

A photograph of a man with dark, curly hair and a beard, wearing a dark blue t-shirt, holding a sleeping baby. The man has his eyes closed and a gentle smile, resting his head against the baby. The baby is wearing a light-colored, patterned onesie. The background is a plain, light-colored wall.

Länsförsäkringar AB

Solvency and financial condition of
the insurance operations

2023



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Insurance operations at group level



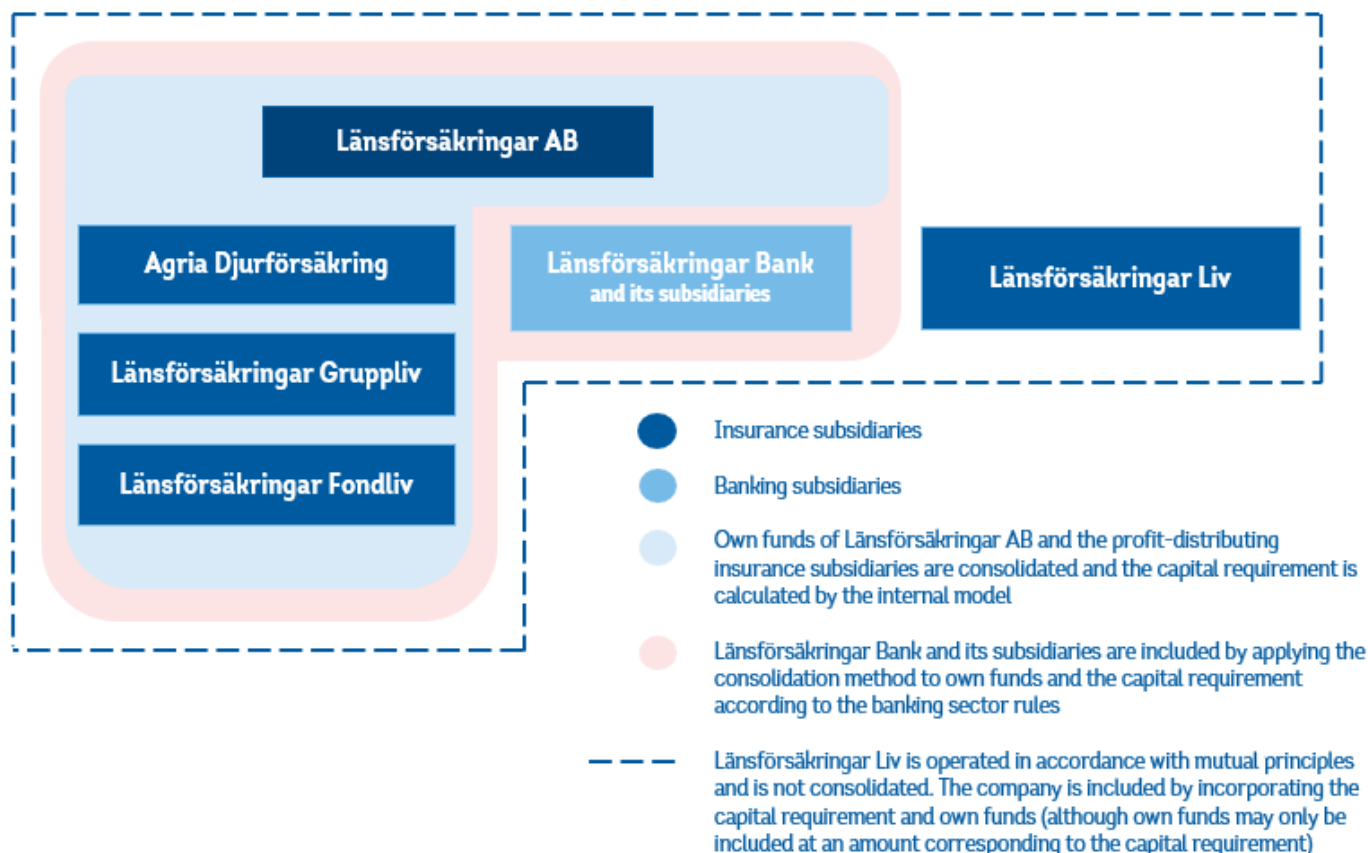


Introduction

Länsförsäkringar Liv is a subsidiary of Länsförsäkringar AB and is operated according to mutual principles. This means that the policyholders of Länsförsäkringar Liv have the right to receive any surplus in the operations while at the same time bearing the risk for any deficit. Länsförsäkringar Liv's capital requirement is included in the capital requirement at group level, but for own funds only an amount corresponding to the capital requirement is included in own funds at group level since the surplus capital in Länsförsäkringar Liv cannot be distributed to the Parent Company Länsförsäkringar AB. Länsförsäkringar Liv is also treated differently than the profit-distributing insurance subsidiaries in certain other respects because the company is operated according to mutual principles. The group reporting to be submitted must include information on Länsförsäkringar Liv in certain specifications. Each section of this report states whether or not the information on Länsförsäkringar Liv is included. The differences between how Länsförsäkringar Liv is included in the group under the solvency rules of the Swedish Insurance Business Act (IBA) are highly significant compared with the rules for the financial statements. Länsförsäkringar Liv is not consolidated in the Annual Report for the Länsförsäkringar AB Group. The value of the shares is recognised at an amount corresponding to the company's share capital.

The IBA's rules on groups include, in a certain sense, credit institutions. For Länsförsäkringar AB, this means, for example, that the IBA's solvency rules for groups stipulate that the capital position of Länsförsäkringar Bank and its subsidiaries is to be included in own funds and the capital requirement at group level. This is to take place by applying the rules on own funds and capital requirement for credit institutions. Länsförsäkringar Bank and its subsidiaries is included in the group under the IBA's rules on solvency by what is referred to in the Act as a "consolidation method" but which does not entail full consolidation of the Länsförsäkringar Bank Group's assets and liabilities. In this way, the concept of "group" in the IBA and in the Solvency II balance sheet at group level differ in significant respects from the consolidation of both the insurance operations and the banking operations that takes place in the Annual Report for the Länsförsäkringar AB Group.

Figure 1. Länsförsäkringar AB's insurance operations at group level



Accordingly, there are material differences between the concept of “group” in the IBA and the concept of “Group” in the Swedish Annual Accounts Act. The term “group” is used henceforth in this report for the group of companies that is encompassed by the IBA’s rules on groups.

It is also the case that the group featuring Länsförsäkringar AB as the Parent Company that is encompassed by the IBA’s rules for groups consists of the same companies as those included in the Länsförsäkringar AB Group under the accounting regulations. The operational governance of the companies in the Länsförsäkringar AB Group is adapted to meet both the IBA’s rules on groups and the rules on groups found in legislation for banks and credit institutions. Consequently, it is sometimes appropriate for descriptions of the insurance operations at group level here to use the term “the Länsförsäkringar AB Group,” which thus means the same companies as those included under the IBA’s concept of group.

Note to the reader



This Solvency and Financial Condition Report (SFCR) contains information about the insurance operations conducted within the Länsförsäkringar AB Group. The Report encompasses Länsförsäkringar AB and its subsidiaries at group level, and each individual insurance subsidiary of Länsförsäkringar AB. Accordingly, the Report is written as a single, joint SFCR. The Report has been prepared in accordance with the public disclosure requirements for a solvency and operations report in the Swedish Insurance Business Act (2010:2043)¹, the Commission Delegated Regulation² and EIOPA’s guidelines³.

The Swedish version of the SFCR includes all of the insurance subsidiaries. This English version includes the insurance operations at group level and Agria Djurförsäkring since Agria conducts insurance operations outside Sweden. All of the insurance operations are described at group level first, followed by Agria.

¹ https://www.riksdagen.se/sv/dokument-lagar/dokument/svensk-forfattningssamling/forsakringsrorelselag-20102043_sfs-2010-2043

² <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AL%3A2015%3A012%3ATOC>

³ <https://eiopa.europa.eu/publications/eiopa-guidelines/guidelines-on-reporting-and-public-disclosure>



Summary

Länsförsäkringar AB and its subsidiaries are commissioned by the regional insurance companies to conduct joint banking, non-life insurance, pension and life-assurance operations, strategic development activities and to provide service in areas that generate economies of scale and efficiency. All to create conditions for the regional insurance companies to develop the offering close to their customers.

The Parent Company Länsförsäkringar AB conducts mainly personal risk insurance, some motor, cargo, liability and property insurance as well as underwrites a well-diversified portfolio in internationally assumed reinsurance. Länsförsäkringar AB also manages the Länsförsäkringar Alliance's total reinsurance cover. Agria Djurförsäkring ("Agria") is the Länsförsäkringar Alliance's specialist company for pet and crop insurance. Länsförsäkringar Gruppliv underwrites group life assurance cover and occupational group life insurance. Länsförsäkringar Fondliv underwrites life assurance and pension savings primarily with fund management and a smaller portion of guarantee management.

The technical result for the group amounted to SEK 1,398 M (1,563). The technical result for the Parent Company Länsförsäkringar AB was SEK 288 M (217). The improvement in earnings was mainly due strong sales in personal risk and commercial insurance. Agria's technical result amounted to SEK 239 M (523). The economic situation in Europe is challenging, with fewer people choosing to have a pet. Registrations of new puppies fell in 2023, while claims costs increased as a result of higher inflation. The portfolio continued to grow strongly in the international business. Länsförsäkringar Fondliv's technical result amounted to SEK 959 M (758). The change in result was mainly due to the technical result including higher yield tax, which is included in technical revenue, than in the previous year. Länsförsäkringar Gruppliv's technical result increased to SEK 90 M (64), due to higher investment income.

The group's business activities are primarily conducted in Sweden. Agria also conducts operations in Denmark, Finland, France, Ireland, the Netherlands, Norway, the UK and Germany.

The group's investment return excluding Länsförsäkringar Liv increased to 5.8% (-3.3). Equities performed strongly during the year, contributing 3.5 percentage points (-2.6). Properties made a negative contribution of -0.7 of a percentage point (0.1). Alternative investments contributed 0.4 of a percentage point (0.5), with the largest contribution from forestry. The fixed-income portfolio contributed 2.7 percentage points (-1.3), mainly from Swedish interest rates.

About the Länsförsäkringar Alliance

Länsförsäkringar comprises 23 local and customer-owned regional insurance companies and the jointly owned Länsförsäkringar AB and its subsidiaries. Customers are provided with a complete offering of banking, insurance, pension and real-estate brokerage services through the regional insurance companies. The regional insurance companies are owned by the insurance customers. There are no external shareholders, and meeting customer needs and requirements is always the primary task. The Länsförsäkringar Alliance has 3.9 million customers and 8,700 employees.

Through its distinct role in the Länsförsäkringar Alliance's value chain, Länsförsäkringar AB contributes to increasing competitiveness and reducing costs for joint development. In turn, this creates possibilities for the regional insurance companies to be successful in their respective markets. The Länsförsäkringar AB Group comprises the Parent Company Länsförsäkringar AB, the subsidiaries Agria Djurförsäkring, Länsförsäkringar Gruppliv, Länsförsäkringar Fondliv, Länsförsäkringar Liv and Länsförsäkringar Bank as well as the subsidiaries of these companies. Länsförsäkringar Liv and its subsidiaries are not consolidated in the Group since the company is operated according to mutual principles.

Own funds

SEK **62,634** M

Capital requirements

SEK **46,066**

The future trend in the Länsförsäkringar AB Group's earnings is closely linked to the drivers and trends in the business environment that affect future customer requirements and thereby the Group's operations, business model and development needs. Rapid technological advances are creating new banking and insurance solutions and presenting new business opportunities. Continuous development is needed to ensure lasting competitiveness.

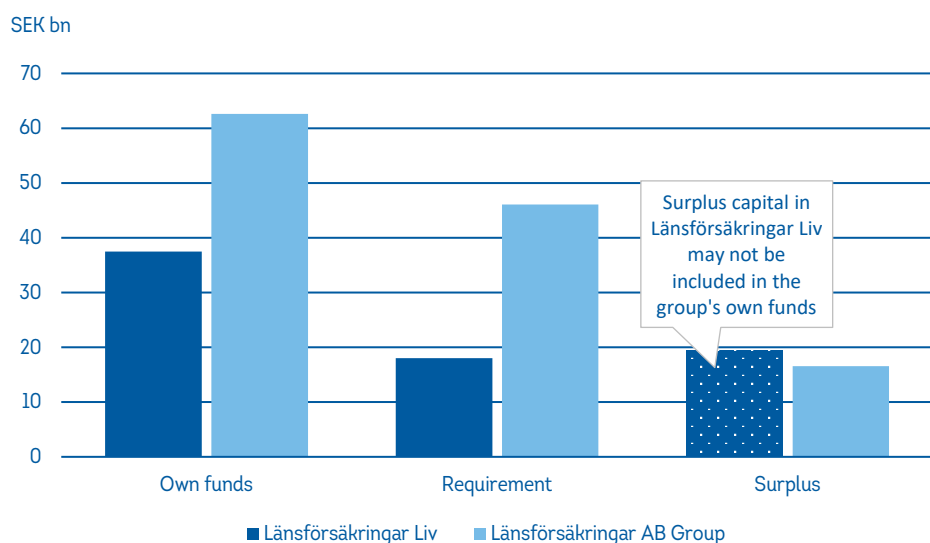
Sustainability is a fundamental element of future developments, and has played a part in Länsförsäkringar's operations since the very beginning when the first regional insurance company was founded more than 200 years ago. Länsförsäkringar's products and services must not only strengthen the business but must also contribute to the sustainable development of society. The Länsförsäkringar AB Group will continue to pursue its climate-smart vision with the climate target for the operations to become climate-positive by 2045.

Länsförsäkringar AB and its subsidiaries have a healthy financial position. Financial strength is primarily measured by comparing own funds with the solvency capital requirement. The comparison shows the group's ability to fulfil its commitments to policyholders and other creditors even when the group's financial position is very highly stressed. Own funds at group level are by law to be higher than the solvency capital requirement at group level.

The Länsförsäkringar AB Group calculates the solvency capital requirement by using a partial internal model at group level and at solo level for Länsförsäkringar AB, Länsförsäkringar Fondliv, Agria and Länsförsäkringar Liv. A standard formula is used at solo level for Länsförsäkringar Gruppliv. At group level, the capital requirement is also included for Länsförsäkringar Bank, calculated in accordance with applicable capital requirement rules for banks and credit institutions.

Own funds at group level amounted to SEK 62.6 billion at year-end and comprise Tier 1 capital. The capital requirement amounted to SEK 46.1 billion, which exceeds the regulatory requirement by a healthy margin and represents surplus capital of SEK 16.6 billion. Länsförsäkringar Liv is included in the calculation of own funds and the capital requirement, but excluding its surplus capital. Länsförsäkringar Liv's surplus capital amounted to SEK 19.4 billion at year-end.

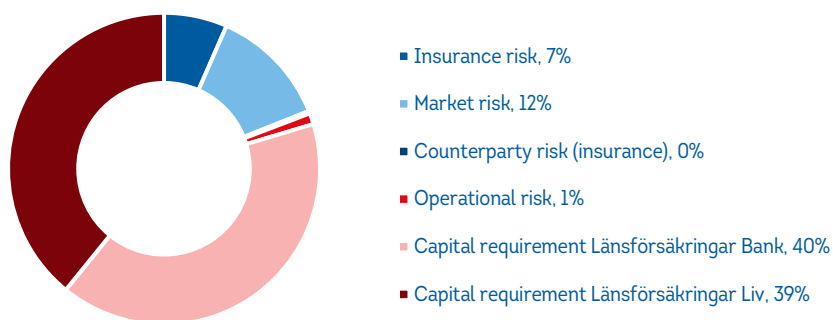
Figure 2. Own funds and capital requirement for Länsförsäkringar AB and its subsidiaries, 31 Dec 2023



Surplus capital at group level decreased by SEK 0.7 billion year-on-year. Own funds increased during the year by SEK 3.5 billion, which was mainly due to higher own funds in Länsförsäkringar Liv combined with subordinated debt issued by Länsförsäkringar Bank. The capital requirement increased SEK 4.2 billion during the year, mainly due to a higher capital requirement for Länsförsäkringar Bank and Länsförsäkringar Liv.

The risk profile for Länsförsäkringar AB and its subsidiaries at group level is dominated by the market risk in the traditional life-assurance and unit-linked insurance operations as well as the banking operations' credit risk from lending. The life-assurance and unit-linked insurance operations also bring life-assurance risk, while the non-life insurance risk deriving from the non-life insurance operations is moderate after applying reinsurance. Operational risks, such as security risks, cyber risks and IT risks have increasingly become focal points as have risks associated with money laundering and the financing of terrorism. Climate risk is a relatively new type of risk that has been added to the risk profile and the emergence of new types of risk, emerging risks, is continuously monitored. The relative distribution of Länsförsäkringar AB's solvency capital requirement under the insurance rules for groups is illustrated below. The risk profile also includes risks that are not subject to solvency capital requirements.

Figure 3: Länsförsäkringar AB Group's capital requirement under the insurance rules for groups, 31 Dec 2023



In calculating the solvency capital requirement, the company's assets and liabilities are valued for solvency purposes, which differs from the financial statements. Under the Solvency II regulations, assets and liabilities are to be measured at market value, which entails that the company is to make certain revaluations. In the group's case, the valuation resulted in a reduction in both the assets and liabilities. This is attributable to the separate valuations of the subsidiaries.

Länsförsäkringar AB's Board assumes the overall responsibility for the organisation and administration of the company and the Group and for assessing and making decisions on issues of material significance and of an overall nature relating to the company's and the Group's operations. The Board appoints the President and CEO, adopts an appropriate operating organisation as well as the goals and strategies of the operations, and ensures that efficient systems are in place for internal control and risk management. The Board has established a Risk and Capital Committee, an Audit Committee, a Non-life Insurance Committee and a Remuneration Committee. These Committees do not generally have any decision-making mandates, and instead support the Board and prepare decisions in their relevant areas. The President and CEO of Länsförsäkringar AB is responsible under the Swedish Companies Act for the daily management and operations of Länsförsäkringar AB. As the CEO of the Länsförsäkringar AB Group, the President assumes the same responsibility for the Group. Länsförsäkringar AB's Group management comprises the Presidents and heads of the various business units.

A Group-wide corporate-governance system, with an internal-governance and -control system that includes a risk-management system and regulatory compliance, has been established in the Länsförsäkringar AB Group. The risk-management system includes a Group-wide *Own Risk and Solvency Assessment (ORSA)*, the overall aim of which is to ensure that own funds are and remain sufficient for bearing the risks associated with realising the business plan. Internal control aims to ensure that the organisation is efficient and fit for its purpose, that operations are conducted in accordance with decided strategies in order to achieve established targets, that financial accounting and reporting are reliable, that information systems are managed and operated efficiently and that there is a strong capability to identify, measure, monitor and manage risks as well as full regulatory compliance. Länsförsäkringar AB made changes to the operating organisation during the year. Otherwise, no material changes were made to the corporate governance system.

A. Operations and earnings

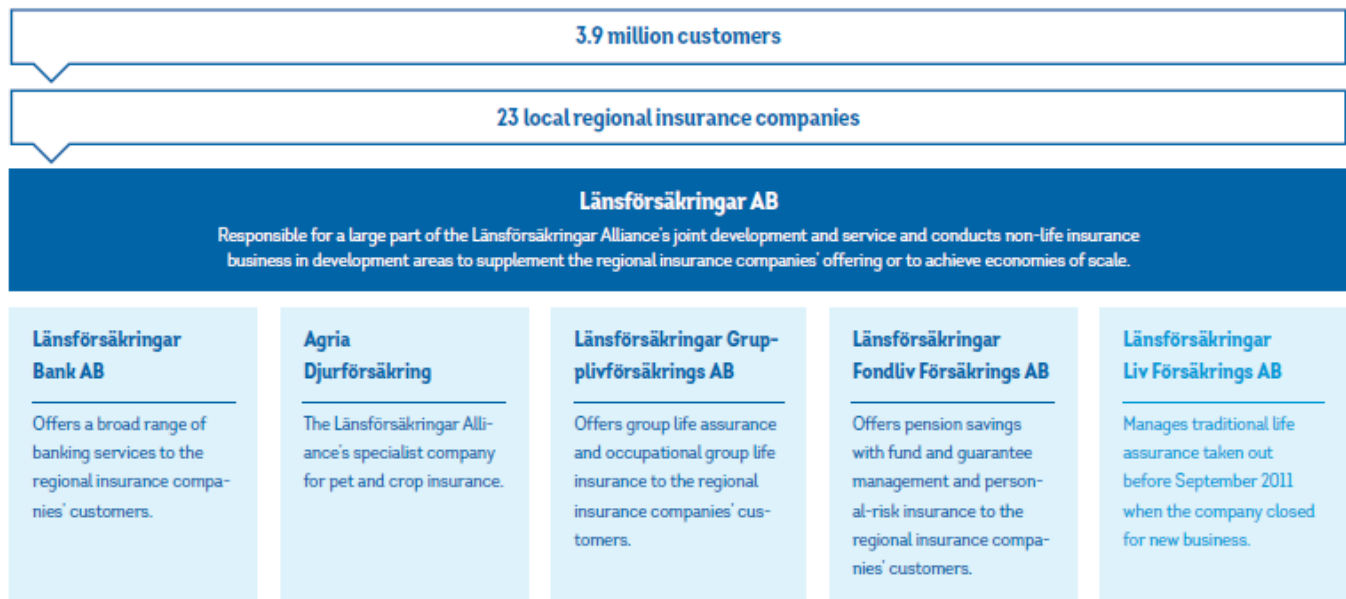
A.1 Operations

A.1.1 About Länsförsäkringar AB

Ownership structure

Länsförsäkringar AB is wholly owned by the 23 customer-owned regional insurance companies, together with 14 local insurance companies. The regional insurance companies and the Länsförsäkringar AB Group jointly comprise the Länsförsäkringar Alliance. The Länsförsäkringar AB Group comprises the Parent Company Länsförsäkringar AB with a number of directly and indirectly owned subsidiaries, as described below. The business operations of the Länsförsäkringar AB Group are those deemed by the Länsförsäkringar Alliance as best suited to be run jointly. Most of the Länsförsäkringar Alliance's development and service operations are coordinated with Länsförsäkringar AB, with shared priorities.

Figure A1(1): Ownership structure of Länsförsäkringar AB Group, 31 Dec 2023



Regional insurance companies' participating interests in Länsförsäkringar AB

Table AI(1): Regional insurance companies' participating interests in Länsförsäkringar AB, 31 Dec 2023

Shareholdings in Länsförsäkringar AB	Number of shares*			Share of equity, %
	A	B	C	
Länsförsäkringar Skåne	141,849	882,046	-	9.8
Länsförsäkringar Stockholm	129,212	802,382	-	8.9
Länsförsäkringar Östgöta	114,155	663,463	-	7.5
Dalarnas Försäkringsbolag	104,708	609,639	-	6.9
Länsförsäkringar Göteborg och Bohuslän	87,010	605,143	821	6.6
Länsförsäkringar Älvsborg	100,176	581,374	-	6.5
Länsförsäkringar Bergslagen	86,351	495,089	-	5.6
Länsförsäkringar Jönköping	82,812	474,021	-	5.3
Länsförsäkringar Uppsala	73,298	424,791	-	4.8
Länsförsäkringar Västerbotten	57,195	330,919	-	3.7
Länsförsäkringar Halland	56,785	329,857	-	3.7
Länsförsäkringar Södermanland	58,117	323,139	-	3.7
Länsförsäkringar Göinge-Kristianstad	49,982	322,347	-	3.6
Länsförsäkringar Kalmar län	56,717	295,878	-	3.4
Länsförsäkringar Gävleborg	60,058	281,083	-	3.3
Länsförsäkringar Skaraborg	64,058	253,172	-	3
Länsförsäkringar Västernorrland	50,186	257,122	-	2.9
Länsförsäkringar Jämtland	35,795	226,453	-	2.5
Länsförsäkring Kronoberg	36,701	203,130	-	2.3
Länsförsäkringar Värmland	31,160	202,208	-	2.2
LF Norrbotten	16,960	127,878	-	1.4
Länsförsäkringar Blekinge	23,088	120,500	-	1.4
Länsförsäkringar Gotland	16,305	74,315	-	0.9
14 local insurance companies	-	-	5,134	0
Total number of shares	1,532,678	8,885,949	5,955	100

* Class A shares carry ten votes and Class B and C shares carry one vote.

Affiliated companies and branches

Länsförsäkringar AB (publ) 502010-9681

Wholly owned subsidiaries, including branches, of Länsförsäkringar AB (publ)

- *Försäkringsaktiebolaget Agria (publ), 516401-8003*
 - Agria Dyreforsikring in Denmark, branch
 - Försäkringsaktiebolaget Agria (publ), branch in Finland
 - Agria Dyreforsikring in Norway, branch
 - Försäkringsaktiebolaget Agria (publ), branch in France
 - Agria Forsakring in the UK, branch
 - Försäkringsaktiebolaget Agria (publ), branch in Germany
 - Försäkringsaktiebolaget Agria (publ), branch in Ireland
- Agria Pet Insurance Ltd, Company nr 4258783, Aylesbury (wholly owned subsidiary of Agria)
- Capstone Financial Services Ltd, Company nr 451193, Cork, Ireland (wholly owned subsidiary of Agria)
- Agria Vet Guide AB, 559132-0451 (wholly owned subsidiary of Agria)
- *Länsförsäkringar Grupplivförsäkrings AB, 516401-6692*
- *LF Sak Fastighets AB, 556683-6416*
- *Länsförsäkringar Fondliu Försäkrings AB (publ), 516401-8219*
- *Länsförsäkringar Bank AB (publ), 516401-9878*

- Länsförsäkringar Fondförvaltning AB (publ), 556364-2783 (wholly owned subsidiary of Länsförsäkringar Bank)
- Länsförsäkringar Hypotek AB (publ), 556244-1781 (wholly owned subsidiary of Länsförsäkringar Bank)
- Wasa Kredit AB, 556311-9204 (wholly owned subsidiary of Länsförsäkringar Bank)
- *Länsförsäkringar Liv Försäkrings AB (publ), 516401-6627*
- Länsförsäkringar Komplement AB, 556660-1257 (wholly owned subsidiary of Länsförsäkringar Liv)

Refer also to the quantitative reporting template (referred to below as "QRT") s.32.01.22 in Appendix 1 for more detailed information about the companies included in the group.

Consolidation methods for calculations at group level

The Swedish Financial Supervisory Authority (Finansinspektionen, FSA) has granted permission for Länsförsäkringar AB's subsidiary Länsförsäkringar Liv, which is operated according to mutual principles, to be included in the group calculations using the deduction and aggregation method, method 2 according to Article 233 of Directive 2009/138/EC. This entails that the company's solvency situation in the group calculation is handled differently to other companies in the group. The other companies in the group are included in the calculations using a consolidation method, method 1 according to Article 230 of Directive 2009/138/EC. Subsidiaries in the other financial sector, Länsförsäkringar Bank and its subsidiaries, are consolidated by applying method 1 according to Article 335 (e) of Commission Delegated Regulation (EU) 2015/35.

Financial supervision and external auditors

The FSA is the home supervisory authority in Sweden that is responsible for the financial supervision under the insurance-operation rules of the Länsförsäkringar AB Group and all of the insurance companies (solo companies) included in the Länsförsäkringar AB Group.

Finansinspektionen: www.fi.se

Postal address: Finansinspektionen, Box 7821, SE-103 97 Stockholm, Sweden

Street address: Brunnsgränd 3A, SE-11 38 Stockholm, Sweden

External auditors

Länsförsäkringar AB: Patrick Honeth, Deloitte AB

Försäkringsaktiebolaget Agria: Petter Hildingson, Deloitte AB

Agria Vet Guide AB: Petter Hildingson, Deloitte AB

Länsförsäkringar Grupplivförsäkrings AB: Henrik Nilsson, Deloitte AB

Länsförsäkringar Fondliv Försäkrings AB: Henrik Nilsson, Deloitte AB

Länsförsäkringar Liv Försäkrings AB: Henrik Nilsson, Deloitte AB

Länsförsäkringar Bank AB: Patrick Honeth, Deloitte AB

Länsförsäkringar Fondförvaltning AB: Patrick Honeth, Deloitte AB

Länsförsäkringar Hypotek AB: Patrick Honeth, Deloitte AB

Wasa Kredit AB: Patrick Honeth, Deloitte AB

Contact information for external auditors:

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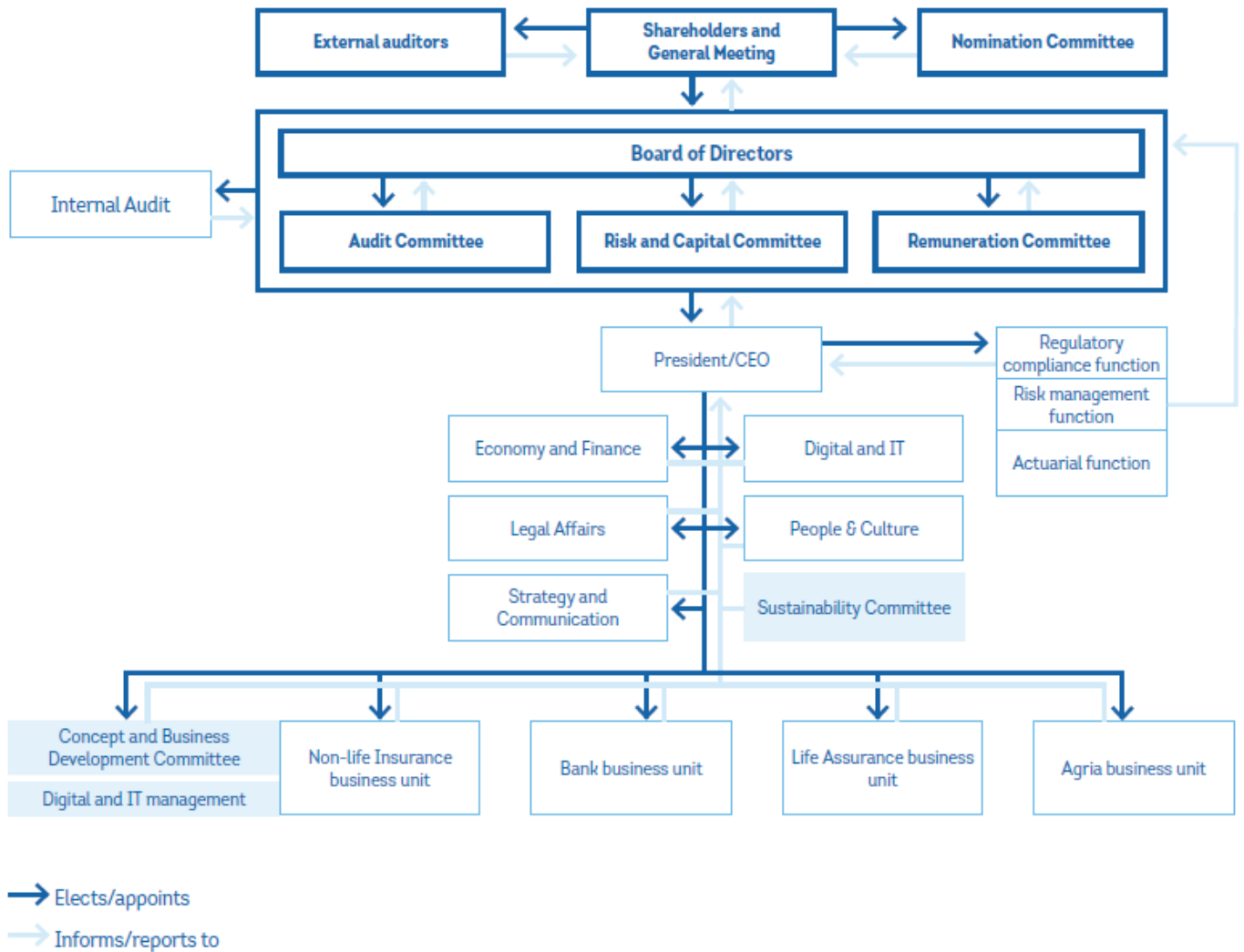
Organisation

The Board of Länsförsäkringar AB establishes an operating organisation for the Länsförsäkringar AB Group with an appropriate and transparent organisational structure, a clear distribution of responsibilities and duties between the various company bodies and decision-makers of the company and the Group, and clear decision and reporting procedures. An internal-control system is integrated into the operational organisation, including a regulatory-compliance system and a risk-management system. Economies of scale, for example, are guaranteed within the framework of the organisation via Group-wide functions and out-sourced operations, continuity management and contingency plans, efficient systems for reporting and transferring information, information security, management of conflicts of interest and ensuring that Board members and employees are suited to their tasks.

The operating organisation ensures that systems, resources and procedures are in place that are suitable for conducting the business activities in accordance with applicable regulations. The responsibilities and duties in the operating organisation are clearly stipulated to ensure a distribution of responsibilities, that important duties are performed and that double work is avoided. Work methods and processes are efficient and based on established responsibilities. The operating organisation was changed in 2023 according to figure A1(2), refer also to section *B.1.3 Material changes to the corporate governance system*.

Figure A1(2): Länsförsäkringar AB Group's operating organisation, 31 December 2023

Länsförsäkringar AB's governance structure



Group-wide functions and outsourced operations

The distribution of work in the Länsförsäkringar AB Group is a key tool for achieving economies of scale in terms of both finance and expertise. It is also a method of implementing effective and proactive governance within the Länsförsäkringar AB Group. The operational organisation, with the business activities conducted in the business units and Group-wide functions in the Parent Company, was established based on this approach.

Outsourcing operations to external parties is also a key tool for achieving economies of scale in terms of both finance and expertise. Outsourcing takes place in both Länsförsäkringar AB and in the subsidiaries.

Operations by geographic area and insurance lines

The following table illustrates the group's operations specified by geographic area and insurance lines.

Table A1(2): Operations per geographic area, 31 Dec 2023

	Länsförsäkringar AB	Agria	Länsförsäkringar Gruppliv	Länsförsäkringar Fondliv	Länsförsäkringar Liv
Sweden	√	√	√	√	√
Denmark		√			
Finland		√			
France		√			
Ireland		√			
Netherlands		√			
Norway		√			
UK		√			
Germany		√			

Table A1(3): Operations per insurance line, 31 Dec 2023

	Länsförsäkringar AB	Agria	Länsförsäkringar Gruppliv	Länsförsäkringar Fondliv	Länsförsäkringar Liv
Non-life insurance operations					
Health care	√				
Accident and health	√				
Motor	√				
Motor third-party liability	√				
Marine, air and cargo	√				
Commercial	√				
Property, other property*		√			
Liability	√				
Legal expenses	√				
Credit and guarantees	√				
Direct insurance, foreign risks	√	√			
Assumed reinsurance	√	√			
Life-assurance operations					
Unit-linked insurance				√	
Defined-contribution traditional insurance				√	√
Premium exemption				√	√
Accident and health insurance				√	
Health insurance					√
Invalidity benefit insurance and health					√
Group life assurance			√		

* Comprises pet and crop insurance in Agria.

Significant business events during the reporting period

Jonas Ekegren took office as the CFO of Länsförsäkringar AB on 21 February 2023.

On 1 April 2023, Sara Rindevall took office as President of Länsförsäkringar Fondliv.

On 1 October 2023, Länsförsäkringar became an ITP pension manager, meaning that privately employed salaried employees can now choose Länsförsäkringar as the manager of their collective occupational pension.

A.1.2 Internal transactions

Transactions between Group companies are of both a non-recurring nature and take place on a continuous basis.

Non-recurring transactions comprise the acquisition and divestment of assets and similar transactions. These are limited in scope. Non-recurring transactions are based on written agreements and their scope complies with market standards and terms.

Transactions of a continuous nature include goods and services provided within the Länsförsäkringar AB Group and to the regional insurance companies for carrying out development projects and service. Transactions of this nature are to follow established routines as below.

Pricing for service and development activities within the Länsförsäkringar Alliance is based on direct and indirect costs according to use or consumption.

Refer also to section *B.1.5 Material transactions between shareholders, persons with significant influence in the company and members of the administration, management or supervisory body.*

The business operations of the Länsförsäkringar AB Group excluding Länsförsäkringar Liv are conducted for profit-making purposes to enable Länsförsäkringar AB to distribute returns through value growth and dividends to the regional insurance companies, whose profits in turn accrue to the non-life insurance collective. For Länsförsäkringar Liv's operations, conducted in mutual form, customers are entitled to the surplus that is generated, which is why the company does not pay dividends.

Transfers of capital within the Länsförsäkringar AB Group are regulated in internal policies and primarily take place in the form of Group contributions, dividends and capital contributions. Subsidiaries in the Group pay dividends to the Parent Company if the company's capital strength is considered to exceed set medium-term targets and the amount of the dividend is determined so that the actual capitalisation level after payments of dividends is at the set target level. Target levels for the company's capital strength are established under the framework of the Group-wide Own Risk and Solvency Assessment (ORSA) and are approved by the Board of each company.

The following table shows the significant internal transactions conducted between subsidiaries and Parent Companies in the Länsförsäkringar AB Group in 2023 regarding capital transfers.

Table AI(4): Significant internal transactions

TSEK	2023	Balance at end of reporting period
Agria's dividends to Länsförsäkringar AB	250,000	-
Länsförsäkringar Gruppliv's dividends to Länsförsäkringar AB	35,000	-
Länsförsäkringar Bank's Group contributions to Länsförsäkringar AB	200,000	200,000
Länsförsäkringar Bank's dividends to Länsförsäkringar AB	81,164	-
Länsförsäkringar Hypotek's Group contributions to Länsförsäkringar Bank	200,000	200,000
Länsförsäkringar Fondliv's dividends to Länsförsäkringar AB	360,000	-
Länsförsäkringar Fondförvaltning's distribution remunerations to Länsförsäkringar Fondliv	652,651	-

A.2 Technical result

The following section provides commentary on the technical result for the Länsförsäkringar AB Group excluding Länsförsäkringar Liv and Länsförsäkringar Bank. More detailed information on Länsförsäkringar Liv's technical result is provided in the company's solo report. For information about earnings deriving from Länsförsäkringar Bank, refer to section A.4 *Earnings from other operations*. For information about the support and service operations conducted in Länsförsäkringar AB, refer to section A.4 *Earnings from other operations* in that company's solo report.

A.2.1 Technical result during reporting period

Performance analysis

The technical result for the group amounted to TSEK 1,397,716 (1,562,641), with the largest contribution from unit-linked insurance in Länsförsäkringar Fondliv (TSEK 822,384) and Motor, Commercial and Reinsurance in the Parent Company (TSEK 287,651).

The technical result for the Parent Company Länsförsäkringar AB was TSEK 287,651 (216,926). The improvement in earnings was mainly due strong sales in personal risk and commercial insurance.

Agria's technical result was TSEK 238,720 (522,738). The economic situation in Europe is challenging, with fewer people choosing to have a pet. Registrations of new puppies fell in 2023, while claims costs increased as a result of higher inflation. The portfolio continued to grow strongly in the international business.

Länsförsäkringar Gruppliv's technical result increased to TSEK 89,792 (64,404). The change was mainly attributable to higher investment income compared with last year. Operating expenses increased as a result of adjustments to regulatory requirements. The company's portfolio of life assurance is relatively small and a natural variation in mortality can therefore result in variations in the claims outcome between years.

Länsförsäkringar Fondliv's technical result was TSEK 958,553 (758,474). The change in result was mainly due to the technical result including higher yield tax, which is included in technical revenue, than in the previous year. Länsförsäkringar Fondliv's profit after tax amounted to TSEK 535,386 (557,119). The lower profit was mainly due to increased sales remuneration and investments for growth.

The following table show the technical result per material insurance line, according to IFRS, for the group.

Table A2(1): Technical result per insurance line

TSEK	2023	2022
Non-life insurance operations		
Accident and health	158,884	115,904
Health care	-96,840	-13,385
Commercial	30,423	24,873
Liability	118,049	19,752
Motor third-party liability	-25,515	-32,328
Motor	-58,037	-9,682
Marine, air and cargo	14,423	8,846
Direct insurance, foreign risks	96,930	172,773
Total assumed reinsurance	141,035	109,625
Other property	111,048	352,502
Other insurance classes	1,971	-9,117
Total technical result, non-life insurance operations	492,371	739,763
Life-assurance operations		
Unit-linked insurance	822,384	771,228
Defined-contribution traditional insurance	13,864	9,882
Premium exemption	-28,976	-37,177
Accident and health insurance	8,280	14,541
Group life assurance	89,792	64,404
Total technical result, life-assurance operations	905,345	822,878
Total technical result	1,397,716	1,562,641

Technical result per material geographic area

The group's business activities are primarily conducted in Sweden. Agria also conducts operations in Denmark, Finland, France, Ireland, the Netherlands, Norway, the UK and Germany. Only Agria conducts operations in branches outside the home country of Sweden.

Growth was strong in the international operations, particularly in the UK and Norway. The UK delivered strongly positive earnings, and the earnings in Norway made a clear improvement. Earnings also improved in Denmark and Finland.

Investments continue to be made in building up new markets. The Irish business has been gradually incorporated into Agria following the acquisition of Capstone last year.

For an analysis of the results of each operation, refer to the solo reports for the companies included in the Group, which are found after the group-level report. Refer also to the QRT form s.05.01.02 and s.05.02.04 in Appendix 1 for information about income and expenses per line of business in accordance with Solvency II and geographic area.

The following table presents the technical result per material geographic area.

Table A2(2): Technical result per material geographic area

TSEK	2023	2022
Home country (Sweden)	1,300,184	1,392,306
Denmark	5,785	15,808
Finland	-16,582	-16,762
France	-36,146	-37,895
Norway	98,374	114,867
UK	120,333	153,887
Germany	-61,286	-60,615
Ireland	-12,947	1,045
Total technical result	1,397,716	1,562,641

A.3 Investment performance

The following section provides commentary on the earnings from investments for the Länsförsäkringar AB Group excluding Länsförsäkringar Liv and Länsförsäkringar Bank. More detailed information on Länsförsäkringar Liv's investment performance is provided in the company's solo report.

A.3.1 Income and expenses per class of asset

The Länsförsäkringar AB Group's investment return attributable to the insurance operations' and Parent Company's assets increased to 5.8% (-3.3) due to a positive market trend.

Equities performed strongly during the year, contributing 3.5 percentage points (-2.6). Properties made a negative contribution of -0.7 of a percentage point (0.1). Alternative investments contributed 0.4 of a percentage point (0.5), with the largest contribution from forestry. The fixed-income portfolio contributed 2.7 percentage points (-1.3), mainly from Swedish interest rates.

Investment income recognised in profit or loss includes expenses for other financial expenses and revaluations of the annuity reserve and are not included in the recognised investment return ratio.

Investment income per class of asset as recognised in the financial statements is presented below, with comments on the relationship with the recognised return of 5.8% (-3.3).

Table A3(1): Income and expenses per class of asset

Class of asset 2023 (TSEK)	Income	Expenses	Earnings
Shares and participations	705,872	-116,669	589,203
Bonds and other interest-bearing securities, and bank balances	571,886	-41,284	530,602
Derivatives	100,767	-47,241	53,526
Shares and participations in associated companies	20,343	-	20,343
Exchange-rate gains/losses, net	28,761	-5,569	23,192
Asset management expenses (not included in return ratio)	-	-95,569	-95,569
Other financial expenses (not included in return ratio)	-	-24,464	-24,464
Revaluation of annuity reserve (not included in return ratio)	-	-7,504	-7,504
Total return according to income statement	1,427,629	-338,300	1,089,329

Class of asset 2022 (TSEK)	Income	Expenses	Earnings
Shares and participations	340,983	-743,592	-402,609
Bonds and other interest-bearing securities, and bank balances	67,573	-369,073	-301,500
Derivatives	37,264	-84,176	-46,912
Shares and participations in associated companies	2,881	0	2,881
Exchange-rate gains/losses, net	0	-80,718	-80,718
Other financial expenses (not included in return ratio)	0	-22,405	-22,405
Value-preserving interest rate, annuity reserve (not included in return ratio)	0	-24,474	-24,474
Revaluation of annuity reserve (not included in return ratio)	49,425	0	49,425
Total return according to income statement	498,126	-1,324,438	-826,312

A.3.2 Gains and losses impacting equity

Unrealised changes in the value of shares and participations presented in other comprehensive income in 2023 amounted to TSEK -4,826 (-1,480). Owner-occupied property is recognised by applying the revaluation technique, which entails a market valuation with revaluations recognised in other comprehensive income.

The table below shows the gains and losses on financial assets and liabilities impacting equity through the statement of other comprehensive income.

Table A3(2): Gains and losses impacting equity

2023 (TSEK)	Income	Expenses	Earnings
Change in fair value of financial assets			
Shares and participations	0	4,826	4,826
Cash flow hedges			
Change in value for the period	0	0	0
Owner-occupied property			
Revaluation of owner-occupied property	0	0	0
Comprehensive income for the year	0	4,826	4,826

2022 (TSEK)	Income	Expenses	Earnings
Change in fair value of financial assets			
Shares and participations	0	1,480	1,480
Cash flow hedges			
Change in value for the period	0	0	0
Owner-occupied property			
Revaluation of owner-occupied property	0	0	0
Comprehensive income for the year	0	1,480	1,480

A.3.3 Investments in securitised products

Not applicable.

A.4 Performance of other operations

Länsförsäkringar Bank AB

Länsförsäkringar Bank offers banking services to private individuals, agricultural customers and small businesses. Sales, advisory services and customer service are carried out through the branches of the regional insurance companies and via digital channels and by telephone. Deposits and certain lending operations are conducted in Länsförsäkringar Bank, while most of the lending and funding operations are conducted through the subsidiary Länsförsäkringar Hypotek AB. The subsidiary Länsförsäkringar Fondförvaltning AB offers mutual funds. The subsidiary Wasa Kredit AB offers financing services to corporate customers and private individuals – primarily leasing, renting and hire purchase. Business volumes in the banking operations increased in 2023 to SEK 901 billion (820), driven by lower fund volumes resulting from lower market values.

Income and expenses

Table A4(1): Länsförsäkringar Bank Group income and expenses

TSEK	2023	2022
Net interest income	7,023,169	5,527,905
Net commission income	-1,511,169	-507,793
Operating expenses	-2,868,651	-2,510,319
Profit before tax	2,168,086	2,066,528

A.5 Other information

Significant events after the end of the year

On 16 January 2024, Länsförsäkringar Bank issued an SEK-denominated Additional Tier 1 instrument (AT1 bond), with a perpetual term and a first possible redemption date in 2029, with a volume of SEK 1,350 M.

In January 2024, the first new insurance policies were underwritten in Länsförsäkringar Fondliv's new IT platform.

The bonus rate for New Trad was raised from 5% to 6% from 1 February 2024 and for Old Trad from 4% to 5%, due to healthy returns on investment assets.

Länsförsäkringar Liv has decided to reorganise its asset management department. In order to ensure long-term value for the company's customers and maintain a high level of competitiveness, certain services and tasks will be transferred to the units in the Länsförsäkringar AB Group that primarily use them. The change process will continue until the second quarter of 2024 when the new organisation is due to come into effect.

In order to enhance competitiveness and raise brand awareness in Europe, Agria entered into a partnership with the Fédération Equestre Internationale (FEI). The FEI is the international organization for the major equestrian championships.

There is no other material information about the company's operations and earnings to report.

B. Corporate governance system

B.1 General information about the corporate governance system

The Länsförsäkringar AB Group's system of governance is the framework upon which the Länsförsäkringar Alliance's strategies and Länsförsäkringar AB's mission, long-term direction and governance principles are converted into business activities in the Group and according to which Länsförsäkringar AB organises, governs and controls the operations, taking into account applicable internal and external regulatory frameworks.

B.1.1 Responsibilities of the Board of Directors and Committees

Board of Directors

The Board is responsible for the organisation and administration of the company and decisions on issues of material significance and of an overall nature relating to the company's operations. The Board appoints, evaluates and dismisses the President, adopts an appropriate operating organisation as well as the goals and strategies of the operations, and ensures that efficient systems are in place for internal control and risk management.

The Board is to continuously remain informed about the performance of the company to be able to continuously assess the company's financial situation and position. The Board must also regularly manage and evaluate the company's risk development and risk management. During the year, the Board regularly reviews the earnings and sales trends, investment income, financial position and capital position, risk trends, etc., in relation to the business plan and forecasts. The Board receives regular reports from the control functions and continuously monitors the company's current matters with authorities. The Board of Länsförsäkringar AB, given the company's capacity as Parent Company of a group, has the same duties, where relevant, from a group perspective.

The Boards of Länsförsäkringar AB, Länsförsäkringar Liv, Länsförsäkringar Fondliv and Agria have established a Risk and Capital Committee and an Audit Committee. All companies except for Länsförsäkringar Gruppliv have also established a Remuneration Committee. The duties of the Committees are determined by the Board in its separate formal work plans for the committees. None of the Committees has any general decision-making mandate. The Non-life Insurance Committee established by the Board was discontinued on 28 April 2023. The matters previously addressed by the Non-life Insurance Committee are now discussed by the Board as a whole from 28 April.

Risk and Capital Committee

The Risk and Capital Committee supports the Board in risk and capital adequacy issues and serves as a forum for analysing and holding in-depth discussions on the company's and the Group's level of risk and capital requirements. The Committee prepares and discusses these matters ahead of Board decisions on the issues. The Committee reports on its work, observations and standpoints to the Board.

Audit Committee

The Audit Committee is responsible for preparing the Board's work in accordance with the provisions of the Swedish Companies Act (2005:551) and the Regulation (EU) No 537/2014 of the European Parliament and of the Council on such matters as financial reporting, auditors' independence and the selection procedure when procuring auditors. In addition, the Audit Committee is responsible for preparing the Regular Supervisory Reports (RSR) and Solvency and Financial Condition Reports (SFCR) and the Board's work on monitoring the effectiveness of the corporate governance system, which includes governance and control and the internal control of operational risks. The Committee reports on its work, observations and standpoints to the Board.

Remuneration Committee

The Remuneration Committee prepares issues on remuneration of corporate management, and, for Länsförsäkringar AB, remuneration of employees with overall responsibility for any of the company's control functions, and prepares decisions for measures to monitor application of the remuneration policy. The Committee reports on its work, observations and standpoints to the Board.

B.1.2 Responsibilities of central functions

Independent audit function - Internal Audit

The function (refer also to section B.5) is an independent review function that supports the Board in the evaluation of the corporate governance system, including the organisation's risk management, governance and controls. The function also audits and evaluates the reliability of the financial reporting. Internal Audit works on behalf of the Board and in accordance with the instruction adopted by the Board. Based on its reviews and recommendations, Internal Audit evaluates and assures that the operations' overall internal governance and control systems are conducted in an efficient manner, that the overall reporting to the Board provides a true and fair view of the operations, that the operations are conducted in accordance with applicable internal and external regulations, and in compliance with the Board's decisions. Regular risk reports are submitted to the Audit Committee and to the Board, when necessary.

Independent Risk Management function – Risk Management

The function is responsible for independent risk control (refer also to section B.3.1) and provides support for the President, management and operating units in fulfilling their responsibility to conduct operations with a high level of risk control. Regular risk reports are submitted to the President, and, where applicable, the Risk and Capital Committee, the Audit Committee and to the Board.

Regulatory compliance function – Compliance

The function is an independent control function (refer also to section B.4.2) responsible for monitoring and controlling regulatory compliance in the licensable operations. The function identifies and reports on risks that may arise as a result of non-compliance with regulations and provides recommendations for action to relevant personnel, the President and the Board.

Compliance provides support and recommendations to the companies on regulatory compliance risks in the licensable operations. Compliance ensures that operations are informed about new and amended regulations, conducts follow-ups to ensure that the necessary training is implemented and takes part in the implementation of training.

Regular compliance risk reports and a description of actions taken are submitted to the President and, when appropriate, the Audit Committee and the Board.

Actuarial function

The Actuarial function is responsible for coordinating and ensuring the quality of the technical calculations and investigations and assisting the Board and President in actuarial matters. The Actuarial function is also responsible for reporting, on its own initiative, to the Board and President on matters pertaining to methods, calculations and assessments of the technical provisions, the valuation of insurance risks, reinsurance cover and other risk-reduction techniques. The Actuarial function is also to contribute to the company's risk-management system. Actuarial reports are submitted to the President and the Board. The Actuarial function of Länsförsäkringar AB is also responsible for actuarial matters at group level.

B.1.3 Material changes to the corporate governance system

The operating organisation at the Länsförsäkringar AB Group was changed in June. The business operations are organised into four business units: Non-life Insurance business unit, Bank business unit, Life Assurance business unit and Agria business unit. Following the reorganisation, the Economy and Finance, Legal Affairs, Strategy and Communication, Digital and IT, and People & Culture units provide support to all business units in the Group. No other material changes were made to the corporate governance system during the reporting period.

B.1.4 Information on remuneration of Boards and employees

Board fees

Remuneration of Board members is paid in accordance with the resolution of the Annual General Meeting in the form of fees. Fees are not paid to salaried employees of the Länsförsäkringar AB Group or to employee representatives.

Remuneration policy and remuneration model

The Board of Länsförsäkringar AB adopts a remuneration policy every year that is approved by the Boards of the subsidiaries. The remuneration policy stipulates the bases and principles for remuneration in the Länsförsäkringar AB Group and how it is to be adopted.

The basis of the remuneration model is that it must contribute to generating favourable conditions for the Länsförsäkringar AB Group to satisfactorily perform its mission from the owners. The remuneration model must be compatible with, and promote sound and efficient risk management and counteract excessive risk-taking, while conforming to the Group's long-term interests, business strategy, risk culture, targets and values. Furthermore, the reimbursement system for employees of the insurance companies who are employed in insurance distribution is to be structured in a manner that does not inhibit the ability of the insurance company to satisfy the fundamental requirements regarding insurance distribution. Employees are to have market-based employment terms and the principles for remuneration of employees are not to discriminate on the basis of gender, ethnic background, age, disability or any other factor.

The base of the remuneration model comprises fixed remuneration in the form of a fixed cash monthly salary. In addition to cash remuneration, the Länsförsäkringar AB Group may offer benefits to employees in the form of, for example, discounts on company products, company cars, collectively agreed lunch subsidies and health care benefits. Pension and severance terms and conditions generally follow collective agreements. The Länsförsäkringar AB Group may, within the framework of the remuneration principles adopted by the Annual General Meeting, agree on separate pension and severance terms and conditions for senior executives.

The Boards decide on remuneration of employees who are members of corporate management and, for Länsförsäkringar AB, also employees who have overall responsibility for the control functions. The Board is to appoint a Remuneration Committee from within its ranks, assigned with the duties as described in section B.1.1.

Main features of systems for supplementary pensions or early retirement pensions

The systems for supplementary pensions or early retirement pensions follow collective agreements.

B.1.5 Material transactions between shareholders, persons with significant influence in the company and members of the administration, management or supervisory body

The only material transactions during the reporting period were with shareholders. The following table provides information on material transactions with direct and indirect shareholders specified by company.

Table BI(1): Material transaction with direct and indirect shareholders specified by company

TSEK	2023
Länsförsäkringar AB	
Länsförsäkringar AB services sold to regional insurance companies (owner)	2,964,945
Länsförsäkringar AB services purchased from regional insurance companies (owner)	147,590
<i>of which net income of transactions with the regional insurance companies in reinsurance pools</i>	498,212
Länsförsäkringar AB's dividend to owners	698,447
Agria	
Agria services purchased from Länsförsäkringar AB (owner)	233,068
Agria's dividends to Länsförsäkringar AB (owner)	250,000
Agria's Group contributions to Agria Vet Guide (subsidiary)	35,000
Agria Pet Insurance dividends to Agria (owners)	40,000
Agria Pet Insurance commissions received from Agria (owners)	410,087
Länsförsäkringar Gruppliv	
Länsförsäkringar Gruppliv services purchased from Länsförsäkringar AB (owner)	60,692
Länsförsäkringar Gruppliv's dividends to Länsförsäkringar AB (owner)	35,000
Länsförsäkringar Fondliv	
Länsförsäkringar Fondliv services purchased from regional insurance companies	1,199,758
Länsförsäkringar Fondliv services purchased from Länsförsäkringar AB (owner)	369,415
Länsförsäkringar Fondliv's dividends to Länsförsäkringar AB (owner)	360,000
Länsförsäkringar Bank	
Länsförsäkringar Bank's dividends to Länsförsäkringar AB (owner)	81,164
Länsförsäkringar Bank's Group contributions to Länsförsäkringar AB (owner)	200,000
Länsförsäkringar Bank services purchased from regional insurance companies	2,517,027
Länsförsäkringar Bank services purchased from Länsförsäkringar AB (owner)	702,477
Länsförsäkringar Hypotek	
Länsförsäkringar Hypotek's Group contributions to Länsförsäkringar Bank (owner)	200,000
Länsförsäkringar Fondförvaltning	
Länsförsäkringar Fondförvaltning's distribution remunerations to Länsförsäkringar Fondliv	652,651
Länsförsäkringar Liv	
Länsförsäkringar Liv services purchased from Länsförsäkringar AB (owner)	163,158

B.2 Fit and proper requirements

The Board members and certain executives of the Länsförsäkringar AB Group's companies must be fit and proper for the duties that are intended to perform. These fit and proper requirements encompass knowledge and experience, good repute, integrity, the identification and handling of any conflicts of interest, and the ability to commit sufficient time for the assignment.

Regarding the Board, Länsförsäkringar AB's Nomination Committee is responsible for submitting proposals, in consultation with the President and CEO of Länsförsäkringar AB, on such issues as Board members in the Länsförsäkringar AB Group's insurance companies except Länsförsäkringar Gruppliv. The Nomination Committee is to assess whether the Board has a suitable composition that ensures that the overall competence necessary for the company are in place and that each of the Board members appointed by the General Meeting and by the trade organisation are suitable for their Board appointments. Regarding the proposal of Board members for Länsförsäkringar Gruppliv, the President and CEO of Länsförsäkringar AB has the same tasks as the Nomination Committee.

Based on the company's operations, stage of development and other circumstances, the suitability assessment of Board members also considers relevant training and experience, as well as professional experience in senior positions. In addition to the knowledge and experience of individual Board members, the Board is assessed in its entirety to ensure that it possesses the competence required for leading and managing the company. The competence requirements include competence in the financial markets, insurance operations, insurance distribution, regulatory requirements, strategic planning, business strategy, business model and business plan, risk management, corporate governance, financial analyses and actuarial analyses.

The assessment of fit and proper President, Executive Vice President and branch representatives is performed by the Board, while for other executives subject to particular suitability requirements, relevant managers are responsible for assessing whether an individual is fit and proper. Such an assessment is to be performed in recruitment processes based on a requirements specification for the position in question and every year giving consideration to the duties to be performed.

These fit and proper assessments also consider good repute, any conflicts of interest, and the ability to commit sufficient time for the assignment.

Assessments of whether Board members and certain executives are fit and proper are to be carried out in accordance with applicable guidelines for such assessment when a new Board member or a person in an above-mentioned position takes office. Assessments are also to be conducted annually, and when necessary, to ensure that these individuals are, at any given time, fit and proper to carry out their duties. In addition, a new fit and proper assessment is to be performed if an event occurs that could entail a change to the assessment of whether a person is fit and proper.

If a function subject to special suitability requirements is outsourced, the contractor performing the function is to be subject to a fit and proper assessment as is the client manager at the company in the Länsförsäkringar AB Group that outsourced the function.

B.3 Risk-management system including own risk and solvency assessment

B.3.1 Risk-management system

The Länsförsäkringar AB Group's risk-management system is defined as the strategies, processes, procedures, internal rules, limits, controls and reporting procedures needed to ensure that the companies in the Group are able to continuously identify, measure, monitor, govern, manage, report and have control over the risks to which the companies are, or could be expected to become, exposed to, and the interdependence of these risks.

The risk-management system is illustrated and described in figure B3(1).

Figure B3(1): Länsförsäkringar AB Group's risk-management system



The Group's risk-management system is described in the Group directive and a Group-wide risk policy adopted by the Board of Länsförsäkringar AB and approved by the Board of each subsidiary. Based on this Group-wide risk-management system, each subsidiary has prepared its own individual rules for managing company-specific risks. This approach and the coordinated risk control within the entire Group ensure that the risk-management system is consistently implemented in all of the companies.

The system comprises an integrated part of the organisational structure and decision-making processes and helps the business to meet its targets with a higher degree of certainty. In addition to risk management in the operations, it also encompasses the independent Risk Management function. The Compliance and Actuarial functions also play key roles in risk management.

Responsibilities and roles

The Board is ultimately responsible for ensuring that an effective risk-management system is in place and adopting frameworks for risk management based on internal rules in the form of governance documents.

The President and CEO is responsible for incorporating these governance documents as adopted by the Board into the operations, and for setting more detailed rules for the risk-management system.

The Chief Risk Officer Group (CRO Group) is responsible for the design of the risk-management system and coordination within the Länsförsäkringar AB Group, while each manager in the Länsförsäkringar AB Group is responsible for the risks in their own operations. All employees also have an individual responsibility for working towards a healthy risk culture by complying with internal rules on the Group's risk-management system.

The CRO Group and the Head of Risk Management at Länsförsäkringar AB lead the Risk Management function that in the organisational structure is directly under the President and CEO of Länsförsäkringar AB and is thus independent from the other operations. The Risk Management function is responsible for the independent risk control, which includes identifying, measuring, monitoring, governing and reporting risks in the company's and the Group's operations. The function reports directly to the President and CEO and, when appropriate, the Risk and Capital Committee, Audit Committee and the Board. The function supports the Board, President and CEO and other members of management in ensuring that the operations are conducted with a high degree of risk management and risk control.

The Actuarial function helps ensure the efficient operation of the risk-management system, for example, by ensuring that the calculations for capital requirements for insurance risks are correct and by assisting the Board and President in matters regarding reinsurance cover and other risk-reduction techniques. The Compliance function identifies and reports on risks that may arise as a result of non-compliance with regulatory requirements.

Strategies, processes and reporting

The risk strategy is an integrated component of operational governance and is based on the business strategy. The overall risk strategy for the Länsförsäkringar AB Group is that the operations are to be conducted following a conscious risk-taking approach to enable the business strategy to be realised without jeopardising the Group's solvency. The estimated risk level and the organisation's expertise in managing specific risks are taken into consideration in decisions on, for example, the products that the company offers, the customer groups to which sales are directed, the instruments that the company's assets are invested in and how the operations are otherwise conducted.

Prospective analyses in the form of own risk and solvency assessments (ORSA), recovery plans and internal capital and internal liquidity adequacy assessment processes are performed every year. Ongoing activities include handling known risks and identifying new risks. Internal models are used in the first instance to quantitatively measure risks. The regulatory capital requirements are also supplemented with other risk measures and stress tests. Some risk types, such as operational risk and business risk, are mainly assessed on a qualitative basis. Qualitative risk measurement makes use of an overall assessment of the risk's potential consequences for the operations and the probability or frequency of the risk occurring. Control activities are performed regularly and incidents are continuously reported and monitored.

A complete report of all risks in the company's operations is submitted every quarter to, where appropriate, the Risk and Capital Committee, Audit Committee and Board.

Partial internal model

In May 2016, Länsförsäkringar AB and its insurance subsidiaries received permission from the FSA to calculate the solvency capital requirement for insurance operations using a partial internal model.

Capital requirements for most market risks, non-life insurance risks and health-insurance risks are calculated using an internal model, whereas other types of risk are calculated by applying the standard formula. The partial internal model is described in more detail in *section E. Capital management (financing)*.

Since the partial internal model is used jointly by several companies in the Länsförsäkringar AB Group (except Länsförsäkringar Gruppliv) and is thus an internal group model, the following shared management model is applied.

- The Board of each company is responsible for ensuring that systems are in place that ensure the model functions correctly, is appropriate and provides a satisfactory expression for the company's risk profile. The Board decides on new models and material further development of the model.
- The President of each company is responsible for ensuring that the model is integrated into the company's risk-management system and ORSA and forms the basis of business decisions and strategic standpoints. The President of each company and the CRO Group are also members of the Decision Group for the partial internal model. The Decision Group is a preparatory group for Board decisions on new models or material further developments to the model.
- The CRO Group and the Head of Risk Management at Länsförsäkringar AB are responsible for designing and carrying out calculations in the partial internal model and for testing and validating the model every year. The CRO Group is the Chairman of the Management Group, comprising experts and representatives from the business activities in all relevant companies. The Management Group has a mandate to decide on minor further developments to the partial internal model.

Changes to the partial internal model that involve material further development require the approval of the FSA. A new model requires that a new application be submitted to the FSA.

Further development includes, alongside changes to calculation methods, changes to the companies' risk profiles, changes to the governance of the internal model and major changes to IT systems that impact the model. The management model only encompasses the internal model, meaning that changes to calculations using the standard formula are not included.

The internal model is validated at least once a year by an independent function in Risk Management in Länsförsäkringar AB. The purpose of the validation is to ensure that the model encompasses all material risks that it is intended to measure, that the selected methods are suitable, that assumptions are reasonable and inputs are correct, that the calculation results from the model are used appropriately in the operations and that the model and the company's use of the model meet all regulatory requirements.

B.3.2 Own Risk and Solvency Assessment (ORSA)

The overall aim of an ORSA is to ensure that own funds are and remain sufficient for bearing the risks associated with realising the business plan. Accordingly, the ORSA is based on risk and is part of the risk-management system and its starting point is the work on the business plan. Both risks identified using the internal model and other risks are to be analysed and described. The results of the analysis are to lead to potential modifications of the business plan in order to maintain an acceptable risk level aligned with the risk strategy.

The business planning and ORSA are conducted in parallel and form part of the companies' and the Group's operational governance. The Board discusses and adopts the business plan and the ORSA once a year and the Risk and Capital Committee and the Board conduct regular monitoring. In the event of exceptional circumstances, the entire ORSA, or specific elements of it, may be carried out an extra time during the year, known as an extraordinary ORSA.

An ORSA is prepared for each of the Länsförsäkringar AB Group's insurance companies and for the Länsförsäkringar AB insurance group.

The Länsförsäkringar AB Group has an overall Group-wide process for performing ORSAs and the companies base their ORSA on a shared macro-economic base or alternative scenario, but apply their own process in certain areas. The main stages of the ORSA process are described below.

A joint description of the business environment for a base scenario and an alternative scenario for the Länsförsäkringar AB Group is producing containing courses of events and associated quantified trends in financial and macroeconomic variables. Risks arising in the operations and the management of them are described.

The base scenario forms the starting point of the ORSA. The base scenario covers the three-year business plan horizon and provides a forecast of the performance of the balance sheet and income statement under IFRS as well as the capital requirement and own funds under the insurance rules. Data is made up of business-environment descriptions, forecast instructions and the forecasts prepared for trends in business volumes. The alternative scenario covers the same areas as the base scenario but shows a significantly less favourable trend in the business environment.

A Group-wide stress test is defined that is carried out in the company and the Group. The company also decides on supplementary stress tests so that the company's analysis is sufficiently complete. Results are calculated for each stress test as regards to the outcome of own funds and the capital requirement as if the stress had occurred.

An analysis is also conducted as to whether the capital requirement calculations produced from risk calculations using the partial internal model (or the standard formula for Länsförsäkringar Gruppliv) reflect the risk profile. Furthermore, consideration is also given to capital requirements resulting from risks not included in the calculations using the partial internal model (or the standard formula for Länsförsäkringar Gruppliv), the results from the alternative negative scenario, stress tests and the analysis of potential capital measures and risk-reducing measures.

The solvency requirement is thus determined by taking into account regulatory requirements, including buffers for negative events for example, taking into consideration risks that are difficult to quantify and any other specific circumstances.

The ORSA is summarised in a report to the Board and the FSA. The completed ORSAs are also to be documented by reproducing assumptions, calculation methods and results, and experience feedback is noted for each ORSA to improve the process.

B.4 Internal-control system

B.4.1 Internal-control system

The internal-control system is shared by the Länsförsäkringar AB Group and is part of the governance of the company and the Group. Internal control aims to ensure that the organisation is efficient and fit for its purpose, that operations are conducted in accordance with decided strategies in order to achieve established targets, that financial accounting and reporting are reliable, that information systems are managed and operated efficiently and that there is a strong capability to identify, measure, monitor and manage risks as well as full regulatory compliance. Risk and capital control and capital planning are a part of the internal control. The internal control process encompasses all parts of the organisation, including outsourced operations, and must be an integral part of the organisational structure and decision-making processes. Internal control is based on a system with a strong culture of risk and regulation, with three lines of defence.

The *first line of defence* is the operations. The first line of defence includes responsibility for the operation's risks and regulatory compliance and the operations are responsible for ensuring that control processes for monitoring are in place, implemented and reported.

Controls are to be built into critical processes, and shortcomings or deviations are to be reported. Each manager is to ensure that material risks in their areas of operation are identified and managed. These managers are also to ensure that risk-management controls are prepared and that these controls are documented. All managers are also to ensure that follow-ups and controls are performed. Such follow-ups and controls are to ensure that the operations are reasonably reflected in the reports to superior managers and, where appropriate, other stated functions.

The internal control comprises the work of the ongoing operations on formulating targets, risk identification, risk indicators, key controls, self-assessments and reporting.

The internal-control system is described in Länsförsäkringar AB's Group directive adopted by the Board of Länsförsäkringar AB and approved by the Board of each subsidiary. The subsidiaries prepare more detailed procedures for internal control and reporting based on the Group-wide internal-control system, including reporting processes. In this way, it can be assured that the internal-control system is performed consistently in all companies in the Group.

To support the internal-control process, a compliance function and an independent Risk Management function are in place and form the *second line of defence* along with the Actuarial function. There is also an internal audit function that serves as the *third line of defence*.

B.4.2 Compliance function

Those responsible for the Compliance function are employed in each insurance company and independent of the operations that are controlled but, in terms of organisational structure, are also part of the central compliance function of Länsförsäkringar AB. The Compliance function controls the first line of defence and reports on the results of its controls directly to the President, and, where appropriate, the Audit Committee and the Board.

The Compliance function is to have the resources, authorities and expertise required for carrying out its duties. The Compliance function is also to have access to the information necessary for performing its duties.

B.5 Internal Audit function

Those responsible for the independent audit function are employed in each insurance company and independent of the operations that are audited but that, in terms of organisational structure, are also part of the central Internal Audit function of Länsförsäkringar AB. Internal Audit examines and evaluates both the first and second lines of defence and reports on the results of its audits directly to, where appropriate, the Audit Committee and the Board, which forms part of ensuring independence and objectivity. Internal auditors are to be objective in performing their duties and are to avoid conflicts of interest, and the function is to be assigned sufficient resources and granted access to the information required for completing its duties. Internal Audit also has documented procedures for rotating auditors to different assignments and procedures that ensure that internally recruited internal auditors do not, within a reasonable time period, examine areas of the business that they previously worked in so as to avoid conflicts of interest.

B.6 Actuarial function

The heads of the Actuarial function are, within the organisation, affiliated to each insurance subsidiary and independent from the operations that are controlled. The Actuarial function submits reports to the President and Board and, when necessary, the Audit Committee. The Actuarial function is to be assigned sufficient resources and granted access to the information required for completing its duties.

B.7 Outsourcing agreements

B.7.1 Governance documents for outsourcing agreements

The Board of Länsförsäkringar AB has adopted a policy for outsourced operations. The policy stipulates the principles that Länsförsäkringar AB is to comply with when managing outsourced operations in order to ensure appropriate management and compliance with the requirements stipulated for outsourcing agreements in external rules.

The policy provides a general description of the process that is to be followed for the entire life cycle of the outsourced operations, meaning before, during and until any discontinuation of the assignment. An assessment of the company's requirements and suitability for outsourcing is first performed based on such factors as risk, cost and efficiency, and taking into account the requirements of internal and external regulations. The suitability of potential contractors is subsequently evaluated to ensure that they have the requisite know-how, resources and permits for performing the operations. The company also identifies any potential conflicts of interest and risks associated with the outsourcing and how these potential conflicts of interest and risks are to be managed. To ensure that the company maintains a high level of control over the operations, the company also prepares a suitable structure for governing, controlling and monitoring the outsourced operations, which includes drawing up plans for ensuring business continuity and how the company can return to performing the outsourced operations itself or outsource them to another contractor. The assignment is regulated in a written outsourcing agreement that meets the relevant outsourcing regulations. The policy also describes the preparation and decision-making process before, during and after discontinuation of the assignment and, where applicable, reporting to the FSA.

Each insurance company prepares a similar policy for outsourced operations that regulates the outsourcing of operations in more detail.

B.7.2 Outsourced operations of material significance

Länsförsäkringar AB has outsourced the operations and functions of material significance stated below.

Table B7(1): Outsourced operations of material significance, 31 Dec 2023

Operations	Jurisdiction of the contractor
Asset Management	Sweden
Claims adjustment and claims administration	Sweden
Independent medical insurance advice regarding accident and health insurance	Sweden
Development, management and operation of systems/applications	Sweden, Ireland, India, Norway, UK, Czechia
IT security services	Sweden US
IT test services	Sweden
Out data services	Sweden
Scanning services and document management	Sweden
Communication platforms	Sweden

B.8 Other information

B.8.1 Description of the corporate governance system

The corporate governance system is considered to be effective and appropriate given the nature, scope and complexity of the risks inherent in the operation, and is thus deemed to ensure healthy and responsible governance and control of the Group and its subsidiaries.

B.8.2 Other information

There is no other material information.

C. Risk profile

The Länsförsäkringar AB Group conducts business activities in banking, insurance and pensions and its customers are mostly private individuals and small companies.

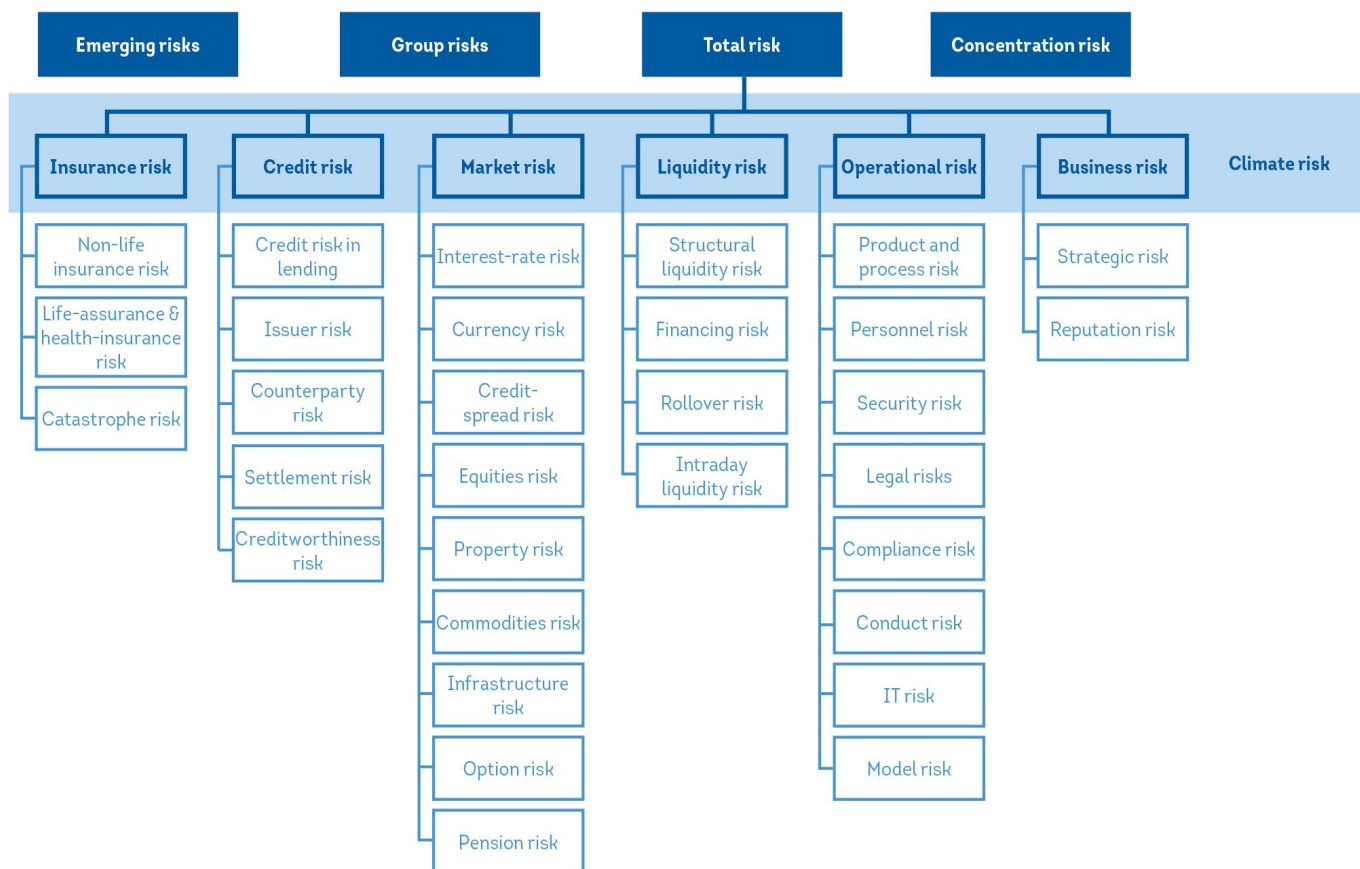
The risk profile for Länsförsäkringar AB and its subsidiaries at group level is dominated by the market risk in the traditional life-assurance and unit-linked insurance operations as well as the banking operations' credit risk from lending. The life-assurance and unit-linked insurance operations also bring life-assurance risk, while the non-life insurance risk deriving from the non-life insurance operations is moderate after applying reinsurance. Operational risks, such as security risks, cyber risks and IT risks have increasingly become focal points as have risks associated with money laundering and the financing of terrorism. Climate risk is a relatively new type of risk that has been added to the risk profile and the emergence of new types of risk, emerging risks, is continuously monitored.

The following factors characterise the Länsförsäkringar AB Group's current risk-taking:

- The operations are conducted in Sweden, except for Agria, which has pet insurance business in Sweden, Norway, Denmark, Finland, the UK, France, Germany, Ireland and the Netherlands. All 23 regional insurance companies broker the Group's products, which thereby creates a geographic distribution throughout Sweden. The operations primarily focus on private individuals and small and medium-sized businesses, directly or mediated by the regional insurance companies, and have few major commitments entailing risk with large companies.
- The management of insurance capital in the traditional life-assurance operations gives rise to various types of market risks. In the unit-linked insurance operations, the policyholders primarily bear the market risks, but since the trend in insurance capital is governed by the company's earnings, the company is also exposed to market risk. The risks in the investment assets managed by the Group's companies for own account are held at a low level.
- Loans in the banking operations primarily pertain to households and to a smaller extent to agriculture and businesses. Low loan-to-value ratios, combined with a well-diversified geographic spread and local presence, are the core pillars in ensuring that the loan portfolio maintains high credit quality. The regional insurance companies cover up to 80% of the provision requirement in the Bank Group (excluding Wasa Kredit) on the date when an impairment is identified, by means of an off-set against accrued distribution remuneration.
- The Länsförsäkringar Bank Group's cash flow is characterised by customers who are primarily retail customers together with well-known, larger flows in the financing activities. The Bank Group's management of liquidity risk is based on highly diversified funding regarding investor base, instruments, currencies and maturities, and a satisfactory liquidity reserve comprising securities with very high liquidity and credit quality, and deposits with the Riksbank and the Swedish National Debt Office. The business activities of the insurance companies are based on premiums being paid in advance and being managed until insurance compensation is to be paid out.
- For the traditional life-assurance operations, correct assumptions about the life expectancy of policyholders are important in order to ensure that the technical provisions are sufficient for fulfilling guaranteed commitments. If unit-linked life assurance customers buy back or transfer their insurance policies to other companies, the long-term profitability of the unit-linked life assurance operations will be negatively affected.
- The non-life insurance operations are well-diversified, including pet insurance, health care, accident and health insurance, some commercial insurance and international reinsurance. The risks taken in non-life insurance are reinsured, where deemed appropriate, and extensive reinsurance operations are conducted on behalf of the Länsförsäkringar Alliance.
- Operational risk in the day-to-day operations includes a variety of process risks and the subsidiaries' products and services may be associated with different types of product risks. Security risks, for example, external crime and internal fraud cannot be completely avoided. Information security risks and IT risks are increasingly becoming focal points as advances are made towards more digitalised customer meetings and business processes, combined with the geopolitical security situation. Compliance risks are continuously in focus, particularly risks associated with money laundering and financing of terrorism, which are the primary areas that the banking operations and also the insurance operations actively work on.
- Climate risk represents a financial risk in the form of potential impact on the insurance business, lending and investments for the Länsförsäkringar AB Group. Länsförsäkringar AB works on climate risk based on both the impact of the operations on the climate and the climate's impact on the operations.

Länsförsäkringar AB applies a joint risk division and definitions of risks to which the operations are exposed. An outline is provided in figure C(1). A number of risks in the figure are attributable to the banking operations.

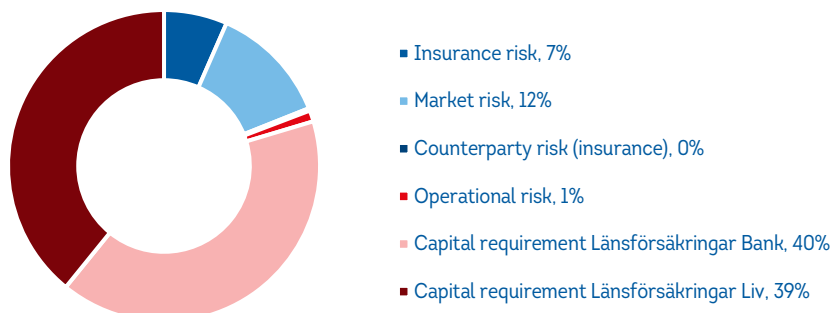
Figure C(1): Specification of the risks to which the operations are exposed



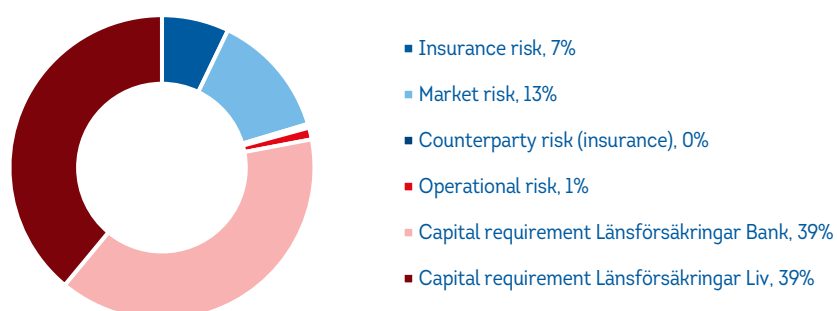
The following figure illustrates the relative specification of the Länsförsäkringar AB Group's solvency capital requirement at group level under the insurance rules on 31 December 2023 compared with the preceding year-end.

Figure C(2): Länsförsäkringar AB Group's capital requirement under the insurance rules for groups, 31 Dec 2023 compared with 31 Dec 2022

31 Dec 2023



31 Dec 2022



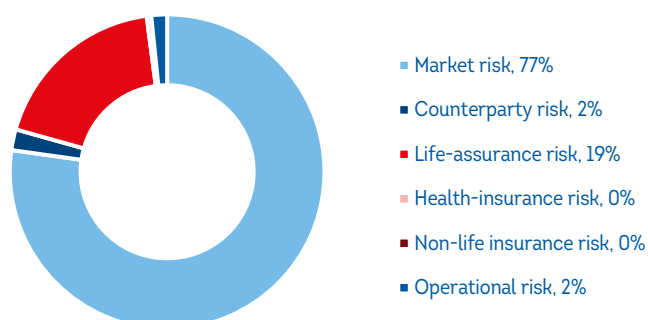
The Länsförsäkringar Bank Group is subject to the sector rules under the Capital Requirements Directive CRD 2013/36/EU and the Regulation CRR (EU) 575/2013, and presents its Pillar III report information about the risks to which its consolidated situation is exposed, which is why no additional commentary on these matters is presented in this report. The Länsförsäkringar Bank Group's capital requirements are specified by type of risk in "Capital requirements Länsförsäkringar Bank Group" in figure C(3).

Länsförsäkringar Liv is operated in accordance with mutual principles and is not consolidated in the Länsförsäkringar AB insurance group. The solvency capital requirements for risks in Länsförsäkringar Liv are included in the Länsförsäkringar AB Group's solvency capital requirements in accordance with the deduction and aggregation method, with the consent of the FSA. Länsförsäkringar Liv's capital requirements are specified by type of risk in "Capital requirements Länsförsäkringar Liv" in figure C(3).

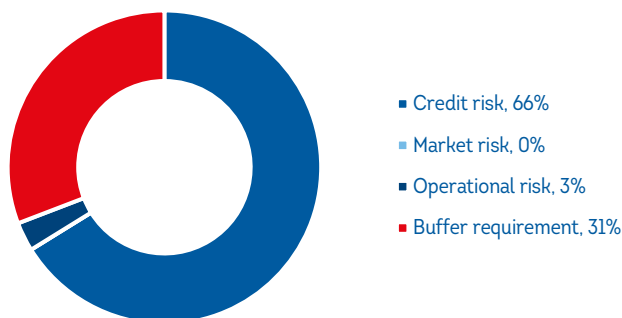
Figure C(3): Capital requirements in Länsförsäkringar Liv and Länsförsäkringar Bank specified by type of risk, 31 Dec 2023

31 Dec 2023

Capital requirement Länsförsäkringar Liv



Capital requirement Länsförsäkringar Bank



General commentary on the risk profile for Länsförsäkringar AB and its consolidated insurance subsidiaries is presented below. Länsförsäkringar AB and its consolidated insurance subsidiaries include the Parent Company Länsförsäkringar AB and the insurance subsidiaries Agria, Länsförsäkringar Gruppliv and Länsförsäkringar Fondliv.

C.1 Underwriting risk⁴

Underwriting risk ("insurance risk" below) refers to the risk of losses arising due to a negative deviation in technical provisions or the valuation of the insurance commitment. The Länsförsäkringar AB Group's insurance risk includes non-life insurance risk, life-assurance and health-insurance risks that arise in insurance subsidiaries.

- Non-life insurance risk refers to the risk of losses arising due to claims costs being higher than expected.
- Life-assurance risk and health-insurance risk refer to the risk of losses in connection with the insurance of a specific person's life and health.
- Catastrophe risk refers to the risk of losses arising due to natural disasters, epidemics or disasters caused by human activities leading to very large claims payments.

C.1.1 Risk exposure

Exposure to non-life insurance risk arises in the Parent Company and the insurance subsidiaries Agria and Länsförsäkringar Gruppliv. Premium risk is the largest risk in non-life insurance risk, followed by reserve risk and cancellation risk.

The exposure to life-assurance risks primarily derives from the operations in Länsförsäkringar Fondliv, and to a lesser extent from group and occupational group life insurance in Länsförsäkringar Gruppliv and annuities in Länsförsäkringar AB. Länsförsäkringar Fondliv's product range has two different management forms: fund management that entails that customers decide the investment orientation and risk level themselves; and guarantee management which is traditional management whereby the company is responsible for the investment orientation and a portion of the customer's savings are guaranteed. Unit-linked insurance operations comprise about 97% of total managed assets. The dominating life-assurance risk derives from the unit-linked insurance operations and the risk of customers choosing to transfer their insurance capital.

The exposure to health-insurance risk derives from health care insurance and group health and group accident insurance in Länsförsäkringar AB, and from health and premium exemption as well as from accident and financial disability insurance in Länsförsäkringar Fondliv.

The Länsförsäkringar AB Group has low exposure to catastrophe risk for its own account. Länsförsäkringar AB manages common reinsurance cover for the Länsförsäkringar Alliance for which Länsförsäkringar AB assumes a certain level of risk for its own account for selected parts. Länsförsäkringar AB is also exposed to some catastrophe risk in internally assumed reinsurance.

A measure of the exposure to insurance risk is the expected present value of the future cash flows from all insurance contracts. The measure reflects the company's commitments to its customers and corresponds to the best estimate under the IBA. Table C1(1) shows the consolidated best estimate for the Länsförsäkringar AB and its consolidated insurance subsidiaries net, meaning after reinsurance, based on data from the consolidated insurance subsidiaries. Data was collected from each company's insurance and claims system.

The trend in best estimate for non-life insurance and health-insurance risk follows the performance of the business. The best estimate in non-life insurance can normally be expected to fluctuate slightly, related to the time variation of payment streams, the trend in the portfolio and other, sometimes random, factors. The fluctuation during the year is not deemed to be material.

⁴ Underwriting risk is known internally in the Länsförsäkringar AB Group as Insurance risk.
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Table C1(2) shows the net best estimate per company compared with the preceding year-end. The decline in 2023 was primarily attributable to changes in the value of the unit-linked insurance capital due to the downturn in the stock markets during the year.

Table C1(1): Exposure to insurance risk, 31 Dec 2023. The table shows the net best estimate, after ceded reinsurance

Best estimate net (TSEK)	Parent Company Länsförsäkringar AB	of which: Agria	of which: Länsförsäkringar Gruppliv	of which: Länsförsäkringar Fondliv
Non-life insurance risk	2,877,766	707,190	0	0
Health-insurance risk	1,347,536	0	0	395,240
Life-assurance risk	214,352,053	0	88,388	214,025,795
<i>of which, unit-linked insurance</i>	<i>208,010,185</i>	<i>0</i>	<i>0</i>	<i>208,010,185</i>
Total	218,577,356	707,190	88,388	214,421,036

Table C1(2): Change in net best estimate for the period

Best estimate net (TSEK)	31 Dec 2023	31 Dec 2022
Non-life insurance risk	2,877,766	2,762,691
Health-insurance risk	1,347,536	1,235,377
Life-assurance risk	214,352,053	183,573,736
<i>of which, unit-linked insurance</i>	<i>208,010,185</i>	<i>177,995,116</i>
Total	218,577,356	187,571,804

C.1.2 Risk concentration

As seen in table C1(1), the Länsförsäkringar AB Group conducts diversified operations in non-life, life assurance and health insurance. The market for Länsförsäkringar AB's insurance subsidiaries is primarily Sweden, but Agria has branches and conducts sales in Norway, Denmark, Finland, the UK, France, Germany, Ireland and the Netherlands.

Länsförsäkringar AB conducts well-diversified business, including pet insurance, health care, accident and health insurance, some commercial insurance and international reinsurance. The business is divided into 28 reporting classes that make the operations highly diverse with few or minor elements of risk concentration inherent in non-life insurance risk. The subsidiary Agria's business comprises insurance for pets (dogs, cats and other pets), horses, livestock and crop insurance. Operations in the Länsförsäkringar Gruppliv subsidiary are concentrated to purely death benefit insurance that, with well-differentiated groups of policyholders, represents all of society.

Länsförsäkringar AB's main risk concentration in insurance risk comprises assumed reinsurance from individual regional insurance companies. Länsförsäkringar AB assumes reinsurance from these individual companies in a number of pools and subsequently immediately retrocedes the risk back to the regional insurance companies. Examples of risks that are reinsured through pool arrangements are property damage, accidents and motor insurance.

Länsförsäkringar Fondliv conducts unit-linked insurance operations and offers various forms of pension savings and risk insurance that can be taken out together with savings insurance. Länsförsäkringar Fondliv primarily targets private individuals and small and medium-sized businesses. A geographic distribution throughout Sweden is created since all 23 regional insurance companies broker the company's products. As a result, Länsförsäkringar Fondliv's individual concentrations of life-assurance and health-insurance risk are considered to be limited.

C.1.3 Risk-reduction techniques

Reinsurance

Länsförsäkringar AB has insured itself against the risk of very large claims through ceded reinsurance. The company's own costs per claim incident, retention, and the limit up to which the reinsurance covers the costs per claim incident – or cover – vary from product to product. The limits per counterparty and limits for retention are managed through governance documents and also the use of reinsurers is limited to companies with high credit ratings. Reinsurance for motor third-party liability and accident insurance is managed through the Länsförsäkringar Alliance's shared reinsurance cover, intra-group reinsurance with a number of pool solutions, which in turn is protected with external reinsurance cover.

As a result of claims related to, for example, climate change, inflation and uncertainty in the finance markets, the international reinsurance market has been very challenging. This means that reinsurance cover has become more expensive and Länsförsäkringar AB thus retains more risk in its own books for some business through higher retention in the external reinsurance cover.

Since the introduction of free transfer rights on 1 July 2022, Länsförsäkringar Fondliv reinsures the future profit that would be lost in the event of extensive cancellations in unit-linked insurance and the company also reinsures morbidity and mortality risks.

Agria's reinsurance cover comprises an important tool in providing protection from large individual claim incidents and high total claims costs in the more volatile businesses in the company.

The efficiency of reinsurance cover is monitored by the Actuarial function and reported to the Boards of the companies every year.

Other risk-reduction techniques

Other factors that affect risks are the product composition including diversification, structure of insurance terms and conditions, underwriting limits, risk selection rules and risk inspections. The Actuarial function checks to ensure that the selection of risks is suitable by regularly monitoring the adequacy of the premiums and examining underwriting guidelines.

C.1.4 Risk sensitivity

Table C1(3) shows the sensitivity of the Länsförsäkringar AB Group's own funds to changes in the claims frequency or the size of the average claim or momentary external transfers from Länsförsäkringar Fondliv.

Table C1(3): Sensitivity analysis, insurance risk

Effect on own funds (TSEK)	31 Dec 2023	31 Dec 2022
10% increased claims frequency or average claim in the Parent Company Länsförsäkringar AB	-150,066	-148,954
10% increased claims frequency or average claim in Agria	-343,453	-301,577
10% momentary external transfer from Länsförsäkringar Fondliv	-1,233,479	-1,239,159

C.1.5 Use of special purpose vehicles

The Länsförsäkringar AB Group does not make use of special purpose vehicles in accordance with Article 211 of the Solvency II Directive.

C.2 Market risk

Market risk pertains to the risk of loss arising that is directly or indirectly caused by changes in the level or volatility in the market price of assets, liabilities and financial instruments, including losses caused by shortcomings in the matching between assets and liabilities.

The dominant risk at group level is market risk attributable to Länsförsäkringar Liv. Market risk for Länsförsäkringar AB and its consolidated insurance subsidiaries primarily arises in Länsförsäkringar Fondliv's unit-linked insurance operations, but also through asset management in the Parent Company Länsförsäkringar AB. Market risk deriving from Länsförsäkringar Bank is described in the company's Pillar III report.

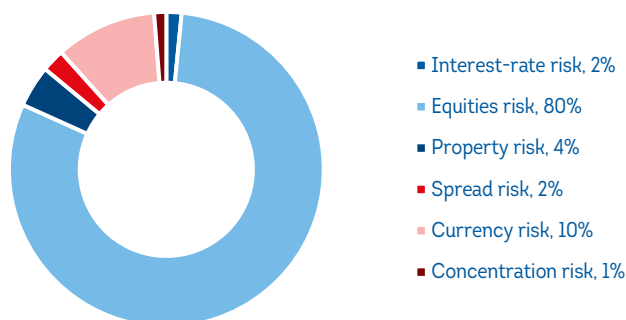
C.2.1 Risk exposure

Market risks in the Länsförsäkringar AB Group's investment assets for own account are moderately high and primarily derive from the Parent Company's investments in mainly bonds, properties and equities funds. The Group's main exposure to market risk derives from the fact that earnings in the unit-linked insurance operations in Länsförsäkringar Fondliv are sensitive to trends in fund values, which are largely affected by the share price trend. Länsförsäkringar Fondförvaltning's earnings are also impacted by the share price trend. Market risk is also inherent in insurance liabilities by provisions being discounted by the market interest rate. The Länsförsäkringar AB Group's assets and liabilities, excluding Länsförsäkringar Liv and Länsförsäkringar Bank, are presented in table D1(1).

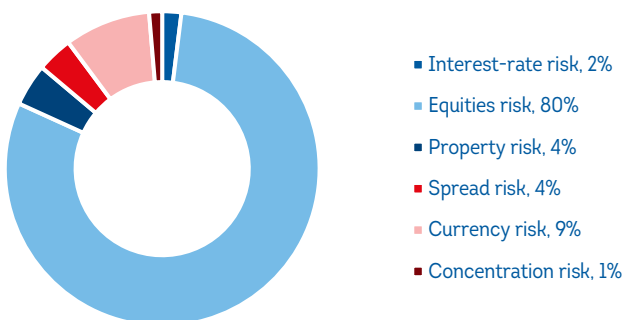
Exposure to market risk is measured as the solvency capital requirement for net market risk in assets and liabilities including diversification effects. The Länsförsäkringar AB Group's solvency capital requirement at group level is presented in table E2(1). The solvency capital requirement for market risk amounted to TSEK 7,002,416 on 31 December 2023 and is specified by type of risk in market risk as shown in figure C2(1). The capital requirement for market risk increased only marginally in 2023. Since the introduction of free transfer rights on 1 July 2022, Länsförsäkringar Fondliv reinsures the future profit that would be lost in the event of extensive cancellations, which also contributed to lowering the company's capital requirement for market risk.

Figure C2(1): Solvency capital requirement for net market risk in assets and liabilities including diversification effects

31 Dec 2023

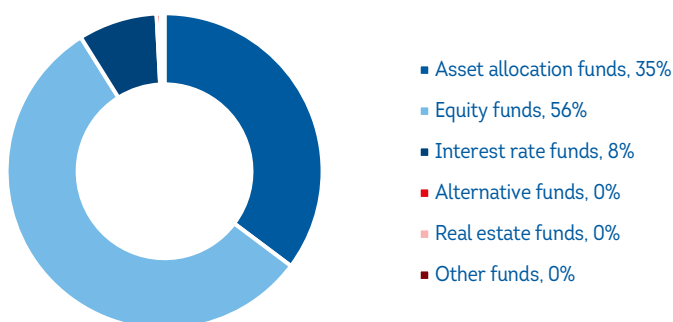


31 Dec 2022



Future earnings in the unit-linked insurance operations are dependent on the performance of the unit-linked insurance assets in the insurance capital and the specification of these on 31 December 2023 is shown in figure C2(2).

Figure C2(2): Unit-linked insurance assets, 31 Dec 2023



Price information for valuation and information on credit quality has been obtained from several different accepted external sources. External appraisers are engaged to value illiquid assets, such as properties and forests. Theoretic valuations also occur, mainly for currency futures. For liabilities, the exposure corresponds to the best estimate of liabilities to policyholders.

More detailed commentary on the market risks of interest-rate risk, equities risk, property risk, credit-spread risk and currency risk is provided below.

Interest-rate risk

Interest-rate risk is defined as the risk of losses arising due to changes in market interest rates.

The interest-bearing asset portfolios include interest-rate risk from covered bonds, government bonds, sustainability-focused bonds, fixed-income funds and derivative instruments. Interest-rate risk is also found in insurance liabilities by provisions being discounted by a yield curve stipulated by the supervisory authority. In the future, interest-rate risk will be affected by changes to the extrapolation method in the 2020 review of the Solvency II regulations.

At year-end, the Länsförsäkringar AB Group's insurance companies had no material contracts linked to IBORs, but believes that exposure to IBORs may exist in the property companies and in the public and private loan funds owned by the Group. The banking operations' primary exposure to IBORs currently comprises contracts that refer to Stibor and Euribor. There are also relationships with USD Libor and Nibor. The Group has no significant exposure to any of the rates that will disappear in the near future and more long-term developments are being monitored.

Equities risk

Equities risk is defined as the risk of losses arising due to changes in share prices.

Länsförsäkringar AB is exposed to equities risk mainly through Länsförsäkringar Fondliv, since the unit-linked insurance capital (approximately 82% of which comprises holdings in various equities funds) affects the company's future earnings. Guarantee management's investments in funds and fund units in the trading book, which the company holds to facilitate customer fund trading, also give risk to equities risk. Länsförsäkringar Fondliv's equities exposure primarily derives from Swedish, European and US equities.

Property risk

Property risk is the risk of losses arising due to changes in property prices. The property prices are primarily an effect of the assumptions made on, for example, applicable yield requirements, rental levels and vacancy rates.

Länsförsäkringar AB is exposed to property risk mainly through the Parent Company Länsförsäkringar AB's and Länsförsäkringar Fondliv's participations in Humlegården Fastigheter AB.

Credit-spread risk

Credit-spread risk is defined as the risk of losses arising due to changes in the swap spread over the swap rate that are not attributable to gap or basis risk, and are a result of, for example, changes in credit quality.

Länsförsäkringar AB and its consolidated insurance subsidiaries are exposed to credit-spread risk through their holdings in interest-bearing instruments, for example, Swedish mortgage bonds, sustainability-focused bonds of primarily investment grade quality, and public and private loan funds.

Currency risk

Currency risk is defined as the risk of losses arising due to exchange-rate fluctuations.

Länsförsäkringar AB and its consolidated insurance subsidiaries face currency exposure from insurance liabilities and investment assets as well as from the Bank Group's funding in other currencies. Currency risk is managed using currency and cross-currency interest rate swaps, refer to section C.2.3 *Risk-reduction techniques*.

Table C2(1): Net exposure* by currency in each company, 31 Dec 2023

Currency (TSEK)	Parent Company Länsförsäkringar AB	of which: Agria	of which: Länsförsäkringar Gruppliv	of which: Länsförsäkringar Fondliv
USD	1,126,878	109,562	19,247	723,313
EUR	593,780	112,371	3,309	95,107
DKK	259,133	68,857	658	22,382
GBP	115,166	8,482	1,467	45,780
NOK	82,844	7,964	1,368	46,499
CHF	64,028	-1,788	763	47,630
JPY	33,052	4,580	54	1,677
CAD	17,193	0	0	0
INR	9,117	0	0	0
KRW	-10,672	0	0	0
Other currencies	-22,714	225	39	1,216
Total	2,267,803	310,253	26,905	983,605

* Net after taking into account derivatives, assets and liabilities.

Option risk

Option risk refers to the risk of losses arising due to opportunities to change the level and timing of cash flows. Option risk is included as part of other market risks.

Pension risk

Pension risk refers to the risk of losses arising due to fluctuations in the market value of defined-benefit pension plans.

Investments in accordance with the prudent person principle

Insurance assets are invested in the best interests of the policyholders and the management of the companies' own assets is conducted in the best interests of the owners, meaning ultimately the interests of the local regional insurance companies and the interests of customers. In turn, this imposes demands on ensuring adequate expertise and following clear, structured and documented processes that take into account prudence, risk diversification and the situation in the financial markets.

Länsförsäkringar AB – Solvency and financial condition of the insurance operations

Investments are made only in assets that can be fairly valued and whose risks can be identified, measured, managed, monitored and reported. The main asset classes are interest-bearing securities, equities, alternative investments and property. Derivative instruments are utilised in the management of investment assets in order to reduce risks or enhance management efficiency.

Insurance contracts in Länsförsäkringar Fondliv's guarantee management form extend over long periods and technical provisions are thus less sensitive to interest-rate fluctuations. The degree of matching between assets and commitments together with forecasts of the insurance operations' performance are therefore taken into account and assets are invested with respect to the nature and term of the commitments.

Matching deviations between assets and liabilities are identified by performing Asset Liability Management (ALM) analyses of duration gaps, curve risks, currency risks and other market risks. The largest matching risks are found in Länsförsäkringar Liv.

Investment assets are kept at prudent levels if they are not traded on a regulated market and contain a significant element of model valuation whose valuation is not based on observable market data, or have a lack of liquidity or transparency. Directly owned properties, unlisted shares, private equity, private debt, infrastructure and forests are examples of investment assets for which assessments of prudent levels are performed that take into account the strength of the balance sheet and the company's commitments in each individual case.

Risk exposure, capital requirements and available capital are continuously monitored and reported to the Board every quarter or more often if dictated by the circumstances.

C.2.2 Risk concentration

Concentration risk pertains to the risk of the company's risk exposure not being sufficiently diversified, leading to a single exposure, homogeneous group of exposures or a specific market event threatening the solvency of the company or its financial position.

The dominating portion of the Länsförsäkringar AB Group's market risk is found in the insurance companies' investment assets. Market risks can also be found to a lesser extent in the Parent Company Länsförsäkringar AB's investment assets and in the Länsförsäkringar Bank Group. The main asset classes in portfolio management are interest-bearing securities, equities, property and alternative investments.

Concentration risk in market risk is deemed to be small in relation to other market risks. However, from time to time, there may be individual investments that may comprise a certain concentration of market risk. Information about material exposures to individual companies/groups of companies and financial institutions is presented in section C.7.

C.2.3 Risk-reduction techniques

The main risk-reduction techniques applied to the management of directly owned assets are diversification and the use of derivatives.

Diversification

The companies' investments are spread over several classes of assets and segment in these classes, leading to exposure to various risk factors that react in different ways to fluctuations in the financial markets. This means that as a whole the portfolio is less sensitive to market fluctuations than its portfolio components. The diversification effect is modelled using the internal model that Länsförsäkringar AB has had approved by the FSA to use in calculations of the solvency capital requirement and is regularly measured as an integrated part of these calculations. Changes in investments and derivatives positions are followed up by simulating the risks of proposed portfolios, including diversification, before implementation. Furthermore, the organisation applies a special process for the approval of new investment assets that aims to highlight and manage potential risks prior to investments in a new class of asset, type of instrument or fund.

Reducing market risk by using derivatives

Derivative instruments are utilised in the management of investment assets in order to reduce risks or enhance management efficiency. Derivatives are cleared via central counterparties or managed using credit support annexes (CSAs) with counterparties with high credit quality. Each new type of derivative instrument undergoes an approval process before it can be used in management. In connection with this, assurances are made that there is understanding of the characteristics of the instruments in the relevant parts of the organisation, that valuations, risk measurement and follow-ups are satisfactory and that risks are adequately identified.

Fixed-income futures are used in management to reduce interest-rate risk, and interest-rate swaps are used in Länsförsäkringar Liv. Currency futures are also regularly used to reduce currency risk. Equities risk can be reduced as required by using equity index forward contracts and Länsförsäkringar Liv regularly uses equity index options. Committed derivative strategies are followed up by measuring the sensitivities of the portfolio against underlying exposure and regular monitoring.

C.2.4 Risk sensitivity

The impact on own funds of a selection of other sensitivity measures for market risks is presented in the table C2(2) below. For Länsförsäkringar Fondliv, the indirect effect that lower share prices, higher credit spreads or interest-rate effects have on future earnings in the unit-linked insurance operations are also included in the sensitivity in the table.

Table C2(2): Sensitivity to market risks, effect on own funds, 31 Dec 2023

Sensitivity measures* (TSEK)	Parent Company Länsförsäkringar AB	of which: Agria	of which: Länsförsäkringar Gruppliv	of which: Länsförsäkringar Fondliv
1% higher interest rate	184,785	15,459	-1,985	114,514
1% lower interest rate	-166,049	-14,822	2,076	-90,006
10% lower share prices	-1,403,401	-36,938	-6,323	-1,264,415
10% strengthening of SEK	-200,326	-24,634	-2,136	-98,360
1% higher credit spread	-205,809	-21,466	-3,758	-158,429
10% lower property prices	-193,635	0	0	13,219

* Net change in value of investment assets, future earnings from unit-linked insurance operations and technical liabilities.

C.3 Credit risk

Credit risk pertains to the risk of losses arising due to counterparties being unable to fulfil their undertakings and of any collateral provided not covering the receivable. This report describes the Länsförsäkringar AB Group's credit risk, which derives from ceded reinsurance, counterparties in financial derivatives, bank balances and holdings in loan funds.

Credit risk deriving from Länsförsäkringar Bank is described in the company's Pillar III report.

Commentary on Länsförsäkringar Liv's counterparty-related credit risk is provided separately in the relevant section in the company's solo report.

C.3.1 Risk exposure

The Parent Company's and insurance subsidiaries' exposure to counterparty-related credit risks primarily arises from ceded reinsurance, counterparties in financial derivatives, from bank balances, issuers of securities and holdings in loan funds.

The insurance subsidiaries take out reinsurance to avoid assuming greater individual liability than that stated in the insurance guidelines and reinsurance policy of each subsidiary. Reinsured risks instead become the responsibility of the reinsurers. However, there is the risk that the reinsurer is unable to fulfil its obligations, which in such a case revert to become a liability for the company to meet.

Derivatives are purchased to protect items the balance sheet against, for example, interest-rate risk, equities risk and currency risk and entail that the counterparty undertakes, through derivative contracts, to compensate for negative results arising from changes in, for example, market interest rates, share prices or exchange rates. As a result, a receivable from the counterparty may arise in the event of market changes. Credit risk pertains to the risk of losses arising due to counterparties being unable to fulfil their undertakings and that part of the receivable can thus not be paid.

The table below presents the Parent Company's and the consolidated insurance subsidiaries' total counterparty risk to derivatives and reinsurance including collateral received expressed as market values. The calculation uses consolidated data from the securities system of the Group-wide Asset Management Unit and from the actuarial systems of the consolidated insurance subsidiaries.

In addition to the exposure below, the group had as per 31 December 2023 guarantee commitments of TSEK 42,249 and contingent liabilities of TSEK 32,757,975, of which TSEK 31,288,284 was attributable to Länsförsäkringar Liv and the Länsförsäkringar Bank Group. Of the total contingent liabilities, TSEK 8,423,145 comprised investment commitments and TSEK 19,012,592 pertained to loans approved but not disbursed in the Länsförsäkringar Bank Group.

Table C3(1): Exposure to counterparty-related credit risks per credit rating step, 31 Dec 2023

Credit quality step (TSEK)	31 Dec 2023	31 Dec 2022
Cash	Net exposure	Net exposure
AA	39,552	28,757
A	3,672,054	5,231,738
BBB or lower	144,869	165,290
Total	3,856,475	5,425,785
Financial derivatives	Net exposure	Net exposure
AA	2,968	0
A	5,490	5,355
BBB or lower	1	1,428
Clearing via central counterparty	86	312
Total	8,545	7,095
Reinsurance	Net exposure	Net exposure
Regional insurance companies	4,344,712	5,901,270
AA	104,210	348,610
A	277,840	313,496
BBB or lower	41,155	17,200
Total	4,767,919	6,580,576

C.3.2 Risk concentration

The largest potential loss if an external counterparty in financial derivatives or bank accounts were to default was TSEK 1,557,349 at year-end, and the largest potential loss if a reinsurance counterparty were to default was TSEK 356,002. As presented in table C3(1) above, most of the exposure has a credit quality step of A or higher. Information about material exposures to individual companies/groups of companies and financial institutions is presented in section C.7.

C.3.3 Risk-reduction techniques

The credit risk that arises through counterparties in financial derivatives is primarily reduced by using central counterparty clearing (CCP). For other counterparties in financial derivatives, the principle of diversification is applied and trading is limited to counterparties with high credit ratings. Regular follow-ups of exposure in terms of pledged assets take place for each counterparty, and standardised collateral agreements are prepared with all counterparties.

Credit risk from counterparties in ceded reinsurance is limited in the first instance by selecting counterparties with high credit ratings and by applying limits for maximum exposure to each counterparty.

Credit risk in holdings in loan funds, including mortgage funds are reduced by diversification since the funds finance a large number of loans. The loan funds that Länsförsäkringar AB and the insurance subsidiaries have invested in have collateral that far exceeds the size of the loan, which also reduces the credit risk.

C.3.4 Risk sensitivity

As presented in table C3(1), most of the exposure for credit risk from counterparties has a credit quality step of A or higher. Exposure to credit risk in other receivables is not deemed to be material since the past history of these other receivables shows a low incidence of default receivables and no losses have been confirmed.

C.4 Liquidity risk

Liquidity risk is defined as the risk that payment commitments cannot be fulfilled due to insufficient cash funds.

Liquidity risk for Länsförsäkringar Bank is described in the company's Pillar III report information. Commentary on Länsförsäkringar Liv's liquidity risk is provided separately in the relevant section in the company's report.

C.4.1 Risk exposure

For the Länsförsäkringar AB Group's insurance companies, the lack of liquidity could lead to the companies not being able to fulfil their commitments to customers and stakeholders, that these commitments can only be fulfilled by raising funding at significantly higher costs than usual or by divesting assets below their market value. Funding opportunities for the insurance companies are restricted by Chapter 4, Item 6 of the Swedish Insurance Business Act. The business activities of the insurance companies are based on premiums being paid in advance and being managed until insurance compensation is to be paid out. The liquidity risk in the insurance subsidiaries is closely related to the investment assets in the companies' investment portfolios, including liquidity requirements for signed derivative agreements.

Management of liquidity risk is based on management taking place in each subsidiary and in the Parent Company of Länsförsäkringar AB, rather than at Group level. The nature of the operations differs between the banking and insurance operations and there are legal restrictions on for the scope of internal loans. The subsidiaries also have clear rules regarding how assets are to be deposited to ensure that they are readily available to the company and can thus be realised as needed. In practice, liquidity risk is primarily an issue for the Länsförsäkringar Bank Group.

The Parent Company Länsförsäkringar AB's liquidity risks are low since premiums are received in advance and large individual claims and payouts outside normal cash flows are known well in advance of when they fall due. The Parent Company's liquidity is mainly affected by dividends and Group contributions from subsidiaries, any requirements for contributions to be made to subsidiaries and dividends to owners. To meet liquidity requirements, the Parent Company maintains cash and cash equivalents, which at year-end amounted to TSEK 1,718,254.

Länsförsäkringar Fondliv's liquidity is relatively stable, since fund units are divested in line with payments being made to policyholders. The company's liquidity was primarily affected by fund changes and costs for the sale. Liquidity risk is managed by continuously adjusting the need for cash and surplus liquidity based on established liquidity forecasts for the payment of securities transactions and claims payments and, where necessary, other inward and outward payments, such as premiums and operating expenses. The majority of the funds in the trading book are liquid in the short term and purchases on behalf of the insured are not performed until payment has been received for the sales transaction.

The insurance subsidiaries sign collateral agreements with counterparties in financial derivatives. The agreements require that collateral be pledged for derivatives that have a negative value for the company in question. This collateral is pledged in the form of cash funds that are transferred to the counterparties, thus entailing a certain liquidity risk. For derivatives with positive values for the company, collateral is received which can reduce this risk.

The specification of investment assets per class of asset with various liquidity is presented in the table C4(1). The total amount of the expected gain included in the group's future premiums amounted to TSEK 849,201 on 31 December 2023.

Table C4(1): Specification of assets per liquidity class, 31 Dec 2023, as a percentage of total investment assets

Liquidity class	Class of asset	Parent Company Länsförsäkringar AB	of which: Agria	of which: Länsförsäkringar Gruppliv	of which: Länsförsäkringar Fondliv
1	Cash	17%	24%	28%	12%
2	Direct holdings of treasury bills, government bonds, covered bonds	28%	42%	32%	20%
3	Funds traded daily, listed shares	21%	20%	24%	32%
4	Corporate bonds and other bonds	11%	10%	13%	11%
5	Funds with less frequent trading	0%	0%	0%	0%
6	Unlisted shares, Private Equity, Private Debt, directly owned properties, infrastructure and forest	24%	4%	3%	25%

Investments in accordance with the prudent person principle

Each of the Länsförsäkringar AB Group's insurance company's investment guidelines also state that the investment assets are to be invested by taking into account each company's liquidity needs for meeting their commitments.

C.4.2 Risk concentration

Länsförsäkringar AB believes that the Länsförsäkringar AB Group does not have any concentrations of liquidity risk.

C.4.3 Risk-reduction techniques

Liquidity risk is minimised by the predominant proportion of investments being made in securities with high liquidity that are listed on established exchanges. To further limit liquidity risk, levels of the liquidity reserve have been established to cover various forecasted requirements and rules exist on how investments are to be made in unlisted assets.

C.4.4 Risk sensitivity

The risk sensitivity for the liquidity risk in the Länsförsäkringar AB Group's insurance companies is low. Investments are primarily made in assets with high liquidity in well-established markets, which limits liquidity risk.

C.5 Operational risk

Operational risk refers to the risk of losses arising due to inadequate or failed internal processes, human error, erroneous systems or external events, and includes legal and compliance risk.

C.5.1 Risk exposure

Operational risk comprises a central part of the Group's risk profile. The day-to-day operations include a variety of process risks and the subsidiaries' products and services may be associated with different types of product risks. Security risks, such as crime and improprieties cannot be completely avoided and as advances are made towards more digitalised customer meetings and business processes, combined with the geopolitical security situation, information security risks and IT risks are increasingly becoming focal points. Compliance risks are continuously in focus, particularly risks associated with money laundering and the financing of terrorism, mainly in the banking operations but also in the insurance operations, which requires active management.

C.5.2 Risk concentration

Länsförsäkringar AB believes that there are no material concentrations of operational risk in the Group companies or overall in the Länsförsäkringar AB Group.

C.5.3 Risk-reduction techniques

Work on operational risk is based on Group-wide methods that encompass business-critical processes and key controls as well as reported incidents and the operations' self-assessment of operational risk. All employees are responsible for actively managing operational risk within their individual operations. The department that takes the risk owns the risk, which means that the daily management of operational risk primarily takes place in the business operations. This means that the daily management of operational risk primarily takes place in the business operations. Risks are minimised by proactive preventive measures and awareness of operational risk in every decision-making situation.

The process of managing and controlling operational risk includes identifying, measuring, monitoring, managing and reporting. Business-critical processes and associated risks have been analysed and documented. Controls of process risks are performed every quarter and reported to each company Board. Operational risk analyses are performed annually. Operational risks are identified, the potential consequences evaluated and probability of the risk occurring assessed. Action plans are prepared for material and significant risks that the operations deem requires handling, and the operations work actively to reduce the risk level over time. Action plans are followed up every quarter at management level.

The Länsförsäkringar AB Group has a Group-wide framework for identifying, measure and documenting risks in the decision-making process for decisions that are expected to have a material impact on the Group's profitability, risk profile, organisation or brand. The purpose is to ensure efficient decision-making through proactive and appropriate management of the risks so as to thereby achieve established targets with a higher degree of certainty, to ensure compliance with applicable laws and regulations and to create customer value. Furthermore, the organisation applies a special process for the approval of new investment assets that aims to highlight and manage potential risks prior to investments in a new class of asset, type of instrument or fund.

The Länsförsäkringar AB Group's continuity management involves ensuring the organisation's ability to manage critical operations at an acceptable level, regardless of what disruptions occur, with the aim of protecting customers, confidence in the company and the brand. Preparing business continuity plans and procedures creates contingency preparation and the capability to maintain business continuity before, during and after a disruption or a crisis has occurred. The overall goal for security work is to protect the organisation's assets with protection value from all types of threats – internal or external, intentional or unintentional. Security activities follow applicable legal requirements and are conducted in accordance with the information security standards SS-ISO/IEC 27001:2014 and 27002:2014 and the normative standard in business continuity management SS-ISO/IEC 22301.

The companies in the Länsförsäkringar AB Group may, from time to time, outsource parts of the operations to external contractors, for example, to enhance the efficiency of operations. In order to maintain a high level of control, the companies' guidelines address issues including the procurement skills of the companies, suitability assessment, impact analysis and realisation plans.

C.5.4 Risk sensitivity

The Länsförsäkringar AB Group regularly conducts exercises and tests to ensure that every company is highly capable of managing crisis situations. Exercises and testing comprise both manual response procedures and automated IT support. Crisis management team exercises, desktop testing and both large and small technological testing of application infrastructure and life cycles are carried out annually according to established plans. Both desktop and technological testing of applications and life cycles and crisis management exercises are regularly conducted. The result of the tests and exercises showed that the companies generally have a sound ability and business contingency to manage crises that arise.

C.6 Other material risks

In addition to the aforementioned risks, the Länsförsäkringar AB Group is also exposed at group level to business risks, emerging risks, group risks, concentration risk and climate risks.

- Business risk pertains to the risk of lower earnings, higher expenses or loss of confidence from customers or other stakeholders.
- Emerging risks refers to new or changed behaviour patterns, situations or trends that may have a material impact on the company's financial situation, market position or brand in a negative direction within the company's business planning horizon.
- Group risk refers to the risks associated with the complexity of conducting both banking operations and life-assurance and non-life insurance operations in the same group.
- Concentration risk refers to the risk of a single exposure, homogeneous group of exposures or a specific market event resulting in widespread losses even if the operations were to be well-diversified. Concentration risk may derive from concentrations of both assets and liabilities as well as sources of income and suppliers, including suppliers of outsourced services.
- Climate risk refers to the risks that the consequences of climate change may have on the company's business activities. Climate risks can materialise either through physical risks, such as more cases of extreme weather and gradually rising sea levels, or through transition risks, such as regulatory, political and market changes related to the transition to a low-carbon society.

Climate risk is a material sustainability-related risk for the Länsförsäkringar AB Group and is described in more detail below.

C.6.1 Risk exposure

Climate risk represents a direct financial risk in the form of potential impact on the insurance business, lending and investments for the Länsförsäkringar AB Group. These areas are likely to be affected simultaneously, which makes the risk both complex and significant. Climate-related risks and opportunities and the direct and indirect climate impact of the operations are identified annually in the business and prioritised by the Sustainability Committee. The table below presents a selection of risks identified by the company and the Sustainability Committee.

Table C6(1): Selection of identified climate risks

Transition risks

<p><i>Transition risks for Länsförsäkringar AB arise when the transition leads to abrupt and unexpected events that have not been considered in, for example, the company's models and business plans. Risks are deemed probable in the short term (1-5 years) to medium term (5-20 years).</i></p>	<p>Stricter requirements for compensation for GHG emissions risk generating higher costs for Länsförsäkringar AB.</p>
	<p>Agriculture and forestry are particularly at risk of being impacted by regulatory transition risks that could result in major transition costs but also affect the attractiveness of investing in these sectors.</p>
	<p>The risk of major transition risks in certain sectors, which lead to assets in these sectors losing value or risk becoming stranded assets. Examples of sectors that could be affected are extracting fossil energy, transportation, textiles and industry.</p>
	<p>Risk that investments do not follow the emission reductions compatible with the targets of the Paris Agreement. This has an effect on Länsförsäkringar AB's portfolios in terms of both a decline in value and our commitments under the Paris Agreement.</p>
	<p>Risk that the climate transition limits the range of energy sources, which means greater sensitivity to high energy prices during new energy crises. Risk that companies, agricultural operations, tenant-owners' associations and households are more vulnerable. Risk that companies we invest in that want to have fossil-free energy experience a shortage of supply and/or higher prices, which impacts our returns.</p>
	<p>Risk that experience and expertise are insufficient to be able to insure, finance and invest in new technologies related to the climate transition.</p>
	<p>Risk that Länsförsäkringar AB's focus on exclusion in its investment strategy is too intense, meaning that investment opportunities are missed in companies who are transitioning to more climate-smart operations.</p>
	<p>The reason for exclusion may differ between products, which may be difficult to communicate and reputation risk may arise in cases in which exclusions for different products are compared.</p>
	<p>Strategic risk for the industry and for Länsförsäkringar AB should the risk of greenwashing be given more scope to the extent that it obstructs the transition. Intense pressure from stakeholders could drive the transition towards a limited investment range, resulting in major concentration risk.</p>
	<p>Risk that Länsförsäkringar AB does not change our operations in line with the climate transition. This could lead to the company lagging behind, for example, with our business models, and product and service development, and thus apply incorrect pricing or experience lower demand.</p>

Physical risks

<p><i>The physical risks for Länsförsäkringar AB comprise climate-related changes and extreme weather events whose frequency and magnitude are not taken into account in models and pricing, for example. Risks are deemed probable in the medium term (5-20 years) to long term (>20 years).</i></p>	<p>Risk of higher expenses related to claims and payments in non-life insurance, pet insurance and accident and health insurance. This impacts Länsförsäkringar AB's own insurance products and via the Länsförsäkringar Alliance's internal reinsurance solution.</p>
	<p>Risk of lower premiums earned due to uninsurable elements in areas or industries that are particularly vulnerable.</p>
	<p>Risk of higher reinsurance costs in the reinsurance market.</p>
	<p>Climate change risks leading to a decline in the value of collateral and the solvency of property owners and agricultural customers, which is a risk for the loans issued by the banking operations and future loans.</p>
	<p>Agriculture and forestry are particularly at risk of being impacted by climate change. This impact could come both from extreme weather events and from chronic changes in temperature and access to water as well as the risk of new diseases.</p>
	<p>For the individual, climate change and adapting to it risk leading to potential limitations in housing and work, which affects general solvency.</p>

The effects of the climate risks described above will affect Länsförsäkringar AB's operations over time. Climate risk is a systematic risk that as a result of its impact on society is impossible to completely eliminate. Strategies and business models will need to be gradually adapted to manage the effects of climate risks in each business area, and also to leverage any opportunities.

C.6.2 Risk concentration

Given that the Länsförsäkringar AB Group conducts well-diversified operations in non-life insurance, traditional life assurance, unit-linked insurance and banking operations with a geographic spread throughout Sweden, concentration risk is deemed to be low.

C.6.3 Risk-reduction techniques

Länsförsäkringar AB has a climate-smart vision that entails that the company is to work actively to reduce climate impact and the climate risks throughout its operations and to encourage climate adaptation to reduce the damaging impact of climate change. The Länsförsäkringar AB Group's goal is to be climate-positive by 2045. A goal under this target is for investment portfolios and own managed funds to have an emissions level in line with the target of the Paris Agreement by 2030, meaning limiting global warming to 1.5°C.

Climate risk is included in Länsförsäkringar AB's risk-management system and is reported and followed up in the same way as other risks. The Risk Management function reports on climate risk to the Board at least once a year. The risk appetite for climate risk is moderate, which means that climate risks are limited through proactive efforts to reduce exposure both to transition risks and to physical climate risks. Exposure is reduced mainly through proactive measures, changes to investments, engagement with investments and creating the conditions for customers to change, for example, through product development.

The Risk Management function coordinates the operations' monitoring of climate risk via a climate risk team with representatives from all business units. The objective of the team is to compile at an overall level identified climate risks that each business unit is exposed to and analyse how they interrelate so as to provide a collective assessment of the Länsförsäkringar AB Group's climate risk exposure.

Länsförsäkringar AB works on identifying and reducing climate risk in its investments by applying a systematic process for allocation and investment analyses, selection of investments or asset managers, and engagement. To reduce the risk of higher claims costs for weather-related insurance claims, risk management in the non-life insurance operations focuses on predicting and preventing such claims. In addition to proactive measures carried out jointly with the Länsförsäkringar Alliance, the Alliance's reinsurance programme is also regularly updated to ensure it is always suitable in relation to approved strategies and developments in the insurance and reinsurance markets. An appropriately structured reinsurance programme not only helps to manage climate risk in Länsförsäkringar AB's share of the reinsurance pool but also to manage climate risk for the entire Alliance.

C.6.4 Risk sensitivity

Länsförsäkringar AB works continuously on developing metrics to follow up climate risk to achieve as comprehensive an overview of potential effects as possible. For example, an annual climate scenario analysis is carried out under the framework of the Own Risk and Solvency Assessment (ORSA). The purpose of this analysis is to illustrate how various potential development scenarios for climate change could impact the operations over time.

Three difference climate scenarios have been used from the NGFS (Network for Greening the Financial System) and the Bank of England in the 2023 analysis. The scenarios from the NGFS and the Bank of England are broad in nature, encompassing physical climate risks and transition risks in the form both of financial and of natural catastrophe-related parameters. By using these scenarios a step is being taken towards the vision of a coherent analysis of the impact of the climate on the operations of the entire Länsförsäkringar AB Group.

The three climate scenarios are:

Early Action

The transition to a net-zero economy starts immediately and ends by around 2050. Carbon taxes and other policies intensify relatively gradually over the scenario horizon. Some sectors are more adversely affected by the transition than others, but the overall macroeconomic impact is muted, particularly in the latter half of the scenario once a significant portion of the required transition has occurred. The transition leads to global warming being limited to 1.8°C.

Late Action

The implementation of policy to drive the transition is delayed until 2031 and is then more sudden and disorderly. A substantial, unforeseen increase in the price of carbon dioxide reduces economies' supply capacity and results in material short-term macroeconomic disruption. This is particularly concentrated in carbon-intensive sectors, which certain assets becoming stranded (worthless). The transition has effects and like Early Action global warming is limited to 1.8°C.

No Additional Action

As the name implies, no new climate policies are introduced beyond those already implemented. Growing greenhouse gas emissions result in global warming of 3.3°C by the end of the scenario and to 4.1°C at the end of the century. Global warming leads to chronic changes in precipitation, ecosystems and sea levels. There is also a rise in the frequency and severity of extreme weather events such as heatwaves, droughts, wildfires, tropical cyclones and flooding. There are permanent impacts on living and working conditions, buildings and infrastructure. The major effects of global warming in this scenario are expected in the second half of the century.

The analysis compares the three climate scenarios with a comparison scenario based on a long-term historical average from an economic scenario generator (referred to below as the “historical scenario”). The historical scenario is intended to reflect what the future would have been without any effects of climate change.

Two clear outcomes can be seen in the analysis. Firstly, the investment profile plays an important role. Secondly, the largest difference over time is not between the different scenarios but between the climate scenarios and the historical scenario. The figure below shows the value growth trend for the two different investment portfolios, the upper with a high share of equities and the lower with a low share of equities.

Figure C6(1): Value growth trend in investment portfolio with high share of equities

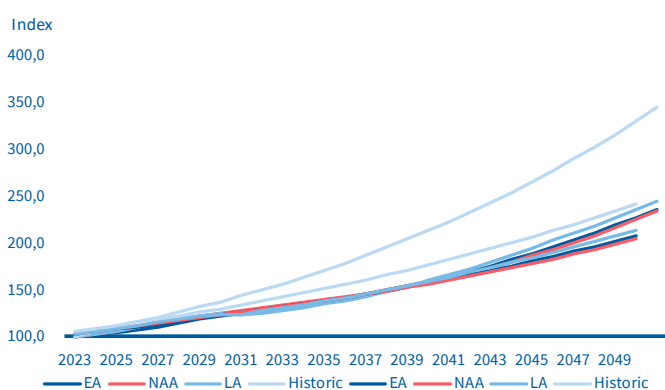
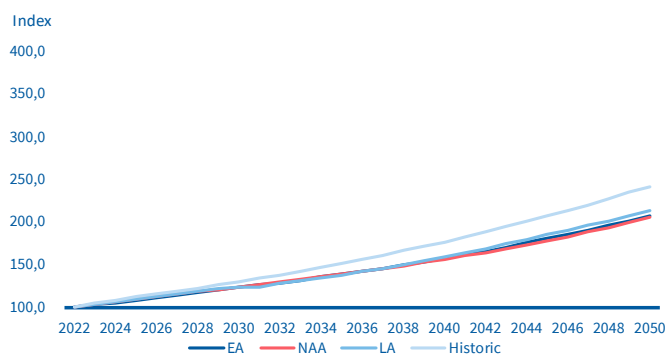


Figure C6(2): Value growth trend in investment portfolio with low share of equities



Based on the NGFS's and the Bank of England's climate scenarios and with a historical scenario for comparison, the conclusion is that the ability to generate returns on investments will be lower in the future than it has been in the past – even though we have succeeded in making the transition and limiting global warming to 1.8°C – and also that the investment portfolio plays an important role since different classes of assets are affected to varying extents by the physical effects of climate change and the transition.

The no additional action scenario results in the lowest value growth trend even by 2050 despite the largest difference in physical risks between the scenarios being expected in the second half of the century, which is not included in the analysis since it extends to 2050.

It is important to be aware of the major uncertainties in models, assumptions and results for this type of analysis. It is impossible for the climate scenarios available today to contain all information about the transition and physical effects that affect risk and return. Uncertainty also increases markedly when analyses cover longer time horizons.

Scenario analysis for lending

Länsförsäkringar Bank has performed scenario analyses based on the TCFD's recommendations since 2018. The analyses are based on the Swedish Meteorological and Hydrological Institute's and the Swedish Civil Contingencies Agency's scenarios for climate change, based on the UN Intergovernmental Panel on Climate Change's long-term scenarios for 2100, and were prepared in cooperation with the Länsförsäkringar Alliance's natural-catastrophe specialists. The effects on the various loan portfolios in a no additional action scenario were also analysed. The analyses looked into how climate change could impact the market value of properties in terms of direct effect and impact on operating and maintenance expenses. Analysis was also conducted of the impact of rising costs of living on customers' repayment capacity and operating and maintenance expenses as an effect on climate change.

Analysis of claims costs from natural catastrophes

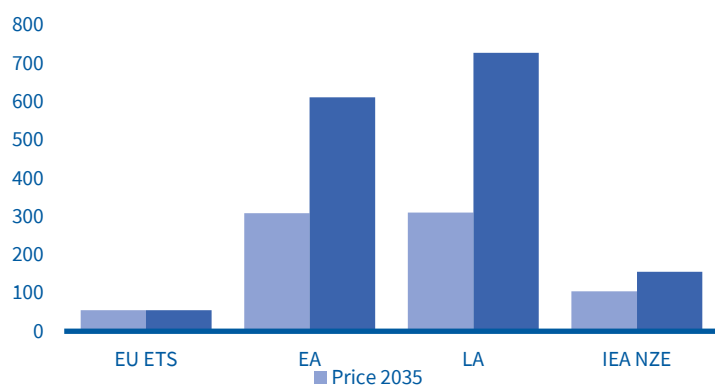
For Länsförsäkringar AB's non-life insurance business, the analysis was supplemented with an analysis of how climate change can impact the trend in claims costs for flooding. Higher claims costs for this type of event affect Länsförsäkringar AB through the shared reinsurance pool for catastrophe risk that the Länsförsäkringar Alliance has, in which Länsförsäkringar AB has a share. This pool handles claims within the Alliance that exceed the retention of the local company. Climate change could be predicted to result in higher claims costs in the future and greater uncertainty in claims forecasting. Challenges and uncertainty are associated with how the reinsurance market will be impacted by the long-term effects of climate change, and there is a risk that premiums and retention could increase as these effects become evident.

Climate risk stress metrics

Based on the carbon footprint of Länsförsäkringar AB's investment portfolios, estimates are made of the potential cost for Länsförsäkringar AB to purchase emissions rights corresponding to size of the carbon footprint. The price of carbon emissions, meaning the price of emissions rights per tonnes CO₂e, is expected to increase markedly in the future in order to complete the transition and to limit climate change.

In the figure below, the cost for paying the carbon footprint from the Group's total investment assets has been calculated using both the current price of emission rights (EU ETS) and the Bank of England's assumptions regarding the price trend in the Early Action and Late Action scenarios (described above) and the International Energy Agency's (IEA) assumption regarding the price trend in a Net Zero Emissions by 2050 scenario.

Figure C6(3): Potential cost for purchasing emissions rights corresponding to the size of the carbon footprint of the Länsförsäkringar AB Group's investment portfolios for various assumptions about the price of emissions rights 2035 and 2050



C.7 Other information

The group's exposures to individual companies/groups of companies and financial institutions as per 31 December 2023 are presented in the table below.

There is no other material information on the group's risk profile.

Table C7(1): Total exposures to individual companies/groups of companies and financial institutions amounting to at least 10% of the group's solvency capital requirement, 31 Dec 2023

TSEK	Agria incl. Agria Vet Guide	LF Gruppliv	LF Fondliv	LF Liv	LF Bank Group	Parent Company LFAB	LFAB group level
Skandinaviska Enskilda Banken AB	277,154	98,048	1,181,536	4,333,760	8,484,203	623,906	14,998,607
Stadshypotek AB	49,298	16,379	65,342	2,671,414	7,697,309	483,107	10,982,849
Nordea Hypotek AB	66,204	12,006	327,911	3,689,559	6,008,234	616,858	10,720,772
Swedbank Hypotek AB	105,673	12,097	240,337	117,839	6,007,099	358,813	6,841,857
Sveriges Säkerställda Obligationer AB	167,021	33,611	109,921	1,346,621	4,235,068	64,481	5,956,723
Danske Hypotek AB	0	3,901	0	0	4,483,884	353,071	4,840,856

D. Valuation for solvency purposes

Under the Solvency II regulations, assets and liabilities are to be measured at market value in Solvency II balance sheet. The market values of the investment assets can often be read in the financial markets, while the market values of, for example, technical provisions that are not bought or sold to any great extent must be calculated by applying an approximate method.

The group and the subsidiaries value assets and liabilities in the Solvency II balance sheet according to the following main principles.

- Assets are valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction, in accordance with the Solvency II Directive, 2009/138/EC, Article 75:1a.
- Liabilities are valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction, in accordance with the Solvency II Directive, 2009/138/EC, Article 75:1b.
- Assets and liabilities are to be valued based on the assumption that the undertaking will pursue its business as a going concern, in accordance with Article 7 of the Commission Delegated Regulation (EU) 2015/35.

Both the group's and the individual insurance companies' financial statements are prepared in accordance with legally restricted IFRS, which means that most items are measured at fair value. Assets and liabilities are to be revalued if the Solvency II regulations prescribe different valuation rules than those used in the financial statements. In most cases, the financial statements and the Solvency II balance sheets are the same. The group's Solvency II revaluations are described in section D.1 and D.3 below.

The Solvency II balance sheet for the Group includes the insurance Parent Company Länsförsäkringar AB and the insurance subsidiaries Agria, Länsförsäkringar Gruppliv and Länsförsäkringar Fondliv. The capital requirement and own funds of Länsförsäkringar Bank and its subsidiaries are to be added to the group's capital requirements and own funds. Länsförsäkringar Liv's capital requirement and own funds must also be added, but own funds are included at a maximum of the company's solvency capital requirement.

No assumptions on future management decisions are deemed to have a material impact on the carrying amounts in the Solvency II balance sheet.

D.1 Assets

D.1.1 Valuation of assets

In accordance with QRT s.02.01.02 (refer to Appendix 1), the following balance sheet shows the material asset items and an overview of total liabilities on 31 December 2023 for the group with carrying amounts for the financial statements supplemented with reclassifications and Solvency II amounts⁵. The group's balance sheet does not include Länsförsäkringar Liv's or Länsförsäkringar Bank's assets and liabilities.

Table D1(1): Assets and liabilities, 31 Dec 2023

Assets (TSEK)	Financial statements	Revaluation	Solvency II amount
Goodwill	81,283	-81,283	0
Deferred acquisition costs	2,905,379	-2,905,379	0
Intangible assets	2,894,356	-2,894,356	0
Property, machinery & equipment for own use	411,482	-	411,482
Shares and participations in subsidiaries and associated companies	9,442,961	11,143,999	20,586,960
Other equities	2,925,408	74,954	3,000,362
Bonds	7,250,401	-	7,250,401
Mutual funds	5,579,064	-	5,579,064
Derivatives	134,643	-	134,643
Assets unit-linked insurance or index-linked insurance	221,635,694	-	221,635,694
Loans and mortgage loans	96,265	-	96,265
Reinsurers' portion of technical provisions (refer to section D.2)	8,840,882	-1,926,464	6,914,418
Insurance receivables	3,738,642	-3,367,456*	371,186
Reinsurance receivables	183,097	341,222*	524,319
Cash and bank balances	3,645,144	-	3,645,144
Other asset items	2,482,954	-67,357	2,415,597
Total assets	272,247,655	317,880	272,565,535

* The revaluation items attributable to current premiums that in the Solvency II balance sheet are not included in insurance or reinsurance receivables and instead are taken into account in the best estimate of the technical provisions.

Liabilities (TSEK)	Financial statements	Revaluation	Solvency II amount
Technical provisions, gross before ceded reinsurance (refer to section D.2)			
Non-life insurance	14,757,696	-5,139,617	9,618,079
Life assurance excluding unit-linked insurance and index-linked insurance	8,511,420	-183,151	8,328,269
Unit-linked insurance and index-linked insurance	222,127,915	-12,280,969	209,846,946
Other liabilities (refer to section D.3)	4,758,920	-1,048,025	3,710,895
Total liabilities	250,155,951	-18,651,762	231,504,189
Assets minus liabilities	22,091,704	18,969,642	41,061,346

D.1.2 Valuation principles in the solvency calculation of various classes of asset compared with the financial statements

This section addresses the valuation principles, methods and main assumptions used to value the group's material assets items under the Solvency II rules.

It also describes, where applicable, how such valuations differ from valuations in the financial statements. The items described below derive from the group's balance sheet in the table above and from the Parent Company's and the subsidiaries' balance sheets, which follow in the section for the insurance companies' Solvency and Financial Condition Report, or are included in the item Other assets.

⁵ In the balance sheet, amounts are recognised according to IFRS but classified according to the Solvency II rules in the "financial statements" column. The main difference in classification is that investments are distributed between other asset items.

Goodwill

Goodwill is to be valued at zero according to the Solvency II regulations. According to the financial statements, consolidated goodwill is measured at cost adjusted for amortisation and impairment. Consolidated goodwill is amortised based on its useful life. If the useful life cannot be determined, it is assumed to be five years. Goodwill is distributed to cash-generating units and is tested for impairment at least once annually.

Deferred acquisition costs (DAC)

Selling expenses that have a clear connection to underwriting insurance contracts are capitalised as Deferred acquisition costs in the balance sheet and are depreciated over the useful life according to the financial statements. Deferred acquisition costs are valued at zero under Solvency II. Deferred acquisition costs and income derive from accrual accounting in the annual report. These items are not related to the timing of cash flows for acquisition costs, which is the criterion for being recognised as technical provisions under Solvency II. Future cash flows for acquisition costs (meaning the cash flows expected but that have not yet arisen in relation to valid insurance policies) are instead handled by calculating the best estimate of technical provisions according to Solvency II.

Other intangible assets

Other intangible assets are valued at market value if they are separable, can be sold separately and if the valuation is based on quoted market prices on active markets for the same or similar assets. The other intangible assets that the Group recognises in the financial statements refer to proprietary IT systems, acquired IT systems and acquired customer assets. None of these assets are deemed to meet the requirement of being possible to sell with a valuation that can be attributed to quoted market prices in active markets. This means that the item does not have any value in the Solvency II balance sheet.

Other intangible assets in the financial statements are valued at amortised cost less accumulated amortisation and impairment. This differs from the Solvency II valuation under which the value is zero.

Deferred tax assets

Refer to section *D.3.2 Deferred tax liabilities*.

Property, machinery and equipment for own use

The assets side comprises equipment and leasehold improvements. Assets are recognised at cost less accumulated depreciation and accumulated impairment in the financial statements.

There are no differences in valuation principles and assumptions between the financial statements and Solvency II since the carrying amount is deemed to be a reasonable approximation of the fair value.

Investments

Shares in subsidiaries and associated companies

At group level, shares in subsidiaries that are not consolidated in the Solvency II balance sheet refer to holdings of unlisted shares in Länsförsäkringar Bank and Länsförsäkringar Liv. The value of Länsförsäkringar Bank is measured in the Solvency II balance sheet according to the adjusted equity method, which means the Länsförsäkringar Bank Group's equity less any goodwill and intangible assets. However, the valuation of equity excludes Additional Tier 1 capital despite this comprising an equity instrument since external parties own the instruments and it is the most conservative way of estimating a fair value of the Länsförsäkringar Bank Group. The wholly owned insurance company Länsförsäkringar Liv, which is operated in accordance with mutual principles and is not consolidated, is measured at an amount corresponding to the share capital, which is the same amount that is recognised in the Länsförsäkringar AB Group. Shares in associated companies refer to holdings of unlisted shares and are valued according to the adjusted equity method, less any goodwill and intangible assets.

The difference can be found in the classification between the Solvency II balance sheet and the financial statements regarding the holdings of unlisted shares for which the participating interest is less than 20% but where there is considered to be a significant influence in the companies. In the Solvency II balance sheet, these holdings are classified as "Other equities" which differ from the financial statements where they are classified as associated companies. However, there are no valuation differences attributable to these holdings at group level, only categorisation differences. Reclassification entailed that "Other equities" increase SEK 75.0 M and "Shares in subsidiaries and associated companies" declined in a corresponding amount in the Solvency II balance sheet compared with the financial statements.

Other equities

Equities refer to holdings of both listed and unlisted shares. The valuation techniques for listed shares applied are based on market data as far as possible, whereas company-specific information is used a little as possible. There are differences in the value of equities between the financial statements and the Solvency II balance sheet at group level. However, there is a difference in classification between the Solvency II balance sheet and the financial statements, see the last paragraph under "*Shares in subsidiaries and associated companies*" above.

Bonds

Bonds refer to holdings of government bonds and corporate bonds that are essentially listed in an active market. The fair value was calculated based on the quoted buying-rate of the assets on the balance-sheet date. The valuation techniques applied are based on market data as far as possible, whereas company-specific information is used as little as possible.

Mutual funds

Mutual funds primarily refer to equities funds and interest-bearing funds that are essentially listed in an active market. The fair value was calculated based on the quoted buying-rate of the assets on the balance-sheet date. Mutual funds are not recognised separately in the financial statements and are instead included in equities and in bonds.

Derivatives

The calculation bases for derivatives may differ. For derivatives listed in an active market, the fair value is determined as the listed price. However, for derivatives not listed in an active market, the fair value is determined by applying a valuation technique. This technique is based on discounted expected future cash flows.

Assets in unit-linked insurance or index-linked insurance

For this class of asset, Länsförsäkringar holds unit-linked insurance assets policyholder bears the risk. The calculation base for the valuation is prices listed in an active market.

Reinsurers' portion of technical provisions

For ceded reinsurance, the benefits to which the company is entitled under the reinsurance contract are recognised as the reinsurers' portion of technical provisions. The bases for calculation and assumptions differ between the financial statements and Solvency II. This is described in section D.2.

Insurance receivables

Refers to receivables from policyholders and other insurers, and receivables attributable to the insurance operations. Premium receivables that have not yet fallen due for payment are included in the item in the financial statements, but in Solvency II the future premiums are instead taken into account in the best estimate of the technical provisions. Premiums due for payment after the balance-sheet date are thus measured in the premium reserve and consequently excluded from the assets side in the Solvency II balance sheet (refer also to section D.2). The remaining balance in Solvency II refers only to past due receivables from policyholders and other insurers as well as other receivables linked to the insurance operations. Both in the Annual Report and in Solvency II, these receivables are recognised at the amount expected to be received.

Reinsurance receivables

Ceded premiums that have not yet fallen due for payment are included in the item in the financial statements, but in Solvency II they are taken into account in the best estimate of the reinsurers' portion of technical provisions.

Premiums due for payment after the balance-sheet date are thus excluded from the receivables in the Solvency II balance sheet (refer also to section D.2).

Cash and bank balances

The calculation base for cash and bank balances in the solvency calculation is the nominal amount, which is deemed to be a suitable base for calculating fair value. There are no differences in bases for calculation and assumptions between the financial statements and Solvency II.

Other asset items

Other asset items may refer to deposits with companies that have ceded reinsurance, receivables (operations, not insurance) and prepaid expenses and accrued income. No special calculation methods were used for the items encompassed by other assets. There are no differences in bases for calculation and assumptions between the financial statements and Solvency II.

D.1.3 Material differences between the group's valuation principles and those used by its subsidiaries

There are no material differences between the group's and the subsidiaries' valuation principles applied to valuations for solvency purposes.

D.1.4 Other information about assets

Assumptions and judgements, including those about future and other significant sources of estimation uncertainty

The preparation of financial statements and regulatory reports requires that corporate management make judgements and estimates that affect the application of the principles and the recognised amounts of income, expenses, assets, liabilities, provisions and contingent liabilities presented. The relevance and reasonableness of such judgements and estimates is continuously evaluated. In calculating the life-assurance provision, assumptions are made regarding the discount rate, mortality, morbidity and expenses. When calculating technical provisions, an actuarial estimate of anticipated additional costs for claims incurred and expenses for claims that may be incurred during the remaining term of the insurance policy is made. There may be some uncertainty in the estimates for the depreciation period for deferred acquisition costs for unit-linked insurance contracts since the assumption for the depreciation period is based on statistics in the term of the insurance contracts. The valuation of the limited extent of currency and interest-rate derivatives that exist is assessed as having low uncertainty since the theoretical value is based on observable data and the fact that standard systems are used.

Effects may arise on the basis of the new accounting policies that will be introduced in future year and that could impact the amounts recognised in valuations in the solvency calculation. Accounting policies that have been adopted, or are expected to be adopted, but that have not yet been applied may affect assets and liabilities in the Group.

Amended accounting policies

From 1 January 2023 Länsförsäkringar AB prepares its consolidated financial statements in accordance with Chapter 7, Sections 1-4 of the ÅRFL and insurance regulations FFFS 2019:23.

The new accounting policies have an impact on the group's goodwill item in the financial statements. However, this has no effect on the group's Solvency II balance sheet since goodwill does not have any value in Solvency II.

Insurance regulations give unlisted insurance groups the option to apply IFRS 16 Leases even though the standard is not applied to the annual report for the legal entity.

The Länsförsäkringar AB Group has decided not to apply IFRS 16 in the consolidated financial statements after the transition to the new accounting policies. This choice means that all leases, both as lessee and lessor, are recognised as if they are operating leases even if the lease is deemed to be a finance lease. The same policy is also used in the Solvency II balance sheet. This means that no asset or liability item attributable to leases is recognised in the group's balance sheet, either in the financial statements or in the Solvency II balance sheet. Last year's asset item and liability item attributable to IFRS 16 amounted to TSEK 1,170,821 and TSEK 1,210,492, respectively, in the group's financial statements and the same amount was also found in the Solvency II balance sheet. The net effect of these items, i.e. assets minus liabilities, amounted to SEK -39,671 M last year.

D.2 Technical provisions

Technical provisions are valued at the relevant amount that each company in the Group would need to pay if it were to immediately transfer its insurance and reinsurance obligations to another insurance company. The value is calculated as the total of the best estimate and a risk margin.

An outline of the valuation principles for the technical provisions applied by the Group is provided below. A more detailed description of the bases for calculation, methods and main assumptions, including a description of the degree of uncertainty related to the value of the technical provisions, is provided in Agria's report which follows after the report at group-level.

D.2.1 Valuation of technical provisions

Best estimate

The best estimate corresponds to the probability-weighted average of future cash flows, taking account of the time value of money (expected present value of future cash flows). A discount rate is used according to the Solvency II rules for the best estimate, based on the risk-free base interest rate being calculated on the rate for interest-rate swaps, adjusted to take account of credit risk.

The calculation of the best estimate is based upon up-to-date and credible information and realistic assumptions, and is performed using adequate, applicable and relevant actuarial and statistical methods. The cash-flow projection used in the calculation of the best estimate shall take account of all the cash in and outflows required to settle the insurance and reinsurance obligations over the lifetime thereof. The calculation is to take account of the contractual options of the policyholders and the company.

Risk margin

The risk margin is calculated to correspond to the cost of maintaining the capital that corresponds to the solvency capital requirement (SCR) needed to meet the group's commitments until they have been finally settled. The risk margin is calculated using the cost of capital method (CoC) separately for the individual companies in the group and separately for life assurance and non-life insurance in the individual companies, using the rate of 6% as stipulated in the rules. The trend in the SCR is assumed to be proportional to the best estimate for existing insurance obligations over their lifetime. Accordingly, the Group makes use of method number 2 of EIOPA's Guidelines on the valuation of technical provisions EIOPA-BoS-14/166 EN for the trend in the SCR.

Technical provisions gross before ceded reinsurance on 31 December 2023 by insurance company in the group are presented in the table D2(1). The reinsurers' portion of technical provisions is presented in section D.2.4.

Table D2(1): Technical provisions gross before ceded reinsurance, 31 Dec 2023

Operations (TSEK)	Best estimate, gross	Risk margin	Technical provisions, gross
Länsförsäkringar AB	10,182,164	138,507	10,320,670
Agria	756,783	48,970	805,753
Länsförsäkringar Gruppliv	88,405	4,861	93,265
Länsförsäkringar Fondliv	214,464,423	2,109,183	216,573,606
Länsförsäkringar Liv	64,050,072	3,205,973	67,256,045
Total	289,541,846	5,507,493	295,049,340

Material changes in valuation principles compared with preceding reporting period

None of the changes in the valuation principles were made in the calculation of technical provisions at group level.

D.2.2 Valuation principles in the solvency calculation of various business lines compared with the financial statements

In the financial statements, technical provisions are valued in accordance with the Annual Accounts Act for Insurance Companies (ÅRFL) and the FSA's regulations and general guidelines. For information about the material differences between the rules, methods and assumptions applied to valuations for solvency purposes and those used in the financial statements, refer to section D.2.2 of Agria's Solvency and Financial Condition Report.

D.2.3 Material differences between the group's valuation principles and those used by its subsidiaries

There are no material differences between valuation principles used at group level and the valuation principles used by the group's subsidiaries in valuations for solvency purposes.

D.2.4 Other information about technical provisions

Other information about technical provisions

Länsförsäkringar AB and its insurance subsidiaries do not apply the matching adjustment, volatility adjustment or the transitional measures for the risk-free interest rate term structure or the transitional measures for calculating technical provisions.

Recoverables from reinsurance contracts and special purpose vehicles

The reinsurers' portion of technical provisions, specified by insurance company in the group, is presented below. For more information, refer to section D.2.3 of Agria's Solvency and Financial Condition Report.

Table D2(2): Reinsurers' portion of technical provisions

Operations (TSEK)	31 Dec 2023
Länsförsäkringar AB	6,821,421
Agria	49,593
Länsförsäkringar Gruppliv	17
Länsförsäkringar Fondliv	43,387
Länsförsäkringar Liv	0
Total	6,914,418

D.3 Other liabilities

D.3.1 Valuation of other liabilities

In accordance with QRT s.02.01.02 (refer to Appendix 1), the following table shows the material liability items, excluding technical provisions, on 31 December 2023 for the group with carrying amounts for the financial statements supplemented with reclassifications and Solvency II amounts.⁶

Table: D3(1): Other liabilities, 31 Dec 2023

Other liabilities (TSEK)	Financial statements	Revaluation	Solvency II amount
Contingent liabilities	0	81,439	81,439
Deferred tax liabilities	8,757	193,870	202,627
Derivatives	48,357	-	48,357
Insurance liabilities and liabilities to brokers	1,172,166	-387,460*	784,706
Reinsurance liabilities	162,028	-127,139*	34,889
Liabilities (operations, not insurance)	1,484,484	-	1,484,484
Other liability items	1,883,128	-808,735*	1,074,393
Total other liabilities	4,758,920	-1,048,025	3,710,895

* Of the revaluation item, TSEK -1,360,101 is attributable to current premiums that are taken into account in the best estimate of the technical provisions and thus are adjusted in the Solvency II balance sheet.

D.3.2 Valuation principles in the solvency calculation of various liability items compared with the financial statements

This section addresses the valuation principles, methods and main assumptions used to value the Group's material liability items under the Solvency II rules. It also describes, where applicable, how such valuations differ from valuations in the financial statements.

Deferred tax liabilities

Deferred tax is calculated for temporary differences between carrying amounts and tax bases of assets and liabilities. Deferred tax assets are recognised only to the extent that it is likely that taxable surpluses will be available against which to utilise the deferred tax assets. The revaluation between Solvency II and the financial statements also entails a calculation of deferred tax assets or tax liabilities for applicable items. Deferred tax assets and deferred tax liabilities are recognised net in each company in the group.

The differences between the financial statements and Solvency II are attributable to deferred tax on the revaluation amounts and certain untaxed reserves, and that deferred tax liabilities were recognised net against deferred tax assets in Solvency II. In terms of valuation, there is no difference between the financial statements and Solvency II, except for the revaluation amounts under Solvency II.

⁶ In the balance sheet, amounts are recognised according to IFRS but classified according to the Solvency II rules in the "financial statements" column.
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Table D3(2): Deferred tax liabilities, 31 Dec 2023

TSEK	Financial statements	Revaluation	Solvency II amount	Date of maturity
Pension provisions	-18,468	-	-18,468	
Temporary standard taxation, contingency reserve	7,175		7,175	
Receivables	-48,889	-	-48,889	
<i>Tax allocation reserve:</i>				
- Reserve for 2018	-	10,019	10,019	31 Dec 2024
- Reserve for 2019	-	11,128	11,128	31 Dec 2025
- Reserve for 2020	-	13,467	13,467	31 Dec 2026
- Reserve for 2021	-	23,072	23,072	31 Dec 2027
- Reserve for 2022	-	3,914	3,914	31 Dec 2028
- Reserve for 2023	-	33,784	33,784	31 Dec 2029
Equalisation reserve	-	7,250	7,250	
Revaluation of intangible assets	-	-118,926	-118,926	
Revaluation DAC	-	-65,572	-65,572	
Revaluation technical provisions, net	-	343,090	343,090	
Other assets	1,582	-	1,582	
Total deferred tax assets (-)/liabilities (+)	-58,600	261,226	202,627	

Derivatives

Refer to section *D.1.2 Investments*.

Liabilities to insurance companies and brokers

This items comprises liabilities to insurance companies and brokers. The financial reporting includes all insurance liabilities, but Solvency II includes only the amounts fallen due for payment and other liabilities related to the insurance operations but that are not recognised as a portion of the technical provisions. The insurance liabilities that have not fallen due are included in Solvency II when measuring the technical provisions (refer also to section D.2).

Reinsurance liabilities

The financial statements include all reinsurance liabilities and a portion of the item refers to ceded premiums that have not yet fallen due for payment. Under Solvency II, these are included in the best estimate of the reinsurers' portion of the technical provisions and are thus excluded from the liabilities in the Solvency II balance sheet (refer also to section D.2).

Liabilities (operations, not insurance)

Liabilities (operations, not insurance) comprises liabilities that are not to insurance companies and brokers, such as VAT liabilities, tax liabilities, certain current accounts, other financial liabilities, etc. There are no differences in bases for calculation and assumptions between the financial statements and Solvency II.

Other liability items

Other liability items refer to, for example, accrued expenses and deferred income and the reinsurers' portion of deferred acquisition costs. The reinsurers' portion of deferred acquisition costs is eliminated in Solvency II. In the financial statements, a portion of deferred income is attributable to future expected premiums that have not fallen due for payment. In the Solvency II balance sheet, these are taken into account in the best estimate of the technical provisions (refer also to section D.2).

D.3.3 Material differences between the group's valuation principles and those used by the insurance parent company and its subsidiaries

There are no material differences between valuation principles used at group level and the valuation principles used by the group's insurance parent company or insurance subsidiaries in valuations for solvency purposes.

D.3.4 Other information about other liabilities

Assumptions and judgements, including those about future and other significant sources of estimation uncertainty

Regarding assumptions and judgements, including those about future and other significant sources of estimation uncertainty, refer to section D.1.4 above.

Pension provisions

The group has a number of defined-benefit pension plans that mainly encompass employees who have already reached retirement age. These plans cover old-age pensions and in some cases also survivor's pension. The pension amounts are paid in relation to the final salary level when the employee retires and in the majority of cases are life annuities. In the event that upward adjustment of the pension has been agreed, the group follows the norms applied by the Insurance Industry's Pension Fund (FPK).

Defined-contribution pension plans are plans according to which the company pays fixed contributions to a separate legal entity and does not have a legal or informal obligation to pay additional contributions.

The pension agreement for the insurance industry, the FTP plan, through insurance with the FPK, is a multi-employer defined-benefit pension plan.

FPK is unable to provide necessary information which is why the pension plans above are recognised as defined-contribution plans.

Amended accounting policies

Refer to section *D.1.4 Amended accounting policies*

D.4 Alternative valuation methods

The default valuation method for solvency purposes under Solvency II is to value assets and liabilities at market value, meaning using quoted market prices for identical assets or liabilities. Where the use of listed prices in active markets for the identical assets or liabilities is not possible, assets and liabilities are to be valued using listed market prices in active markets for similar assets and liabilities with adjustments to reflect differences. If this option is not available, alternative valuation methods are to be used. Assets valued using alternative valuation methods are primarily illiquid assets such as unlisted shareholdings and properties. Since the classification for solvency purposes is highly similar to the classification in the financial statements, the classification for solvency purposes is based on the basis for recognition in the financial statements. A description of the alternative valuation methods in the financial statements is presented in Länsförsäkringar AB's 2023 Annual Report, Note 52 Fair value valuation techniques.

For a number of balance-sheet items, alternative valuation methods are used in accordance with Article 10.5 of the Commission Delegated Regulation (EU) 2015/35.

An alternative valuation method is applied to unlisted shares. Refer also to section *D.1.2. Investments*.

An alternative valuation method is applied to certain bonds. Refer also to section *D.1.2. Investments*.

D.5 Other information

Material information about the valuation of the assets and liabilities for solvency purposes is presented in the commentary on each balance-sheet item and in the section on uncertainties.

E. Capital management (financing)

The Länsförsäkringar AB Group's total own funds at group level to cover the solvency capital requirement amounted to TSEK 62,634,272 at year-end and comprises the group's Tier 1 capital less deductions and own funds from other financial sectors and from companies included via deduction and aggregation.

The group's solvency capital requirement amounted to TSEK 46,065,989, resulting in a healthy margin compared with the regulatory requirement and surplus capital of TSEK 16,568,283 at year-end. Surplus capital declined TSEK 693,348 year-on-year.

Own funds increased TSEK 3,535,750 during the year. The increase was mainly due to higher own funds in Länsförsäkringar Liv combined with subordinated debt issued by Länsförsäkringar Bank. The capital requirement increased TSEK 4,229,593, mainly due to a higher capital requirement for Länsförsäkringar Bank and Länsförsäkringar Liv.

Since Länsförsäkringar Liv is conducted in a mutual form, no more of its own funds can be included at group level than the amount corresponding to the company's solvency capital requirement, which was TSEK 18,035,358 at year-end. Länsförsäkringar Liv's surplus capital, amounting to TSEK 19,462,763 at year-end, is thus not included in the surplus calculated according to the regulatory requirements at group level.

E.1 Own funds

E.1.1 Management of own funds: Targets, governance and processes

The Länsförsäkringar AB Group applies Group-wide Guidelines for Financial and Capital Management and Control for ORSAs.

The ORSA process is described in section *B.3.2. Own Risk and Solvency Assessment (ORSA)*. Governance documents in these areas apply jointly for Group companies, after adoption by the Board of the Parent Company and subsidiaries.

The business activities of the companies consolidated in the Länsförsäkringar AB Group are conducted for profit-making purposes to enable Länsförsäkringar AB to pay returns through value growth and dividends to the owners. All capital that is not required for operations that the Group is commissioned to conduct by the regional insurance companies is to be paid as a dividend over time, on the condition that a credit rating of A for the Group's credit-rated units can be justified. Länsförsäkringar Liv is a subsidiary that is operated according to mutual principles and is not consolidated in the Länsförsäkringar AB Group.

For this reason, specific considerations apply to capital management for this company and are described separately in Länsförsäkringar Liv's solo report.

Quantitative capital targets are set at both Group level and for each legal entity. These capital targets are decided every year by each Board and the Board of Länsförsäkringar AB. As a rule, a target for the solvency ratio is set for the Group's insurance companies as well as for the minimum permissible level of capitalisation.

The minimum permissible level of capitalisation clearly exceeds the regulatory requirement of 100%. The solvency ratio refers to own funds divided by the solvency capital requirement. A capital target at a specific level is also set at Group level that is supplemented with a minimum permissible level of capitalisation. The target level and the minimum permissible level of capitalisation at Group level are also based on the contributions to own funds and capital requirements entailed by the operations in Länsförsäkringar Bank and its subsidiaries.

The Group's capital planning is conducted annually and is integrated into the business planning. These plans include the current year and three years in the future, and are prepared during the autumn. The process analyses the level of the capital requirement and the access to capital based on sales and profitability forecasts.

The purpose of the Group's capital planning is to ensure that own funds are sufficient for bearing the risks associated with realising the business plan in every subsidiary and at Group level. The analysis is based on the business plan activities and its base scenario, but also includes a demanding but realistic negative scenario and stress tests.

The capital position of the entire Länsförsäkringar AB Group can be highlighted by performing analyses of shared scenarios and stress tests. In addition, unit-specific stress tests are performed in the Group's insurance companies and in the banking operations to provide supplementary data on the capital position of each company. The analysis is to be performed in such a manner that the Board and management of each subsidiary – and for the Group, the Board of the Parent Company – gain greater joint understanding of issues relating to capital structure, capital requirement and business contingency to reduce risks and acquire new capital.

Capital planning results in, for example, forecasts for the income statement and balance sheets at Group and subsidiary level, and the capital position in relation to regulatory requirements. The process also creates a plan for dividends and contributions within the Group, and a plan for capital transactions between the Parent Company and its owners and issues of capital instruments to external investors.

After the capital planning has been documented and adopted by each subsidiary Board for its company, and the Parent Company's Board for the Group, the plans are regularly monitored throughout the year in quarterly reports. The plans are continuously updated during the fiscal year as required.

E.1.2 Composition of own funds

Own funds comprise Tier 1 capital and ancillary own funds. Own funds in the companies encompassed by this report and own funds at group level solely comprise Tier 1 capital.

The items in own funds are divided into three tiers depending on the characteristics of each item in terms of their availability for loss absorption ("permanent availability"), the degree to which the items have a lower right to payment than other liabilities ("subordination") and the long-term nature of the items ("sufficient duration"). The group's entire Tier 1 capital less deductions refers to Tier 1, the highest tier.

At group level, Additional Tier 1 instruments and subordinated debt issued by Länsförsäkringar Bank are included as own fund items classified as Tier 1 and Tier 2, respectively. These are included in own funds from other financial sectors. Additional Tier 1 instruments are classified as "restricted Tier 1" that may amount to a maximum of 20% of the total own fund items in Tier 1.

Länsförsäkringar Fondliv and Länsförsäkringar Liv have reported that the regulations introduced through the EU's Solvency II Directive are applied to the entire operations.

Own funds at group level increased during the reporting period by TSEK 3,535,750 to TSEK 62,634,272. The increase was mainly due to higher own funds in Länsförsäkringar Liv and subordinated debt issued by Länsförsäkringar Bank. The proposed dividend from the Parent Company is at the same level as last year.

For further information on own funds at group level and its composition including the composition of the reconciliation reserve at the end of the reporting period, refer to QRT s.23.01.22 in Appendix 1.

Table E1(1): Composition of own funds

Länsförsäkringar AB and its subsidiaries, group level (TSEK)	31 Dec 2023	31 Dec 2022
Ordinary share capital	200,000	200,000
Reconciliation reserve	40,162,899	39,687,654
Tier 1 capital before deductions	40,362,899	39,887,654
Deductions for participations in related credit institutions	-20,515,496	-19,339,356
Deductions for participations in Länsförsäkringar Liv	-8,199	-8,199
Total Tier 1 capital less deductions (Tier 1 unrestricted)	19,839,204	20,540,099
Total own funds from other financial sectors (related credit institutions)	24,759,710	22,245,112
- of which tier 1 unrestricted	19,469,785	18,549,987
- of which tier 1 restricted	2,200,000	2,200,000
- of which tier 2	3,089,925	1,495,125
Eligible own funds from Länsförsäkringar Liv (tier 1 unrestricted)	18,035,358	16,313,311
Own funds to cover solvency capital requirement at group level	62,634,272	59,098,522

Description of individual sub-items in own funds

Ordinary share capital

Paid-in share capital according to Parent Company balance sheet.

Share premium reserve for ordinary share capital

Share premiums paid in connection with issues of share capital in the Parent Company.

Reconciliation reserve

The Group's equity excluding ordinary share capital and any share premium reserve, Solvency II revaluations of assets and liabilities, the tax portion of parts of untaxed reserves in consolidated insurance companies, and deductions for the Parent Company's proposed dividends.

Deductions for participations in related credit institutions

Deductions are to be made in own funds for the carrying amount of participations in related credit institutions according to the Solvency II balance sheet. The deduction refers to the wholly owned subsidiary Länsförsäkringar Bank AB.

Deductions for participations in Länsförsäkringar Liv

Deductions are to be made in own funds for the carrying amount of participations included by using D&A when a combination of methods is used according to the Solvency II balance sheet. The deduction refers to the wholly owned subsidiary Länsförsäkringar Liv which is operated according to mutual principles.

Total own funds from other financial sectors (related credit institutions)

Related credit institutions' total own funds at Group level, calculated according to the capital adequacy rules.

Eligible own funds from Länsförsäkringar Liv

Since Länsförsäkringar Liv is operated in accordance with mutual principles, only the portion of own funds that correspond to the amount of the company's capital requirement may be included in the Group's own funds.

Reconciliation reserve

The reconciliation reserve primarily comprises the effects from the revaluation of assets and liabilities, retained earnings including net profit for the year and other capital items that are not specified on a separate line. The composition of the reconciliation reserve is presented in the table below. Refer also to QRT s.23.01.22 in Appendix 1.1. For a specification of the items encompassed by *Revaluation of items from the financial statements to the Solvency II balance sheet*, refer to table E1(3) which presents a bridge from recognised equity to own funds.

The largest item regarding the revaluation of items from the financial statements to the Solvency II balance sheet is the revaluation of technical provisions.

Table E1(3) in section E.1.4 *Bridge from recognised equity to own funds* presents adjustments made on 31 December 2023 from recognised equity in the consolidated balance sheet to calculate the group's own funds.

Table E1(2): Specification of composition of reconciliation reserve at group level

Länsförsäkringar AB and its subsidiaries, group level (TSEK)	31 Dec 2023	31 Dec 2022
Other equity than ordinary share capital and share premium reserve	19,796,948	20,429,244
Untaxed reserves	2,094,756	1,996,779
Revaluation of items from the financial statements to the Solvency II balance sheet	18,969,642	17,960,078
Expected dividends	-698,447	-698,447
Total reconciliation reserve	40,162,899	39,687,654

E.1.3 Own funds to cover solvency capital requirement and minimum capital requirement

The items that may comprise own funds to cover the solvency capital requirement are primarily the same as those to cover the minimum capital requirement (the minimum capital requirement only applies to legal entities, not at group level). The differences take the form of stricter rules on the tier classification of the items for covering the minimum capital requirement. Own fund items in Tier 3 are not permitted to be used at all for covering the minimum capital requirement, and a smaller portion of Tier 2 own fund items may be used for covering the minimum capital requirement compared with the portion of own fund items permitted for covering the solvency capital requirement.

As stated in the preceding section, the group level has two items that are classified as restricted Tier 1 and Tier 2. However, these items are not of such a high amount that they infringe the limitation rules established for how items may be included in own funds to cover the capital requirement. Accordingly, the own fund items that exist may be included in the group's own funds in their entirety to cover the solvency capital requirement. Own funds at group level on 31 December 2023 amounted to TSEK 62,634,272, as stated in the preceding section.

E.1.4 Bridge from recognised equity to own funds

The following table presents a bridge from recognised equity according to the consolidated financial statements to own funds at group level. More detailed explanations on the rules for items revalued from the financial statements to the Solvency II balance sheet according to the table below are presented in sections D.1.2 and D.3.2.

Goodwill, intangible assets and deferred acquisition costs are not assigned a value in the Solvency II balance sheet under the solvency rules, which is why the revaluation had a negative impact on own funds.

Technical provisions are revalued in accordance with the solvency rules. The largest item refers to the unit-linked insurance operations in Länsförsäkringar Fondliv. The valuation of technical provisions in accordance with the solvency rules is described in section D.2.

Own funds in Länsförsäkringar Bank and its subsidiaries are included in the group's own funds by applying the rules on own funds in the banking sector. This results in an add-on to own funds for the banking operations according to the sector's rules and adjustments to eliminate the portion of the Group's equity that is attributable to the banking operations. Länsförsäkringar Bank's own funds includes subordinated debt.

Länsförsäkringar Liv is included at group level by applying the deduction and aggregation method. Since Länsförsäkringar Liv is conducted in a mutual form, no more of its own funds can be included than the amount corresponding to its solvency capital requirement.

Table EI(3): Bridge from recognised equity to own funds

Länsförsäkringar AB and its subsidiaries, group level (TSEK)	31 Dec 2023	31 Dec 2022
Equity according to statutory accounts	36,197,612	35,548,876
Subordinated debt	3,089,925	1,495,125
Revaluation of goodwill	-81,283	-727,797
Revaluation of intangible assets	-4,191,216	-3,728,481
Revaluation of deferred acquisition costs, net	-2,900,240	-2,738,808
Revaluation of technical provisions, net	14,011,139	14,238,903
Revaluation of deferred tax	191,668	119,233
Contingent liabilities	-81,439	-10,928
Other items	-938,805	-712,465
Deductions for proposed dividends	-698,447	-698,447
Eligible own funds from Länsförsäkringar Liv	18,035,358	16,313,311
Total own funds	62,634,272	59,098,522

E.1.5 Specific information about own funds at group level

Method for calculating own funds at group level

Own funds at group level are calculated, with the exceptions listed below, by applying the consolidation method stipulated in the IBA and the Commission Delegated Regulation (EU) 2015/35. Länsförsäkringar AB and the Group's profit-distributing insurance companies are consolidated. Own funds for Länsförsäkringar Bank and its subsidiaries are included in accordance with the banking sector rules. Länsförsäkringar Liv is included by utilising the deduction and aggregation method in accordance with the permit received from the FSA.

Own fund items at group level are issued by Länsförsäkringar Bank

Länsförsäkringar Bank has issued Additional Tier 1 instruments and subordinated debt. These are included in Länsförsäkringar Bank's own funds, according to the banking sector rules, as follows: Länsförsäkringar Bank's Additional Tier 1 instruments and subordinated debt were classified as restricted Tier 1 and Tier 2, respectively, when included in the group's own funds.

Table EI(4): Länsförsäkringar Bank Tier 1 capital and subordinated debt, 31 Dec 2023

Type of instrument (TSEK)	Amount	Classification according to banking sector rules
Additional Tier 1 instruments	2,200,000	Tier 1 capital (AT1)
Subordinated debt	3,089,925	Tier 2 capital (T2)

Calculating the Group's own funds taking into account internal transactions

All internal items that impact own funds were eliminated in the calculation of own funds for Länsförsäkringar AB and its subsidiaries at group level.

Limitations on transferability and capacity to absorb losses

The contingency reserve in Agria has been deemed to be an own funds item that is not available to absorb losses in other parts of the Länsförsäkringar AB Group. Accordingly, it has been included in own funds at group level only to the extent that the contingency reserve corresponds to that company's share of the solvency capital requirement for the insurance operations at group level excluding Länsförsäkringar Liv. On 31 December 2023, Agria's share of the solvency capital requirement was higher than its contingency reserve, which is why no deductions were made from group own funds. There are not deemed to be any own fund items in the other companies in the Länsförsäkringar AB Group for which the consolidation method is applied that are of such a nature that they are to be included in the group's own funds at only the corresponding company's share of the group's solvency capital requirement.

Since Länsförsäkringar Liv is operated in mutual form, no more of its own funds may be included in the Länsförsäkringar AB Group's own funds than the amount corresponding to Länsförsäkringar Liv's solvency capital requirement.

E.1.6 Other information about own funds

None of the companies encompassed by this report make use of any of the transitional measures for including certain instruments in own funds. Such options refer to instruments that are not otherwise approved under current regulations but that were approved own funds instruments under the previous rules.

The option of including a type of ancillary own funds in own funds is also not used.

None of the companies have any ring-fenced funds or use matching adjustment that would give rise to a deduction from own funds.

E.2 Solvency capital requirement and minimum capital requirement

E.2.1 Amount of solvency capital requirement and minimum capital requirement

The following table shows the amount of the solvency and, where applicable, the minimum capital requirement as a total and per company included in the Länsförsäkringar AB Group on 31 December 2023 and the previous year-end. Länsförsäkringar Liv is conducted in mutual form, which is why its capital requirement is added using the deduction and aggregation method. The minimum capital requirement for Länsförsäkringar Liv is reported for information purposes but is not included in the calculation of the floor for the Group's consolidated solvency capital requirement (refer to section E.4.8).

Table E2(1): Solvency capital requirement and minimum capital requirement

TSEK	2023		2022	
	Solvency capital requirement	Minimum capital requirement	Solvency capital requirement	Minimum capital requirement
Parent Company Länsförsäkringar AB	9,385,017	2,887,725	9,215,301	2,633,226
-less Group eliminations	-7,855,206	-	-7,773,612	-
Agria	1,082,642	487,189	996,751	448,538
Länsförsäkringar Gruppliv	70,808	47,310	66,900	43,604
Länsförsäkringar Fondliv	7,929,876	1,982,469	7,864,042	1,966,011
Diversification	-1,228,120	-	-1,154,080	-
Länsförsäkringar Liv*	18,035,358	4,508,839	16,313,311	4,078,328
Total capital requirement insurance	27,420,375	5,404,693	25,528,612	5,091,379
Länsförsäkringar Bank Group**	18,645,614	-	16,307,785	-
Capital requirement Länsförsäkringar AB Group	46,065,989	-	41,836,396	-

* Länsförsäkringar Liv is conducted in mutual form, which is why its capital requirement is added by using the deduction and aggregation method (method 2).

** Capital requirement according to sector rules for banking operations.

According to QRT s.25.05.22 (refer to Appendix 1), the table below shows the Länsförsäkringar AB Group's solvency capital requirement specified by risk category according to Länsförsäkringar AB's partial internal model and the capital requirement for the Länsförsäkringar Bank Group according to the banking sector rules as well as the solvency capital requirement for Länsförsäkringar Liv which is operated according to mutual principles and is thus included by applying the deduction and aggregation method.

The various risk categories are described in more detail in section C. The partial internal model is described in section E.4.

Table E2(2): Capital requirement decomposition – regulatory capital requirements per risk category including Länsförsäkringar Bank and Länsförsäkringar Liv

Solvency capital requirement (TSEK)	2023	2022
Life-assurance risk	3,554,986	3,570,064
Health-insurance risk	403,237	389,371
Non-life insurance risk	1,196,959	1,070,033
Market risk	7,002,416	6,818,180
Counterparty risk	243,618	340,168
Operational risk	530,142	523,747
Risk absorption in deferred tax	-294,947	-290,833
Diversification	-3,251,394	-3,205,429
Capital requirement Länsförsäkringar Bank	18,645,614	16,307,785
Capital requirement Länsförsäkringar Liv	18,035,358	16,313,311
Capital requirement Länsförsäkringar AB group	46,065,989	41,836,396

E.2.2 Reason for use of simplified calculations

None of the companies in the Länsförsäkringar AB Group use any such simplification in its calculation of solvency capital requirements that are permitted under certain conditions in accordance with European Commission Delegated Regulation (EU) 2015/35. No such simplified calculations are used at group level.

E.2.3 Reason for use of undertaking-specific parameters

None of the companies in the Länsförsäkringar AB Group use undertaking-specific parameters for calculating the solvency capital requirement for insurance risk. No such undertaking-specific parameters are used at group level.

E.2.4 Capital add-on

The FSA has not decided on any capital add-on for any of the companies. The FSA has also not decided on any capital add-on at group level.

E.2.5 Data used for calculating minimum capital requirement

The minimum capital requirement for the Länsförsäkringar AB Group's insurance companies at solo level is calculated by taking into account technical provisions, premium income, positive risk amounts, deferred taxes, administrative costs, ceded reinsurance and the solvency capital requirement. The minimum capital requirement is stated in table E2(1) above.

The calculation of the floor for the Group's consolidated solvency capital requirement calculated according to method 1 is described in section E.4 below.

E.2.6 Material changes to capital requirements during the reporting period

Tables E2(1) and E2(2) describe how the capital requirements changed during the reporting period. One of the reasons for the higher capital requirement in the Länsförsäkringar Bank Group is the higher countercyclical capital buffer in the banking operations.

E.3 Use of sub-groups for duration-based equity risk in calculation of solvency capital requirement

An insurance company that underwrites pension insurance in accordance with the Swedish Income Tax Act has the option to apply to use a duration-based method for calculating the solvency capital requirement for equity risk. None of the companies encompassed by this report have applied to use such a method.

E.4 Differences between the standard formula and any internal model used

E.4.1 Area of application for internal model

Länsförsäkringar AB has developed a partial internal model that is adapted to the risk profile of the operations and thus measures the companies' risk levels more correctly than the standard formula of the Solvency II regulations. The model measures risk as Value at Risk at a 99.5% confidence level over a 1-year time horizon, based on historical simulation. The FSA has approved the model to calculate capital requirements under the Swedish Insurance Business Act for Länsförsäkringar AB and its insurance subsidiaries. The model is an integrated component of the Group's risk management and business governance systems and issued to govern risk-taking, for example, by setting limits, as a basis for ALM analyses and portfolio structure and for effect analyses under the framework of the Group's approval process, for example, in connection with procuring reinsurance cover.

The model is also an important tool in the ORSA process for stress tests and scenario analyses, etc. and for calculating whether the company's capital resources are sufficient for the future.

Furthermore, the model is used for risk reporting to management and the Board, including monitoring the risk profile, capital targets and limits.

E.4.2 Scope of the internal model

The partial internal model is used to calculate the solvency capital requirements in the Länsförsäkringar AB Group at group level and at solo level for Länsförsäkringar AB, Länsförsäkringar Fondliv, Agria and Länsförsäkringar Liv. For Länsförsäkringar Gruppliv, a standard formula is used at solo level, while the internal model is used for the calculation of the solvency capital requirement at group level for the Länsförsäkringar AB Group.

The following risk categories are calculated using the internal model:

- Market risks, excluding concentration risk which is modelled using the standard formula.
- Insurance risk (underwriting risk); premium and reserve risk (for both non-life insurance risk and health-insurance risk) and to a certain extent catastrophe risk in Länsförsäkringar AB and Agria.

Companies encompassed by the partial internal model used to calculate the solvency capital requirement at group level

- Länsförsäkringar AB (publ)
 - Länsförsäkringar Fondliv Försäkrings AB (publ)
 - Försäkringsaktiebolaget Agria (publ)
 - Länsförsäkringar Grupplivförsäkrings AB
 - Länsförsäkringar Liv Försäkrings AB (publ)

At group level, the capital requirement is also included for Länsförsäkringar Bank Group, calculated in accordance with applicable capital requirement rules for banks and credit institutions.

Länsförsäkringar AB's partial internal model encompasses the capital requirement calculation for all risk modules defined in the standard formula of the Solvency II regulations. Risks not encompassed by the model, such as business risk and liquidity risk, are monitored following internally established policies.

E.4.3 Integration of the internal model with the standard formula

Capital requirements for risk categories calculated using the internal model are integrated with the capital requirements for risk categories using the standard formula by following the stipulated standard approaches.

E.4.4 Calculation methods of the internal model

The model for calculating solvency capital requirements for market risk comprise two main components: (i) an economic scenario generator that models such market risk factors as interest rates, share prices, credit spread, property prices and currencies, etc., and (ii) valuation techniques for assets and liabilities. The scenario generator is supplied by Moody's Analytics, a well-established global supplier of system support for financial companies. The valuation model for assets - Algorithmica Risk Management System from Algorithmica - is used by several large companies in the Swedish financial market.

The market risk factors are simulated in the economic scenario generator based on statistical probability distributions and historical correlations, which result in a large number of shared scenarios that correspond to the trend in market risk factors over one year. The assets and liabilities in the valuation models are then valued under the framework of each scenario. The solvency capital requirement can be seen in the forecast probability distribution created from the total result of all of the scenarios. The model for calculating the solvency capital requirement for market risk is calibrated to the shared underlying data for all companies in the Group.

The solvency capital requirement for counterparty risk is calculated using the framework of the standard formula. To ensure consistency, the internal model is used for market and underwriting risk to calculate risk mitigating effects. The risk mitigating effects for derivatives and reinsurance contracts are therefore calculated using the internal model in those cases in which the company in question has an approved internal model for that specific risk. Risk adjustment of the collateral value of mortgage funds is carried out conservatively without taking into account diversification effects.

The model for calculating the solvency capital requirement for premium and reserve risk and catastrophe risk for non-life and health-insurance risks is based on the company's own claims history and internally produced expert judgements. One-year simulations create a forecast probability distribution from which the solvency capital requirement can be ascertained.

To calculate the capital requirement for catastrophe risks for internationally assumed reinsurance, an external model from Risk Management Solutions is used that simulates scenarios based on a selection of causes of claims, such as storms in Europe, hurricanes and earthquakes in North America and hurricanes and earthquakes in Japan. A distribution for each claim cause is produced based on the company's exposure in various geographic areas and the solvency capital requirement can be ascertained from this distribution.

E.4.5 Internal model compared with standard formula: Most important differences in methods and assumptions

The differences between Länsförsäkringar AB's partial internal model and the standard formula derive from the risk modules that are modelled internally, meaning the market risk and the non-life insurance risk, and from the risk module for counterparty risk where the results of the internal models comprise the inputs for calculations using the standard formula.

The most important differences in the module for market risk compared with the standard formula are:

- The internal model is a simulation model that provides the entire probability distribution for the balance sheet's sensitivity to market risks as opposed to the standard formula, which is a factor model and only estimates the risk in the 99.5th percentile.
- The calculation in the internal model is regularly updated with a new calibration, meaning that the solvency capital requirement for market risk is adjusted by the market trend as opposed to the standard formula, which, besides effects attributable to the equity dampener, is static.
- The internal model contains significantly more risk factors than the standard formula and thus enables a more precise calculation of the solvency capital requirement that can be adapted to the company's investment assets.
- The dependence between all risk factors in market risks is modelled in the internal model, which means that the dependencies between various types of risk are dynamic compared with the static dependencies in the standard formula.

The most important differences in the module for non-life insurance risk compared with the standard formula are:

- The model for calculating the solvency capital requirement for premium and reserve risk and catastrophe risk for non-life and health-insurance risks is based on the company's own claims history and internally produced expert judgements.
- The model also models the dependence between various types of insurance risk, which means that these are dynamic compared with the static dependencies in the standard formula.

The difference between the internal model and the standard formula for the counterparty risk module is that the risk mitigating effect from signed derivative contracts is calculated using the internal model and comprises inputs for the standard formula calculation of counterparty risk.

E.4.6 Risk measures and periods of the internal model

The internal model uses the same risk measures and periods that are used in the IBA to describe the minimum amount of capital that an insurance company must have. Accordingly, the measure states, with a probability of 99.5%, the amount of capital required for having sufficient assets for twelve months in order to cover the value of the commitments to policyholders and other parties eligible to receive payouts.

E.4.7 Data used in the internal model

Data is one of the most important business assets and risk models are entirely dependent on the quality of underlying data for providing correct results.

For market risks, important data for the calculations is the position data from the current asset portfolio and associated market data for valuing the portfolio, as well as the historical market data used to calibrate the probability distribution for all modelled risk factors.

For non-life insurance risk, critical data for the calculations comprises the data for calculating technical provisions, such as historical claims data, forecasts of volumes and claims costs, and data for calibrating probability distribution.

Expert judgements and assumptions are also used in the internal model. Expert judgements are used as substitutes for data when data is unavailable or incomplete. The expert judgements used in Länsförsäkringar AB's partial internal model are updated every year and are also independently validated. Assumptions are largely the result of a modelling decision. Fundamental modelling decisions are made in accordance with internal policies.

Data, expert judgements, assumptions, the internal model and its integration with the standard formula are regularly validated. The management and application of the internal model in the operations are also included in the validation. Such validation is performed at least once a year by an external party. The assessment of the most recent validation is that the model as a whole is reliable.

E.4.8 Specific information about the capital requirement at group level

Sources of diversification at group level

The solvency capital requirement for Länsförsäkringar AB and its consolidated insurance subsidiaries is calculated by applying Länsförsäkringar AB's partial internal model for which the results of the internal model are integrated with the results calculated using the standard formula. The model takes account of diversification effects between the various classes of assets, the various types of insurance commitments and between liabilities and assets. Since the solvency capital requirement is calculated on consolidated data for assets and liabilities, a diversification effect also arises between the companies consolidated, meaning between Länsförsäkringar AB, Länsförsäkringar Fondliv, Agria and Länsförsäkringar Gruppliv.

The solvency capital requirement for Länsförsäkringar Liv is also calculated by applying the partial internal model, with the same diversification effects arising in the company. Länsförsäkringar Liv is operated according to mutual principles and is thus not consolidated. Instead, its solvency capital requirement is added by applying method 2 (deduction and aggregation method) for which no diversification effects arise.

The capital requirement for the Länsförsäkringar Bank Group is calculated under the sector rules for banking operations and is added to the consolidated solvency capital requirement by applying method 1 without any diversification effects.

Diversification effects in the calculation of the Länsförsäkringar AB Group's solvency capital requirement are stated in table E2(1) above.

The floor for the consolidated solvency capital requirement calculated according to method 1

The Länsförsäkringar AB Group's consolidated solvency capital requirement calculated according to method 1 comprises the Parent Company's, the consolidated insurance subsidiaries' and the Länsförsäkringar Bank Group's capital requirement and amounted to TSEK 28,030,631 on 31 December 2023.

Länsförsäkringar Liv is conducted in mutual form, which is why its capital requirement is added by using method 2 (deduction and aggregation method).

The floor for the Länsförsäkringar AB Group's consolidated solvency capital requirement comprises the total of the minimum capital requirements for the Parent Company and the consolidated insurance subsidiaries and amounted to TSEK 5,404,693 on 31 December 2023, as seen in table E2(1) above. The minimum capital requirement for Länsförsäkringar Liv is reported for information purposes but is not included in the calculation.

Difference between internal model at solo level and group level

Länsförsäkringar AB's partial internal model applies to all of the companies above that are encompassed by the model. The model is calibrated to the shared underlying data for all companies in the Group.

However, a difference between the application of the model at solo level and at group level is that the solvency capital requirement for Länsförsäkringar Gruppliv is calculated by applying an internal model to calculate the solvency capital requirement at group level for Länsförsäkringar AB, while the calculation of the solvency capital requirement for Länsförsäkringar Gruppliv at solo level uses the standard formula.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

Neither the minimum capital requirement nor the solvency capital requirement were breached by any of the Länsförsäkringar AB Group's insurance companies during the reporting period. Furthermore, no infringements took place at group level.

E.6 Other information

There is not deemed to be any other relevant information to be provided in this section on *Capital management* for either the insurance companies or at group level.

Agria Djurförsäkring





Summary

Agria Djurförsäkring (referred to below as "Agria") is the Länsförsäkringar Alliance's specialist company for pet and crop insurance, and Länsförsäkringar's subsidiary brand. This specialisation involves a streamlined focus on and involvement with animals and their owners. Agria serves Sweden and has operations in Norway, Denmark, Finland, the UK, France, Germany, Ireland and the Netherlands. The wholly owned subsidiary Agria Pet Insurance Ltd (API) also operates in the UK and in Ireland there is the wholly owned subsidiary Capstone Financial Services Limited, which has operations in Ireland and the Netherlands. Agria's digital vet service is conducted in the subsidiary Agria Vet Guide AB.

The strong Agria brand is based on such factors as a deep commitment to animal health and research programmes.

Agria participates in various animal events, including competitions, exhibitions and clinics. Continuous dialogue is

maintained with Agria's customers through partnerships with several animal-owner organisations, such as kennel clubs and various pedigree clubs.

Agria's earnings are primarily driven by earnings from the non-life insurance operations, and partly from earnings in investment operations. The main stream of income in the non-life insurance operations is premiums earned. Costs in the insurance operations largely comprise claims payments. A small amount of costs is made up of operating expenses in the form of, for example, costs for insurance contracts, salaries for employees and costs for IT systems and development. Earnings from investment operations are, to a certain extent, sensitive to fluctuations in the financial markets, but a large percentage of investment assets are invested at low risk.

The technical result amounted to SEK 206 M (486). Premiums earned after ceded reinsurance increased 7%. Volumes increased in all business lines, with growth both in the international and the Swedish operations. The claims ratio increased to 72% (68) and the expense ratio increased to 25% (23).

About Agria Djurförsäkring

Agria is a wholly owned subsidiary of Länsförsäkringar AB, which in turn is owned by 23 customer-owned regional insurance companies and 14 local insurance companies. Agria conducts operations in Sweden and has branches in Denmark, Finland, France, Norway, the UK, Germany and Ireland. The subsidiary Agria Pet Insurance Ltd (API) also operates in the UK and in Ireland there is the subsidiary Capstone Financial Services Limited, which has operations in Ireland and the Netherlands. Agria offers insurance cover for animals and crops to private individuals, the agricultural sector and other companies. Insurance cover comprises veterinary care insurance, life assurance and business interruption insurance. Agria also offers video calls with vets through the wholly owned subsidiary Agria Vet Guide AB.

Technical result

206 M

Own funds

SEK 1,648 M

Capital requirement

SEK 1,083 M

Solvency ratio

152%

Investments continued to be made in building up new markets. In Germany, horse insurance was added to the product range and the subsidiary Agria Vet Guide AB launched its services in both the UK and Germany during the year. In February 2023, Agria took over the role of insurer for Capstone Financial Services Ltd's operations in Ireland and in the Netherlands. In conjunction with this, the former brand Petinsure was changed to Agria Petinsure in the Irish market, and Zoopo in the Dutch market changed name to Agria Dierenverzekering.

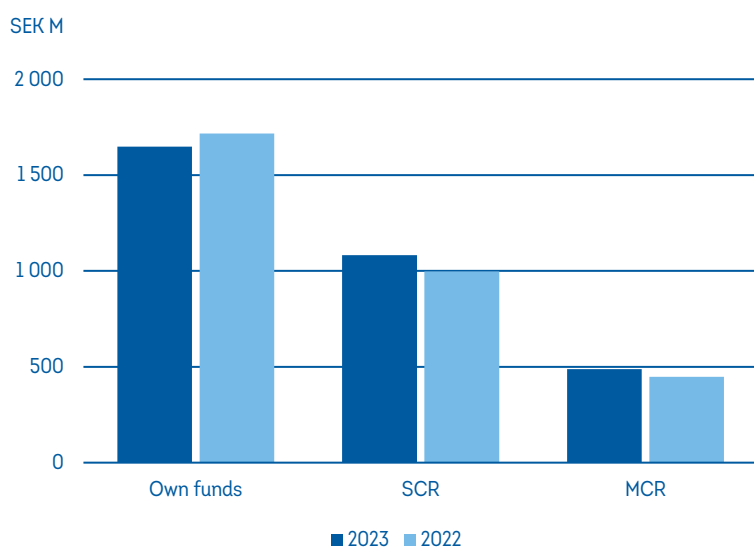
The total investment return on investment assets increased to 6.1% (-4.7) due to a positive market trend. The investment portfolio mainly consists of interest-bearing assets, and has a short duration. The fixed-income portfolio contributed 3.0 percentage points (-0.7), for which sustainable bonds had the highest return. Equities contributed 2.9 percentage points (-1.7) due to rising stock markets during the year. Properties reported a positive trend during the year, contributing 0.1 of a percentage point (-2.1). The forest class of asset in alternative investments contributed 0.1 of a percentage point (-0.2).

Agria has a healthy financial position. Financial strength is primarily measured by comparing the company's own funds with the solvency capital requirement. The comparison shows the company's ability to fulfil its commitments to policyholders and other creditors even when the company's financial position is very highly stressed. By law, own funds must be higher than the solvency capital requirement. Agria calculates its solvency capital requirement by using a partial internal model.

Agria's own funds at year-end amounted to SEK 1,648 M (1,717), comprised of capital of the highest quality. The solvency capital requirement amounted to SEK 1,083 M (997). This provides a solvency ratio (own funds divided by the solvency capital requirement) of 152% (172) at year-end, thus exceeding the statutory capital requirement.

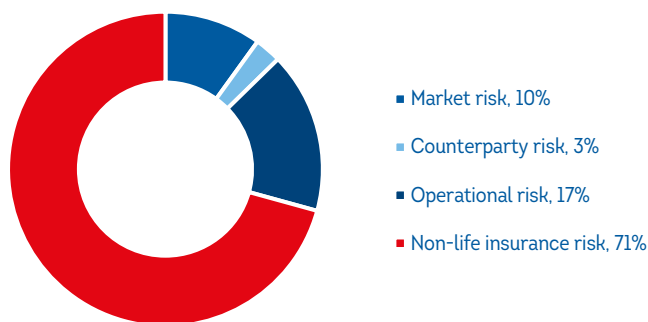
Legislation also contains a minimum capital requirement that is normally significantly lower than the solvency capital requirement. It means that significantly more severe consequences are imposed on the company if it were to contravene the minimum capital requirement compared with contravening the solvency capital requirement. Agria's minimum capital requirement amounted to SEK 487 M (449), which own funds cover by a very healthy margin.

Figure 1: Agria's own funds, solvency capital requirement (SCR) and minimum capital requirement (MCR)



The solvency capital requirement shows how much capital the company needs as a minimum based on the capital requirements calculated according to the regulations. Figure 2 shows the distribution of capital requirements calculated according to the regulations in Agria by risk category. The company defines its risk profile as equal to the capital requirement calculated according to the regulations and qualitatively assessed risks.

Figure 2: Agria' risks by category, 31 Dec 2023



Non-life insurance risk represents Agria's largest risk and pertains to premium, reserve, catastrophe risk and cancellation risk. Non-life insurance risk comprises 70% of Agria's regulatory capital requirement and the company is specifically exposed to the risk of losses arising due to claims in the next year being larger than expected, known as premium risk. The reason for this is that the business has short settlement periods, meaning that the time from claim to final payout is short. Agria is also exposed to operational risk, for example, through the risk of cyber attacks, and market risk comprising the risk of losses due to changes in the value of assets in the financial markets.

In calculating the solvency capital requirement, the company's assets and liabilities are valued for solvency purposes, which differs from the financial statements. Under the Solvency II regulations, assets and liabilities are to be measured at market value, which entails that the company is to make certain revaluations. In Agria's case, the valuation resulted in a reduction in both the assets and liabilities. The revaluation of the technical provisions as per 31 December 2023 corresponded to SEK 2,558 M before ceded reinsurance. The technical provisions are measured gross at SEK 806 M and net at SEK 756 M in the Solvency II balance sheet.

Agria's Board assumes the ultimate responsibility for the organisation and management of the company. The Board appoints the President and CEO, adopts an appropriate operating organisation as well as the goals and strategies of the operations, and ensures that efficient systems are in place for internal control and risk management. The Board has established a Risk and Capital Committee, an Audit Committee and a Remuneration Committee. These Committees do not generally have any decision-making mandates, and instead support the Board and prepare decisions in their relevant areas.

A shared corporate-governance system, with an internal-governance and -control system that includes a risk-management system and regulatory compliance, has been established in the Länsförsäkringar AB Group. The risk-management system includes an Own Risk and Solvency Assessment (ORSA), the overall aim of which is to ensure that own funds are and remain sufficient for bearing the risks associated with realising the business plan. Internal control aims to ensure that the organisation is efficient and fit for its purpose, that operations are conducted in accordance with decided strategies in order to achieve established targets, that financial accounting and reporting are reliable, that information systems are managed and operated efficiently and that there is a strong capability to identify, measure, monitor and manage risks as well as full regulatory compliance. No material changes were made to the corporate governance system during the year.

Note to the reader



The information in this part of the Solvency and Financial Condition Report is specific to Agria. The information presented here provides more details on the group-level report. References to the group-level report are provided where relevant.

A. Operations and earnings

A description of Agria's operations and earnings is presented below. For additional information about the company's operations and earnings, refer to the corresponding section of the group-level report.

A.1 Operations

Significant business events during the reporting period

The economic situation in Europe is challenging, with fewer people choosing to have a pet. Registrations of new puppies fell in 2023, while claims costs also increased. The market is growing mainly in Europe where an increasing number of animal owners are becoming aware of the importance of reliable pet insurance, driven by the role of a pet as a member of the family combined with developments in the veterinarian industry with new technology and new treatment methods.

At the Sweden International Horse Show 2023, Agria launched its "Horse Extra" veterinary care insurance policy. Besides the most comprehensive insurance cover, it includes medical advice and vet consultations around the clock, consultations on feed and horse keeping.

During the year, the subsidiary Agria Vet Guide launched digital vet consultations in the UK and Germany. The service is already offered in Sweden, Norway, Denmark and Finland. The number of users of the digital vet service has more than quadrupled since it was launched in 2020 and the number of calls is increasing steadily.

Agria's foreign operations reported strong growth and favourable results. In particular, the UK contributed strong sales of horse insurance, but also higher increased demand in the dog and cat segments. In the Nordic region, the Norwegian branch contributed a strong technical result, while growth continued to improve in Denmark and Finland. In Germany, one of the world's largest equestrian nations with 1.3 million horses, horse insurance was launched in the autumn and a partnership agreement was entered into with the German Equestrian Federation. The strong sales of dog and cat insurance are continuing in parallel with the new horse offering. A new supplementary loss prevention insurance policy was launched following market demand in France and immediately received a positive response. The Irish business has been gradually incorporated into Agria following the acquisition of Capstone last year.

Agria signed an agreement for excess loss reinsurance with Arch in connection with the acquisition of the Irish company Capstone in February 2022.

This means that all new business and renewals that Capstone distributed to Arch after the acquisition date are insured in Agria as assumed reinsurance. Agria took over as insurer in Capstone for new business and renewals from 1 February 2023. The agreement for assumed reinsurance is valid for as long as Arch has commitments outstanding for the insurance policies distributed by Capstone. When Agria took over as insurer, the brand was also changed from Petinsure to Agria Petinsure in Ireland and from Zoopo to Agria Dierenverzekering in the Netherlands.

A.2 Technical result

Performance analysis

The technical result is presented so that it corresponds to the technical result of the non-life insurance operations in the annual report, which amounted to TSEK 206,014 (486,496). Premiums earned after ceded reinsurance rose 7% to TSEK 5,971,504 (5,555,972). The increase in volume took place in all businesses and the largest growth was in the international operations.

Sweden, the UK, Denmark and Norway stood out in particular, reporting strong technical results. The Pet business area in Sweden was impacted by the economic climate during the year as pet owners became more inclined to choose simpler insurance products for their pets. At the same time, they also took advantage of product options such as higher deductibles for a lower premium. In addition, higher veterinary care costs together with the current shortage of vets are having an impact at all levels.

The Horse & Agriculture business area in Sweden continued to grow at a steady pace. However, external factors such as fewer horses changing owners and a lower degree of covering by breeders impacted growth figures. Despite the economic situation, the agricultural sector continues to report steady growth and a healthy willingness to take out insurance.

The Europe business area reported strong growth combined with solid results. In particular, the UK contributed strong sales of horse insurance, but also higher increased demand in the dog and cat segments. Investments continue to be made in building up existing markets. The Irish business has been gradually incorporated into Agria following the acquisition of Capstone last year.

Claims payments after ceded reinsurance amounted to TSEK 4,325,582 (3,798,182) and the claims ratio increased to 72% (68).

Operating expenses increased to TSEK 1,514,597 (1,271,916) and the expense ratio rose to 25 (23). The combined ratio amounted to 98% (91). The claims ratio increased mainly due to increased claims costs from high inflation. At the same time, the expense ratio increased primarily due to investments in Agria's international expansion and the continued digitisation of the operations to enhance efficiency and improve long-term profitability.

Refer also to the QRT form s.04.05.21 and s.05.01.02 in Appendix 1 for information about income and expenses per line of business in accordance with Solvency II and geographic area. The technical result for non-life insurance per insurance line by Performance analysis and geographic area is presented in the following tables.

Table A2(1): Technical result per insurance line

TSEK	2023	2022
Non-life insurance commitments		
Other property*	184,423	387,160
Direct insurance, foreign risks	20,669	98,288
Assumed reinsurance	922	1,045
Total technical result, non-life insurance commitments	206,014	486,493

* Comprises pet and crop insurance

Table A2(2): Technical result per geographic area

TSEK	2023	2022
Home country (Sweden)	184,423	387,160
Denmark	8,405	18,083
Finland	-15,865	-11,193
Norway	99,395	115,738
France	-36,146	-37,895
UK*	40,034	74,170
Germany	-61,286	-60,615
Ireland	-12,947	1,045
Total technical result	206,013	486,493
of which, investment income transferred from financial operations	74,114	99
Total technical result non-life insurance commitments excluding investment income in insurance operations	131,899	486,394

* Refers only to branches, meaning excluding the subsidiary Agria Pet Insurance.

A.3 Investment performance

A.3.1 Income and expenses per class of asset

The investment return on investment assets increased to 6.1% (-4.7) due to a positive market trend.

The investment portfolio mainly consists of interest-bearing assets, and has a relatively short duration. The fixed-income portfolio contributed 3.0 percentage points (-0.7), for which sustainable bonds had the highest return. Equities contributed 2.9 percentage points (-1.7) due to rising stock markets during the year. Properties reported a positive trend during the year, contributing 0.1 of a percentage point (-2.1). The forest class of asset in alternative investments contributed 0.1 of a percentage point (-0.2).

Investment income recognised in profit or loss also includes expenses for asset management and other financial expenses that are not included in the recognised investment return ratio.

Table A3(1): Income and expenses per class of asset

Class of asset 2023 (TSEK)	Income	Expenses	Earnings
Shares and participations	82,128	0	82,128
Bonds and other interest-bearing securities, and bank balances	112,157	-18,669	93,488
Derivatives	6,638	-16,603	-9,965
Shares and participations in associated companies	694	0	694
Shares and participations in Group companies (not included in return ratio)	40,157	0	40,157
Exchange-rate gains/losses, net	0	-5,374	-5,374
Asset management expenses (not included in return ratio)	0	-5,038	-5,038
Other financial expenses (not included in return ratio)	0	-809	-809
Total return according to income statement	241,774	-46,493	195,281

Class of asset 2022 (TSEK)	Income	Expenses	Earnings
Shares and participations	15,792	-111,498	-95,706
Bonds and other interest-bearing securities, and bank balances	14,661	-75,635	-60,974
Derivatives	30,302	-8,986	21,316
Shares and participations in associated companies	49,685	0	49,685
Exchange-rate gains/losses, net	0	-15,445	-15,445
Asset management expenses (not included in return ratio)	0	-4,760	-4,760
Other financial expenses (not included in return ratio)	0	-968	-968
Total return according to income statement	110,440	-217,292	-106,852

A.3.2 Gains and losses impacting equity

Income and expenses in branches of foreign operations are translated to SEK at the average exchange rate for the year. The gain on currency translations amounted to TSEK 1,029 (-3,340) before tax and was recognised in other comprehensive income and accumulated in the revaluation reserve under non-restricted equity.

A.4 Performance of other operations

There are no other material income or expenses to report.

A.5 Other information

Significant events after the end of the year

In order to enhance competitiveness and raise brand awareness in Europe, Agria entered into a partnership with the Fédération Equestre Internationale (FEI). The FEI is the international organization for the major equestrian championships.

There is no other material information about the company's operations and earnings to report.

B. Corporate governance system

B.1 General information about the corporate governance system

General information about the corporate governance system is provided in the group-level report, section B.1.

B.2 Fit and proper requirements

Information about the fit and proper requirements is provided in the group-level report, section B.2.

B.3 Risk-management system including own risk and solvency assessment

Information about the risk-management system including own risk and solvency assessment is provided in the group-level report, section B.3.

B.4 Internal-control system

Information about the company's internal-control system is provided in the group-level report, section B.4.

B.5 Internal Audit function

Information about the company's Internal Audit function is provided in the group-level report, section B.5.

B.6 Actuarial function

Information about the company's Actuarial function is provided in the group-level report, section B.6.

B.7 Outsourcing agreements

B.7.1 Governance documents for outsourcing agreements

The Board of Länsförsäkringar AB has adopted a policy for outsourced operations. The policy stipulates the principles that Länsförsäkringar AB is to comply with when managing outsourced operations in order to ensure that appropriate management and compliance with the requirements stipulated for outsourcing agreements in external rules, refer to section B.7.1 in the group-level report.

Agria has prepared and adopted a similar policy for outsourced operations that regulates the outsourcing of operations. With the framework of this policy, the company has prepared instructions for managing and monitoring outsourced operations that describes in more detail how the outsourcing of operations is to take place and be managed. These instructions describe the implementation of the process for outsourced operations and the requirements on the company, the contractor and outsourcing agreement. The instructions also include more detailed requirements on the governance and follow-ups of outsourced operations. The instructions are decided on by the President.

B.7.2 Outsourced operations of material significance

Agria has outsourced the following operations and functions of material significance.

Of these, only the outsourcing of IT administration and operations, and information and IT security (branch in Ireland) are new for the reporting period.

Table B7(1): Outsourced operations of material significance, 31 Dec 2023	Jurisdiction of the contractor
Telephony platform and Contact center and related services	Sweden
Economy and Finance*	Sweden
Asset Management*	Sweden
Actuarial services*	Sweden
IT management and operations*	Sweden
Information and IT security*	Sweden
Sales and insurance administration and claims adjustment (UK branch) *	UK
IT management and operations, and information and IT security (UK branch) *	UK
Claims adjustment for liability insurance, liability claims (Danish branch)	Denmark
Claims adjustment for liability insurance, liability claims (Finnish branch)	Finland
Claims adjustment for liability insurance, liability claims (French branch)	France
Claims adjustment for liability insurance, liability claims (German branch)	Germany
Sanction screening	Sweden
IT management and operations, and information and IT security (Ireland branch) *	UK

* Outsourced to other companies in the Länsförsäkringar AB Group.

B.8 Other information

B.8.1 Description of the corporate governance system

The corporate governance system is considered to be effective and appropriate given the nature, scope and complexity of the risks inherent in the operation, and is thus deemed to ensure healthy and responsible governance and control of the company.

B.8.2 Other information

There is no other material information.

C. Risk profile

Agria is exposed to a variety of risks that impact the company's financial position, earnings and target fulfilment. The following describes Agria's operations and risk-taking:

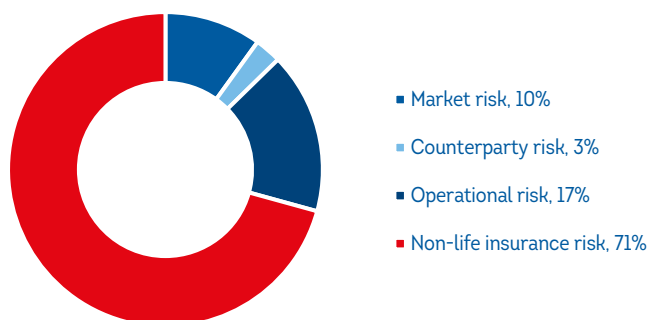
- The company conducts non-life insurance operations, specifically pet and crop insurance
- Operations are conducted in Sweden, Denmark, Finland, France, Norway, the UK, Germany, Ireland and to a small extent in the Netherlands.
- The company's products and services are targeted to private individuals and, to a lesser extent, to agricultural companies.
- The business has reinsurance cover in the areas where it is deemed relevant.
- The company is exposed to market risks through the management of investment assets.

Agria's largest risk exposure to large claims is estimated to be commitments in crop insurance, farm animals insurance and horse insurance, which are limited with reinsurance cover.

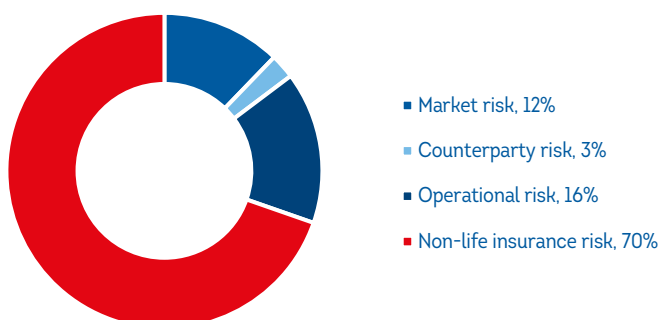
The figure below illustrates the relative specification of Agria's regulatory capital requirement under the insurance rules calculated by applying Länsförsäkringar's partial internal model. The specification does not change materially compared with 2022 or 2023.

Figure C(1): Agria's regulatory capital requirement in accordance with Solvency II, including diversification under Länsförsäkringar's internal model

31 Dec 2023



31 Dec 2022



C.1 Underwriting risk⁷

C.1.1 Risk exposure

Agria's business comprises insurance for pets (dogs, cats and other pets), horses and livestock and crop insurance, and is conducted in Sweden, Denmark, Finland, France, Norway, the UK, Germany, Ireland and the Netherlands. From a non-life insurance perspective, the business has short settlement times, meaning that the time from claim to final payout is short. As a result, claims reserves at any given time are small in relation to the premium portfolio and reserve risk is relatively small. Instead, Agria's underwriting risk, referred to below as insurance risk, is dominated by premium risk. The company is also exposed to cancellation risk since expected profit included in future premiums for existing insurance contracts is part of the company's own funds.

⁷ Underwriting risk is known internally in the Länsförsäkringar AB Group as Insurance risk.
Länsförsäkringar AB – Solvency and financial condition of the insurance operations

A measure of the exposure to insurance risk is the present value of the expected future cash flows from all insurance contracts. The measure reflects the company's commitments to its customers and corresponds to the best estimate under the Solvency II regulations. Table C1(1) shows the consolidated best estimate for Agria's business areas. Data was collected from the company's insurance and claims system. Best estimate increased compared with 2022 due to growing business.

Table C1(1): Exposure to insurance risk. The table shows the net best estimate, after ceded reinsurance

Business (TSEK)	31 Dec 2023	31 Dec 2022
Sweden	503,740	411,718
International	203,449	180,712
Total	707,190	592,430

C.1.2 Risk concentration

Concentration of risk (accumulation risk) could arise when the insurance business is not sufficiently diversified, leading to a single exposure, homogeneous group of exposures or a specific event being able to threaten the solvency of the company or its financial position. Most business, measured in premium income, is conducted in Sweden. Business is growing in other countries in which Agria conducts operations and expansion to more countries could take place in the year ahead. Agria's livestock and crop insurance business increases diversification since it has little covariance with other business lines. Sweden benefits from the fact that the country is sparsely populated and has a cold climate, which makes it difficult for infectious diseases in horses and livestock to spread. Close concentrations of sensitive stud farms for cattle, pigs and poultry are taken into consideration in insurance. The product range contains a number of different products, divided into several different animal types without any clear risk correlation. There is no covariance in the significance between life assurance and veterinary care or between types of animals.

The fact that a large share of the business is linked to Sweden is taken into consideration in calculations of capital requirements and stress tests in order to highlight the dependence on and importance of the business area for the company.

C.1.3 Risk-reduction techniques

Reinsurance

Agria's reinsurance cover comprises an important tool in providing protection from large individual claim incidents and high total claims costs in the more volatile businesses in the company. In addition to horse insurance, livestock and crop, Agria takes out reinsurance for dogs (liability) in foreign branches.

The programme provides cover for selected retention up to set limits. Discretionary reinsurance is purchased for insurance amounts exceeding the upper limits of the cover. In addition, the Board regulates the risk levels in the insurance policy by regulating the maximum risk exposure per claim incident and individual risk.

The company's Actuarial function makes an annual statement on the suitability of the reinsurance cover, for which comments are provided in the actuarial report to the Board. The Board decides on the retention and reinsurance conditions, etc., of the stipulated reinsurance at least once a year. The Actuarial function checks to ensure that the selection of risks is suitable by regularly monitoring the adequacy of the premiums and examining underwriting guidelines.

Other risk-reduction techniques

Other factors that affect risks are the product composition including diversification, structure of insurance terms and conditions, risk selection rules and risk inspections.

C.1.4 Risk sensitivity

The following table shows the sensitivity of Agria's own funds to changes in the claims frequency.

Table C1(2): Sensitivity analysis, insurance risk

Effect on own funds (TSEK)	2023	2022
10% increased claims frequency	-343,453	-301,577

C.1.5 Use of special purpose vehicles

Agria does not make use of special purpose vehicles in accordance with Article 211 of the Solvency II Directive.

C.2 Market risk

C.2.1 Risk exposure

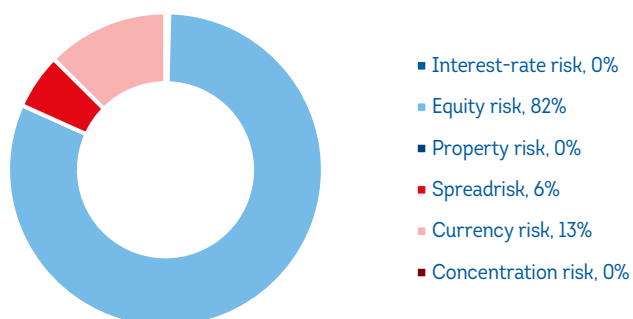
Exposure to market risk is measured as the solvency capital requirement for net market risk in assets and liabilities including diversification effects.

Price information for valuation and information on credit quality has been obtained from several different accepted external sources. For liabilities, the exposure corresponds to the best estimate of liabilities to policyholders. The company's assets and liabilities are presented in table D1(1).

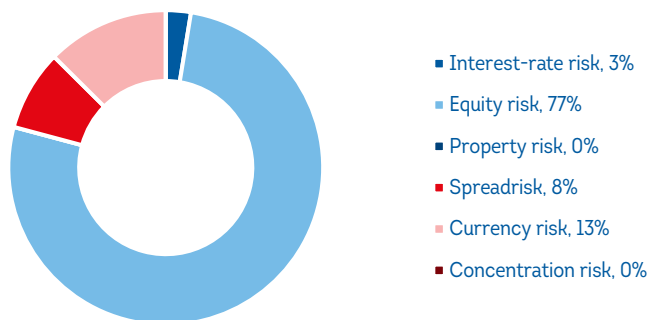
Market risk in the company primarily derives from investment assets and to a lesser extent from insurance liabilities. The main classes in the investment assets are interest-bearing instruments and equities. The interest-bearing investment assets include exposure to interest-rate risk and spread risk from government bonds, mortgage bonds, sustainability-focused bonds and derivative instruments. Interest-rate exposure is also inherent in insurance liabilities by provisions being discounted, but is highly limited due to the short duration in the provisions. The company is exposed to share indexes in developed markets and the currency exposure that exists is due to insurance liabilities and investment assets in other currencies.

Figure C2(1): Solvency capital requirement for net market risk in assets and liabilities including diversification effects

31 Dec 2023



31 Dec 2022



The company's currency exposure is due to insurance liabilities and investment assets in other currencies, refer to table C2(1).

Table C2(1): Net exposure* by currency in SEK, TSEK

2023	EUR	GBP	DKK	NOK	USD	Other	Total
Investment assets	140,229	19,590	108,720	154,704	109,562	16,671	549,476
Insurance operations	-27,858	-21,378	-39,863	-150,124	0	0	-239,223
Net position (SEK)	112,371	-1,788	68,857	4,580	109,562	16,671	310,253
2022							
Net position (SEK)	54,080	20,698	41,411	-26,714	96,920	16,549	203,395

* Net after taking into account derivatives, assets and liabilities.

Investments in accordance with the prudent person principle

Refer to section C.2.1 in the group-level report.

C.2.2 Risk concentration

Concentration risk pertains to the risk of the company's risk exposure not being sufficiently diversified and leading to a single exposure, homogeneous group of exposures or a specific market event threatening the solvency of Agria or its financial position.

Agria has no exposure that generates solvency capital requirements for concentration risk.

C.2.3 Risk-reduction techniques

The Board of Agria decides on the framework for risk-taking, for example, by adopting investment guidelines and limits for various types of market risk.

Diversification

The main risk-reduction technique applied to the management of Agria's assets is diversification.

The company's investments are spread over several different classes of assets, leading to exposure to various risk factors that react in different ways to fluctuations in the financial markets. This means that as a whole the portfolio is less sensitive to market fluctuations than its portfolio components.

Reducing market risk by using derivatives

Derivative instruments are utilised in the management of investment assets in order to reduce risks or enhance management efficiency. Derivatives are cleared via central counterparties or managed using credit support annexes (CSAs) with counterparties with high credit quality. Each new type of derivative instrument undergoes an approval process before it can be used in management. In connection with this, assurances are made that there is understanding of the characteristics of the instruments in the relevant parts of the organisation, that valuations, risk measurement and follow-ups are satisfactory and that risks are adequately identified.

Fixed-income futures are used in management to reduce interest-rate risk. Currency futures are also regularly used to reduce currency risk. Equities risk can be reduced as required by using equity index forward contracts. Committed derivative strategies are followed up by measuring the sensitivities of the portfolio against underlying exposure and regular monitoring.

C.2.4 Risk sensitivity

The impact of a selection of other sensitivity measures for market risks on own funds is presented in the following table:

Table C2(2): Sensitivity to market risks, effect on own funds

Sensitivity measures (TSEK)	2023	2022
1% higher interest rate*	15,459	-8,721
1% lower interest rate**	-14,822	8,801
10% lower share prices	-36,938	-31,982
10% strengthening of SEK	-24,634	-16,150
1% higher credit spread	-21,466	-16,219

* Interest-rate sensitivity to a 1% higher interest-rate level in assets and liabilities. Bond holdings are stressed including accrued interest.

** Interest-rate sensitivity to a 1% lower interest-rate level in assets and liabilities. Bond holdings are stressed including accrued interest.

C.3 Credit risk

For additional information about the company's credit risk, refer to section C.3 of the group-level report.

C.3.1 Risk exposure

Agria's exposure to counterparty-related credit risk (counterparty risk) primarily arises through cash in hand and to a lesser extent through ceded reinsurance, the use of financial derivatives and exposure to mortgage funds.

The following table shows the total counterparty exposure for financial derivatives, cash in hand and for reinsurers, taking into account collateral received, expressed in market value. The calculation uses consolidated data from the securities system of the Group-wide Asset Management Unit and from insurance systems. The table does not include exposure to mortgage funds in which the value of collateral received far exceeds exposure.

Table C3(1): Exposure to counterparty-related credit risks per credit rating step

Credit quality step (TSEK)	31 Dec 2023	31 Dec 2022
Cash	Net exposure	Net exposure
A	973,964	1,127,349
BBB or lower	214	18,441
Total	974,178	1,145,790
Financial derivatives	Net exposure	Net exposure
AA	-	-
A	1,972	1,270
Clearing via central counterparty	85	267
Total	2,057	1,537
Reinsurance	Net exposure	Net exposure
Regional insurance companies	38,679	9,923
AA	10,914	6,785
A	2	2
Total	49,594	16,710

Investments in accordance with the prudent person principle

Refer to section C.3.1 in the group-level report.

C.3.2 Risk concentration

Agria's largest potential loss if an external counterparty in financial derivatives or bank accounts were to default was TSEK 413,652 at year-end.

C.3.3 Risk-reduction techniques

The credit risk that arises through counterparties in financial derivatives is primarily reduced by using central counterparty clearing (CCP). For other counterparties in financial derivatives, the principle of diversification is applied and trading is limited to counterparties with high credit ratings. Regular follow-ups of exposure in terms of pledged assets take place for each counterparty, and standardised collateral agreements are prepared with all counterparties.

Credit risk in holdings in loan funds, including mortgage funds are reduced by diversification since the funds finance a large number of loans. The loan funds that Länsförsäkringar AB and the insurance subsidiaries have invested in have collateral that far exceeds the size of the loan, which also reduces the credit risk.

Credit risk from counterparties in ceded reinsurance is limited in the first instance by selecting counterparties with high credit ratings and by applying limits for maximum exposure to each counterparty.

C.3.4 Risk sensitivity

Most of the counterparty risk exposure has a credit quality step of A or higher.

C.4 Liquidity risk

C.4.1 Risk exposure

A non-life insurance company's liquidity risks are low since premiums are received in advance and large individual claims payments and normal payment flows are known well in advance of their maturity dates. In addition, most of the investment assets in the company are available at short notice.

The company's expected profit from future premiums was SEK 470 M as per 31 December.

The specification of investment assets per class of asset with various liquidity is presented in the table below.

Table C4(1): Specification of assets per liquidity class, as a percentage of total investment assets

Liquidity class	Class of asset	2023	2022
1	Cash	24%	26%
2	Direct holdings of treasury bills, government bonds, covered bonds	42%	44%
3	Funds traded daily, listed shares	20%	19%
4	Corporate bonds and other bonds	10%	8%
5	Funds with less frequent trading	0%	0%
6	Unlisted shares, Private Equity, Private Debt, directly owned properties, infrastructure and forest	4%	4%

C.4.2 Risk concentration

Agria believes that the company does not have any risk concentration in liquidity risk.

C.4.3 Risk-reduction techniques

Investment assets are invested by taking into account the Agria's liquidity needs for meeting its commitments. Liquidity risk is managed by preparing daily forecasts of the company's short-term liquidity requirements (1-2 days), taking into account both inward and outward flows. A liquidity reserve is always maintained to ensure a high level of short-term access to funds.

The company also has clear rules regarding how assets are to be deposited to ensure that they are readily available to the company and can thus be realised as needed.

Agria's medium-term liquidity requirements (up to one year) are determined based on, for example, actuarial cash-flow forecasts. Agria identifies any scenarios where forced sales of assets must take place and estimates the expected loss in such scenarios. The cost of any alternative financing sources is included in liquidity planning, but not funding according to the provisions of the Insurance Business Act.

C.4.4 Risk sensitivity

A non-life insurance company mostly receives payment of premiums in advance. Combined with responsible management of these advance premium payments, and given the liquidity flows of the business, this means that the company's liquidity risk is limited.

C.5 Operational risk

Agria's exposure to operational risk is aligned with the framework that the group has adopted for operational risk.

Information about the company's operational risk is thus provided in the group-level report, section C.5.

C.6 Other material risks

C.6.1 Risk exposure

Climate risk represents a direct financial risk in the form of potential impact both on the insurance business and on investments in Agria. Climate risk refers to the risks that the consequences of climate change may have on the company's business activities.

Climate risks can materialise either through physical risks, such as more cases of extreme weather and gradually rising sea levels, or through transition risks, such as regulatory, political and market changes related to the transition to a low-carbon society.

These are likely to be affected simultaneously, which makes the risk both complex and significant. A selection of risks identified by the operations and the Group's Sustainability Committee are presented in table C6(1) in the group-level report.

In addition to climate risk, Agria is also exposed to business risks, emerging risks and concentration risks.

- Business risk pertains to the risk of lower earnings, higher expenses or loss of confidence from customers or other stakeholders.
- Emerging risks refers to new or changed behaviour patterns, situations or trends that may have a material impact on the company's financial situation, market position or brand in a negative direction within the company's business planning horizon.
- Concentration risk refers to the risk of a single exposure, homogeneous group of exposures or a specific market event resulting in widespread losses even if the operations were to be well-diversified. Concentration risk may derive from concentrations of both assets and liabilities as well as sources of income and suppliers, including suppliers of outsourced services.

C.6.2 Risk concentration

Concentration risk is deemed to be low since Agria conducts highly diverse investment operations.

C.6.3 Risk-reduction techniques

The Länsförsäkringar AB Group has a climate-smart vision that entails that the companies are to work actively to reduce climate impact and climate risks throughout operations and to encourage climate adaptation to reduce the damaging impact of climate change. Agria's investments are to be in line with the Paris Agreement by 2030, meaning limiting climate change to 1.5°C.

Climate risk is part of Agria's risk-management system and the Risk Management function reports on climate risk to the Board at least once a year. Agria works on identifying and reducing climate risk in its investments by applying a systematic process for allocation and investment analyses, selection of investments or asset managers, and engagement.

C.7 Other information

There is not deemed to be any other relevant information to be provided in this section.

D. Valuation for solvency purposes

D.1 Assets

D.1.1 Valuation of assets

In accordance with QRT form s.02.01.02 (refer to Appendix 1), the following balance sheet shows the material asset items and an overview of total liabilities on 31 December 2023 for Agria with carrying amounts for the financial statements supplemented with reclassifications and Solvency II amounts.⁸

Table D1(1): Assets and liabilities, 31 Dec 2023

Assets (TSEK)	Financial statements	Revaluation	Solvency II amount
Deferred acquisition costs	248,265	-248,265	0
Shares and participations in subsidiaries and associated companies	583,912	-195,087	388,825
Other equities	19,844	-	19,844
Bonds	1,245,171	-	1,245,171
Mutual funds	533,516	-	533,516
Derivatives	38,417	-	38,417
Insurance receivables	2,787,983	-2,690,979*	97,004
Reinsurers' portion of technical provisions (refer to section D.2)	53,119	-3,526	49,593
Cash and bank balances	638,690	-	638,690
Other asset items	218,614	-75,769	142,845
Total assets	6,367,531	-3,213,626	3,153,905

* The revaluation item attributable to current premiums that in the Solvency II balance sheet are not included in insurance receivables and instead are taken into account in the best estimate of the technical provisions

Liabilities (TSEK)	Financial statements	Revaluation	Solvency II amount
Technical provisions total, gross before ceded reinsurance (refer to section D.2)	3,364,200	-2,558,447	805,753
Other liabilities (refer to section D.3)	1,138,290	-637,711	500,579
Total liabilities	4,502,490	-3,196,158	1,306,332
Assets minus liabilities	1,865,041	-17,468	1,847,573

D.1.2 Valuation principles in the solvency calculation of various classes of asset compared with the financial statements

A more detailed description of the bases for calculation, methods and main assumptions for valuations of tangible assets in the solvency calculation and how these differ from the financial statements is provided in the group-level report, section D.1.2.

Under Solvency II, the best estimate takes into consideration premium receivables, which differs from the financial statements whereby premium receivables are included in receivables. Premiums due for payment after the balance-sheet date are thus measured in the premium reserve and consequently excluded from the assets side in the Solvency II balance sheet (refer also to section D.2).

The wholly owned subsidiary Agria Pet Insurance brokers insurance and performs claims adjustment for Agria's branch in the UK. The subsidiary is valued at the difference between assets and liabilities under the rules for the Solvency II balance sheet, any goodwill and intangible assets in Agria Pet Insurance are valued at zero.

The wholly owned subsidiary Agria Vet Guide AB offers digital veterinary care through the Agria Vårdguide app. The subsidiary is valued at the difference between assets and liabilities under the rules for the Solvency II balance sheet, any goodwill, and intangible assets in Agria Vet Guide AB are valued at zero.

⁸ In the balance sheet, amounts are recognised according to IFRS but classified according to the Solvency II rules in the "financial statements" column. The difference in classification is that investments are primarily distributed between other asset items.

The wholly owned subsidiary Capstone Financial Services Limited distributes pet insurance in Ireland and the Netherlands for Agria's branch in Ireland. The subsidiary is valued at the difference between assets and liabilities under the rules for the Solvency II balance sheet, any goodwill, and intangible assets in Capstone Financial Services Limited are valued at zero.

D.1.3 Other information about assets

Assumptions and judgements, including those about future and other significant sources of estimation uncertainty

Refer to the group-level report, section D.1.4.

D.2 Technical provisions

D.2.1 Valuation of technical provisions

Agria divides its operations into three different lines of business, of which the most dominant is business line 7, Insurance for fire and other property damage.

Technical provisions are valued at the amount that the company would be forced to pay in order to transfer its insurance and reinsurance obligations to another insurance company. The amount is consistently calculated as the total of the best estimate and a risk margin. The best estimate is divided into the provision for claims and premium provision. The premium provision refers to expenses for future claims and other expenses for signed agreements. Provision for claims refers to expenses for claim incidents that have already occurred, regardless of whether or not they have been reported, and the cost for adjusting these claims. The risk margin is to correspond to the cost of maintaining the capital needed to meet the company's commitments until they have been finally settled.

The provision for claims is calculated using customary actuarial methods. The most common methods used are:

- Traditional triangulation techniques, known as Development Factor Methods (DFM) based on the historic claims trend for claims paid, known claims costs and number of claims.
- Bornhuetter-Ferguson (B-F), which is a combination of DFM and experienced-based estimates of the claims costs and which is used for claims periods in the near future.
- Cape Cod, which is similar to B-F, where the estimate of claims costs is based on historical exposure data within the scope of the method.
- Naive Loss Ratio provides an expected claims cost based on an assumed claims ratio. This method is typically used for claims periods in the near future where the claims trend is short or for operations for which there is no internal claims history.

The insurance commitments are divided into homogeneous risk groups for which all commitments in a group have a similar risk profile. Calculations are then carried out separately for each homogeneous risk group, with the method that best captures the risk profile of the group chosen. The methods are developed, evaluated, calibrated and adjusted continuously.

The claims adjustment reserve for most business lines was calculated using Ohlsson (2014): Unallocated loss adjustment expense reserving, Scandinavian Actuarial Journal.

The risk margin is calculated in accordance with method 2 in EIOPA's Guidelines on the valuation of technical provisions (EIOPA-BoS-14/166 EN) for simplifying the calculation of the risk margin. The solvency capital requirement for next year will be calculated based on the solvency capital requirement for the current year, which is assumed to be developed over future years in proportion to the trend in the best estimate.

Gross technical provisions on 31 December 2023 are presented in the following table.

Table D2(1): Technical provisions gross before ceded reinsurance, 31 Dec 2023

Business line (TSEK)	Gross best estimate	Risk margin	Technical provisions, gross
Direct insurance	755,792	48,934	804,726
Insurance for fire and other property damage	731,556	48,263	779,818
General liability insurance	24,236	672	24,908
Proportional reinsurance	992	35	1,027
Insurance for fire and other property damage	992	35	1,027
Total	756,783	48,970	805,753

Material changes in valuation principles compared with preceding reporting period

Agria has no material changes to the valuation principles used in the calculation of the technical provisions.

D.2.2 Valuation principles in the solvency calculation of various business lines compared with the financial statements

In the financial statements, technical provisions are valued in accordance with the Annual Accounts Act for Insurance Companies (ÅRFL) and the FSA's regulations and general guidelines (FFFS 2015:8) regarding insurance business.

Premium provision

The premium reserve in the financial statements and the premium provision in the Solvency II balance sheet are both to cover claims for signed contracts. However, they are calculated differently.

The premium reserve in the financial statements is calculated based on the remaining term for signed contracts. If the premium reserve is not deemed to cover future costs for these contracts, the difference outstanding is added. Premiums to be paid after the balance-sheet date are recognised as an asset in the financial statements.

In the Solvency II balance sheet, the premium provision is calculated based on future claims costs and operating expenses, less future premium payments. Premiums to be paid after the balance-sheet date are thus included in the premium provision and are not recognised as an asset in the Solvency II balance sheet. The provision is discounted, unlike in the financial statements.

Provision for claims

The basis for the provision for claims is, both in the financial statements and in the Solvency II balance sheet, an estimate of the future costs. In the financial statements, discounting is only permitted for non-life insurance with long settlement periods.

Non-life insurance is not currently discounted in the financial statements. The entire provision is discounted in the Solvency II balance sheet.

Also for the Solvency II balance sheet, future premium payments for past insurance periods are deducted.

Risk margin

The risk margin is an addition to the best estimate to ensure that the technical provisions of the Solvency II balance sheet corresponds to the amount that another insurance company can be expected to require to take over and meet the insurance obligations. The financial statements instead contain an implicit margin in the provision for claims in order to achieve a satisfactory reserve.

The material differences between the Solvency II balance sheet and the financial statements per business line are presented in the following table. In most cases, the technical provisions in the financial statements exceed those in the Solvency II balance sheet.

Table D2(2): Technical provisions gross according to financial statements and Solvency II balance sheet on 31 Dec 2023

Business line (TSEK)	Technical provisions Financial statements, gross	Revaluation	Technical provisions Solvency II balance sheet, gross
Direct insurance	3,363,019	-2,558,293	804,726
Insurance for fire and other property damage	3,336,031	-2,556,213	779,818
General liability insurance	26,988	-2,080	24,908
Proportional reinsurance	1,181	-154	1,027
Insurance for fire and other property damage	1,181	-154	1,027
Total technical provisions	3,364,200	-2,558,447	805,753

D.2.3 Other information about technical provisions

Recoverables from reinsurance contracts and special purpose vehicles

The reinsurers' portion of the best estimate refers to the amount we expect to recoup from our reinsurance contracts. The best estimate is calculated separately for premium provisions and the provision for claims. The calculation takes place using a similar method to the one described in section D.2.1.

Adjustments for default of the counterparty have been based on the company's rating, if it has one, and on the solvency ratio if it does not have a rating.

The reinsurers' portion of technical provisions per line of business on 31 December 2023 is presented in the following table.

Table D2(3): Reinsurers' portion of technical provisions, 31 Dec 2023

Business line (TSEK)	Best estimate
Direct insurance	
Insurance for fire and other property damage	43,884
General liability insurance	5,710
Total	49,593

Uncertainty associated with calculations

By its very nature, the best estimate is associated with uncertainty. The uncertainty in the premium provision is a result of the uncertainty in the assumptions used to estimate future claims costs, operating expenses and the share of cancelled insurance contracts.

The uncertainty in the provision for claims is mainly due to the fact that claims are reported retrospectively and the final cost of the claim is unknown until the claim is finally settled. Uncertainty varies depending on the type of claim that is most common in a business line. Few and large claims typically give rise to greater uncertainty compared with a higher number of smaller claims. Claims that take a long time to adjust also lead to greater uncertainty.

Customary actuarial and statistical models are used in all calculations to handle this uncertainty. Actual costs are regularly followed up against estimates to analyse and evaluate uncertainty in the provisions.

Agria does not apply the matching adjustment, volatility adjustment or the transitional measures for the risk-free interest rate term structure or the transitional measures for calculating technical provisions.

D.3 Other liabilities

The following section encompasses all categories of liabilities that are deemed to be material to Agria, except technical provisions.

D.3.1 Valuation of other liabilities

In accordance with QRT form s.02.01.02 (refer to Appendix 1), the following table shows the material liability items, excluding technical provisions, and an overview of total liabilities on 31 December 2023 for Agria with carrying amounts for the financial statements supplemented with reclassifications and Solvency II amounts.⁹

Table: D3(1): Other liabilities, 31 Dec 2023

Other liabilities (TSEK)	Financial statements	Revaluation	Solvency II amount
Deferred tax liabilities	-	83,049	83,049
Derivatives	10,598	-	10,598
Insurance liabilities and liabilities to brokers	20,590	-	20,590
Liabilities (operations, not insurance)	293,318	-	293,318
Other liability items	813,784	-720,760*	93,024
Total other liabilities	1,138,290	-637,711	500,579

* The revaluation is attributable to current premiums that in the Solvency II balance sheet are not included in deferred income and instead are taken into account in the best estimate of the technical provisions

D.3.2 Valuation principles in the solvency calculation of various liability items compared with the financial statements

A more detailed description of the bases for calculation, methods and main assumptions for valuations of material liabilities in the solvency calculation and how these differ from the financial statements is provided in the group-level report, section D.3.2.

Deferred tax liabilities

Deferred tax is calculated for temporary differences between carrying amounts and tax bases of assets and liabilities. The revaluation between the financial statements and Solvency II now also entails a calculation of deferred tax liabilities for applicable items. The differences between the financial statements and Solvency II are attributable to deferred tax on the revaluation amounts and certain untaxed reserves, and that deferred tax liabilities were recognised net against deferred tax assets in Solvency II.

The company's Solvency II balance sheet includes recognition of net deferred tax liabilities amounting to TSEK 131,938 attributable to tax allocation reserves in an amount of TSEK 60,920, the equalisation reserve in an amount of TSEK 7,250, revaluation of intangible assets in an amount of TSEK -5,537, deferred acquisition costs (DAC) in a net amount of TSEK -51,143 and revaluation of technical provisions, net in an amount of TSEK 120,448. The tax allocation reserves can be reversed regardless of earnings in the company but not later than six years after a provision is made. The equalisation reserve is an untaxed reserve that according to the Articles of Association may be used only to cover losses in the actual insurance operations and – after such losses have been absorbed – losses in the business operations in their entirety, unless the losses according to the Articles of Association are to be covered by other provisions. Deferred tax attributable to intangible assets is changed in connection with amortisation, any impairment and new acquisitions recognised in the legal reports.

The following table shows deferred tax liabilities in the Solvency II balance sheet.

⁹ In the balance sheet, amounts are recognised according to IFRS but classified according to the Solvency II rules in the "financial statements" column.
Länsförsäkringar AB – Solvency and financial condition of the insurance operations

Table D3(2): Deferred tax liabilities, 31 Dec 2023

TSEK	Financial statements	Revaluation	Solvency II amount	Date of maturity
Other assets	-48,889	-	-48,889	
<i>Tax allocation reserve:</i>				
- Reserve for 2018	-	8,954	8,954	31 Dec 2024
- Reserve for 2019	-	9,202	9,202	31 Dec 2025
- Reserve for 2020	-	8,774	8,774	31 Dec 2026
- Reserve for 2021	-	17,510	17,510	31 Dec 2027
- Reserve for 2023	-	16,480	16,480	31 Dec 2029
Equalisation reserve	-	7,250	7,250	
Revaluation of intangible assets	-	-5,537	-5,537	
Revaluation DAC	-	-51,143	-51,143	
Revaluation technical provisions, net	-	120,448	120,448	
Total deferred tax assets (-)/liabilities (+)	-48,889	131,938	83,049	

D.3.3 Other information about other liabilities

Assumptions and judgements, including those about future and other significant sources of estimation uncertainty

Regarding assumptions and judgements, including those about future and other significant sources of estimation uncertainty, refer to the group-level report, section D.1.4.

Leases and pension provisions

For information on leases and forms of employment, refer to the group-level report, section D.3.4.

D.4 Alternative valuation methods

Information about the alternative valuation methods is provided in the group-level report, section D.4.

D.5 Other information

Other information about the valuation for solvency purposes is provided in the group-level report, section D.5.

E. Capital management (financing)

Agria's own funds at year-end amounted to TSEK 1,647,573 and comprised capital of the highest quality. The solvency capital requirement amounted to TSEK 1,082,642, providing a solvency ratio (own funds divided by the solvency capital requirement) of 152% at year-end. The minimum capital requirement amounted to TSEK 487,189, which own funds cover by a very healthy margin.

Own funds decreased TSEK 69,915 during the year, while the solvency capital requirement increased TSEK 85,891. The reasons for the changes are presented under the relevant sections below. In total, Agria's solvency ratio declined 20 percentage points compared with the end of the preceding year when the ratio was 172%.

E.1 Own funds

E.1.1 Management of own funds: Targets, governance and processes

Information about own funds is provided in the group-level report, section E.1.1.

E.1.2 Composition of own funds

Own funds comprise Tier 1 capital and ancillary own funds. More detailed information about this is provided in the group-level report, section E.1.2. Agria's own funds comprise in their entirety Tier 1 capital unlimited, which is capital of the highest quality. Own funds include equity, untaxed reserves and valuation differences between the financial statements and the Solvency II balance sheet. No own funds instruments were issued or redeemed during the reporting period.

Own funds in Agria declined TSEK 69,915 during the reporting period to TSEK 1,647,573. Net profit for the year resulted in a positive effect of TSEK 248,890 on own funds. The planned dividend to Länsförsäkringar AB for the next reporting period is TSEK 200,000 that will reduce own funds.

The following table shows the composition of own funds for Agria at the end of the reporting period and at the beginning of the period, and specifies the composition of the reconciliation reserve. For further information on the composition of own funds at the end of the reporting period (including the composition of the reconciliation reserve), refer to QRT form s.23.01.01 in Appendix 1.

For a specification of the items encompassed by Revaluation of items from the financial statements to the Solvency II balance sheet, refer to table EI(2) which presents a bridge from recognised equity to own funds.

Table EI(1): Composition of own funds

Own funds (TSEK)	31 Dec 2023	31 Dec 2022
Ordinary share capital	40,000	40,000
Reconciliation reserve	1,607,573	1,677,488
Total own funds	1,647,573	1,717,488

Specification of composition of reconciliation reserve (TSEK)	31 Dec 2023	31 Dec 2022
Other equity than ordinary share capital	1,034,926	1,032,813
Predictable dividends	-200,000	-250,000
Untaxed reserves	790,116	760,116
Revaluation of items from the financial statements to the Solvency II balance sheet	-17,469	134,559
Total reconciliation reserve	1,607,573	1,677,488

All items comprise level 1 Tier 1 capital.

E.1.3 Own funds to cover solvency capital requirement and minimum capital requirement

Information about the eligibility criteria of own funds is provided in the group-level report, section E.1.3.

E.1.4 Bridge from recognised equity to own funds

The following table presents a bridge from recognised equity to own funds for Agria. The table refers to own funds available to cover solvency capital requirements. See the reference in section E.1.3 on the difference compared with own funds available to cover minimum capital requirements.

More detailed explanations for items revalued from the financial statements to the Solvency II balance sheet according to the table below are presented in sections D.1.2 and D.3.2 in the group-level report.

Agria has relatively high deferred acquisition costs that are allocated over the term of the insurance contract. These costs are valued at zero in own funds, which gave rise to a revaluation of TSEK -248,265. The total effect on own funds attributable to the revaluation of technical provisions, net, according to Solvency II amounted to TSEK 584,701. The adjustment of the value of equities in subsidiaries and associated companies of TSEK -195,087 primarily pertains to the subsidiaries Agria Pet Insurance, Agria Vet Guide AB and Capstone Financial Services Limited. Revaluation of deferred tax was TSEK -131,938 and primarily derives from the positive revaluation item for technical provisions and from untaxed reserves.

Table E1(2): Bridge from recognised equity to own funds

TSEK	31 Dec 2023	31 Dec 2022
Equity according to statutory accounts including untaxed reserves	1,865,042	1,832,929
Predictable dividends	-200,000	-250,000
Revaluation of intangible assets	-26,880	0
Revaluation of deferred acquisition costs	-248,265	-257,176
Revaluation of technical provisions	584,701	727,866
Revaluation of deferred tax	-131,938	-159,573
Revaluation of shares in subsidiaries and associated companies	-195,087	-176,534
Other items	0	-24
Total own funds	1,647,573	1,717,488

E.2 Solvency capital requirement and minimum capital requirement

E.2.1 Amount of solvency capital requirement and minimum capital requirement

In accordance with QRT form s.25.05.21 and s.28.01.01 (refer to Appendix 1), the company's solvency and minimum capital requirements are presented in the table below. Agria's capital requirement increased during the year mainly as a result of increased insurance risk and increased operational risk due to growing business.

Table E2(1): Capital requirement per risk category and minimum capital requirements

TSEK	31 Dec 2023	31 Dec 2022
Market risk	195,413	184,532
Non-life insurance risk	958,048	876,380
Counterparty risk	52,181	59,110
Operational risk	179,595	166,919
Diversification	-153,281	-148,577
Adjustment, risk absorption tax	-149,313	-141,612
Solvency capital requirement (SCR), Agria	1,082,642	996,751
Minimum capital requirement (MCR), Agria	487,189	448,538

E.2.2 Reason for use of simplified calculations

Agria does not use any such simplification in its calculation of solvency capital requirements that are permitted under certain conditions in accordance with European Commission Delegated Regulation (EU) 2015/35.

E.2.3 Reason for use of undertaking-specific parameters

Agria does not use undertaking-specific parameters for calculating the solvency capital requirement for insurance risk.

E.2.4 Capital add-on

The FSA has not decided on any capital add-on for Agria.

E.2.5 Data used for calculating minimum capital requirement

Information regarding the data used for calculating the minimum capital requirement is provided in the group-level report, section E.2.5.

E.2.6 Material changes to capital requirements during the reporting period

No material change to the capital requirement has taken place, refer to table E2(1).

E.3 Use of sub-groups for duration-based equity risk in calculation of solvency capital requirement

The company does not use the duration-based method for calculating the solvency capital requirement for equity risk.

E.4 Differences between the standard formula and any internal model used

Information regarding the internal model for calculating the solvency capital requirement is provided in the group-level report, section E.4.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

Neither the minimum capital requirement nor the solvency capital requirement were breached during the reporting period.

E.6 Other information

There is not deemed to be any other relevant information to be provided in this section.

Appendix

Appendix 1: Quantitative reporting templates

Länsförsäkringar Group under the insurance rules

Agría Djurförsäkring



Insurance operations at group level

S.02.01.02 Balance sheet

			Solvency II value
			C0010
Assets	Goodwill	R0010	---
	Deferred acquisition costs	R0020	---
	Intangible assets	R0030	0
	Deferred tax assets	R0040	0
	Pension benefit surplus	R0050	
	Property, plant & equipment held for own use	R0060	411,482
	Investments (other than assets held for index-linked and unit-linked contracts)	R0070	36,551,430
	Property (other than for own use)	R0080	
	Holdings in related undertakings, including participations	R0090	20,586,960
	Equities	R0100	3,000,362
	Equities - listed	R0110	168,787
	Equities - unlisted	R0120	2,831,575
	Bonds	R0130	7,250,401
	Government Bonds	R0140	2,574,299
	Corporate Bonds	R0150	4,676,102
	Structured notes	R0160	
	Collateralised securities	R0170	
	Collective Investments Undertakings	R0180	5,579,064
	Derivatives	R0190	134,643
	Deposits other than cash equivalents	R0200	
	Other investments	R0210	
	Assets held for index-linked and unit-linked contracts	R0220	221,635,694
	Loans and mortgages	R0230	96,265
	Loans on policies	R0240	
	Loans and mortgages to individuals	R0250	
	Other loans and mortgages	R0260	96,265
	Reinsurance recoverables from:	R0270	6,914,418
	Non-life and health similar to non-life	R0280	5,540,457
	Non-life excluding health	R0290	5,331,365
	Health similar to non-life	R0300	209,092
	Life and health similar to life, excluding health and index-linked and unit-linked	R0310	1,373,953
	Health similar to life	R0320	43,285
Life excluding health and index-linked and unit-linked	R0330	1,330,669	
Life index-linked and unit-linked	R0340	8	
Deposits to cedants	R0350	136,178	
Insurance and intermediaries receivables	R0360	371,186	
Reinsurance receivables	R0370	524,319	
Receivables (trade, not insurance)	R0380	1,673,130	
Own shares (held directly)	R0390		
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400		
Cash and cash equivalents	R0410	3,645,144	
Any other assets, not elsewhere shown	R0420	606,289	
Total assets	R0500	272,565,535	

S.02.01.02 Balance sheet, cont.

Liabilities	Technical provisions - non-life	R0510	9,618,079
	Technical provisions - non-life (excluding health)	R0520	8,354,300
	Technical provisions calculated as a whole	R0530	
	Best Estimate	R0540	8,209,132
	Risk margin	R0550	145,168
	Technical provisions - health (similar to non-life)	R0560	1,263,779
	Technical provisions calculated as a whole	R0570	
	Best Estimate	R0580	1,215,924
	Risk margin	R0590	47,856
	Technical provisions - life (excluding index-linked and unit-linked)	R0600	8,328,269
	Technical provisions - health (similar to life)	R0610	488,548
	Technical provisions calculated as a whole	R0620	
	Best Estimate	R0630	383,989
	Risk margin	R0640	104,560
	Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	7,839,721
	Technical provisions calculated as a whole	R0660	
	Best Estimate	R0670	7,672,538
	Risk margin	R0680	167,183
	Technical provisions - index-linked and unit-linked	R0690	209,846,946
	Technical provisions calculated as a whole	R0700	
	Best Estimate	R0710	208,010,193
	Risk margin	R0720	1,836,754
	Other technical provisions	R0730	---
	Contingent liabilities	R0740	81,439
	Provisions other than technical provisions	R0750	70,768
	Pension benefit obligations	R0760	73,211
	Deposits from reinsurers	R0770	71,973
	Deferred tax liabilities	R0780	202,627
	Derivatives	R0790	48,357
	Debts owed to credit institutions	R0800	
	Financial liabilities other than debts owed to credit institutions	R0810	
	Insurance & intermediaries payables	R0820	784,706
Reinsurance payables	R0830	34,889	
Payables (trade, not insurance)	R0840	1,484,484	
Subordinated liabilities	R0850		
Subordinated liabilities not in Basic Own Funds	R0860		
Subordinated liabilities in Basic Own Funds	R0870		
Any other liabilities, not elsewhere shown	R0880	858,441	
Total liabilities	R0900	231,504,189	
Excess of assets over liabilities	R1000	41,061,346	

S.05.01.02 Premiums, claims and expenses by line of business – non-life insurance

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)									
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	
Premiums written	Gross - Direct Business	R0110	929,254	471,045		50,289	409,516	203,472	6,244,659	384,138	18,213
	Gross - Proportional reinsurance accepted	R0120		-8			-33	1,684	133,396	22,159	
	Gross - Non-proportional reinsurance accepted	R0130	----	----	----	----	----	----	----	----	----
	Reinsurers' share	R0140	0	717		4,063	239,665	9,773	197,934	18,433	14,522
	Net	R0200	929,254	470,320		46,226	169,818	195,382	6,180,121	387,865	3,690
Premiums earned	Gross - Direct Business	R0210	910,210	466,449		52,361	372,411	197,201	6,026,939	378,938	11,975
	Gross - Proportional reinsurance accepted	R0220		-8			-33	1,462	157,038	22,497	
	Gross - Non-proportional reinsurance accepted	R0230	----	----	----	----	----	----	----	----	----
	Reinsurers' share	R0240	0	717		4,063	200,749	9,832	184,522	18,648	9,533
	Net	R0300	910,210	465,724		48,298	171,629	188,831	5,999,455	382,787	2,443
Claims incurred	Gross - Direct Business	R0310	753,090	170,138		33,805	468,027	124,791	4,097,597	144,723	2,108
	Gross - Proportional reinsurance accepted	R0320		820		8,016	214	128	94,753	24,293	
	Gross - Non-proportional reinsurance accepted	R0330	----	----	----	----	----	----	----	----	----
	Reinsurers' share	R0340	0	1,436		-8,275	289,074	10,327	149,419	12,859	1,781
	Net	R0400	753,090	169,522		50,096	179,167	114,592	4,042,931	156,157	327
Expenses incurred		R0550	276,540	174,448		26,233	54,097	63,991	1,834,081	118,780	350
Balance - other technical expenses/income		R1210	----	----	----	----	----	----	----	----	----
Total technical expenses		R1300	----	----	----	----	----	----	----	----	----

S.05.01.02 Premiums, claims and expenses by line of business – non-life insurance, cont.

			Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of business for: accepted non-proportional reinsurance				Total
			Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
			C0100	C0110	C0120	C0130	C0140	C0150	C0160	
Premiums written	Gross - Direct Business	R0110	2,627	34,686		----	----	----	----	8,747,899
	Gross - Proportional reinsurance accepted	R0120				----	----	----	----	157,198
	Gross - Non-proportional reinsurance accepted	R0130	----	----	----	16,667	206,858	6,794	1,499,567	1,729,887
	Reinsurers' share	R0140	149	34,686		13,391	202,552	0	1,083,960	1,819,845
	Net	R0200	2,478	0		3,277	4,306	6,794	415,608	8,815,139
Premiums earned	Gross - Direct Business	R0210	2,604	31,051		----	----	----	----	8,450,140
	Gross - Proportional reinsurance accepted	R0220				----	----	----	----	180,955
	Gross - Non-proportional reinsurance accepted	R0230	----	----	----	16,714	207,141	7,847	1,491,375	1,723,077
	Reinsurers' share	R0240	134	31,090		13,391	202,552	0	1,080,105	1,755,334
		Net	R0300	2,470	-38		3,323	4,589	7,847	411,270
Claims incurred	Gross - Direct Business	R0310	446	29,614		----	----	----	----	5,824,339
	Gross - Proportional reinsurance accepted	R0320				----	----	----	----	128,225
	Gross - Non-proportional reinsurance accepted	R0330	----	----	----	87,796	-135,714	3,479	906,682	862,243
	Reinsurers' share	R0340	0	29,611		66,849	-126,390	0	684,382	1,111,073
		Net	R0400	446	3		20,947	-9,324	3,479	222,300
	Expenses incurred	R0550	2,730	0		477	147	2,289	53,260	2,607,423
	Balance - other technical expenses/income	R1210	----	----	----	----	----	----	----	1,484
	Total technical expenses	R1300	----	----	----	----	----	----	----	2,608,907

S.05.01.02 Premiums, claims and expenses by line of business – life insurance

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	
Premiums written	Gross	R1410	209,357	526,022	19,692,003	425,937		1,000		20,854,318
	Reinsurers' share	R1420	33,584	0	81	1,449		1,000		36,113
	Net	R1500	175,773	526,022	19,691,922	424,489		0		20,818,205
Premiums earned	Gross	R1510	209,357	526,022	19,692,003	425,937		1,000		20,854,318
	Reinsurers' share	R1520	33,584	0	81	1,449		1,000		36,113
	Net	R1600	175,773	526,022	19,691,922	424,489		0		20,818,205
Claims incurred	Gross	R1610	33,727	264,613	14,441,363	234,665	-34	532,359		15,506,693
	Reinsurers' share	R1620	9,556	0	1	-3	0	540,999		550,553
	Net	R1700	24,171	264,613	14,441,363	234,668	-34	-8,641		14,956,140
Expenses incurred		R1900	159,012	30,368	1,483,196	124,978		5		1,797,558
Balance - other technical expenses/income		R2510	---	---	---	---	---	---	---	-2,002,530
Total technical expenses		R2600	---	---	---	---	---	---	---	-204,972
Total amount of surrenders		R2700		329	681,661					681,989

S.05.02.04 Premiums, claims and expenses by country - non-life insurance

Home Country - non-life obligations

			Home Country
			C0080
Premiums written	Gross - Direct Business	R0110	5,663,680
	Gross - Proportional reinsurance accepted	R0120	55,357
	Gross - Non-proportional reinsurance accepted	R0130	1,347,839
	Reinsurers' share	R0140	1,816,592
	Net	R0200	5,250,284
Premiums earned	Gross - Direct Business	R0210	5,564,148
	Gross - Proportional reinsurance accepted	R0220	51,804
	Gross - Non-proportional reinsurance accepted	R0230	1,346,026
	Reinsurers' share	R0240	1,752,081
	Net	R0300	5,209,898
Claims incurred	Gross - Direct Business	R0310	3,928,442
	Gross - Proportional reinsurance accepted	R0320	26,642
	Gross - Non-proportional reinsurance accepted	R0330	733,298
	Reinsurers' share	R0340	1,110,107
	Net	R0400	3,578,275
Expenses incurred		R0550	1,501,420
Balance - other technical expenses/income		R1210	----
Total technical expenses		R1300	----

Top 5 countries (by amount of gross premiums written) - non-life obligations

			Country (by amount of gross premiums written) - non-life obligations	Country (by amount of gross premiums written) - non-life obligations	Country (by amount of gross premiums written) - non-life obligations	Country (by amount of gross premiums written) - non-life obligations	Country (by amount of gross premiums written) - non-life obligations
			C0090	C0090	C0090	C0090	C0090
			R0010 (GB) UNITED	(NO) NORWAY	(DK) DENMARK		
Premiums written	Gross - Direct Business	R0110	1,419,935	888,047	447,644		
	Gross - Proportional reinsurance accepted	R0120	9,553	13,470	11,054		
	Gross - Non-proportional reinsurance accepted	R0130	16,630	3,783	2,840		
	Reinsurers' share	R0140	0	25	2,840		
	Net	R0200	1,446,117	905,275	458,699		
Premiums earned	Gross - Direct Business	R0210	1,333,553	857,019	423,455		
	Gross - Proportional reinsurance accepted	R0220	10,708	13,459	11,633		
	Gross - Non-proportional reinsurance accepted	R0230	17,784	3,704	2,778		
	Reinsurers' share	R0240	0	25	2,840		
	Net	R0300	1,362,044	874,156	435,026		
Claims incurred	Gross - Direct Business	R0310	860,193	572,056	285,861		
	Gross - Proportional reinsurance accepted	R0320	8,912	10,133	25,103		
	Gross - Non-proportional reinsurance accepted	R0330	2,337	5,857	347		
	Reinsurers' share	R0340			966		
	Net	R0400	871,442	588,045	310,346		
Expenses incurred		R0550	459,899	198,503	134,933		
Balance - other technical expenses/income		R1210	----	----	----		
Total technical expenses		R1300	----	----	----		

S.05.02.04 Premiums, claims and expenses by country – non-life insurance, cont.

Total Top 5 and home country - non-life obligations

			Total Top 5 and home country
			C0140
Premiums written	Gross - Direct Business	R0110	8,419,306
	Gross - Proportional reinsurance accepted	R0120	89,434
	Gross - Non-proportional reinsurance accepted	R0130	1,371,092
	Reinsurers' share	R0140	1,819,457
	Net	R0200	8,060,374
Premiums earned	Gross - Direct Business	R0210	8,178,176
	Gross - Proportional reinsurance accepted	R0220	87,603
	Gross - Non-proportional reinsurance accepted	R0230	1,370,292
	Reinsurers' share	R0240	1,754,946
	Net	R0300	7,881,124
Claims incurred	Gross - Direct Business	R0310	5,646,552
	Gross - Proportional reinsurance accepted	R0320	70,790
	Gross - Non-proportional reinsurance accepted	R0330	741,839
	Reinsurers' share	R0340	1,111,073
	Net	R0400	5,348,108
Expenses incurred		R0550	2,294,754
Balance - other technical expenses/income		R1210	1,484
Total technical expenses		R1300	2,296,238

S.05.02.04 Premiums, claims and expenses by country – life insurance

Home country - life obligations

			Home Country
			C0220
Premiums written	Gross	R1410	20,854,318
	Reinsurers' share	R1420	36,113
	Net	R1500	20,818,205
Premiums earned	Gross	R1510	20,854,318
	Reinsurers' share	R1520	36,113
	Net	R1600	20,818,205
Claims incurred	Gross	R1610	15,506,693
	Reinsurers' share	R1620	550,553
	Net	R1700	14,956,140
Expenses incurred		R1900	1,797,558
Balance - other technical expenses/income		R2510	---
Total technical expenses		R2600	---
Total amount of surrenders		R2700	681,989

S.05.02.04 Premiums, claims and expenses by country – life insurance, cont.

Top 5 countries (by amount of gross premiums written) - life obligations

		Country (by amount of gross premiums written) - life obligations	Country (by amount of gross premiums written) - life obligations	Country (by amount of gross premiums written) - life obligations	Country (by amount of gross premiums written) - life obligations	Country (by amount of gross premiums written) - life obligations
		C0230	C0230	C0230	C0230	C0230
		R0010				
Premiums written	Gross	R1410				
	Reinsurers' share	R1420				
	Net	R1500				
Premiums earned	Gross	R1510				
	Reinsurers' share	R1520				
	Net	R1600				
Claims incurred	Gross	R1610				
	Reinsurers' share	R1620				
	Net	R1700				
Expenses incurred		R1900				
Balance - other technical expenses/income		R2510	----	----	----	----
Total technical expenses		R2600	----	----	----	----
Total amount of surrenders		R2700				

Total top 5 and home country - life obligations

			Total Top 5 and home country
			C0280
Premiums written	Gross	R1410	20,854,318
	Reinsurers' share	R1420	36,113
	Net	R1500	20,818,205
Premiums earned	Gross	R1510	20,854,318
	Reinsurers' share	R1520	36,113
	Net	R1600	20,818,205
Claims incurred	Gross	R1610	15,506,693
	Reinsurers' share	R1620	550,553
	Net	R1700	14,956,140
Expenses incurred		R1900	1,797,558
Balance - other technical expenses/income		R2510	-2,002,530
Total technical expenses		R2600	-204,972

S.22.01.22 Impact of long term guarantees measures and transitionals

Not applicable.

S.23.01.22 Own funds

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector	Ordinary share capital (gross of own shares)	R0010	200,000	200,000	----		----
	Non-available called but not paid in ordinary share capital to be deducted at group level	R0020			----		----
	Share premium account related to ordinary share capital	R0030	0	0	----	0	----
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040			----		----
	Subordinated mutual member accounts	R0050			----		
	Non-available subordinated mutual member accounts to be deducted at group level	R0060			----		
	Surplus funds	R0070			----	----	----
	Non-available surplus funds to be deducted at group level	R0080			----	----	----
	Preference shares	R0090			----		
	Non-available preference shares to be deducted at group level	R0100			----		
	Share premium account related to preference shares	R0110			----		
	Non-available share premium account related to preference shares to be deducted at group level	R0120			----		
	Reconciliation reserve	R0130	40,162,899	40,162,899	----	----	----
	Subordinated liabilities	R0140			----		
	Non-available subordinated liabilities to be deducted at group level	R0150			----		
	An amount equal to the value of net deferred tax assets	R0160	0		----	----	0
	The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170			----	----	
	Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
	Non-available own funds related to other own funds items approved by supervisory authority to be deducted	R0190					
Minority interests at group level	R0200						
Non-available minority interests to be deducted at group level	R0210						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220			----	----	----	
Deductions	Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230	20,515,496	20,515,496	0	0	----
	whereof deducted according to art 228 of the Directive 2009/138/EC	R0240					----
	Deductions for participations where there is non-availability of information (Article 229)	R0250					
	Deduction for participations included via Deduction and Aggregation method when a combination of methods is used	R0260	8,199	8,199	0	0	0
	Total of non-available own funds to be deducted	R0270	0	0	0	0	0
Total deductions	R0280	20,523,695	20,523,695	0	0	0	
Total basic own funds after deductions	R0290	19,839,204	19,839,204	0	0	0	
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300			----		----
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings, callable on demand	R0310			----		----
	Unpaid and uncalled preference shares callable on demand	R0320			----		
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330			----		
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340			----		----
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350			----		
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360			----		----
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370			----		
	Non available ancillary own funds to be deducted at group level	R0380			----		
	Other ancillary own funds	R0390			----		
Total ancillary own funds	R0400			----			

S.23.01.22 Own funds, cont.

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Own funds of other financial sectors	Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	R0410	24,759,710	19,469,785	2,200,000	3,089,925	----
	Institutions for occupational retirement provision	R0420					
	Non-regulated undertakings carrying out financial activities	R0430					----
	Total own funds of other financial sectors	R0440	24,759,710	19,469,785	2,200,000	3,089,925	
Own funds when using the Deduction and Aggregation method (D&A), exclusively or in combination with method 1	Own funds aggregated when using the Deduction and Aggregation method and combination of methods	R0450	18,035,358	18,035,358	0	0	0
	Own funds aggregated when using the Deduction and Aggregation method and combination of methods net of IGT	R0460	18,035,358	18,035,358	0	0	0
	Total available own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sectors and own funds from undertakings included via D&A method)	R0520	19,839,204	19,839,204	0	0	0
	Total available own funds to meet the minimum consolidated group SCR	R0530	19,839,204	19,839,204	0	0	----
	Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sectors and own funds from undertakings included via D&A method)	R0560	19,839,204	19,839,204	0	0	0
	Total eligible own funds to meet the minimum consolidated group SCR	R0570	19,839,204	19,839,204	0	0	----
	Minimum consolidated Group SCR	R0610	5,404,693	----	----	----	----
	Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	367.07%	----	----	----	----
	Total eligible own funds to meet the total group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	62,634,272	57,344,347	2,200,000	3,089,925	0
	Total Group SCR	R0680	46,065,989	----	----	----	----
	Ratio of Total Eligible own funds to Total group SCR - ratio including other financial sectors and the undertakings included via D&A	R0690	135.97%	----	----	----	----

S.23.01.22 Own funds, reconciliation reserve

Reconciliation reserve			C0060
	Excess of assets over liabilities	R0700	41,061,346
	Own shares (held directly and indirectly)	R0710	
	Foreseeable dividends, distributions and charges	R0720	698,447
	Other basic own fund items	R0730	200,000
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	R0740	
	Other non-available own funds	R0750	
		R0760	40,162,899
Expected profits	Expected profits included in future premiums (EPIFP) - Life business	R0770	43,872
	Expected profits included in future premiums (EPIFP) - Non-life business	R0780	805,329
	Total Expected profits included in future premiums (EPIFP)	R0790	849,201

S.25.05.22 Solvency Capital Requirement – for groups using the standard formula and partial internal model

Component - specific information

Risk type			Solvency Capital Requirement	Amount modelled	USP	Simplifications
			C0010	C0070	C0090	C0120
Risk type	Total diversification	R0020	-3,251,394	-878,297		
	Total diversified risk before tax	R0030	9,679,964	7,396,115		
	Total diversified risk after tax	R0040	9,385,017	7,396,115		
	Total market & credit risk	R0070	9,493,427	9,321,197		
	Market & Credit risk - diversified	R0080	7,002,416	7,000,298		
	Credit event risk not covered in market & credit risk	R0190	243,618	0		
	Credit event risk not covered in market & credit risk - diversified	R0200	243,618	0		
	Total Business risk	R0270				
	Total Business risk - diversified	R0280				
	Total Net Non-life underwriting risk	R0310	1,607,605	1,151,851		
	Total Net Non-life underwriting risk - diversified	R0320	1,196,959	1,099,159		
	Total Life & Health underwriting risk	R0400	4,922,517	179,081		
	Total Life & Health underwriting risk - diversified	R0410	3,676,585	174,956		
	Total Operational risk	R0480	530,142	0		
	Total Operational risk - diversified	R0490	530,142	0		
	Other risk	R0500				

Calculation of Solvency Capital Requirement

			C0100
Total undiversified components		R0110	16,258,744
Diversification		R0060	-6,873,727
Adjustment due to RFF/MAP nSCR aggregation		R0120	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	
Solvency capital requirement, excluding capital add-ons		R0200	28,030,631
Capital add-ons already set		R0210	
	of which, Capital add-ons already set - Article 37 (1) Type a	R0211	
	of which, Capital add-ons already set - Article 37 (1) Type b	R0212	
	of which, Capital add-ons already set - Article 37 (1) Type c	R0213	
	of which, Capital add-ons already set - Article 37 (1) Type d	R0214	
Solvency Capital Requirement		R0220	28,030,631
Other information on SCR	Amount/estimate of the overall loss-absorbing capacity of technical provisions	R0300	
	Amount/estimate of the loss absorbing capacity for deferred taxes	R0310	-294,947
	Capital requirement for duration-based equity risk sub-module	R0400	
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
	Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304		R0440	
Minimum consolidated group solvency capital requirement		R0470	5,404,693
Information on other entities	Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	18,645,614
	Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	18,645,614
	Institutions for occupational retirement provisions	R0520	
	Capital requirement for non-regulated undertakings carrying out financial activities	R0530	
	Capital requirement for non-controlled participation	R0540	
	Capital requirement for residual undertakings	R0550	0
	Capital requirement for collective investment undertakings or investments packaged as funds	R0555	
Overall SCR	SCR for undertakings included via D&A method	R0560	18,035,358
	Total group solvency capital requirement	R0570	46,065,989

S.32.01.22 Undertakings in the scope of the group

Identification code and type of code of the undertaking	Country	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
C0020	C0010	C0040	C0050	C0060	C0070	C0080
LEI549300C6TUMDXNOVXS82	(SE) SWEDEN	Länsförsäkringar Bank AB (publ)	(8) 8 - Credit institutions, investment firms and financial institutions	bankaktiebolag	(2) 2 - Non-mutual	Finansinspektionen
LEI549300DVMHMS8M33J723	(SE) SWEDEN	Wasa Kredit AB	(8) 8 - Credit institutions, investment firms and financial institutions	aktiebolag	(2) 2 - Non-mutual	Finansinspektionen
LEI549300FOASW7JFUQV048	(SE) SWEDEN	Länsförsäkringar AB (publ)	(2) 2 - Non-Life undertakings	försäkringsaktiebolag	(2) 2 - Non-mutual	Finansinspektionen
LEI549300HT0F6CFLJR3Y69	(SE) SWEDEN	Humlegården Fastigheter AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
LEI549300M8P0LTMZZSMQ10	(SE) SWEDEN	Länsförsäkringar Fondliv Försäkrings AB (publ)	(4) 4 - Composite undertaking	försäkringsaktiebolag	(2) 2 - Non-mutual	Finansinspektionen
LEI549300Y3H3YIK6S2H942	(SE) SWEDEN	Försäkringsaktiebolaget Agria (publ)	(2) 2 - Non-Life undertakings	försäkringsaktiebolag	(2) 2 - Non-mutual	Finansinspektionen
LEI549300M8THYN8D5I395	(SE) SWEDEN	Länsförsäkringar Liv Försäkrings AB (publ)	(4) 4 - Composite undertaking	försäkringsaktiebolag	(1) 1 - Mutual	Finansinspektionen
LEI5493000PQMGYILN5JL39	(SE) SWEDEN	Länsförsäkringar Grupplivförsäkrings AB	(1) 1 - Life undertakings	försäkringsaktiebolag	(2) 2 - Non-mutual	Finansinspektionen
LEI5493001P4X2E3FNY3O89	(SE) SWEDEN	CAB Group AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
LEI5493001P7BX1N0JAG961	(SE) SWEDEN	Länsförsäkringar Hypotek AB (publ)	(8) 8 - Credit institutions, investment firms and financial institutions	aktiebolag	(2) 2 - Non-mutual	Finansinspektionen
LEI54930025SK6LRZC6QF89	(SE) SWEDEN	Länsförsäkringar Fondförvaltning AB (publ)	(8) 8 - Credit institutions, investment firms and financial institutions	aktiebolag	(2) 2 - Non-mutual	Finansinspektionen
SC/549300FOASW7JFUQV048GB00101	(GB) UNITED KINGDOM	Agria Pet Insurance Ltd	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
SC/549300FOASW7JFUQV048IE00103	(IE) IRELAND	Capstone Financial Services Ltd	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
SC/549300FOASW7JFUQV048SE00105	(SE) SWEDEN	Agria Vet Guide AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
SC/549300FOASW7JFUQV048SE00196	(SE) SWEDEN	LF Sak Fastighets AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
SC/549300FOASW7JFUQV048SE00255	(SE) SWEDEN	Omocom AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
SC/549300FOASW7JFUQV048SE00281	(SE) SWEDEN	Svenska Andelshästar AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
SC/549300FOASW7JFUQV048SE00343	(SE) SWEDEN	Länsförsäkringar Komplement AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	
SC/549300FOASW7JFUQV048SE00351	(SE) SWEDEN	Lansa Fastigheter AB	(10) 10 - Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	aktiebolag	(2) 2 - Non-mutual	

S.32.01.22 Undertakings in the scope of the group, cont.

Identification code and type of code of the undertaking	Criteria of influence						Inclusion in the scope of group supervision		Group solvency calculation
	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEV549300C6TUMDXNOVXS82	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(4) 4 - Method 1: Sectoral rules
LEV549300DVMHMS8M33J723	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(4) 4 - Method 1: Sectoral rules
LEV549300FOASW7JFUQV048							(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
LEV549300HT0F6CFLJR3Y69	22.70%	8.30%	22.70%	None	(2) 2 - Significant	22.70%	(1) 1 - Included in the scope		(10) 10 - Other Method
LEV549300M8P0LTMZZSMQ10	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
LEV549300Y3H3YIK6S2H942	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
LEV549300M8THYN8D5I395	100.00%	0.00%	100.00%	Mutual	(2) 2 - Significant	100.00%	(1) 1 - Included in the scope		(5) 5 - Method 2: Solvency II
LEV549300PQMGYILN5JL39	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
LEV5493001P4X2E3FNY3O89	28.80%	28.80%	28.80%	None	(2) 2 - Significant	28.80%	(1) 1 - Included in the scope		(3) 3 - Method 1: Adjusted equity method
LEV5493001P7BX1N0JAG961	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(4) 4 - Method 1: Sectoral rules
LEV54930025SK6LRZC6QF89	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(4) 4 - Method 1: Sectoral rules
SC/549300FOASW7JFUQV048GB00101	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
SC/549300FOASW7JFUQV048IE00103	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
SC/549300FOASW7JFUQV048SE00105	100.00%	100.00%	100.00%	None	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
SC/549300FOASW7JFUQV048SE00196	100.00%	100.00%	100.00%	Inga	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(1) 1 - Method 1: Full consolidation
SC/549300FOASW7JFUQV048SE00255	36.40%	36.40%	36.40%	Inga	(2) 2 - Significant	36.40%	(1) 1 - Included in the scope		(3) 3 - Method 1: Adjusted equity method
SC/549300FOASW7JFUQV048SE00281	45.00%	45.00%	45.00%	Inga	(2) 2 - Significant	45.00%	(1) 1 - Included in the scope		(3) 3 - Method 1: Adjusted equity method
SC/549300FOASW7JFUQV048SE00343	100.00%	0.00%	100.00%	Inga	(1) 1 - Dominant	100.00%	(1) 1 - Included in the scope		(5) 5 - Method 2: Solvency II
SC/549300FOASW7JFUQV048SE00351	36.30%	4.10%	36.30%	None	(2) 2 - Significant	36.30%	(1) 1 - Included in the scope		(10) 10 - Other Method

Agria Djurförsäkring

S.02.01.02 Balance sheet

			Solvency II value
			C0010
Assets	Goodwill	R0010	---
	Deferred acquisition costs	R0020	---
	Intangible assets	R0030	0
	Deferred tax assets	R0040	0
	Pension benefit surplus	R0050	
	Property, plant & equipment held for own use	R0060	8,820
	Investments (other than assets held for index-linked and unit-linked contracts)	R0070	2,225,773
	Property (other than for own use)	R0080	
	Holdings in related undertakings, including participations	R0090	388,825
	Equities	R0100	19,844
	Equities - listed	R0110	19,844
	Equities - unlisted	R0120	
	Bonds	R0130	1,245,171
	Government Bonds	R0140	552,430
	Corporate Bonds	R0150	692,742
	Structured notes	R0160	
	Collateralised securities	R0170	
	Collective Investments Undertakings	R0180	533,516
	Derivatives	R0190	38,417
	Deposits other than cash equivalents	R0200	
	Other investments	R0210	
	Assets held for index-linked and unit-linked contracts	R0220	
	Loans and mortgages	R0230	
	Loans on policies	R0240	
	Loans and mortgages to individuals	R0250	
	Other loans and mortgages	R0260	
	Reinsurance recoverables from:	R0270	49,593
	Non-life and health similar to non-life	R0280	49,593
	Non-life excluding health	R0290	49,593
	Health similar to non-life	R0300	
	Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
	Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330		
Life index-linked and unit-linked	R0340		
Deposits to cedants	R0350		
Insurance and intermediaries receivables	R0360	97,004	
Reinsurance receivables	R0370	39,458	
Receivables (trade, not insurance)	R0380	56,518	
Own shares (held directly)	R0390		
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400		
Cash and cash equivalents	R0410	638,690	
Any other assets, not elsewhere shown	R0420	38,049	
Total assets	R0500	3,153,905	

S.02.01.02 Balance sheet, cont.

Liabilities	Technical provisions - non-life	R0510	805,753
	Technical provisions - non-life (excluding health)	R0520	805,753
	Technical provisions calculated as a whole	R0530	
	Best Estimate	R0540	756,783
	Risk margin	R0550	48,970
	Technical provisions - health (similar to non-life)	R0560	
	Technical provisions calculated as a whole	R0570	
	Best Estimate	R0580	
	Risk margin	R0590	
	Technical provisions - life (excluding index-linked and unit-linked)	R0600	
	Technical provisions - health (similar to life)	R0610	
	Technical provisions calculated as a whole	R0620	
	Best Estimate	R0630	
	Risk margin	R0640	
	Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	
	Technical provisions calculated as a whole	R0660	
	Best Estimate	R0670	
	Risk margin	R0680	
	Technical provisions - index-linked and unit-linked	R0690	
	Technical provisions calculated as a whole	R0700	
	Best Estimate	R0710	
	Risk margin	R0720	
	Other technical provisions	R0730	---
	Contingent liabilities	R0740	
	Provisions other than technical provisions	R0750	2,286
	Pension benefit obligations	R0760	
	Deposits from reinsurers	R0770	
	Deferred tax liabilities	R0780	83,049
	Derivatives	R0790	10,598
	Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810		
Insurance & intermediaries payables	R0820	20,590	
Reinsurance payables	R0830	1,121	
Payables (trade, not insurance)	R0840	293,318	
Subordinated liabilities	R0850		
Subordinated liabilities not in Basic Own Funds	R0860		
Subordinated liabilities in Basic Own Funds	R0870		
Any other liabilities, not elsewhere shown	R0880	89,618	
Total liabilities	R0900	1,306,333	
Excess of assets over liabilities	R1000	1,847,573	

S.04.05.21 Activity by country - location of risk

Home country: non-life insurance and reinsurance obligations

			Home Country
			C0010
Premiums written (gross)	Gross Written Premium (direct)	R0020	3,095,623
	Gross Written Premium (proportional reinsurance)	R0021	
	Gross Written Premium (non-proportional reinsurance)	R0022	
Premiums earned (gross)	Gross Earned Premium (direct)	R0030	3,086,378
	Gross Earned Premium (proportional reinsurance)	R0031	
	Gross Earned Premium (non-proportional reinsurance)	R0032	
Claims incurred (gross)	Claims incurred (direct)	R0040	2,185,039
	Claims incurred (proportional reinsurance)	R0041	
	Claims incurred (non-proportional reinsurance)	R0042	
Expenses incurred (gross)	Gross Expenses Incurred (direct)	R0050	815,079
	Gross Expenses Incurred (proportional reinsurance)	R0051	
	Gross Expenses Incurred (non-proportional reinsurance)	R0052	

Top 5 countries (by amount of gross premiums written) : non-life insurance and reinsurance obligations

			Top 5 countries: non-life	Top 5 countries: non-life	Top 5 countries: non-life	Top 5 countries: non-life	Top 5 countries: non-life
			C0020	C0020	C0020	C0020	C0020
Country	R0010		(GB) UNITED KINGDOM	(NO) NORWAY	(DK) DENMARK	(FI) FINLAND	(FR) FRANCE
Premiums written (gross)	Gross Written Premium (direct)	R0020	1,419,799	886,136	445,374	187,184	64,469
	Gross Written Premium (proportional reinsurance)	R0021					
	Gross Written Premium (non-proportional reinsurance)	R0022					
Premiums earned (gross)	Gross Earned Premium (direct)	R0030	1,333,283	855,390	421,166	172,171	54,810
	Gross Earned Premium (proportional reinsurance)	R0031					
	Gross Earned Premium (non-proportional reinsurance)	R0032					
Claims incurred (gross)	Claims incurred (direct)	R0040	860,193	572,056	285,913	122,042	28,812
	Claims incurred (proportional reinsurance)	R0041					
	Claims incurred (non-proportional reinsurance)	R0042					
Expenses incurred (gross)	Gross Expenses Incurred (direct)	R0050	450,783	194,352	130,945	67,799	62,926
	Gross Expenses Incurred (proportional reinsurance)	R0051					
	Gross Expenses Incurred (non-proportional reinsurance)	R0052					

S.05.01.02 Premiums, claims and expenses by line of business - non-life insurance

			Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)											
			Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
			C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
Premiums written	Gross - Direct Business	R0110							6,148,360	17,557				
	Gross - Proportional reinsurance accepted	R0120							7,072					
	Gross - Non-proportional reinsurance accepted	R0130	----	----	----	----	----	----	----	----	----	----	----	----
	Reinsurers' share	R0140							11,799	3,187				
	Net	R0200							6,143,633	14,371				
Premiums earned	Gross - Direct Business	R0210							5,940,622	18,096				
	Gross - Proportional reinsurance accepted	R0220							27,773					
	Gross - Non-proportional reinsurance accepted	R0230	----	----	----	----	----	----	----	----	----	----	----	----
	Reinsurers' share	R0240							11,799	3,187				
	Net	R0300							5,956,595	14,909				
Claims incurred	Gross - Direct Business	R0310							4,075,371	3,986				
	Gross - Proportional reinsurance accepted	R0320							14,901					
	Gross - Non-proportional reinsurance accepted	R0330	----	----	----	----	----	----	----	----	----	----	----	----
	Reinsurers' share	R0340							72,736	966				
	Net	R0400							4,017,535	3,020				
Expenses incurred		R0550						1,813,077	6,547					
Balance - other technical expenses/income		R1210	----	----	----	----	----	----	----	----	----	----	----	----
Total technical expenses		R1300	----	----	----	----	----	----	----	----	----	----	----	----

			Line of business for: accepted non-proportional reinsurance				Total
			Health	Casualty	Marine, aviation, transport	Property	
			C0130	C0140	C0150	C0160	C0200
Premiums written	Gross - Direct Business	R0110	----	----	----	----	6,165,917
	Gross - Proportional reinsurance accepted	R0120	----	----	----	----	7,072
	Gross - Non-proportional reinsurance accepted	R0130					
	Reinsurers' share	R0140					14,986
	Net	R0200					6,158,003
Premiums earned	Gross - Direct Business	R0210	----	----	----	----	5,958,718
	Gross - Proportional reinsurance accepted	R0220	----	----	----	----	27,773
	Gross - Non-proportional reinsurance accepted	R0230					
	Reinsurers' share	R0240					14,986
	Net	R0300					5,971,504
Claims incurred	Gross - Direct Business	R0310	----	----	----	----	4,079,357
	Gross - Proportional reinsurance accepted	R0320	----	----	----	----	14,901
	Gross - Non-proportional reinsurance accepted	R0330					
	Reinsurers' share	R0340					73,702
	Net	R0400					4,020,556
Expenses incurred		R0550					1,819,624
Balance - other technical expenses/income		R1210	----	----	----	----	-575
Total technical expenses		R1300	----	----	----	----	1,819,049

S.12.01.02 Life and Health SLT Technical Provisions

Not applicable. Only non-life insurance activity.

S.17.01.02 Non-life technical provisions

				Direct business and accepted proportional reinsurance							
				Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance
				C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Technical provisions calculated as a whole				R0010						0	0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole				R0050							
Technical provisions calculated as a sum of BE and RM	Best Estimate	Premium provisions	Gross	R0060						325,698	6,708
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140						-2,478	-681
			Net Best Estimate of Premium Provisions	R0150						328,176	7,389
	Claims provisions	Gross	R0160							406,850	17,528
		Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240							46,362	6,391
		Net Best Estimate of Claims Provisions	R0250							360,488	11,137
	Total Best estimate - gross			R0260						732,547	24,236
	Total Best estimate - net			R0270						688,664	18,526
	Risk margin			R0280						48,298	672
	Technical provisions - total				R0320						780,845
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total				R0330						43,884	5,710
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total				R0340						736,961	19,198

S.17.01.02 Non-life technical provisions, cont.

				Direct business and accepted proportional reinsurance				Accepted non-proportional reinsurance				Total Non-Life obligation			
				Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance				
				C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170		C0180		
Technical provisions calculated as a whole				R0010									0		
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole				R0050											
Technical provisions calculated as a sum of BE and RM	Best Estimate	Premium provisions	Gross	R0060										332,405	
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140											-3,159
			Net Best Estimate of Premium Provisions	R0150											335,565
	Claims provisions	Gross	R0160												424,378
		Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240												52,752
		Net Best Estimate of Claims Provisions	R0250												371,625
	Total Best estimate - gross				R0260										756,783
	Total Best estimate - net				R0270										707,190
	Risk margin				R0280										48,970
Technical provisions - total				R0320										805,753	
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total				R0330										49,593	
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total				R0340										756,159	

S.19.01.21 Non-life insurance claims information

Gross claims paid (non-cumulative) - development year (absolute amount). Total non-life business

Accident year / Underwriting year		Z0020	(1) 1 - Accident year										
			0	1	2	3	4	5	6	7	8	9	10 & +
			C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
Prior	R0100		----	----	----	----	----	----	----	----	----	----	242
N-9	R0160		1,394,899	136,726	3,917	1,320	488	1,141	6	-78	0	6	----
N-8	R0170		1,511,706	154,945	8,685	1,509	530	140	128	34	26	----	----
N-7	R0180		1,693,423	189,554	4,995	1,205	408	92	17	33	----	----	----
N-6	R0190		1,875,205	182,117	5,077	1,047	471	1,016	137	----	----	----	----
N-5	R0200		2,087,962	202,172	6,074	965	393	255	----	----	----	----	----
N-4	R0210		2,355,889	223,067	6,350	1,322	722	----	----	----	----	----	----
N-3	R0220		2,708,780	254,029	13,631	5,574	----	----	----	----	----	----	----
N-2	R0230		3,015,227	250,478	15,552	----	----	----	----	----	----	----	----
N-1	R0240		3,271,700	256,975	----	----	----	----	----	----	----	----	----
N	R0250		3,757,834	----	----	----	----	----	----	----	----	----	----

Accident year / Underwriting year		Z0020	(1) 1 - Accident year	
			In Current year	Sum of years (cumulative)
			C0170	C0180
Prior	R0100		242	242
N-9	R0160		6	1,538,426
N-8	R0170		26	1,677,703
N-7	R0180		33	1,889,727
N-6	R0190		137	2,065,070
N-5	R0200		255	2,297,821
N-4	R0210		722	2,587,351
N-3	R0220		5,574	2,982,013
N-2	R0230		15,552	3,281,257
N-1	R0240		256,975	3,528,676
N	R0250		3,757,834	3,757,834
Total	R0260		4,037,356	25,606,120

Gross undiscounted best estimate claims provisions - development year (absolute amount). Total non-life business

Accident year / Underwriting year		Z0020	(1) 1 - Accident year										
			0	1	2	3	4	5	6	7	8	9	10 & +
			C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100		----	----	----	----	----	----	----	----	----	----	2,533
N-9	R0160		0	0	9,476	10,422	10,287	935	35	32	39	33	----
N-8	R0170		0	18,984	5,579	4,016	2,748	40	18	14	15	----	----
N-7	R0180		233,598	10,726	3,574	715	292	160	154	0	----	----	----
N-6	R0190		239,089	17,657	11,183	4,703	3,037	199	164	----	----	----	----
N-5	R0200		246,452	15,150	6,088	2,489	2,161	2,069	----	----	----	----	----
N-4	R0210		279,231	22,863	5,605	1,564	131	----	----	----	----	----	----
N-3	R0220		325,183	20,857	12,026	10,083	----	----	----	----	----	----	----
N-2	R0230		379,145	35,090	20,111	----	----	----	----	----	----	----	----
N-1	R0240		342,032	15,218	----	----	----	----	----	----	----	----	----
N	R0250		378,307	----	----	----	----	----	----	----	----	----	----

Accident year / Underwriting year		Z0020	(1) 1 - Accident year	
			Year end (discounted data)	
			C0360	
Prior	R0100		2,527	
N-9	R0160		33	
N-8	R0170		15	
N-7	R0180		0	
N-6	R0190		164	
N-5	R0200		2,063	
N-4	R0210		127	
N-3	R0220		10,000	
N-2	R0230		19,953	
N-1	R0240		14,921	
N	R0250		374,575	
Total	R0260		424,378	

S.22.01.21 Impact of long term guarantees measures and transitionals

Not applicable.

S.23.01.02 Own funds

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35	Ordinary share capital (gross of own shares)	R0010	40,000	40,000	----	----	----
	Share premium account related to ordinary share capital	R0030	0	----	----	----	----
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	----	----	----	----	----
	Subordinated mutual member accounts	R0050	----	----	----	----	----
	Surplus funds	R0070	----	----	----	----	----
	Preference shares	R0090	----	----	----	----	----
	Share premium account related to preference shares	R0110	----	----	----	----	----
	Reconciliation reserve	R0130	1,607,573	1,607,573	----	----	----
	Subordinated liabilities	R0140	----	----	----	----	----
	An amount equal to the value of net deferred tax assets	R0160	0	----	----	----	0
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	----	----	----	----	----	
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	----	----	----	----	----	
Deductions	Deductions for participations in financial and credit institutions	R0230	----	----	----	----	
Total basic own funds after deductions		R0290	1,647,573	1,647,573	----	----	0
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300	----	----	----	----	----
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	----	----	----	----	----
	Unpaid and uncalled preference shares callable on demand	R0320	----	----	----	----	----
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	----	----	----	----	----
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	----	----	----	----	----
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	----	----	----	----	----
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	----	----	----	----	----
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	----	----	----	----	----
	Other ancillary own funds	R0390	----	----	----	----	----
Total ancillary own funds		R0400	----	----	----	----	----
Available and eligible own funds	Total available own funds to meet the SCR	R0500	1,647,573	1,647,573	----	----	0
	Total available own funds to meet the MCR	R0510	1,647,573	1,647,573	----	----	----
	Total eligible own funds to meet the SCR	R0540	1,647,573	1,647,573	----	----	0
	Total eligible own funds to meet the MCR	R0550	1,647,573	1,647,573	----	----	----
SCR		R0580	1,082,642	----	----	----	----
MCR		R0600	487,189	----	----	----	----
Ratio of Eligible own funds to SCR		R0620	152.18%	----	----	----	----
Ratio of Eligible own funds to MCR		R0640	338.18%	----	----	----	----

S.23.01.01 Own funds, reconciliation reserve

Reconciliation reserve			C0060
	Excess of assets over liabilities	R0700	1,847,573
	Own shares (held directly and indirectly)	R0710	----
	Foreseeable dividends, distributions and charges	R0720	200,000
	Other basic own fund items	R0730	40,000
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	----
		R0760	1,607,573
Expected profits	Expected profits included in future premiums (EPIFP) - Life business	R0770	----
	Expected profits included in future premiums (EPIFP) - Non-life business	R0780	470,042
Total Expected profits included in future premiums (EPIFP)		R0790	470,042

S.25.05.21 Solvency Capital Requirement – for undertakings using the standard formula and partial internal model

Solvency Capital Requirement information

Risk type			Solvency Capital Requirement	Amount modelled	USP	Simplifications
			C0010	C0070	C0090	C0120
Risk type	Total diversification	R0020	-409,430			
	Total diversified risk before tax	R0030				
	Total diversified risk after tax	R0040				
	Total market & credit risk	R0070				299,578
	Market & Credit risk - diversified	R0080				195,413
	Credit event risk not covered in market & credit risk	R0190				
	Credit event risk not covered in market & credit risk - diversified	R0200				
	Total Business risk	R0270				
	Total Business risk - diversified	R0280				
	Total Net Non-life underwriting risk	R0310				910,216
	Total Net Non-life underwriting risk - diversified	R0320				910,216
	Total Life & Health underwriting risk	R0400				
	Total Life & Health underwriting risk - diversified	R0410				
	Total Operational risk	R0480				
	Total Operational risk - diversified	R0490				
	Other risk	R0500				

Calculation of Solvency Capital Requirement

			C0100
Total undiversified components		R0110	1,235,924
Diversification		R0060	-153,281
Adjustment due to RFF/MAP nSCR aggregation		R0120	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	
Solvency capital requirement, excluding capital add-ons		R0200	1,082,642
Capital add-ons already set		R0210	
of which, Capital add-ons already set - Article 37 (1) Type a		R0211	
of which, Capital add-ons already set - Article 37 (1) Type b		R0212	
of which, Capital add-ons already set - Article 37 (1) Type c		R0213	
of which, Capital add-ons already set - Article 37 (1) Type d		R0214	
Solvency Capital Requirement		R0220	1,082,642
Other information on SCR	Amount/estimate of the overall loss-absorbing capacity of technical provisions	R0300	
	Amount/estimate of the loss absorbing capacity for deferred taxes	R0310	-149,313
	Capital requirement for duration-based equity risk sub-module	R0400	
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
	Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
	Diversification effects due to RFF nSCR aggregation for article 304	R0440	
	Method used to calculate the adjustment due to RFF nSCR aggregation	R0450	(4) 4 - No adjustment
Net future discretionary benefits	R0460	0	

Approach to tax rate

		YES/NO
		C0109
Approach based on average tax rate	R0590	(2) 2 - No

Calculation of loss absorbing capacity of deferred taxes

		LAC DT
		C0130
Amount/estimate of LAC DT	R0640	
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	R0650	
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	R0660	
Amount/estimate of LAC DT justified by carry back, current year	R0670	
Amount/estimate of LAC DT justified by carry back, future years	R0680	
Amount/estimate of Maximum LAC DT	R0690	-253,783

S.28.01.01 Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		MCR components
		C0010
MCRNL Result	R0010	529,298

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	0	0
Income protection insurance and proportional reinsurance	R0030	0	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	0	0
Other motor insurance and proportional reinsurance	R0060	0	0
Marine, aviation and transport insurance and proportional reinsurance	R0070	0	0
Fire and other damage to property insurance and proportional reinsurance	R0080	688,664	6,143,633
General liability insurance and proportional reinsurance	R0090	18,526	14,371
Credit and suretyship insurance and proportional reinsurance	R0100	0	0
Legal expenses insurance and proportional reinsurance	R0110	0	0
Assistance and proportional reinsurance	R0120	0	0
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0	0
Non-proportional health reinsurance	R0140	0	0
Non-proportional casualty reinsurance	R0150	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0
Non-proportional property reinsurance	R0170	0	0

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	0

Total capital at risk for all life re insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	0	----
Obligations with profit participation - future discretionary benefits	R0220	0	----
Index-linked and unit-linked insurance obligations	R0230	0	----
Other life (re)insurance and health (re)insurance obligations	R0240	0	----
Total capital at risk for all life (re)insurance obligations	R0250	----	0

Overall MCR calculation

		C0070
Linear MCR	R0300	529,298
SCR	R0310	1,082,642
MCR cap	R0320	487,189
MCR floor	R0330	270,661
Combined MCR	R0340	487,189
Absolute floor of the MCR	R0350	47,310
Minimum Capital Requirement	R0400	487,189