	459	731	646	1,198	2,359	3,091	

The Group reports the results by business segment. For a more detailed description of the results, see the sections by segment in the report. Savings reported a profit before amortisation of NOK 171m (NOK 250m) in the 3rd quarter and NOK 544m (NOK 805m) year to date. Profit before amortisation in Insurance increased to NOK 165m (NOK 64m) in the 3rd quarter and NOK 343m (NOK 205m) year to date. In Guaranteed pensions, it decreased to NOK 148m (NOK 315m) in the 3rd quarter and NOK 633m (NOK 946m) year to date due to lower profit sharing. In the Other segment, profit before amortisation also fell to NOK -27m (NOK 17m) in the 3rd quarter and -323m (NOK 403m) year to date due to weaker investment returns in company portfolios and because last year's result included the above-mentioned divestment gain.

Capital situation

The solvency ratio for Storebrand Group was 174% at the end of the 3rd quarter, a decrease of 21 percentage points from the previous quarter. The level is in the upper end of the targeted range of 150-180%. The completion of the Danica acquisition detracted 6 percentage points from the solvency ratio at the beginning of the quarter. Negative market returns from wider credit spreads and falling equity markets detracted 5 percentage points from the solvency ratio. Regulatory factors, including a significantly reduced volatility adjustment (VA) but a lower symmetric equity stress adjustment (SA), detracted a net amount of 10 percentage points. Group profit after tax equalled approximately the amount of capital set aside for dividends for a net zero effect on the solvency ratio.

Savings

- Fee income affected by falling equity markets and lower margins from the introduction of Individual Pension Accounts
- Total asset under management amounting to NOK 302bn including Danica, up 2% y/y on weak financial markets

The Savings segment includes products for retirement savings with no interest rate guarantees. The segment consists of defined contribution pensions in Norway and Sweden

Savings

NOK million	2022			2021		01.01 - 30.09		Full year
	Q3	Q2	Q1	Q4	Q3	2022	2021	2021
Fee and administration income	519	460	507	519	536	1,486	1,642	2,161
Operational expenses	-345	-292	-294	-329	-283	-931	-848	-1,177
Operating profit	173	169	213	190	253	555	794	984
Financial items and risk result life & pension	-2	-7	-2	6	-3	-11	11	17
Profit before amortisation	171	162	211	197	250	544	805	1,001

Profit

The Savings segment reported a profit before amortisation of NOK 171m (NOK 250m) in the 3rd quarter and NOK 544m (NOK 805m) year to date. Underlying growth continues to be strong, but negative market returns have led to a decline in assets under management this year. Danica is included in Norwegian Unit Linked as of the 3rd quarter this year with a profit contribution of NOK 11m.

The fee and administration income in the Savings segment amounted to NOK 519m (NOK 536m) in the 3rd quarter and NOK 1,486m (NOK 1,642m) year to date. When adjusting for Danica's fee income of NOK 62m in the quarter, the overall income within Savings is reduced. Falling equity markets and lower fee margins from the introduction of Individual Pension Accounts in 2021 have resulted in income decline during the year. In Norway, income fell by 13% year to date, adjusted for Danica. In Sweden, income fell by 8% adjusted for currency effects and a transaction fee income amounting to SEK 37m last year.

The resulting fee margin in Unit Linked Norway was 0.69% (0.70%) in the quarter, up from 0.62% in the previous quarter. Adjusted for Danica, the fee margin was 0.65% in the quarter. In Sweden, the margin was stable at 0.68% (0.75%) compared to last quarter.

Operational cost amounted to NOK -345m (NOK -283m) in the 3rd quarter and NOK -931m (NOK -848m) year to date. Danicas cost amounted to NOK 50m in the quarter. Adjusted for Danica the cost development is stable, however growth initiatives in the business and digital investments are made.

The financial result was NOK -2m (NOK -3m) in the 3rd quarter and NOK -11m (NOK 11m) year to date.

Savings - Key figures

NOK mill	2022			2021	
	Q3	Q2	Q1	Q4	Q3
Unit Linked Reserves	302,337	276,319	291,036	308,351	295,790
Unit Linked Premiums	6,279	5,333	5,288	5,350	5,201

Balance sheet and market trends

Unit Linked premiums increased to NOK 6.3bn (NOK 5.2bn). Adjusted for premiums in Danica, premiums increased to NOK 5.6bn. Net inflow amounted to NOK 2.5bn (NOK -2.0bn) in the 3rd quarter and NOK 4.3bn (NOK -2.2bn) year to date. Total assets under management in Unit Linked increased to NOK 302bn (NOK 296bn) from NOK 276bn last quarter. Of these, NOK 26bn are managed in Danica.

In the Norwegian Unit Linked business, assets under management increased to NOK 170bn (NOK 151bn), supported by the acquisition of Danica. Weak market developments have reduced assets by NOK 4bn in the quarter (-3%) and by NOK 19bn year to date (-12%). However, underlying growth continues with a net inflow of NOK 1.9bn in the quarter and NOK 4.4bn year to date, driven by growth in occupational pension premiums, new sales, and limited pension payments due to the young nature of the product. Storebrand is the largest provider of Defined Contribution pensions in Norway, with a market share of 31% of gross premiums written (at the end of the 2nd quarter 2022 and with the acquisition of Danica).

In the Swedish market, SPP is the second largest provider of non-unionised occupational pensions with a market share of 12% measured by gross premiums written including transfers (at the end of the 2nd quarter 2022). Unit Linked assets under management remained stable during the quarter and amounted to SEK 135bn, but decreased by SEK 8.4bn (-6%) from the 3rd quarter last year, primarily due to weak market developments. The underlying growth is driven by strong growth in sales (APE), amounting to SEK 588m (SEK 493m) in the quarter and SEK 2,076m (SEK 1,485m) year to date. The transfer balance has stabilised and net inflow amounted to SEK 0.5bn (SEK -1.8bn) in the 3rd quarter.

Insurance

- 30% overall growth in portfolio premiums y/y, including Danicay/y
- Strong combined ratio of 82% in the quarter and 87% year to date
- 67% profit growth year to date compared to last year

The Insurance segment provides personal risk products in the Norwegian and Swedish retail market and employee insurance and pension-related insurance in the Norwegian and Swedish corporate markets..

Insurance

NOK million	2022			2021		01.01 - 30.09		Full year
	Q3	Q2	Q1	Q4	Q3	2022	2021	2021
Insurance result	304	208	184	158	148	696	441	599
- Insurance premiums f.o.a.	939	803	770	759	745	2,512	2,229	2,988
- Claims f.o.a.	-635	-595	-586	-601	-598	-1,816	-1,788	-2,389
Operational expenses	-139	-114	-108	-115	-94	-362	-289	-404
Operating profit	165	94	76	43	54	334	152	195
Financial items and risk result life & pension	0	4	5	12	10	9	54	65
Profit before amortisation	165	97	81	55	64	343	205	261

Profit

Insurance premiums f.o.a. amounted to NOK 939m (NOK 745m) in the 3rd quarter and NOK 2,512m (NOK 2,229m) year to date, corresponding to an increase of 26% compared to the same quarter last year and an increase of 13% year to date. Adjusted for Danica, insurance premiums f.o.a. increased by 14% compared to the same quarter last year.

Profit before amortisation amounted to NOK 165m (NOK 64m) in the 3rd quarter and NOK 343m (NOK 205m) year to date. Danica contributed with NOK 29m to the profit in the quarter. The total combined ratio was 82% (93%) in the 3rd quarter and 87% (93%) year to date. The result is better than the target combined ratio of 90-92%. Improving labour market conditions in the economy, after the removal of infection controls, seem to improve disability levels in Norway. However, future developments remain uncertain.

Within 'Individual life', strong growth continued with premiums f.o.a. growing 20% in the 3rd quarter compared to last year. The profit before amortisation was NOK 72m (NOK 83m) in the 3rd quarter and NOK 157m (NOK 208m) year to date. The claims ratio was 51% (40%) in the 3rd quarter and 56% (49%) year to date. Slightly higher disability level weakens the result in the quarter. Operational cost was NOK -65m (NOK -31m) in the 3rd quarter and NOK -143m (NOK -100m) year to date due to growth and Danica. Altogether, the product segment delivered a combined ratio of 75% (56%) in the 3rd quarter and 77% (67%) year to date.

'Group life' reported a profit before amortisation of NOK 11m (NOK -37m) in the 3rd quarter and NOK 26m (NOK -46m) year to date. Measures, including repricing, have been taken to improve the robustness and profitability in the Group Life product, which has given generated a profit in the quarter and year to date. The

product reported an improvement in the combined ratio to 97% (122%) in the 3rd quarter and 98% (112%) year to date.

The result for 'Pension related disability insurance Nordic' was NOK 82m (NOK 18m) in the 3rd quarter and NOK 160m (NOK 44m) year to date. While the Norwegian business experienced increases in disability claims in the beginning of the year, partly due to aftereffects from the pandemic on the labour market, the development in the last two quarters is positive. Measures to improve profitability, including repricing, also contribute to the positive result development. In the Swedish business, the result is driven by low claims and run-off gains. Altogether the combined ratio was 78% (95%) in the 3rd quarter and 85% (96%) year to date.

The cost ratio was 15% (13%) in the 3rd quarter and 14% (13%) year to date, with cost amounting to NOK -139m in the 3rd quarter and NOK -362m year to date. The higher cost level is driven by the growth in the business and Danica acquisition.

The Insurance investment portfolio amounted to NOK 7.4 bn ¹⁾ as of the end of the 3rd quarter is primarily invested in fixed income securities with short to medium duration and achieved a financial return of 0.5% in the 3rd quarter and 1.4% year to date. With higher rates, the return on the insurance investment portfolio is expected to increase in the coming quarters.

Balance sheet and market trends

The Insurance segment offers a broad range of products to the retail market in Norway, as well as to the corporate market in both Norway and Sweden.

Overall growth in annual portfolio premiums amounted to 30% compared to the same quarter last year, and 26% when adjusted for Danica. Growth in 'Individual life' amounted to 50% and is driven by strong contribution from sales agents, distribution, partnerships and Danica Group Life had 17% increase. 'Pension related disability insurance' grew by 26%, driven by price adjustments and salary increases, and the acquisition of Danica.

¹⁾ NOK 2.8bn of the investment portfolio is linked to disability coverages where the investment result goes to the customer reserves and not as a result element in the P&L

Portfolio premiums (annual)

NOK million	2022			2021	
	Q3	Q2	Q1	Q4	Q3
Individual life *	1,132	832	807	784	754
Group life **	966	946	919	828	824
Pension related disability insurance ***	1,703	1,487	1,474	1,369	1,351

* Individual life disability insurance

** Group disability, workers compensation insurance

*** DC disability risk premium Norway and disability risk Sweden

Key Figures

	2022			2021	
	Q3	Q2	Q1	Q4	Q3
Claims ratio	68%	74%	76%	79%	80%
Cost ratio	15%	14%	14%	15%	13%
Combined ratio	82%	88%	90%	94%	93%

Guaranteed pension

- Stable operating profit and strong risk result
- Limited impact of financial markets on the results due to strong buffer capital position and risk management
- Reduction in the Volatility Adjustment increases need for Deferred Capital Contribution in SPP

The Guaranteed Pension segment includes long-term pension savings products that give customers a guaranteed rate of return. The area includes defined benefit pensions in Norway and Sweden, paid-up policies and individual capital and pension insurances.

Guaranteed pension

NOK million	2022			2021		01.01 - 30.09		Full year
	Q3	Q2	Q1	Q4	Q3	2022	2021	2021
Fee and administration income	398	395	391	418	423	1,184	1,213	1,631
Operational expenses	-208	-206	-202	-248	-217	-617	-641	-890
Operating profit	190	189	189	169	206	567	572	741
Risk result life & pension	74	54	82	63	70	210	124	187
Net profit sharing	-116	11	-39	253	38	-143	251	504
Profit before amortisation	148	254	232	485	315	633	946	1,432

Profit

Guaranteed pension achieved a profit before amortisation of NOK 148m (NOK 315m) in the 3rd quarter and NOK 633m (NOK 946m) year to date.

Fee and administration income was stable at NOK 398m (NOK 423m) in the 3rd quarter and NOK 1,184m (NOK 1,213m) year to date. The majority of the guaranteed products are closed for new business and are in long term run-off. However, Public Occupational Pensions (reported as Defined Benefit Norway) is a growth area.

Operational cost amounted to NOK -208m (NOK -217m) in the 3rd quarter and NOK -617m (NOK -641m) year to date.

The operating profit was stable and amounted to NOK 190m (NOK 206m) in the 3rd quarter and NOK 567m (NOK 572m) year to date.

The risk result increased to NOK 74m (NOK 70m) in the 3rd quarter and NOK 210m (NOK 124m) year to date. Improving disability risk results in Norwegian Paid-up policies is the main contributor to the result in the quarter and year to date. The Swedish products also continued to report positive risk results.

Net profit sharing amounted to NOK -116m (NOK 38m) in the 3rd quarter and NOK -143m (NOK 251m) year to date. Falling equity markets and lower mark-to-market valuations of fixed income investments due to rising interest rates and wider credit spreads have resulted in weak investment returns so far this year. In Norway, the returns have been absorbed by customer buffers. Net profit sharing has been marginal, amounting to NOK 10m (NOK 21m) in the 3rd quarter and NOK 5m (NOK 56m) year to date. The main impact on the result to shareholders in the 3rd quarter and year to date has been in the Swedish portfolio with net profit sharing amounted to NOK -126m (NOK 18m) in the quarter and NOK -148m (NOK 195m) year to date. The main driver for the negative result in the quarter is a decrease in the

volatility adjustment of 15bps which increases the deferred capital contribution (DCC). Indexation fees and profit sharing in SPP are unchanged in the quarter and amount to NOK 48m year to date.

Balance sheet and market trends

The majority of the guaranteed products are in long term run-off as pension payments are paid out to policyholders. Most customers have switched from guaranteed to non-guaranteed products.

As of the 3rd quarter, customer reserves of guaranteed pensions amounted to NOK 275bn. This is in line with previous quarter and a decrease of NOK -16bn since the beginning of the year. Net flow of guaranteed pensions amounted to NOK -2.8bn in 3rd quarter and NOK -8.0bn year to date. As a share of the total balance sheet, guaranteed reserves amounted to 47.7% (49.7%) at the end of the 3rd quarter.

A growth area for Storebrand is public sector occupational pensions, where Storebrand won its first mandates in 2020. The public sector effort has been the driver for a net increase in Defined Benefit reserves in the Norwegian business over the last years. Mandates amounting to an estimated NOK 5.5bn of reserves were won in 2021, most of which has been transferred to Storebrand in the first half of the 2022. Public sector mandates are typically assigned in second half of the year.

Paid-up policies are experiencing some growth over time as active Defined Benefit contracts eventually become Paid-up policies. Reserves amounted to NOK 143bn as of the 3rd quarter, a decrease of NOK 6.4bn in 2022. The decrease is primarily attributed to drawdowns on pensions by policy holders of NOK -5.2bn year to date, and a decrease in market value adjustment reserve due to financial market developments.

Guaranteed portfolios in the Swedish business totalled NOK 82bn as of the 3rd quarter, a decrease of NOK 11.4bn in the first half of the year mainly driven by lower mark-to-market valuations

of assets and liabilities. A run-off portfolio amounting to NOK 2.3bn in reserves, including NOK 570 of conditional bonuses, was transferred to SPP in the quarter.

Storebrand's strategy is to have solid buffer capital levels in order to secure customer returns and shield shareholder's equity under turbulent market conditions. Buffer capital (excluding excess value of bonds at amortised cost) decreased by NOK 0.9bn to NOK 23.6bn in the 3rd quarter, and by NOK 10.1bn year to date as a result of falling equity markets, rising interest rates,

and wider credit spreads. As a share of guaranteed reserves, buffer capital levels in Norwegian products still amount to 6.2% (10.8%) and 18.2% (15.5%) in Swedish products. This does not include off-balance sheet excess values of bonds at amortised cost, which at the end of the 3rd quarter amounted to a deficit of NOK -13.2bn from a surplus of NOK 3.4bn at the end of last year. The deficit indicates that the reinvestment yield in the market is currently higher than the average yield in the portfolio. As bonds at amortised cost mature, their excess values will trend to zero.

Key Figures

NOK mill	2022			2021	
	Q3	Q2	Q1	Q4	Q3
Guaranteed reserves	275,623	274,919	281,474	290,862	292,161
Guaranteed reserves in % of total reserves	48%	50%	49%	49%	50%
Net flow of premiums and claims	-2,812	-2,564	-2,609	-2,663	-2,948
Buffer capital in % of customer reserves Storebrand	6%	7%	9%	11%	11%
Buffer capital in % of customer reserves SPP	18%	18%	18%	18%	16%

Other

Under Other, the company portfolios of Storebrand Livsforsikring, SPP and Storebrand Danica Pensjonsforsikring are reported.

NOK million	2022			2021			01.01 - 30.09		Full year
	Q3	Q2	Q1	Q4	Q3	2022	2021	2021	
Operational expenses	-26	-14	-13	-32	-7	-52	-21	-53	
Operating profit	-26	-14	-13	-32	-7	-52	-21	-53	
Financial items and risk result life & pension	-1	-218	-51	26	24	-271	424	450	
Profit before amortisation	-27	-232	-64	-6	17	-323	403	397	

Profit

The Other segment reported a profit before amortisation of NOK -72m (NOK 17m) in the 3rd quarter and -368m (NOK 424m) year to date. The loss this year stems primarily from operational cost and negative returns on investments in company portfolios due to mark-to-market valuations from wider credit spreads. Correspondingly, the running yield has increased. The result year to date in 2021 includes a positive financial result of NOK 409m from the divestment of AS Værdalsbruket.

The financial result for the Other segment includes the company portfolios of SPP, Danica and Storebrand Life Insurance. The financial result for the Other segment amounted to NOK -46m in the 3rd quarter and -316m year to date, primarily due to weak investment returns from wider

credit spreads. The investments in the company portfolios are primarily in interest-bearing securities in Norway and Sweden. The Norwegian company portfolio achieved a return of 0.3% in the 3rd quarter and 0.3% year to date, while the Swedish company portfolio reported a return of 0.2% in the 3rd quarter and -2.2% year to date.

The Storebrand Life Insurance Group is funded by a combination of equity and subordinated loans. Interest expenses in the quarter amounted to NOK -116m. Given the interest rate level at the end of the 3rd quarter, interest expenses of approximately NOK -150m per quarter are expected going forward. The company portfolios in the Norwegian and Swedish life insurance companies and the holding company amounted to NOK 30.0bn at the end of the quarter.

Balance sheet and capital situation

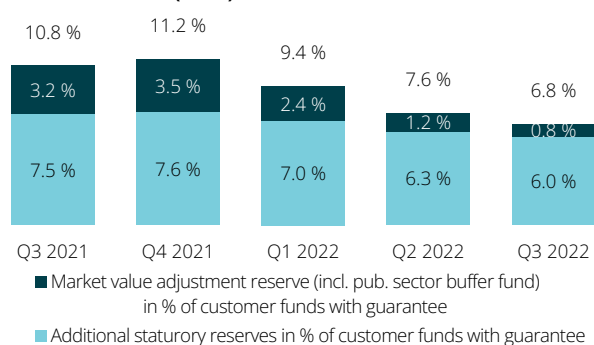
Continuous monitoring and active risk management is a core area of Storebrand's business. Risk and solidity are both followed up on at the Group level and in the legal entities. Regulatory requirements for financial strength and risk management follow the legal entities to a large extent. The section is thus divided up by legal entities.

Storebrand Life Insurance Group

The Solidity capital¹⁾ measures the amount of IFRS capital available to cover customer liabilities. The solidity capital amounted to NOK 46.9bn at the end of 3rd quarter 2022, a decrease in the 3rd quarter by NOK 3.5bn and by NOK 27.2bn year to date. The change in the quarter and year to date is primarily due to increased interest rates and decreased customer buffers primarily in Norway.

Storebrand Livsforsikring AS

Customer buffers (NOR)



The market value adjustment reserve and bufferfund decreased. The market value adjustment reserve and bufferfund decreased during the 3rd quarter by NOK 0.6bn and NOK 4.9bn year to date. At the end of 2nd quarter the market value adjustment reserve and bufferfund amounted to NOK 1.4bn, corresponding to 0.9% (1.2% at the end of 2nd quarter 2022) of customer funds with a guarantee. New business transferred in contributed positively with NOK 0.8bn in bufferfund year to date, no changes in 3rd quarter.

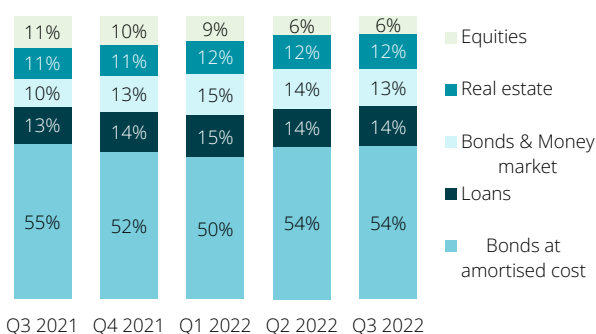
The additional statutory reserves amounted to NOK 9.9bn, corresponding to 6.2% (6.3% at the end of the 2nd quarter 2022) of customer funds with guarantee, at the end of the 3rd quarter 2022. Investment returns in customer portfolios lower than the guaranteed interest rate in the quarter decreased reserves by NOK 1.3bn in 3rd quarter and NOK 3.2bn year to date. In connection with implementation of buffer fund in

Public Sector at the start of the year NOK 1bn was transferred between market value adjustment reserve and additional statutory reserves.

Together, the customer buffers amounted to 7.0% (7.5% at the end of the 2nd quarter 2022) of customer funds with guarantee at the end of 3rd quarter 2022.

The excess value of bonds and loans valued at amortised cost decreased by NOK 3.6bn in the 3rd quarter and NOK 16.6bn year to date due to higher interest rates and amounted to minus NOK 13.2bn at the end of the 3rd quarter, but is not included in the financial statements.

Allocation of guaranteed customer assets (NOR)



Customer assets decreased in the 3rd quarter by NOK 3.8bn and by NOK 18.8bn year to date, amounting to NOK 337bn at the end of 3rd quarter 2022. Customer assets within non-guaranteed savings decreased by NOK 2.2bn during the 3rd quarter and by NOK 14.2bn year to date, amounting to NOK 144bn at the end of 3rd quarter 2022. Guaranteed customer assets are decreased by NOK 1.5bn in the 3rd quarter and by NOK 4.6bn year to date, amounting to NOK 193bn at the end of 3rd quarter 2022.

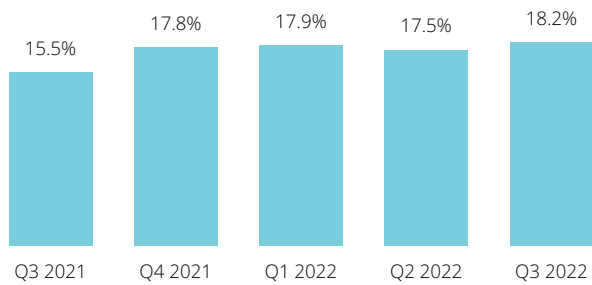
Storebrand Danica Pensjonsforsikring

Customer assets amounting to NOK 27bn at the end of 3rd quarter 2022. Customer assets within non-guaranteed savings amounting to NOK 26bn at the end of 3rd quarter 2022. Guaranteed customer assets amounting to NOK 1bn at the end of 3rd quarter 2022.

¹ Consists of equity, subordinated loan capital, market value adjustments reserve, risk equalisation reserve, unrealised gains/losses on bonds and loans and loans at amortised cost, additional statutory reserves, conditional bonuses

SPP

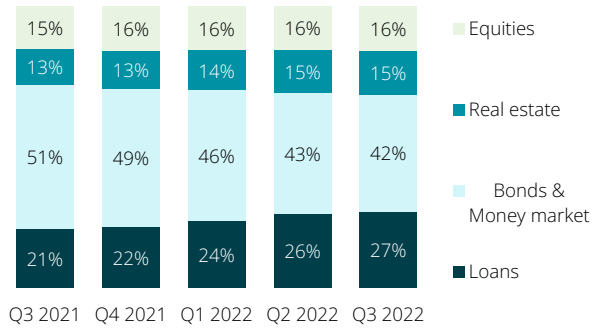
Customer buffers (SWE)



■ Conditional bonuses in % of customer funds with guarantee

The buffer capital (conditional bonuses) amounted to SEK 12.4bn (SEK 12.8bn) at the end of the 3rd quarter.

Allocation of guaranteed customer assets (SWE)



Customer assets amounted to SEK 215bn (SEK 226bn) at the end of the 3rd quarter, corresponding to a decrease of SEK 11bn over the last year. Customer assets within non-guaranteed savings amounted to SEK 135bn (SEK 145bn) at the end of the 3rd quarter, which is a decrease of SEK 10bn compared to the same quarter last year. Guaranteed customer assets decreased by SEK 1bn in the same period and amounted to SEK 80bn (SEK 81bn) at the end of the 3rd quarter.

Outlook

Strategy

Storebrand Group follows a two-fold strategy that gives a compelling combination of self-funded growth in the front book, i.e. the growth areas of the “future Storebrand”, and capital return from a maturing back book of guaranteed pensions.

Storebrand Group aims to be (a) the leading provider of Occupational Pensions in both Norway and Sweden, (b) continue a strategy to build a Nordic Powerhouse in Asset Management and (c) ensure fast growth as a challenger in the Norwegian retail market for financial services. The combined capital, customer base, cost and data synergies across the Group provide a solid platform for profitable growth and value creation.

The full economic effect of individual pension accounts is expected to give a negative result contribution of NOK 100m in 2022. On the other hand, the contribution from acquisition of Danica will have full effect from 2023. Weak market returns in 2022 have lowered assets under management, a primary source of income for the Group. However, growth across the Group provides a solid platform for profitable growth in the coming years and Storebrand maintains the profit ambition set out for 2023.

Storebrand continues to manage capital and a back book with guaranteed products for increased shareholder return. This includes both a dividend policy of growing ordinary dividends from earnings as well as managing the legacy products that carry interest guarantees in a capital-efficient manner. In 2020, Storebrand announced that the goal is to release an estimated NOK 10bn of capital by 2030.

Financial performance

In Norway, the market for private sector occupational In Norway, the market for Defined Contribution pensions is growing structurally due to the young nature of the product. High single-digit growth in Defined Contribution premiums is expected during the next years. Individual Pension Accounts (IPA), introduced in 2021, have merged individuals' contracts into one account leading to a new and lower lever for fee margins for the product in 2022 and onwards. The product's profit is expected to decline in 2022, before recovering to previous levels in 2023 through strong underlying growth as well as measures to increase profitability. Storebrand aims to defend its strong position in the market, while also focusing on cost leadership and improved customer experience through end-to-end digitalisation. In July 2022, Storebrand acquired Danica in Norway, which holds a market share of 5% in Defined Contribution pensions. This will strengthen Storebrand's presence in the segment for small and medium sized businesses, and it will increase Storebrand's distribution capacity of both Defined Contribution pensions and personal risk products.

As a leading occupational pension provider in the private sector, Storebrand also has a competitive offering to the public sector market. Premiums in the public sector pension market are growing and it is larger in reserves than the private

sector. This represents a potential additional source of revenue generation for Storebrand. The ambition is to gain 1% market share annually, or approximately NOK 5bn in annual net inflow.

In Sweden, SPP has become a significant profit contributor to the Storebrand Group, driven by earnings growth and ongoing capital release. Growth is expected to continue, driven by an edge in digital and ESG-enhanced solutions, and a strong market position. The market is expected to grow about 8% annually, supported by increasing transfer volumes. Going forward, SPP's ambition is to grow faster than the market, partly through capturing a large share of transfers.

Overall reserves for guaranteed pensions are expected to start decreasing in the coming years. Guaranteed reserves represent a declining share of the Group's total pension reserves and amounted to 47.7% of the pension reserves at the end of the quarter, 2 percentage points lower than a year ago. Storebrand's strategy is to secure customer returns and shield shareholder's equity under turbulent market conditions by building customer buffers. With rising interest rates in 2022 to a level above the interest rate guarantee, the prospects have increased for profit sharing with customers when a satisfactory level for the buffer capital is reached in the coming years.

The individualisation of the market for pension and savings is expected to further increase and may be reinforced by the introduction of individual pension accounts in Norway. Retail has already become an increasingly larger part of Storebrand Group.

Strong cost discipline will be a critical success factor to deliver on the earnings ambition. Storebrand will continue to reduce underlying costs, but it will also be necessary to make selective investments to facilitate profitable growth. Should the growth not materialise, management has contingency plans in place to cut costs. High inflation rates, particularly wage inflation, is expected to increase the cost base and acquired business such as Danica will add to the total cost base.

Risk

Our risk management framework is designed to take appropriate risk in order to deliver returns to customers and shareholders. At the same time, the framework shall ensure that we shield our customers, shareholders, employees and other stakeholders from undesirable incidents and losses. The framework covers all risks that Storebrand may be exposed to. In 2022, the outbreak of war on the European continent has led to increased geopolitical and economic uncertainty, resulting in increased financial market volatility and increased risk monitoring in the Group.

Financial market risk is the Group's biggest risk, but main risks also include business risk, insurance risk, counterparty risk, operational risk, climate risk and liquidity risk. In the Board's self-assessment of risk and solvency (ORSA) process, developments in interest rates, credit spreads, and equity and property values are considered to be the biggest risks that

influence the solvency of the Group. Should the economic situation worsen, and financial markets deteriorate, investment losses may occur from reduced valuations of such instruments. Under prevailing market conditions, model-based valuations of financial instruments (Level 3) such as investment property, contain greater uncertainty than usual.

The customer buffers limit the financial risk to shareholders and policyholders in turbulent financial markets by absorbing investment losses. With 9% of customer buffers as a share of customer reserves, Storebrand effectively has NOK 24bn more in customer assets than guaranteed liabilities. However, customer buffers have decreased from 13% at the start of the year, and there is an annual limit to the amount of additional statutory reserves (ASR) that can be used. The available annual ASR will be reset at the turn of the year and increase the buffer capital's capacity to absorb potential investment losses. Storebrand operates an active risk based financial management strategy to optimize customer returns and shareholders risk.

Inflation expectations have risen in much of the world, including in Norway and Sweden, as a consequence of global supply chain risk and increased food and energy costs. High and rapidly rising inflation rates may increase costs and insurance claims in Storebrand. However, pension liabilities (payments) are not inflation linked, limiting the impact of inflation on the Group's liabilities. Pension premiums and some insurance premiums are directly linked to wage inflation, which could automatically result in premium growth. Other products, including P&C insurance, will have to be repriced to mitigate the negative effects of inflation.

A consequence of higher inflation may be rising interest rates, as seen in first 9 months of 2022. Higher interest rates strengthen Storebrand's balance sheet and improves our ability to fulfil guaranteed pension liabilities in the long run, which also strengthens the solvency ratio and reduces solvency risk. However, the immediate short-term impact may be mark-to-market losses on fixed income investments and insufficient investment returns to fulfil the annual guarantee in a single year. To reduce the financial impact to shareholders from rising interest rates, Storebrand has made adjustments to the investment portfolios by shortening the duration on mark-to-market bonds, and has over time built a robust portfolio of long-duration bonds at amortised cost which is not affected in the accounts by rising rates. Storebrand has also prioritised building buffer capital from excess returns over many years.

In the long term, low interest rates represent a risk for products with guaranteed high interest rates. The level of the average annual interest rate guarantee is gradually reduced as older policies with higher guarantees are phased out. To reduce the risk, Storebrand has over time reduced the asset-duration mismatch in the Norwegian portfolio and has an asset-duration matched portfolio in Sweden. Customer buffers also increase the expected booked returns in Norway and can compensate for a shortfall in returns in a low-rate environment, limiting the financial risk to shareholders and policyholders.

Increased longevity and development in disability are the main insurance risk factors for the Group. A weakening of the Norwegian economy that leads to higher unemployment may lead to higher disability levels, which can result in increased claims. The Covid-19 pandemic led to increased uncertainty in disability and related claims. The removal of infection controls in 2022 seems to have improved disability levels, but Storebrand continues to monitor the development closely.

Operational risk could also affect the Group adversely. As a consequence of increased geopolitical uncertainty in 2022, Storebrand has been on heightened alert with increased monitoring of suppliers and value chains, cyber risk, and anti-money laundering (AML). Several regulatory processes, both on the domestic and international level, with potential implications for capital, customer returns and commercial opportunities are also described below in a separate section.

Changes have been made to the Norwegian tax legislation for the insurance industry over many years. Storebrand and the Norwegian Tax Administration have interpreted some of the legislation changes and the associated transitional rules differently. Consequently, Storebrand has three uncertain tax positions with regards to recognised tax expenses. These are described in more detail in note 9. Should Storebrand's interpretation be accepted in all three cases, an estimated positive tax result of up to NOK 2.2bn may be recognised. Should all the Norwegian Tax Administration's interpretations be the final verdict, a tax expense of NOK 1.7bn could be recognised. The timeline for settling the process with the Norwegian Tax Administration might take several years. If necessary, Storebrand will seek clarification from the court of law on the matter.

Regulatory changes

Savings in Norwegian Defined Contribution pensions

The transition period for new legislation making occupational pension contributions mandatory for all employees, regardless of age or employment fraction, ended 1 July 2022. It is estimated that the changes will increase total savings in the Defined Contribution pension market by about NOK 3bn per year, of which Storebrand expects to receive its market share of premiums which was 27% at the end of 2021.

Changes in the National Insurance Pension Scheme

A report proposing changes in the Norwegian National Insurance Pension Scheme was delivered to the Government in June 2022. Among the proposals is automatic adjustment of retirement age for earliest possible withdrawal of pensions as longevity expectations increase. The report states that age limits in occupational and individual pension schemes should be adjusted accordingly.

Solvency II review

The European Commission presented proposals for changes in the Solvency II standard model in September 2021. The Commission's proposals differ significantly compared to earlier proposals from The European Insurance and Occupational Pension Authority (EIOPA).

The main purpose of the revision is to ensure that insurance companies continue to invest in accordance with the political priorities of the EU, especially with regards to financing the post Covid-19 recovery by facilitating long-term investments and increasing the capacity to invest in European business. The Commission emphasises the insurance sector's important role when it comes to financing the green transition and helping society to adapt to climate change. The review intends to correct deficiencies in current regulation and make the insurance sector more robust.

Storebrand currently applies the standard model. In the review, changes to the interest rate risk module could increase the solvency capital requirement for Norwegian and Swedish insurers. The Commission's proposals appear more representative for Norwegian interest rates than earlier proposals from EIOPA. The Commission also proposes changes that could have offsetting effects to increased capital requirements, such as a reduced risk margin. Several changes are proposed in the calculation of the volatility adjustment as well as an increased interval for the symmetric adjustment for equity risk. As they are currently outlined, the Commission's proposals are not expected to have a significant overall impact on Storebrand's solvency ratio.

The Commission has not outlined a timeline for the further process on adapting changes in the standard model. We expect final conclusions to be drawn by the Commission, the Parliament and the Council in 2022. This will be followed by work on delegated acts and guidelines. Changes are not expected to enter into force until 2024-2025. The Commission will consider a phasing-in period of five years for new rules related to the calculation of interest rate risk and the new extrapolation method for interest rates will be phased in gradually until the end of 2031.

Changes in IFRS

A new accounting standard for insurance contracts, IFRS 17, is set to be implemented in 2023. The purpose is to introduce common accounting rules for insurance contracts and improve the comparability of financial statements. IFRS 17 entails, among other things, fair value measurement of liabilities, grouping of insurance contracts based on risk characteristics, internal management and issue date, income recognition over the contract period rather than upfront, and an amendment of the profit and loss statement. Storebrand will implement IFRS 9 for financial instruments at the same time.

For Storebrand's consolidated financial statements, the new standards will lead to changes in the recognition, measurement and presentation of insurance contracts, classification of fixed income investments and how profits are recognised. A new balance sheet item Contractual Service Margin (CSM), representing the unearned profits of insurance contracts, will be introduced as part of the transition to IFRS 17. Amortisations of CSM will be recognised as income as the service is provided. Storebrand expects that the transition to IFRS 17 will result in a portion of today's equity to become CSM. Estimated effects for Storebrand will be presented closer to implementation.

Whether IFRS 17 is implemented in the statutory reporting requirements is decided by national regulations in each country. Storebrand will only implement IFRS 17 in the statutory reporting for Storebrand Forsikring AS (the P&C Insurance business). For the remaining companies within Storebrand Group, including the life insurance companies, the statutory reporting will remain unchanged from today. The Ministry of Finance has also passed a regulation allowing for the continued use of amortised cost valuation of assets in both customer accounts and life insurance companies' financial statements when IFRS 9 is implemented in 2023.

The implementation of IFRS 9 and IFRS 17 is not expected to significantly affect the solvency calculations nor the Group's dividend capacity.

Sustainable Finance

The European Union's Action Plan on Sustainable Finance aims to contribute to realising the Paris goals of reduced carbon emissions. It intends to increase the share of sustainable investments, promote long-termism and clarify which financial products are actually sustainable. This is followed by new regulation to increase investments in sustainable activities and increase the resilience of the financial system when it comes to climate risk. New legislation introducing the EU Taxonomy on classification of sustainable activities and regulation on climate-related disclosures in Norwegian law was passed in December 2021. The new rules for sustainable finance will establish standards for sustainable asset management, as well as clarify disclosure and customer information requirements. The development should result in a higher quality of financial and nonfinancial reporting, give better information to key stakeholders, and make it easier to compare data across the financial sector.

Lysaker, 25 October 2022

Board of Directors Storebrand Livsforsikring AS

Storebrand Livsforsikring Group

Statement of comprehensive income

NOK million	Q3		01.01 - 30.09		Full year
	2022	2021	2022	2021	2021
TECHNICAL ACCOUNT:					
Gross premiums written	8,172	6,865	23,624	22,294	29,467
Reinsurance premiums ceded	-29	-1	-41	-10	-19
Premium reserves and pension capital transferred from other companies	2,765	4,541	10,713	16,359	22,064
Premiums for own account	10,908	11,405	34,297	38,644	51,512
Income from investments in subsidiaries, associated companies and joint ventures companies	-124	107	-8	208	654
Interest income and dividends etc. from financial assets	1,445	1,713	4,975	5,006	6,787
Net operating income from properties	251	236	678	865	1,053
Changes in investment value	-2,473	-1,787	-16,964	-2,758	-1,577
Realised gains and losses on investments	-386	633	-4,145	2,737	3,939
Total net income from investments in the collective portfolio	-1,287	902	-15,464	6,057	10,856
Income from investments in subsidiaries, associated companies and joint ventures companies	-39	9	-4	40	136
Interest income and dividends etc. from financial assets	135	91	412	262	1,835
Net operating income from properties	41	42	118	132	178
Changes in investment value	-3,585	263	-39,287	24,531	37,659
Realised gains and losses on investments	-2,383	1,698	-1,314	6,071	7,875
Total net income from investments in the investment selection portfolio	-5,831	2,104	-40,076	31,037	47,682
Other insurance related income	362	424	1,084	1,178	1,573
Gross claims paid	-5,442	-5,371	-16,230	-15,746	-21,176
Claims paid - reinsurance	28		31	8	9
Premium reserves, pension capital etc., additional statutory reserves and buffer fund transferred to other companies	-4,177	-8,750	-12,231	-20,183	-29,777
Claims for own account	-9,591	-14,121	-28,431	-35,921	-50,945
To/from premium reserve, gross	2,431	2,121	9,154	-646	373
To/from additional statutory reserves	2,908	176	4,749	-1,884	-2,290
Change in market value adjustment fund	502	1,128	5,464	1,478	861
Change in buffer fund	108		447		
Change in premium fund, deposit fund and the pension surplus fund		-2		-3	-9
To/from technical reserves for non-life insurance business	-21	11	-65	8	30
Change in conditional bonus	541	-192	1,816	-2,710	-4,122
Transfer of additional statutory reserves and buffer fund from other insurance companies/pension funds	16	-545	418	682	724
Changes in insurance obligations recognised in the Profit and Loss Account - contractual obligations	6,487	2,697	21,982	-3,076	-4,433

Storebrand Livsforsikring Group

Statement of comprehensive income continue

NOK million	Q3		01.01 - 30.09		Full year
	2022	2021	2022	2021	2021
Change in pension capital	2,565	-1,889	32,686	-33,450	-49,599
Change in reinsured part of pension capital	11		11		
Changes in insurance obligations recognised in the Profit and Loss Account - investment portfolio separately	2,576	-1,889	32,697	-33,450	-49,599
Profit on investment result					-1,211
Risk result allocated to insurance contracts					-100
Other allocation of profit					-84
Unallocated profit	-2,437	-264	-2,603	-679	
Funds allocated to insurance contracts	-2,437	-264	-2,603	-679	-1,395
Management expenses	-59	-61	-178	-176	-235
Selling expenses	-227	-186	-595	-564	-765
Change in pre-paid direct selling expenses	14	7	30	22	29
Insurance-related administration expenses (incl. commissions for reinsurance received)	-395	-356	-1,125	-1,053	-1,488
Reinsurance and profit commissions	-6		-6		
Insurance-related operating expenses	-673	-597	-1,875	-1,770	-2,459
Other insurance related expenses	-26	-39	-101	-127	-164
Technical insurance profit	487	621	1,511	1,892	2,628
NON-TECHNICAL ACCOUNT					
Income from investments in subsidiaries, associated companies and joint ventures companies	-17	1	-5	2	13
Net operating income from properties					
Changes in investment value	-12	13	-336	23	-43
Realised gains and losses on investments	-1	21	-119	50	150
Net income from investments in company portfolio	92	137	18	341	490
Other income	26	28	93	528	565
Management expenses	-5	-5	-15	-15	-20
Other expenses	-252	-228	-693	-662	-939
Management expenses and other costs linked to the company portfolio	-257	-233	-708	-677	-959
Profit or loss on non-technical account	-138	-68	-597	192	96
Profit before tax	348	554	914	2,084	2,725
Tax expenses	-85	-118	358	-406	-563
Profit before other comprehensive income	263	436	1,271	1,677	2,162

Storebrand Livsforsikring Group

Statement of comprehensive income continue

NOK million	Q3		01.01 - 30.09		Full year
	2022	2021	2022	2021	2021
Change in actuarial assumptions	-2	-2	-5	-8	124
Fair value adjustment of properties for own use	17	4	58	73	139
Other comprehensive income allocated to customers	-17	-4	-58	-73	-139
Tax on other profit elements not to be reclassified to profit/loss					10
Other comprehensive income not to be reclassified to profit/loss	-2	-2	-5	-8	134
Profit/loss cash flow hedging	-9	-8	-24	-35	-56
Translation differences foreign exchange	2	-14	-122	-87	-137
Other profit comprehensive income that may be reclassified to profit /loss	-6	-23	-146	-122	-193
Other comprehensive income	-8	-25	-151	-130	-59
TOTAL COMPREHENSIVE INCOME	255	411	1,120	1,548	2,103
PROFIT IS ATTRIBUTABLE TO:					
Share of profit for the period - shareholders	263	429	1,271	1,670	2,154
Share of profit for the peride - non-controlling interests		7		7	7
COMPREHENSIVE INCOME IS ATTRIBUTABLE TO:					
Share of profit for the period - shareholders	255	404	1,120	1,540	2,095

Storebrand Livsforsikring Group

Statement of financial position

NOK million	30.09.22	30.09.21	31.12.21
ASSETS			
ASSETS IN COMPANY PORTFOLIO			
Goodwill	981	796	778
Other intangible assets	3,592	2,911	2,735
Total intangible assets	4,572	3,708	3,513
Equities and units in subsidiaries, associated companies and joint ventures	224	168	215
Loans at amortised cost	3,007	1	1
Bonds at amortised cost	7,465	8,287	9,408
Deposits at amortised cost	443	1,256	725
Equities and fund units at fair value	146	246	273
Bonds and other fixed-income securities at fair value	14,700	18,717	17,723
Derivatives at fair value	519	896	843
Total investments	26,503	29,571	29,189
Receivables in connection with direct business transactions	752	655	499
Receivables in connection with reinsurance transactions	4	1	
Receivables with group company	107	86	102
Other receivables	10,260	8,642	8,196
Total receivables	11,123	9,385	8,797
Tangible fixed assets	663	651	641
Cash, bank	3,312	2,537	1,971
Tax assets	1,174	1,215	1,058
Total other assets	5,149	4,402	3,670
Pre-paid direct selling expenses	735	709	699
Other pre-paid costs and income earned and not received	236	294	185
Total pre-paid costs and income earned and not received	971	1,002	884
Total assets in company portfolio	48,319	48,068	46,053
ASSETS IN CUSTOMER PORTFOLIOS			
Properties at fair value	29,611	27,701	28,543
Properties for own use	1,746	1,618	1,659
Equities and units in subsidiaries, associated companies and joint ventures	6,488	5,433	5,864
Bonds held to maturity	7,548	10,071	8,441
Bonds at amortised cost	110,217	106,658	104,974
Loans at amortised cost	17,742	21,601	22,043
Deposits at amortised cost	4,564	7,124	5,141
Equities and fund units at fair value	28,777	26,681	28,714
Bonds and other fixed-income securities at fair value	73,096	88,420	90,011
Loans at fair value	7,098	7,688	7,310
Derivatives at fair value	2,291	3,208	2,358
Total investments in collective portfolio	289,178	306,203	305,059

Storebrand Livsforsikring Group

Statement of financial position continue

NOK million	30.09.22	30.09.21	31.12.21
Reinsurance share of insurance obligations	272	13	13
Properties at fair value	4,307	4,684	4,833
Equities and units in subsidiaries, associated companies and joint ventures	2,176	1,175	1,277
Bonds at amortised cost	79		
Loans	910	939	1,008
Deposits at amortised cost	1,088	1,021	1,302
Equities and fund units at fair value	239,673	237,300	249,069
Bonds and other fixed-income securities at fair value	58,285	49,880	50,800
Loans at fair value	127	137	133
Derivatives at fair value	83	829	558
Total investments in investment selection portfolio	306,728	295,965	308,979
Total assets in customer portfolio	596,178	602,181	614,051
TOTAL ASSETS	644,496	650,249	660,104
EQUITY AND LIABILITIES			
Share capital	3,540	3,540	3,540
Share premium	9,711	9,711	9,711
Other paid in equity	1,899	1,110	1,110
Total paid in equity	15,150	14,361	14,361
Risk equalisation fund	761	485	547
Security reserves	5	5	5
Other earned equity	8,794	10,604	11,097
Total earned equity	9,560	11,094	11,649
Perpetual subordinated loans	1,986	1,997	1,976
Dated subordinated loans	9,077	9,761	8,889
Total subordinated loans and hybrid tier 1 capital	11,063	11,758	10,865
Premium reserves	255,654	263,229	261,044
Additional statutory reserves	9,942	13,218	13,602
Market value adjustment reserve	361	5,692	6,309
Buffer fund	1,047		
Premium fund, deposit fund and the pension surplus fund	3,851	2,854	3,501
Conditional bonus	12,193	12,725	13,781
Unallocated profit to insurance contracts	273	715	
Other technical reserve	850	683	661
Total insurance obligations in life insurance - contractual obligations	284,171	299,117	298,900

Storebrand Livsforsikring Group

Statement of financial position continue

NOK million	30.09.22	30.09.21	31.12.21
Pension capital	302,412	295,790	308,331
Premium fund, deposit fund and the pension surplus fund	57		
Total insurance obligations in life insurance - investment portfolio separately	302,469	295,790	308,331
Pension liabilities etc.	39	168	31
Deferred tax	1,191	700	622
Other provisions for liabilities	44	51	48
Total provisions for liabilities	1,274	919	702
Liabilities in connection with direct insurance	1,281	1,898	999
Liabilities in connection with reinsurance	34	3	14
Derivatives	11,074	1,702	1,997
Liabilities to group companies	28	24	24
Other liabilities	7,641	13,027	11,751
Total liabilities	20,057	16,654	14,785
Other accrued expenses and received, unearned income	751	554	510
Total accrued expenses and received, unearned income	751	554	510
TOTAL EQUITY AND LIABILITIES	644,496	650,249	660,104

Storebrand Livsforsikring Group

Statement of changes in equity

NOK million	Majority's share of equity							Non-controlling interests	Total equity
	Share capital	Share premium	Other paid in equity	Total paid in equity	Risk equalisation fund	Security reserves	Other equity		
Equity at 31.12.2020	3,540	9,711	599	13,850	438	5	11,323	69	25,686
Profit for the period					46		1,631		1,677
Other comprehensive income							-130		-130
Total comprehensive income for the period					46		1,501		1,548
Equity transactions with owner:									
Received dividend/group contributions			511	511					511
Paid dividend/group contributions							-2,220		-2,220
Other								-69	-69
Equity at 30.09.2021	3,540	9,711	1,110	14,361	485	5	10,605		25,455
Profit for the period					109		2,053		2,162
Other comprehensive income							-59		-59
Total comprehensive income for the period					109		1,994		2,103
Equity transactions with owner:									
Received dividend/group contributions			511	511					511
Paid dividend/group contributions							-2,220		-2,220
Other								-69	-69
Equity at 31.12.2021	3,540	9,711	1,110	14,361	547	5	11,098		26,010
Profit for the period					202		1,069		1,271
Other comprehensive income							-151		-151
Total comprehensive income for the period					202		918		1,120
Equity transactions with owner:									
Received dividend/group contributions			790	790					790
Paid dividend/group contributions							-3,210		-3,210
Other					12		-12		
Equity at 30.09.2022	3,540	9,711	1,899	15,150	761	5	8,795		24,711

Storebrand Livsforsikring Group

Statement of cash flow

01.01 - 30.09			01.01 - 30.09	
2021	2022	NOK million	2022	2021
Cash flow from operating activities				
21,892	23,327	Net received - direct insurance	15,106	14,497
-14,543	-16,156	Net claims/benefits paid - direct insurance	-9,697	-8,207
-3,824	-1,518	Net receipts/payments - policy transfers	-144	-1,231
3,715	29,836	Net change insurance liabilities	568	3,913
-317	-970	Taxes paid	-773	-1
-1,770	-1,875	Net receipts/payments operations	-1,104	-1,024
754	973	Net receipts/payments - other operational activities	1,055	-2,330
5,907	33,618	Net cash flow from operating activities before financial assets	5,012	5,617
747	1,668	Net receipts/payments - loans to customers	1,399	1,380
-9,540	-30,461	Net receipts/payments - financial assets	-5,096	-11,078
402	658	Net receipts/payments - property activities		
738	633	Receipts - sale of investment properties		
-995	-1,022	Payment - purchase of investment properties		
2,032	811	Net change bank deposits insurance customers	1,489	2,267
-6,617	-27,713	Net cash flow from operating activities from financial assets	-2,208	-7,431
-710	5,905	Net cash flow from operating activities	2,803	-1,813
Cash flow from investing activities				
613	-2,298	Net payments - sale/purchase of subsidiaries	-2,047	621
	-562	Net payments - purchase/capitalisation associated companies		
-17	-25	Net receipts/payments - sale/purchase of fixed assets	-3	-4
597	-2,886	Net cash flow from investing activities	-2,050	617
Cash flow from financing activities				
3,911	648	Receipts - subordinated loans issued	648	3,911
-373	-99	Repayment of subordinated loans	-99	-373
-352	-342	Payments - interest on subordinated loans	-342	-352
680	1,050	Payments received of dividend and group contribution	2,432	1,884
-2,220	-3,210	Payment of dividend and group contribution	-3,210	-2,220
1,646	-1,953	Net cash flow from financing activities	-571	2,850
1,533	1,067	Net cash flow for the period	182	1,653
8,149	28,779	of which net cash flow for the period before financial assets	2,390	9,084
1,533	1,067	Net movement in cash and cash equivalent assets	182	1,653
2,218	2,696	Cash and cash equivalents at the start of the period	1,704	1,167
42	-7	Currency translation differences		
3,793	3,755	Cash and cash equivalent assets at the end of the period	1,886	2,820

Storebrand Livsforsikring AS

Statement of comprehensive income

NOK million	Q3		01.01 - 30.09		Full year
	2022	2021	2022	2021	2021
TECHNICAL ACCOUNT:					
Gross premiums written	4,844	4,452	15,331	14,898	19,436
Reinsurance premiums ceded	1		-7	-6	-9
Premium reserves and pension capital transferred from other companies	1,357	3,619	7,612	13,610	18,466
Premiums for own account	6,201	8,071	22,936	28,502	37,893
Income from investments in subsidiaries, associated companies and joint ventures companies	-220	371	712	885	1,526
of which from investment in property companies	-220	371	712	884	1,526
Interest income and dividends etc. from financial assets	1,101	1,339	3,922	3,710	5,130
Changes in investment value	-651	-1,135	-6,200	-1,435	-754
Realised gains and losses on investments	31	351	-2,841	1,505	1,957
Total net income from investments in the collective portfolio	260	925	-4,408	4,665	7,859
Income from investments in subsidiaries, associated companies and joint ventures companies	-53	90	154	250	405
of which from investment in property companies	-53	89	154	249	405
Interest income and dividends etc. from financial assets	129	91	406	262	1,834
Changes in investment value	-1,722	-903	-17,615	6,476	9,307
Realised gains and losses on investments	-2,151	1,698	-1,112	6,064	7,869
Total net income from investments in the investment selection portfolio	-3,797	976	-18,167	13,052	19,416
Other insurance related income	209	239	613	652	863
Gross claims paid	-3,322	-3,270	-10,052	-9,500	-12,798
Claims paid - reinsurance	28		30	7	8
Premium reserves, pension capital etc., additional statutory reserves and buffer fund transferred to other companies	-2,437	-6,679	-7,756	-14,841	-21,805
Claims for own account	-5,732	-9,949	-17,778	-24,334	-34,595
To/from premium reserve, gross	383	664	-3,471	-5,624	-5,448
To/from additional statutory reserves	2,374	563	2,418	-641	-2,290
Change in market value adjustment fund	502	1,128	5,464	1,478	861
Change in buffer fund	108		447		
Change in premium fund, deposit fund and the pension surplus fund		-2		-3	-9
To/from technical reserves for non-life insurance business	-22	11	-65	8	30
Transfer of additional statutory reserves and buffer fund from other insurance companies/pension funds	16	-545	418	682	724
Changes in insurance obligations recognised in the Profit and Loss Account - contractual obligations	3,362	1,818	5,210	-4,100	-6,132
Change in pension capital	2,214	-685	14,153	-14,374	-20,913
Changes in insurance obligations recognised in the Profit and Loss Account - investment portfolio separately	2,214	-685	14,153	-14,374	-20,913

Storebrand Livsforsikring AS

Statement of comprehensive income continue

NOK million	Q3		01.01 - 30.09		Full year
	2022	2021	2022	2021	2021
Profit on investment result					-1,211
Risk result allocated to insurance contracts					-100
Other allocation of profit					-84
Unallocated profit	-2,455	-645	-2,622	-1,945	
Funds allocated to insurance contracts	-2,455	-645	-2,622	-1,945	-1,395
Management expenses	-56	-61	-175	-176	-235
Selling expenses	-68	-58	-200	-179	-243
Insurance-related administration expenses (incl. commissions for reinsurance received)	-257	-227	-729	-670	-965
Insurance-related operating expenses	-381	-347	-1,104	-1,024	-1,442
Other insurance related expenses after reinsurance share	-20	-34	-87	-102	-135
Technical insurance profit	-139	369	-1,255	991	1,417
NON-TECHNICAL ACCOUNT					
Income from investments in subsidiaries, associated companies and joint ventures companies	82	-30	1,424	1,565	1,506
Interest income and dividends etc. from financial assets	110	86	337	245	369
Changes in investment value	-31	-4	-256	-11	-66
Realised gains and losses on investments	-76	75	1	276	410
Net income from investments in company portfolio	85	127	1,505	2,074	2,220
Other income	5	1	11	2	12
Management expenses	-5	-5	-15	-15	-20
Other expenses	-124	-117	-345	-319	-481
Total management expenses and other costs linked to the company portfolio	-129	-123	-360	-334	-500
Profit or loss on non-technical account	-39	5	1,157	1,742	1,732
Profit before tax	-178	374	-98	2,733	3,149
Tax expenses	81	-111	950	-331	-504
Profit before other comprehensive income	-97	263	852	2,402	2,645
Change in actuarial assumptions					2
Tax on other profit elements not to be reclassified to profit/loss					14
Other comprehensive income not to be reclassified to profit/loss					16

Storebrand Livsforsikring AS

Statement of comprehensive income continue

NOK million	Q3		01.01 - 30.09		Full year
	2022	2021	2022	2021	2021
Profit/loss cash flow hedging	-9	-8	-24	-35	-56
Other profit comprehensive income that may be reclassified to profit /loss	-9	-8	-24	-35	-56
Other comprehensive income	-9	-8	-24	-35	-40
TOTAL COMPREHENSIVE INCOME	-106	254	828	2,367	2,605

Storebrand Livsforsikring AS

Statement of financial position

NOK million	30.09.22	30.09.21	31.12.21
ASSETS			
ASSETS IN COMPANY PORTFOLIO			
Other intangible assets	459	482	455
Total intangible assets	459	482	455
Equities and units in subsidiaries, associated companies and joint ventures	14,596	12,678	12,478
Loans at amortised cost	3,006		
Bonds at amortised cost	7,465	8,287	9,408
Deposits at amortised cost	418	1,220	715
Equities and fund units at fair value	354	407	476
Bonds and other fixed-income securities at fair value	9,812	13,653	12,419
Derivatives at fair value	519	896	843
Total investments	36,170	37,141	36,340
Receivables in connection with direct business transactions	709	652	495
Receivables in connection with reinsurance transactions	4	1	
Receivables with group company	74	61	1,111
Other receivables	6,944	4,305	5,823
Total receivables	7,731	5,018	7,430
Tangible fixed assets	8	11	10
Cash, bank	1,468	1,600	989
Tax assets	1,747	1,216	797
Total other assets	3,223	2,826	1,796
Other pre-paid costs and income earned and not received	44	44	40
Total pre-paid costs and income earned and not received	44	44	40
Total assets in company portfolio	47,627	45,512	46,061
ASSETS IN CUSTOMER PORTFOLIOS			
Equities and units in subsidiaries, associated companies and joint ventures	24,414	22,105	22,325
of which investment in property companies	24,414	22,105	22,325
Bonds held to maturity	7,548	10,071	8,441
Bonds at amortised cost	110,217	106,658	104,974
Loans at amortised cost	17,742	21,601	22,043
Deposits at amortised cost	1,619	4,254	2,701
Equities and fund units at fair value	19,430	17,012	19,006
Bonds and other fixed-income securities at fair value	20,519	23,798	26,107
Derivatives at fair value	1,411	1,918	1,276
Total investments in collective portfolio	202,899	207,417	206,875

Storebrand Livsforsikring AS

Statement of financial position continue

NOK million	30.09.22	30.09.21	31.12.21
Reinsurance share of insurance obligations	6	4	4
Equities and units in subsidiaries, associated companies and joint ventures	6,374	6,014	6,208
of which investment in property companies	6,374	6,014	6,208
Bonds at amortised cost	79		
Loans at amoritsed cost	910	941	1,008
Deposits at amoritsed cost	434	465	840
Equities and fund units at fair value	99,774	101,777	107,202
Bonds and other fixed-income securities at fair value	40,173	41,402	42,559
Loans at fair value	127	135	133
Derivatives at fair value	80	829	558
Total investments in investment selection portfolio	147,951	151,563	158,508
Total assets in customer portfolios	350,855	358,984	365,386
TOTAL ASSETS	398,483	404,495	411,447
EQUITY AND LIABILITIES			
Share capital	3,540	3,540	3,540
Share premium	9,711	9,711	9,711
Other paid in equity	1,899	1,110	1,899
Total paid in equity	15,150	14,361	15,150
Risk equalisation fund	752	485	547
Security reserves	5	5	5
Other earned equity	10,638	13,050	10,015
Total earned equity	11,396	13,540	10,567
Perpetual subordinated loans	1,986	1,997	1,976
Dated subordinated loans	9,077	9,761	8,889
Total subordinated loans and hybrid tier 1 capital	11,063	11,758	10,865
Premium reserves	184,310	180,440	180,684
Additional statutory reserves	12,242	11,975	13,602
Market value adjustment reserve	361	5,692	6,309
Buffer fund	1,047		
Premium fund, deposit fund and the pension surplus fund	3,834	2,854	3,501
Unallocated profit to insurance contracts	292	1,981	
Other technical reserve	729	683	661
Total insurance obligations in life insurance - contractual obligations	202,815	203,625	204,759
Pension capital	143,644	151,404	157,873
Total insurance obligations in life insurance - investment portfolio separately	143,644	151,404	157,873

Storebrand Livsforsikring AS

Statement of financial position continue

NOK million	30.09.22	30.09.21	31.12.21
Pension liabilities etc.	2	7	2
Total provisions for liabilities	2	7	2
Liabilities in connection with direct insurance	1,152	1,744	825
Derivatives	9,235	1,273	1,638
Liabilities to group companies	33	19	3,235
Other liabilities	3,602	6,596	6,377
Total liabilities	14,022	9,631	12,075
Other accrued expenses and received, unearned income	391	169	156
Total accrued expenses and received, unearned income	391	169	156
TOTAL EQUITY AND LIABILITIES	398,483	404,495	411,447

Storebrand Livsforsikring AS

Statement of changes in equity

NOK million	Share capital ¹⁾	Share premium reserve	Other paid in capital	Total paid in equity	Risk equalisation fund	Security reserves	Other equity	Total equity
Equity at 31.12.2020	3,540	9,711	1,110	14,361	438	5	10,729	25,533
Profit for the period					46		2,355	2,402
Other comprehensive income							-35	-35
Total comprehensive income for the period					46		2,321	2,367
Equity transactions with owner:								
Received dividend/group contributions								
Paid dividend/group contributions								
Other								
Equity at 30.09.2021	3,540	9,711	1,110	14,361	485	5	13,050	27,900
Profit for the period					109		2,536	852
Other comprehensive income							-40	-24
Total comprehensive income for the period					109		2,496	828
Equity transactions with owner:								
Received dividend/group contributions			789	789				789
Paid dividend/group contributions							-3,210	-3,210
Other								
Equity at 31.12.2021	3,540	9,711	1,899	15,150	547	5	10,015	25,718
Profit for the period					205		647	852
Other comprehensive income							-24	-24
Total comprehensive income for the period					205		623	828
Equity transactions with owner:								
Received dividend/group contributions								
Paid dividend/group contributions								
Other								
Equity at 30.09.2022	3,540	9,711	1,899	15,150	752	5	10,639	26,546

1) 35 404 200 shares of NOK 100 par value.

Notes

Storebrand Livsforsikring Group

Note 1 | Accounting policies

The Group's interim financial statements include Storebrand Livsforsikring AS, subsidiaries, associated and joint-ventures companies. The financial statements are prepared in accordance with the "Regulation on the annual accounts etc. of lifeinsurance companies" for the parent company and the consolidated financial statements in accordance with IAS 34 Interim Financial Reporting. The interim financial statements do not contain all the information that is required in full annual financial statements.

A description of the accounting policies applied in the preparation of the financial statements are provided in the 2021 annual report, and the interim financial statements are prepared in accordance with these accounting policies

Storebrand Livsforsikring AS - the company's financial statements

The financial statements have been prepared in accordance with the accounting principles that were used in the annual report for 2021.

There are none new or changed accounting standards that entered into effect in 2022 that have significant effect on Storebrand's consolidated financial statements.

Note 2 | Important accounting estimates and judgements

In preparing the Group's financial statements the management are required to make estimates, judgements and assumptions of uncertain amounts. The estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and expectations of future events and represent the management's best judgement at the time the financial statements were prepared.

Actual results may differ from these estimates.

A description of the most critical estimates and judgements that can affect recognised amounts is included in the 2021 annual report in note 2, insurance risk in note 7, valuation of financial instruments at fair value is described in note 13 and in the interim financial statements note 10 Solvency II.

Note 3 | Acquisition

Danica Pensjonsforsikring AS

Storebrand Livsforsikring AS has purchased Storebrand Danica Pensjonsforsikring AS. Danica is the 6th largest provider of Defined Contribution pensions in Norway with 5% market share. In addition to managing NOK 22 billion in defined contribution pension funds for 14,000 companies and 98,000 active members, Danica manages NOK 6 billion in private savings and a small portfolio of guaranteed products of NOK 1 billion. Total asset under management amount to approximatelig NOK 30 billion. Danica also offers commercial and private risk products, with a total of NOK 30 million in annual premiums. The transaction was completed on 1 July 2022.

The transaction was first known 20. December 2021, and approved by the Norwegian Financial Supervisory Authority and the Norwegian Competition Authority in June 2022. In connection with the purchase, the company has changed name to Storebrand Danica Pensjonsforsikring AS. The plan is to complete a mother-daughter merger in the first quarter of 2023.

NOK million	Book values - Company	Excess value upon acquisition	Book values
- Distribution		809	809
- Customer relationships		260	260
- IT systems	21	-21	
Intangible assets	21	1,048	1,069
Financial assets	28,479		28,479
Other assets	313		313
Bank deposits	362		362
Total assets	29,174	1,048	30,222
Liabilities			
Insurance liabilities	27,724	73	27,798
Current liabilities	282		282
Deferred tax	24	267	291
Net identifiable assets and liabilities	1,144	708	1,852
Goodwill			196
Fair value at acquisition date			2,048
Cash Payment			2,048

S:t Erik Livförsäkring AB

SPP Pension & Försäkring has on 8th of July 2022 purchased S:t Erik Livförsäkring AB. The purchase price was SEK 260 million. The excess value is allocated to customer relationships. The company handles the City of Stockholm's commitment to the employees within the Stockholm Stadshus AB group and manages approx. SEK 2.5 billion distributed among 5 000 insured.

NOK million	Book values - Company	Excess value upon acquisition	Book values
- Customer relationships ¹⁾		30	30
Intangible assets		30	30
Financial assets	2,289		2,289
Other assets	32		32
Bank deposits	382		382
Total assets	2,703	30	2,733
Liabilities			
Insurance liabilities	2,443		2,443
Current liabilities			
Deferred tax	30		30
Net identifiable assets and liabilities	230	30	260
Goodwill			
Fair value at acquisition date			260
Cash Payment			

¹⁾ The acquisition concerns profit subject to yield tax. Deferred tax on added value has therefore not been calculated

Results in 2022 NOK million	Storebrand Danica Pensjonsforsikring AS		S:t Erik Livsförsäkring AB	
	After acquisition	Before acquisition	After acquisition	Before acquisition
Income	647	-782	-138	-160
Profit	35	29	2	-26

¹⁾ According to the groups statement, Income contains premiums, net financial result and other income

²⁾ According to the groups statement, Profit contains premiums, claims, changes in insurance obligations, financial result and other income and expenses

Note 4 | Profit by segments

Storebrand's operation includes the segments Savings, Insurance, Guaranteed Pension and Other.

Savings

The savings segment includes products for retirement savings with no interest rate guarantees. The segment consists of defined contribution pensions in Norway and Sweden. In addition, certain other subsidiaries in Storebrand Livsforsikring and SPP are included in Savings.

Insurance

The insurance segment provides personal risk products in the Norwegian retail market in addition to employer's liability insurance and pension-related insurance in the Norwegian and Swedish corporate markets.

Guaranteed pension

The guaranteed Pension segment includes long-term pension savings products which provides customers a guaranteed rate of return. The area includes defined benefit pensions in Norway and Sweden, paid-up policies and individual capital and pension insurances.

Other

The result for the company portfolios of Storebrand Livsforsikring and SPP are reported in the Other segment.

Reconciliation with the profit and loss account

Profit in the segments are reconciled with the corporate profit and loss account before tax. The corporate profit and loss account includes gross income and gross expenses linked to both the insurance customers and owners. The various segments are to a large extent followed up on net profit margins, including risk and administration results. The profit lines that are used in segment reporting will therefore not be identical with the profit lines in the corporate profit and loss account.

A description of the most important differences is included in the 2021 annual report in note 4 Segment reporting.

Profit by segments

NOK million	Q3		01.01 - 30.09		Full year
	2022	2021	2022	2021	2021
Savings	171	250	544	805	782
Insurance	165	64	343	205	89
Guaranteed pension	148	315	633	946	775
Other	-27	17	-323	403	61
Profit before amortisation	458	646	1,198	2,359	1,707
Amortisation intangible assets	-110	-92	-284	-276	-372
Profit before tax	348	554	914	2,084	1,336

Segment information Q3

NOK million	Savings		Insurance		Guaranteed pension	
	2022	2021	2022	2021	2022	2021
Fee and administration income	519	536			398	423
Insurance result			304	148		
- Insurance premiums for own account			939	745		
- Claims for own account			-635	-598		
Operational cost	-345	-283	-139	-94	-208	-217
Operating profit	173	253	165	54	190	206
Financial items and risk result life & pension	-2	-3		10	74	70
Net profit sharing					-116	38
Profit before amortisation	171	250	165	64	148	315
Amortisation of intangible assets						
Profit before tax	171	250	165	64	148	315

NOK million	Other		Storebrand Livsforsikring group	
	2022	2021	2022	2021
Fee and administration income			916	959
Insurance result			304	148
- Insurance premiums for own account			939	745
- Claims for own account			-635	-598
Operational cost	-26	-7	-718	-602
Operating profit	-26	-7	502	505
Financial items and risk result life & pension	-1	24	-44	141
Profit before amortisation	-27	17	458	646
Amortisation of intangible assets			-110	-92
Profit before tax	-27	17	348	554
Tax			-85	-118
Profit after tax			263	436

Segment information as at 30.09

NOK million	Savings		Insurance		Guaranteed pension	
	2022	2021	2022	2021	2022	2021
Fee and administration income	1,486	1,642			1,184	1,213
Insurance result			696	441		
- Insurance premiums for own account			2,512	2,229		
- Claims for own account			-1,816	-1,788		
Operational cost	-931	-848	-362	-289	-617	-641
Operating profit	555	794	334	152	567	572
Financial items and risk result life & pension	-11	11	9	54	210	124
Net profit sharing					-143	251
Profit before amortisation	544	805	343	205	633	946
Amortisation of intangible assets						
Profit before tax	544	805	343	205	633	946

NOK million	Other		Storebrand Livsforsikring group	
	2022	2021	2022	2021
Fee and administration income			2,670	2,856
Insurance result			696	441
- Insurance premiums for own account			2,512	2,229
- Claims for own account			-1,816	-1,788
Operational cost	-52	-21	-1,961	-1,799
Operating profit	-52	-21	1,404	1,497
Financial items and risk result life & pension	-271	424	-206	862
Profit before amortisation	-323	403	1,198	2,359
Amortisation of intangible assets			-284	-276
Profit before tax	-323	403	914	2,084
Tax			358	-406
Profit after tax			1,271	1,677

Note 5 | Financial market risk and insurance risk

Risks are described in the annual report for 2021 in note 7 (Insurance risk), note 8 (Financial market risk), note 9 (Liquidity risk), note 10 (Credit risk) and note 11 (Concentrations of risk).

Financial market risk

Market risk means changes in the value of assets due to unexpected volatility or price changes in the financial markets. It also refers to the risk that the value of the insurance liability develops differently than the assets due to interest rate changes. The most significant market risks for Storebrand are interest rate risk, equity market risk, property price risk, credit risk and currency exchange rate risk.

For the life insurance companies, the financial assets are invested in a variety of sub-portfolios. Market risk affects Storebrand's income and profit differently in the different portfolios. There are three main types of sub-portfolios: company portfolios, customer portfolios without a guarantee (unit linked) and customer portfolios with a guarantee.

The market risk in the company portfolios has a direct impact on Storebrand's profit.

The market risk in customer portfolios without a guarantee (unit linked) is borne by the customers, meaning Storebrand is not directly affected by changes in value. Nevertheless, changes in value do affect Storebrand's profit indirectly. Income is based mainly on the size of the portfolios, while the costs tend to be fixed. Lower returns from the financial market than expected will therefore have a negative effect on Storebrand's income and profit.

For customer portfolios with a guarantee, the net risk for Storebrand will be lower than the gross market risk. The extent of risk sharing with customers depends on several factors, the most important being the size and flexibility of the customer buffers, and the level and duration of the interest rate guarantee. If the investment return is not sufficiently high to meet the guaranteed interest rate, the shortfall will be met by using customer buffers in the form of risk capital built up from previous years' surpluses. Risk capital primarily consists of unrealised gains, additional statutory reserves, and conditional bonuses. Storebrand is responsible for meeting any shortfall that cannot be covered by the customer buffers.

For guaranteed customer portfolios, the risk is affected by changes in the interest rate level. Rising interest rates are negative in the short term because resulting price depreciation for bonds and interest rates swaps reduce investment

return and buffers. But long term, rising interest rates are positive due to higher probability of achieving a return above the guarantee.

The third quarter and the first three quarters of the year has been volatile for financial markets, with negative returns for most risk assets.

Going into 2022, inflation was already increasing due to supply-shortages and increased demand post Covid. The trend has been reinforced during the year, as the Ukraine war has led to a surge in energy and raw-material prices. This has led central banks to increase rates earlier and at a much faster pace than expected at the start of the year. Bank of Norway has increased the policy rate by 1.75 pp to 2.25 percent during the year and signal further increases to above 3 percent by mid-2023. The Swedish Riksbank increased the policy rate by 1.75 percent from zero during the year, of which 1.5 percent during the third quarter. The signal is for the rate to increase to approximately 2.5 percent by mid-2023.

The effects from Covid-19, the increase in inflation and the effects from the war in Ukraine going forward, implies that the risk may still be higher than normal market risk. Storebrand has risk management which through policies and principles handles and dampens the effect of volatile financial markets.

Global equities fell 4 percent in the third quarter and 22 percent year to date (as of 30 September). Norwegian equities fell 6 percent in the third quarter and 8 percent year to date. The credit spreads for corporate bonds continued to rise during the third quarter and rose strongly year to date.

Long-term interest rates continued to rise in the second quarter. The Norwegian 10-year swap-rate rose 0.2 pp in the third quarter to 3.5 percent. Year to date, the increase was 1.6 pp. The Swedish 10-year swap-rate rose 0.3 pp to 3.1 percent. Year to date, the increase was 2.1 pp. Short-term interest rates have increased even more, as the central banks continued to raise interest rates and signal further increases going forward. Most of the interest rate investments in the Norwegian customer portfolios are held at amortized cost. This dampens the effect from interest rate changes on booked returns. The amortized cost portfolio valuation in the accounts is now higher than fair value. For other bond investments and exposure towards interest rate swaps, the increase in interest rates have affected investment returns negatively. Higher interest rates are positive for reinvestment opportunities and for the solvency position.

The Norwegian krone weakened in the third quarter, particularly against the US dollar. Year to date, the Norwegian krone weakened 1 percent against the Swedish krone, 6 percent against the Euro and 21 percent against the US dollar. A high degree of currency hedging in the portfolio means that the exchange rate fluctuations have a modest effect on results and Storebrand's market risk.

Financial instruments valued at fair value level three are priced based on models. Examples of such financial instruments are investment property, private equity, and mortgages. The valuation models gather and employ information from a wide range of well-informed sources. There is greater uncertainty regarding the input factors and the valuation from these models than normal. Any continued spread of Covid-19, governmental measurements to contain the spread, the war in Ukraine, sanctions against Russia and rapid increase in inflation, creates extra uncertainty for the economy and may have impact on the valuation of financial instruments. Valuation of investment property in particular, which is dependent on input factors from transactions as well as inflation and interest rate data, has become increasingly uncertain. There is a large range of possible outcomes for these input data and thus for the modelled prices. Hence, the values reflect management's best estimate, but contain greater uncertainty than in a normal quarter.

During the year, the investment allocation towards equities has been somewhat reduced because of normal risk management. Interest rate duration has been reduced, as higher rates give lower hedging needs against the liabilities and for the solvency position.

The market-based return for guaranteed customer portfolios in Norway in general was negative year to date, because of weak equity and credit markets and increased interest rates. The booked return in general was positive after use of customer buffers. The effect on the financial result is limited, but lower customer buffers increase the risk for the remaining part of the year. The return for guaranteed customer portfolios in Sweden was negative. The effect on the financial result was limited, as reduced value of the liabilities from higher interest rates compensated for lower asset values.

The return for the unit linked portfolios was generally negative, both in the first quarter and year to date, due to weak equity markets.

Sensitivity analyses

The tables show the fall in value for Storebrand Life Insurance and SPP's investment portfolios because of immediate changes in value related to financial market risk. The calculation is model-based, and the result is dependent on the choice of stress level for each category of asset. The stresses have been applied to the company portfolio and guaranteed customer portfolios as of 30 September 2022. The effect of each stress changes the return in each investment profile.

Unit linked insurance without a guaranteed annual return is not included in the analysis. For these products, the customers bear the market risk, and the effect of a falling market will not directly affect the result or buffer capital.

The amount of stress is the same that is used for the company's risk management. Two stress tests have been defined. Stress test 1 is a fall in the value of shares, corporate bonds, and property in combination with lower interest rates. Stress test 2 is a somewhat smaller fall in the value of shares, corporate bonds, and property in combination with higher interest rates.

Level of stress

	Stresstest 1	Stresstest 2
Interest level (parallel shift)	-100bp	+100bp
Equity	-20%	-12%
Property	-12%	-7%
Credit spread (share of Solvency II)	50%	30%

Because it is the immediate market changes that are calculated, dynamic risk management will not affect the outcome. If it is assumed that the market changes occur over a period, then dynamic risk management would reduce the effect of the negative outcomes and reinforce the positive outcomes to some extent.

As a result of customer buffers, the effect of the stresses on the result will be lower than the values described in the tables. As of 30 September 2022, the customer buffers are of such a size that the effects on the result are significantly lower. But the risk is higher than at the start of the year, due to reduced customer buffers.

Stresstest 1

Sensitivity	Storebrand Livsforsikring		SPP Pension & Försäkring	
	NOK Million	Share of portfolio	NOK Million	Share of portfolio
Interest rate risk	2,003	0.9%	-214	-0.3%
Equity risk	-2,705	-1.2%	-2,138	-2.8%
Property risk	-2,943	-1.3%	-1,331	-1.7%
Credit risk	-1,075	-0.5%	-690	-0.9%
Total	-4,721	-2.1%	-4,374	-5.6%

Stresstest 2

Sensitivity	Storebrand Livsforsikring		SPP Pension & Försäkring	
	NOK Million	Share of portfolio	NOK Million	Share of portfolio
Interest rate risk	-2,003	-0.9%	214	0.3%
Equity risk	-1,623	-0.7%	-1,283	-1.7%
Property risk	-1,717	-0.8%	-776	-1.0%
Credit risk	-645	-0.3%	-414	-0.5%
Total	-5,988	-2.7%	-2,260	-2.9%

Storebrand Livsforsikring

Stress test 2, which includes an increase in interest rates, makes the greatest impact for Storebrand Livsforsikring. The overall market risk is NOK 6.0 billion (NOK 6.2 billion as of 30 June 2022), which is equivalent to 2.7 (2.8) percent of the investment portfolio.

If the stress causes the return to fall below the guarantee, it will have a negative impact on the result. Similarly, if the customer buffer is not adequate the result will also be negatively impacted. Other negative effects on the result are a lower return from the company portfolio and that there is no profit sharing from paid-up policies and individual contracts.

SPP Pension & Försäkring

For SPP it is stress test 1, which includes a fall in interest rates, that creates the greatest impact. The overall market risk is SEK 4.4 billion (SEK 4.6 billion as of 30 June 2022), which is equivalent to 5.6 (5.7) percent of the investment portfolio.

The buffer situation for the individual contracts will determine if all or portions of the fall in value will affect the financial result. If the portion of the fall in value cannot be covered by the customer buffer the result will be affected. In addition, the reduced profit sharing or loss of the indexing fees may affect the financial result

Insurance risk

Insurance risk is the risk of higher-than-expected payments and/or an unfavourable change in the value of an insurance liability due to actual developments deviating from what was expected when premiums or provisions were calculated. Most of the insurance risk for the group is related to life insurance. Changes in longevity is the greatest insurance risk for Storebrand because higher longevity means that the guaranteed benefits must be paid over a longer period. There are also risks related to disability and early death.

The development of the insurance reserves is dependent on future scenarios and are currently more uncertain than normal. Storebrand will continue to monitor the development of Covid-19 and effects for the economy. A prolonged situation with high unemployment could lead to higher disability levels and increased reserves. However, the current insurance reserves represent Storebrand's best estimate of the insurance liabilities.

At the start of the third quarter, Storebrand acquired Danica Pensjon, affecting the insurance risk. Other insurance risk was not materially changed during the first three quarters of the year.

Note 6 | Liquidity risk

Specification of subordinated loans

NOK million	Nominal value	Currency	Interest rate	Call date	Book value 30.09.22	Book value 30.09.21	Book value 31.12.21
Issuer							
Perpetual subordinated loans ¹⁾							
	1,100	NOK	Variable	2024	1,101	1,100	1,100
	900	SEK	Variable	2026	886	897	876
Dated subordinated loans							
	750	SEK	Variable	2021		754	
	899	SEK	Variable	2022	886	1,000	976
	900	SEK	Variable	2025	883	899	877
	1,000	SEK	Variable	2024	983	1,001	976
	500	NOK	Variable	2025	500	499	499
	650	NOK	Variable	2027	651		
	250	EUR	Fixed	2023	2,754	2,676	2,685
	300	EUR	Fixed	2031	2,420	2,933	2,876
Total subordinated loans and hybrid capital					11,063	11,758	10,865

¹⁾ Regarding perpetual subordinated loans, the cash flow has been calculated until the first call.

²⁾ The loan was repurchased on 11.10.2021

³⁾ The loans are subject to hedge accounting.

⁴⁾ Green bonds

⁵⁾ The loan was partly repurchased on 19.05.2022

Note 7 | Valuation of financial instruments and investment properties

The Group categorises financial instruments valued at fair value on three different levels. Criteria for the categorisation and processes associated with valuing are described in more detail in note 13 in the annual report for 2021.

The company has established valuation models and gathers information from a wide range of well-informed sources with a view to minimize the uncertainty of valuations

Fair value of financial assets and liabilities at amortised cost

NOK million	Fair value 30.09.22	Fair value 31.12.21	Book value 30.09.22	Book value 31.12.21
Financial assets				
Loans to customers - corporate	4,673	5,055	4,813	5,044
Loans to customers - retail	16,471	18,021	16,846	18,008
Bonds held to maturity	7,534	9,103	7,548	8,441
Bonds classified as loans and receivables	105,062	117,077	117,761	114,383
Financial liabilities				
Subordinated loan capital	11,017	11,926	11,063	10,865

Valuation of financial instruments and real estate at fair value

Storebrand Livsforsikring Group

NOK million	Level 1 Quoted prices	Level 2 Observable assumptions	Level 3 Non- observable assumptions	30.09.22	31.12.21
Assets					
Equities and fund units					
- Equities	30,887	16,413	783	48,083	40,611
- Fund units		202,081	18,433	220,513	237,445
Total equities and fund units 30.09.2022	30,887	218,494	19,215	268,596	
Total equities and fund units 31.12.2021	40,071	222,998	14,987		278,056
Total loans to customers					
- Loans to customers - corporate			7,225	7,225	7,443
Bonds and other fixed income securities					
- Government bonds	13,788	8,904		22,692	30,911
- Corporate bonds		44,309	8	44,317	55,354
- Collateralised securities		2,946		2,946	3,528
- Bond funds		61,968	14,112	76,081	68,741
Total bonds and other fixed income securities 30.09.2022	13,788	118,172	14,120	146,080	
Total bonds and other fixed income securities 31.12.2021	16,722	129,141	12,670		158,533
Derivatives:					
- Interest derivatives		-585		-585	2,286
- Currency derivatives		-7,595		-7,595	-523
Total derivatives 30.09.2022		-8,180		-8,180	
- derivatives with a positive market value		2,894		2,894	3,760
- derivatives with a negative market value		-11,074		-11,074	-1,997
Total derivatives 31.12.2021		1,763			1,763
Properties:					
- investment properties			33,918	33,918	33,376
- Owner-occupied properties			1,746	1,746	1,659
Total properties 30.09.2022			35,664	35,664	
Total properties 31.12.2021			35,035		35,035

Movement level 3

NOK million	Equities	Fund units	Loans to customers	Corporate bonds	Bond funds	Investment properties	Owner-occupied properties
Book value 01.01	309	14,678	7,443	8	12,663	33,376	1,659
Net profit/loss	-277	2,012	-234	-277	-11,252	33	51
Supply/disposal	639	142	278		934	966	56
Sales/overdue/settlement	-3	-1,639	-320		-348	-633	
Currency translation differences		24	60		92	102	-23
Other			-2			75	3
Book value 30.09.2022	782	18,441	7,225	8	14,112	33,918	1,746

As of 30.09.22, Storebrand Life Insurance had NOK 8.397 million invested in Storebrand Eiendomsfond Norge KS and VIA, Oslo.

The investments are classified as "Investment in Associated Companies and joint ventures" in the Consolidated Financial Statements.

As at 30 September 2022, Storebrand Livsforsikring had NOK 8 397 million invested in Storebrand Eiendomsfond Norge KS and VIA, Oslo.

The investments are classified as "investment in associated companies and joint ventures" in the Consolidated Financial Statements

Storebrand Livsforsikring AS

NOK million	Level 1 Quoted prices	Level 2 Observable assumptions	Level 3 Non- observable assumptions	Total 30.09.2022	Total 31.12.2021
Assets					
Equities and fund units					
- Equities	29,582	177	144	29,903	38,851
- Fund units		74,269	15,385	89,655	87,834
Total equities and fund units 30.09.2022	29,582	74,446	15,529	119,558	
Total equities and fund units 31.12.2021	38,320	76,055	12,310		126,685
Total loans to customers					
- Loans to customers - corporate			127	127	
Bonds and other fixed income securities					
- Government bonds	8,997	273		9,271	9,949
- Corporate bonds		21,282	8	21,290	26,296
- Collateralised securities		857		857	1,227
- Bond funds		36,998	2,088	39,087	43,613
Total bonds and other fixed income securities 30.09.2022	8,997	59,411	2,096	70,504	
Total bonds and other fixed income securities 31.12.2021	9,667	69,975	1,443		81,086
Derivatives:					
- Interest derivatives		-433		-433	1,517
- Currency derivatives		-6,792		-6,792	-476
Total derivatives 30.09.2022		-7,226		-7,226	
- derivatives with a positive market value		2,009		2,009	2,678
- derivatives with a negative market value		-9,235		-9,235	-1,638
Total derivatives 31.12.2021		1,040			1,040

Movement level 3

NOK million	Equities	Fund units	Loans to customers	Corporate bonds	Bond funds
Book value 01.01	309	12,001	133	8	1,435
Net profit/loss	-163	4,143	-4		320
Supply/disposal		325			376
Sales/overdue/settlement	-2	-1,084			-43
Book value 30.09.2022	144	15,385	127	8	2,088

Sensitivity assessments

Sensitivity assessments of investments on level 3 are described in note 13 in the 2021 annual report. There is no significant change in sensitivity in this quarter or year to date.

The effective tax rate is influenced by the fact that the Group has operations in countries with tax rates that are different from Norway and differences from currency hedging of the Swedish subsidiary SPP. The tax rate for companies' subject to the financial tax is 25 per cent. The Storebrand Group includes companies that are both subject to and not subject to the financial tax. Therefore, when capitalising deferred tax/deferred tax assets in the consolidated financial statements, the company tax rate that applies for the individual companies is used (22 or 25 per cent).

The tax rate for companies in Sweden is 20.6 per cent, but a majority of Storebrand's business related to occupational pension is subject to a standardized return tax on the assets managed on behalf of policyholders and not company tax. The expected tax rate from Storebrand's Swedish business is therefore lower than the company tax rate.

Storebrand has hedged part of the currency risk from the investment in the Swedish subsidiaries. Gains/losses on currency derivatives are taxable/deductible, while agio/disagio on the shares in the subsidiaries falls under the exemption method. Hence, large SEK/NOK movements will affect the group tax cost.

Uncertain tax positions

The tax rules for the insurance industry have undergone changes in recent years. In some cases, Storebrand and the Norwegian Tax Administration have had different interpretations of the tax rules and associated transitional rules. As a result of this, uncertain tax positions arise in connection with the recognised tax expenses. Whether or not the uncertain tax positions have to be recognised in the financial statements is assessed in accordance with IAS 12 and IFRIC 23. Uncertain tax positions will only be recognised in the financial statements if the company considers it to be probable that the Norwegian Tax Administration's interpretation will be accepted in a court of law. Any paid tax related to the uncertain tax positions not recognised in the financial statements and is classified as receivables. Significant uncertain tax positions are described below.

- A) In 2015, Storebrand Livsforsikring AS discontinued the Norwegian subsidiary, Storebrand Eiendom Holding AS, with a tax loss of approximately NOK 6.5 billion and a corresponding increase in the tax loss carryforward. In January 2018, Storebrand Livsforsikring AS received notice of an adjustment to the tax returns for 2015 which claimed that the calculated loss was excessive but provided no further quantification. Storebrand Livsforsikring AS disagrees with the arguments that were put forward and submitted its response to the Norwegian Tax Administration on 2 March 2018. The notice was unclear, but based on the notice, a provision was made in the 2017 annual financial statements for an uncertain tax position of approximately NOK 1.6 billion related to the former booked tax loss (appears as a reduction in the loss carryforward and, in isolation, gave an associated increased tax expense for 2017 of approximately NOK 0.4 billion). In May 2019, Storebrand Livsforsikring AS received a draft decision from the Norwegian Tax Administration claiming changes in the tax return from 2015. Storebrand disagrees with the notice from the Norwegian Tax Administration and submitted its response in October 2019. In March 2021 Storebrand received a decision from the Norwegian Tax Administration based on similar grounds as the ones outlined in the draft decision. Storebrand continues to disagree with the view of the Norwegian Tax Administration in this case and has in May 2021 challenged the decision to the Norwegian Tax Appeals Committee. Storebrand considers it to be probable that Storebrand's understanding of the tax legislation will be accepted by the Tax Appeals Committee or a court of law, and thus, no additional uncertain tax position has been recognised in the financial statements based on the received decision. If the Norwegian Tax Administration's position is accepted, Storebrand estimates that a tax expense for the company of approximately NOK 1.2 billion will arise. There will also be negative effects for returns on customer assets after tax. The effects are based on best estimates and following a review with external expertise.
- B) New tax rules for life insurance and pension companies were introduced for the 2018 financial year. These rules contained transitional rules for how the companies should revalue/write-down the tax values as at 31 December 2018. In December 2018, the Norwegian Directorate of Taxes published an interpretive statement that Storebrand does not consider to be in accordance with the wording of the relevant act. When presenting the national budget for 2020 in October 2019, the Ministry of Finance proposed a clarification of the wording of the transitional rules in line with the interpretive statement from the Norwegian Directorate of Taxes. The clarification was approved by the Norwegian Parliament in December 2019. Storebrand considers there to be uncertainty regarding the value such subsequent work on a legal rule has as a source of law, and which in this instance only applies for a previous financial year. In the tax return for 2018, Storebrand Livsforsikring AS applied the wording in the original transitional rule. However, in October 2019 Storebrand

received a notice of adjustment of tax assessment in line with the interpretive statement from the Norwegian Directorate of Taxes and the clarification from the Ministry of Finance. Storebrand Livsforsikring AS disagrees with the Norwegian Tax Administration's interpretation but considers it uncertain as to whether the company's interpretation will be accepted if the case is decided by a court of law. In April 2022 Storebrand received a decision from the Norwegian Tax Administration based on similar grounds as the ones outlined in the draft decision. Storebrand continues to disagree with the view of the Norwegian Tax Administration and has challenged the decision to the Norwegian Tax Appeals Committee. The uncertain tax position has therefore been recognised in the financial statements. Based on our revised best estimate, the difference between Storebrand's interpretation and the Norwegian Tax Administration's interpretation is approximately NOK 6.4 billion in an uncertain tax position. If Storebrand's interpretation is accepted, a deferred tax expense of approximately NOK 1.6 billion will be derecognised from the financial statements.

- C) The outcome of the interpretation of tax rules for group contributions referred to above under (A) will have an impact when outcome of the interpretation of tax rules for group contributions referred to above under (A) will have an impact when calculating the effect from the transitional rules for the new tax rules referred to under point (B). An equivalent interpretation to that described under (A) has been used as a basis in the financial statements when calculating tax input values on property shares owned by customer assets for 2016 and 2017. There is thus an uncertain tax position relating to the effect from the transitional rules described in (B). The received decision in April 2022 (described under (B)) has reduced the uncertain tax position and has led to a tax income of NOK 0.6 billion being booked in Q1 2022. This effect will depend on the interpretation and outcome of (A). If Storebrand's position is accepted under (A), Storebrand will recognise an additional tax income of approximately NOK 0.2 billion if Storebrand's position under (B) is accepted. If the Norwegian Tax Administration prevails with its argument under point (A), Storebrand will recognise a tax expense of approximately NOK 0.5 billion.

Storebrand has reviewed the uncertain tax positions as part of the reporting process. The review has not reduced the company's assessment of the probability that Storebrand's interpretation will be accepted in a court of law. The timeline for the continued process with the Norwegian Tax Appeals Committee is unclear, but if necessary, Storebrand will seek clarification from the court of law for the aforementioned uncertain tax positions.

Note 9 | Contingent liabilities

NOK million	Storebrand Livsforsikring group		Storebrand Livsforsikring AS	
	30.09.22	31.12.21	30.09.22	31.12.21
Uncalled residual liabilities limited partnership	4,179	4,870	3,680	4,469
Uncalled residual liabilities in alternative investment funds	10,690	10,093	8,522	7,843
Total contingent liabilities	14,869	14,963	12,202	12,312

Guarantees essentially encompass payment and contract guarantees.

Unused credit facilities encompass granted and any unused credit accounts and credit cards, as well as, any unused flexible mortgage facilities.

Storebrand Group companies are engaged in extensive activities in Norway and abroad, and are subject for client complaints and may become a party in legal disputes, see also note 2 and note 44 in the 2021 annual report.

Note 10 | Solvency II

Storebrand Livsforsikring is an insurance company with capital requirements in accordance with Solvency II.

The calculations below are for Storebrand Livsforsikring AS when Storebrand Livsforsikring Group no longer entitled to report solvency. The requirement on consolidated level only applies to Storebrand Group.

The solvency capital requirement and minimum capital requirement are calculated in accordance with Section 46 (1) – (3) of the Solvency II Regulations using the standard method.

Solvency capital

NOK mill	30.09.22					31.12.21
	Total	Group 1 unlimited	Group 1 limited	Group 2	Group 3	Total
Share capital	3,540	3,540				3,540
Share premium	9,711	9,711				9,711
Reconciliation reserve	14,287	14,287				19,884
Counting subordinated loans ¹⁾	10,032		1,934	8,098		10,860
Risk equalisation reserve	752			752		547
Expected dividend/group distributions	-1,270	-1,270				
Total solvency capital	37,408	26,268	1,934	8,850	356	42,121
Total solvency capital available to cover the minimum capital requirement	29,434	26,268	1,934	1,232		34,161

¹⁾ Excluding subordinated loan of NOK 883 million with call in November 2022.

Solvency capital requirement and margin

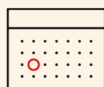
NOK mill	30.09.22	31.12.21
Market	19,550	20,424
Counterparty	684	620
Life	6,627	7,266
Health	673	635
Operational	988	1,067
Diversification	-4,956	-5,228
Loss-absorbing tax effect	-4,965	-5,125
Total solvency requirement	18,602	19,659
Solvency margin	201%	214%
Minimum capital requirement	6,159	7,218
Minimum margin	478%	473%

Information about related parties

Storebrand conducts transactions with related parties as part of its normal business activities. These transactions take place on commercial terms. The terms for transactions with management and related parties are stipulated in notes 24 and 46 in the 2021 annual report.

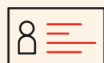
Storebrand Livsforsikring has not carried out any material transactions other than normal business transactions with related parties during 2022, other than Storebrand Livsforsikring AS having acquired mortgages from the sister company Storebrand Bank ASA. The mortgages were transferred on commercial terms. Storebrand Livsforsikring transfers loans back to Storebrand Bank when mortgages are renegotiated or terminated. The total portfolio of loans bought as of 30th September 2022 is NOK 17,2 billion, net changes of NOK 3,2 billion year to date. Storebrand Livsforsikring AS pays management fees to Storebrand Bank ASA for management of the portfolios, the expense in the 3rd quarter is NOK 17,1 million, and 63,8 million year to date.

Financial calendar



8 February 2023 Results Q4 2022

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