Solvency and financial condition report 2023

SEB Life and Pension Holding AB

Contents

Introduction

This report describes the activities carried out in SEB Life and Pension Holding AB ("the Company") and its subsidiaries ("the Insurance Group"). The report is aimed at SEB Life and Pension Holding AB's stakeholders and describes the Insurance Group's solvency position, which is a measure of financial strength that shows an insurance company's ability to fulfil its payment obligations.

This report has been prepared in accordance with Commission Delegated Regulation (EU) 2015/35 and EIOPA Guidelines for Reporting and Publication.

Differences exist between the group concept of the solvency reporting and the group concept of the financial reporting according to the Annual Accounts Act's Group Concept.

Gamla Livförsäkringsaktiebolaget SEB Trygg Liv (publ) ("Gamla Liv") is a subsidiary of SEB Life and Pension Holding AB that operates in accordance with mutual principles. Gamla Liv does not pay dividends and the Company has no decisive influence on the financial and operational business of Gamla Liv. Gamla Liv is therefore not consolidated in the SEB Life and Pension Holding Group or in the SEB Group in the financial statements.

The solvency reporting includes Gamla Liv and its subsidiaries using the deduction and aggregation method. This means that Gamla Liv is only included as shares in subsidiaries in the Insurance Group solvency balance sheet. Own funds include Gamla Liv with the corresponding amount that Gamla Liv contribute to the Insurance Group's capital requirement (Solvency Capital Requirement, SCR). Gamla Liv is throughout the report included in some sections when this is stated. Otherwise Gamla Liv is not included. The analysis of the Insurance Group's risk profile and solvency position is principally performed excluding Gamla Liv.

The subsidiary SEB Life and Pension Baltic SE has four subsidiaries, IPAS "SEB Investment Management", AS "SEB atklātais pensiju fonds", UAB "SEB INVESTICIJŲ VALDYMAS" and AS SEB Varahaldus. The subsidiaries conduct financial activities and are subject to capital requirements in other financial sectors. The subsidiaries are consolidated using method 1 according to regulation 2015/35 article 335 (e). When calculating the Group solvency capital requirement, the Baltic subsidiaries are included according to sector rules applicable for each subsidiary. In the Insurance Group's solvency balance sheet, the above companies are included only as shares.

The Board has participated in the preparation of the report on solvency and financial condition and adopted the report on May 8, 2024.

Summary

This report contains information about the Insurance Group's Business and Performance, its Corporate Governance, Risk Profile, Own Funds and Solvency Capital Requirements for the reporting period 1 January to 31 December 2023. The report on Solvency and financial condition is also prepared separately for each insurance company of the Insurance Group.

Business and performance

The insurance group operates in the areas of unit-linked insurance, life insurance, and risk insurance, primarily within the Nordic region and the Baltic countries.

The reported operating profit of the insurance group amounted to SEK 2,089 million (SEK 1,764), which was SEK 325 million higher than the previous year. The operating profit was positively influenced by the higher interest rate situation, leading to increased revenue from own investments.

The total assets under management, excluding Gamla Liv, was SEK 435 billion (SEK 395 billion) as of December 31, 2023, and gross premium income amounted to SEK 31 billion (SEK 33 billion) in 2023.

System of governance

In the Company's capacity as an insurance holding company, the Board has adopted an Instruction on the Insurance Group's system of governance. Through this Instruction, the Company manages the elements of the system of governance that should be present in the supervised entities within the Insurance Group.

At group level, there are three key functions: the Compliance function, the Internal Audit function, and the Risk Management function. At group level, the key functions primarily have a coordinating and supportive role.

During the reporting period, the Board has been expanded with one member.

Risk profile

The Insurance Group's business give rise to market, counterparty, life underwriting and operational risks. The two largest risks expressed as Solvency Capital Requirement are life underwriting risk and market risk. During the year, an Own Risk and Solvency Assessment ("ORSA") was carried out showing that the Insurance Group has a good balance between business strategy, risk profile and solvency position.

No material changes in the Insurance Group's Risk profile have been made during the reporting period.

Valuation for solvency purposes

The consolidated balance sheet has been prepared in accordance with IFRS (International Financial Reporting Standards) of the European Commission. Assets and liabilities have been revalued in the solvency balance sheet where Solvency II regulation prescribes valuation rules other than IFRS as further described in part D. Valuation for solvency purposes.

No material changes in assumptions in the calculation of assets, technical provisions and other liabilities of the Insurance Group have been made during the reporting period.

Capital Management

The Insurance Group's total Own Funds including Gamla Liv amounted to SEK 75,880 (71,893) million at the end of the reporting period.

The Solvency Capital Requirement (SCR) amounted to SEK 69,452 (64,689) million. The SCR of the Insurance group increased by SEK 3,987 million or 6 per cent during the reporting period. The increase is mainly attributable to an increased SCR for Gamla Liv.

Significant changes after the reporting period

Linnéa Ecorcheville has been appointed as CEO for the Company and head of SEB Life division, replacing David Teare. These changes will be effective from 10 January 2024.

A Business and Performance

A.1 Business

Table A.1.1 Overview according to the financial statements

SEKm	2023	2022[1]
Assets under Management (AuM), the Insurance Group excluding Gamla Liv	434,700	394,964
Assets under Management (AuM), Gamla Liv	170,090	177,364
Premium gross, the Insurance Group excluding Gamla Liv	30,869	32,663
Operating profit, the Insurance Group excluding Gamla Liv	2,089	1,764

SEB Life and Pension Holding AB ("the Company") with registration number 556201-7904 is a Swedish insurance holding company with the task of streamlining capital supply and co-ordinating life insurance operations within the SEB Group. The Company's business mainly consists of the management of shares in subsidiaries. The Company is registered in Sweden and based in Stockholm. The Company's address is 106 40 Stockholm.

The Company is a wholly owned subsidiary of Skandinaviska Enskilda Banken AB (publ) ("SEB"), Stockholm, registration number 502032-9081.

The Company has subsidiaries that operate life insurance and unit-linked insurance operations in Ireland, Latvia, and Sweden (Appendix 1, Form S.32.01). Together with the subsidiaries, the Company constitutes the SEB Life and Pension Holding Group and is consolidated in SEB's consolidated accounts. Gamla Liv is not consolidated in SEB's consolidated accounts.

The Company's internal organisation is established in an instruction adopted by the Board. In addition to the Board and the Managing Director, the Company's organisation consists of a management team.

Supervisory Authority and external auditors

The Insurance Group's Supervisory Authority is Finansinspektionen, Box 7821, 103 97 Stockholm, e-mail: finansinspektionen@fi.se.

The subsidiaries are supervised by the local supervisory authority of the respective country. The Company's external auditors are Ernst & Young AB ("EY"), 103 99 Stockholm. The appointed auditor is Daniel Eriksson.

Subsidiaries

SEB Pension och Försäkring AB ("Pension & Försäkring") operates both unit-linked insurance, traditional life insurance and risk insurance. Pension & Försäkring performes insurance administration for Gamla Liv. Pension & Försäkring owns 33.33 per cent of FörsäkringsGirot Sverige AB.

Gamla Livförsäkringsaktiebolaget SEB Trygg Liv (publ) ("Gamla Liv") operates traditional life insurance business. Gamla Liv has been closed for new subscriptions since 1997 and operates in accordance with mutual principals and with policyholders, through the Trygg-Stiftelsen, as an indirect decision-making party on issues essential to the business. Given that Gamla Liv does not pay dividends and that the Company has no decisive influence on the financial and operational activities, Gamla Liv is not consolidated in the Holding group or in the SEB Group in the financial

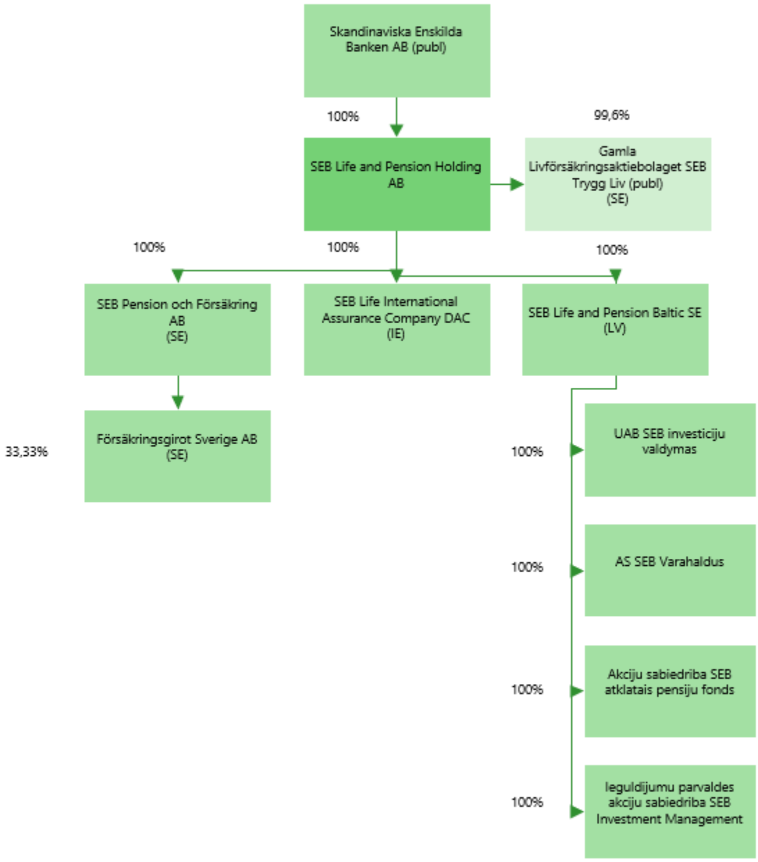
[1] Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts.

statements. Solvency reporting includes Gamla Liv in the Insurance Group's own funds and Solvency Capital Requirement under the deduction and aggregation method.

SEB Life International Assurance Company DAC ("Life International") operates portfolio bond insurance and is a life insurance company regulated and licensed in Ireland.

The Latvian subsidiary, SEB Life and Pension Baltic SE and its branches in Estonia and Lithuania operate unit-linked insurance as well as traditional life insurance and risk protection products. SEB Life and Pension Baltic SE also has four wholly owned subsidiaries that operate within fund management and pension administration. In the solvency reporting, the subsidiaries are included in the Insurance Group's capital base and solvency capital requirements using the method 1 ("sector rules") according to the delegated regulation.

Image A.1.2 Insurance Group - legal structure



Intra-group transactions

Pension & Försäkring and Gamla Liv have an agreement, entailing that Pension & Försäkring is mandated to perform Gamla Liv's insurance administration. The compensation amounted to SEK 172 (164) million during the reporting period. Pension & Försäkring also have an agreement with Gamla Liv regarding received reinsurance as well as certain other services. For further information about outsourcing within the Insurance Group, refers to Chapter B.7.

Subordinated liabilities consist of three subordinated loans in total SEK 2,100 million with SEB AB and SEB Stiftelsen as counterparties.

During the reporting period, the subsidiaries Pension & Försäkring have paid SEK 500 (0) million, Life International SEK 136 (210) million and Pension Baltic SE betalat 103 (0) million in dividends to the Company.

Furthermore, during the year Pension & Försäkring submitted a group contribution of SEK 385 (312) million to the Company. At the end of the year, the Company reported a corresponding receivable as the amount is settled the following year.

Business segments and geographical areas

The Insurance Group provides savings and risk insurance for companies, individuals, and institutions in the Nordic and Baltic countries.

For the purposes of solvency, the Insurance Group's insurance obligations are divided into the following business segments:

- Insurance with profit participation
- Unit-linked and index-linked insurance
- Other life insurance
- Health insurance
- Medical expense insurance for non-life insurance
- Income protection insurance for non-life insurance

Pension & Försäkring (Sweden)
Pension & Försäkring offers insurance solutions on the Swedish market within risk and unit-linked insurance and traditional life insurance. The insurance offer includes endowment insurance, custody insurance, private pension insurance, occupational pension insurance, health insurance, group life insurance and medical expense insurance.

Gamla Liv (Sweden)
Gamla Liv operates traditional life insurance business and is closed for new subscription.

SEB Life International (Ireland)
The Company conducts most of its operations in Ireland, but also has a branch in Luxembourg. The company continues to increase its focus on distribution of its products through SEB in Sweden and through SEB Luxembourg. The Company operates with several tied agents in the Finnish market and distributes through SEB Bank in Finland.

SEB Life International primarily offers life insurance products with a single premium whereby customers have the flexibility to manage their own investment portfolio of shares, funds, and other financial instruments. From a Solvency II perspective, all products are classified as "Unit-linked Insurance and Index Insurance".

SEB Life and Pension Baltic SE (Baltics)
SEB Life and Pension Baltic SE (Baltics) has its head office in Latvia and carries out insurance activities in Lithuania and Estonia via the registered branches in these countries. The Company' sell insurance services to private and corporate clients in Latvia, Lithuania and Estonia include risk insurance, unit-linked insurance, life insurance with guarantees and annuities. The key products in active sales include loan protection insurance, term life insurance and unit linked insurance issued mainly to meet pension and other long-term savings needs. SEB Life and Pension Baltics SE's four wholly owned subsidiaries conduct operations in fund management and pension administration.

Significant events during the reporting period

After a turbulent year in 2022, 2023 was a year in which the financial markets strengthened, which had a positive effect on the Group earnings. A stronger stock market and higher interest rates have contributed to good returns in the Group portfolios.

A.2 Underwriting Performance

Table A.2.1 Underwriting Performance

SEKm	2023	2022[2]	Change %
Income investments contracts	3,093	3,119	-1
Income insurance contracts	775	745	4
Other income	774	278	177
Total income, gross	**4,642**	**4,142**	**12**
Commission expenses including deferred acquisition costs	-950	-952	0
Operating expenses	-1,603	-1,426	12
Operating profit	**2,089**	**1,764**	**18**

Total income amounted to SEK 4,642 million (4,142), an increase of approximately 12 percent compared to the previous year. The increase is mainly due to increased income from insurance contracts and own investments, where the higher interest rates during the year, combined with the recovery in the financial markets, contributed to a positive development for the Insurance Group's traditional and other portfolios. Operating expenses increased by 12 per cent to SEK -1,603 million (-1,426), mainly due to increased costs for strategic investments in infrastructure for the transformation of the insurance group.

Tables A.2.2 and A.2.3 shows the Insurance Group's premiums per country and per line of business.

Table A.2.2 Premiums gross per country

SEKm	2023	2022
Sweden	29,001	30,569
Finland	620	867
Lithuania	634	577
Latvia	239	224
Estonia	222	201
Portugal	107	149
Other countries	46	79
Total	**330,869**	**32,663**

Table A.2.3 Premiums and expenses per line of business

2023	Life insurance				Accident insurance		
SEKm	**Health insurance**	**Insurance with bonus entitlement**	**Unit-linked insurance**	**Other life insurance**	**Health insurance**	**Income protection insurance**	**Total**
Premiums	349	2,720	26,966	425	312	98	30,869
Expenses *)	-189	-1,998	-34,039	-166	-304	-30	-36,726

*) Expenses include operating expenses and claims incurred

2022	Life insurance				Accident insurance		

[2] Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts.

SEKm	Health insurance	Insurance with bonus entitlement	Unit-linked insurance	Other life insurance	Health insurance	Income protection insurance	Total
Premiums	367	3,633	27,870	391	313	89	32,663
Expenses *)	-91	-2,034	-28,952	-172	-256	-24	-31,530

*) Expenses include operating expenses and claims incurred

Premiums have decreased by 5 percent compared to the previous year, primarily driven by a reduced premium volume in traditional insurance and Unit-linked insurance. Increased costs are attributed to rising operating expenses within Unit-linked insurance.

A.3 Investment Performance

The Insurance Group's total assets under management (including unit-linked insurance capital) amounted to SEK 435(395) billion as of 31 December 2023, an increase of 10 percent compared with the same period last year. The increase is primarily explained by a strong performance on the stock market, slightly offset by a net outflow of premiums during the year.

The Insurance Group's total investment performance is shown per asset class in Table A.3.1. The largest positive return is attributable to fund units that are included in the unit-linked insurance portfolio, to which the positive financial markets contributed during the year. All asset classes except mortgage bonds had a positive return during the year.

The Insurance Group has no gains or losses recognised directly against equity.

The Company doesn't invest directly in securitization but receives exposure indirectly through fund investments.

Table A.3.1 Investment performance

Asset Class, SEKm	2023	2022
Equities	1 547	-12,082
Fund units	39 943	-53,066
Properties	0	0
Corporate bonds	953	-1,568
Cash and deposits	338	258
Mortgage bonds	-0,5	24
Government bonds	183	-231
Structured securities	154	-595
Secured securities	0	0
Derivatives	787	--5,566
Total	**43 905**	**-72,826**

A.4 Performance of other activities

Other significant income and expenses during the reporting period mainly relates to income from own funds and assignment agreements within the Insurance Group. The Insurance Group's return on equity has developed positively and amounts to SEK 342m (-45). The increase is mainly attributable to higher interest rates during the year. Compensation for assignment agreements between companies in the insurance group amounted to SEK 172m (164) during the year.

The pension funds in the Baltic operations had revenue growth of 14 percent in 2023 and amounted to SEK 133m (117m). This increase can mainly be attributed to rising asset values, as a result of favourable market development and positive net inflows.

A.5 Any other information

B System of governance

B.1 General information on the system of governance

The Company's administrative and management structures

The Company's highest decision-making body is the shareholders' meeting with a number of formal tasks, as regulated in law and articles of association, such as the election of the auditor.

The Company's management bodies consist of its board of directors and Managing Director. The Company also has a Chief financial officer and a Chief investment officer. The Board has decided on the Company's organisation by an Instruction regarding the Company's organization and activities.

The Board is responsible for the Company's organisation and the management of the Company's affairs. The Board consists of five members. The Board has appointed a Managing Director to handle the daily running of the Company. To clarify the Managing Director's duties in relation to the Board, the Board has adopted an Instruction regarding the Managing Director which indicates the duties of the Managing Director.

In the Company's capacity as an insurance holding company, the Board has adopted an instruction on the Insurance Group's system of governance. Through this Instruction, the Company manages the elements of the system of governance that should be present in supervised entities within the Insurance Group. The Company's Board has furthermore adopted instructions on, for example, key functions, risk, and internal control which are to be implemented throughout the Insurance Group through decisions in the respective entity's administrative, management or supervisory body.

The Company monitors the business of the Insurance Group through recurring reporting from the subsidiaries to the Board and the Managing Director.

Key functions

The Company has three key functions: The Compliance function, the Internal Audit function, and the Risk Management function (within the Company called the Risk function). The activities of the key functions are governed by specific instructions adopted by the Board. Through the Board instructions, the Board has provided the key functions with the necessary powers and operational independence to fulfil their commitments.

The Company's Compliance function has primarily a co-ordinating and supportive role in respect of compliance matters within the insurance companies and other supervised entities within the Insurance Group. The Company's Compliance function further follows the development of various external regulations. The function reports to the Company's Board and managing director.

The Internal Audit function of the Company has primarily a co-ordinating and supportive role in respect of internal audit matters within the insurance companies and other supervised entities within the Insurance Group. The function shall further assist the Company's Board with investigations deemed to require internal audit expertise. The extent of such investigations is determined by the function considering available resources and impact on audit activities in other areas. The Internal Audit function reports to the Board.

The Company's Risk function has primarily a co-ordinating and supportive role in respect of risk matters within the insurance companies and other supervised entities within the Insurance Group. The function is further responsible for developing a group-wide risk management structure and monitoring its implementation within the Insurance Group. The Risk function reports to the Board.

Material changes in the system of governance

During the reporting period, the Company's Board has been expanded by one member.

Company principles and practice regarding remuneration

The Company's Board of directors has adopted an Instruction regarding remuneration that applies to all employees. The Instruction shall be implemented within the entire Insurance Group through decisions in the respective administrative, management or supervisory body. The Instruction aims to attract and retain talents and strengthen a culture that rewards results and behaviours that ensure sound risk management and sustainable long-term value creation in line with the interests of customers and shareholders. The basis for the remuneration structure rests on three main components: fixed remuneration, profit share programme, and pension and other benefits. The executive management and certain other senior executives and key personnel may also be covered by the SEB Group's long-term share-based programmes. The goal is for the Company's staff to have an appropriate balance between fixed and variable remuneration.

Within the SEB Group, Group-wide equity-based programmes are used, except for Gamla Liv. The programmes are described in SEB's Annual & Sustainability Report, note 8 d. The Report is available on the web: https://sebgroup.com/arsrapport[3].

Employees within the SEB Group do not receive additional remuneration for their Board assignments.

Board members who are employees of the SEB Group and persons responsible for key functions can, as key persons, be offered premium-based supplementary pensions and, like other employees within the Group, may also have the option of going into early retirement according to the applicable collective agreements in the financial industry.

The company's Managing Director is employed by the subsidiary Pension & Försäkring, which pays the Managing Director's salary. The Company bears a share of the costs incurred. See the Annual Report for Pension & Försäkring, note 46, for more details. The annual report is available on the web: https://sebgroup.com/sv/om-seb/var-affar/vara-divisioner/livforsakringsverksamheten/arsredovisningar-och-rapporter-om-solvens-och-finansiell-stallning.

B.2 Fit and proper requirements

Special requirements for competence, knowledge, and expertise

The Company's Board has adopted an instruction regarding the fit and proper assessment. The instruction contains requirements for both fitness and probity and sets out the Company's process for the fit and proper assessment. The instruction is to be implemented throughout the Insurance Group by decisions made by the administrative, management or supervisory bodies of each insurance company.

According to the instruction, everyone in the Company must have appropriate qualifications, experience and knowledge based on their duties. In terms of Board members and the Managing Director, it also states that they should have appropriate qualifications, experience and knowledge from the insurance sector, other financial sectors, or other industries. In addition, the Managing Director must have relevant accounting knowledge and relevant leadership skills.

In terms of probity, it follows from the Instruction that everyone in the Company should have a good reputation. When assessing whether a person meets the requirements for a good reputation, consideration should be given to the person's integrity and financial circumstances based on relevant information about the person's personality, personal conduct and reputation,

[3] Direct link to the file: https://webapp.sebgroup.com/mb/mblib.nsf/dld/B3E62FB8A52B9545C1258AD0003EAEE6?opendocument

as well as possible criminal, financial and supervisory aspects. The assessment also considers potential conflicts of interest and the role of the person within the Company.

The process of a fit and proper assessment for persons in key positions
Prior to an employment with the Company, the Company applies a SEB Group-wide regulatory framework for screening. The basic screening, which applies to everyone, includes identity checks, checks on grade sheets and certificate of education, references, credit information, extracts from the register on criminal acts and random drug tests. An extended screening, which applies to the Managing Director and other persons in key positions means that the background of the person is checked for several years in the past and checks are made of court disputes and the person's media exposure.

An employee's qualifications and reputation will then be assessed by the immediate manager at annual employee interviews.

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

The Insurance Group's business activities give rise to underwriting risk, financial risks, operational risks, and business risks. Image B.3.1 shows the components that form the risk management system of the Group and each subsidiary.

Image B.3.1 Risk management system

Governance model for Risk Management
The Company's Board and CEO annually establish the guidelines that apply to risk management, risk reporting, internal control, and follow-up within the Insurance Group. This is done by adopting instructions regarding risk, the risk function. capital and own risk and solvency assessment as well as an instruction on internal control. These instructions are then adopted by the Board of each subsidiary with some local adjustments as required.

In addition, each subsidiary has more specific instructions and guidelines which define the risk management for each risk category in more detail. Examples of this are investment guidelines that govern the management of financial risks and insurance guidelines that govern the management of underwriting risks.

The Company's risk function primarily has a co-ordinating and supporting role regarding the risk functions that exist in each of the subsidiaries of the Insurance Group. The function is further responsible for following up and monitoring the implementation of the group-wide risk management structure and reporting any material deviations to the Company's Board. Further, the Company's control functions annually perform a review of the system of governance for the Insurance Group aiming to evaluate appropriateness and issue recommendations for improvement as applicable, to ensure its continued suitability given the operations of the Insurance Group.

In addition, monitoring of the Insurance Group's internal control and compliance is done through the work performed by the Company's independent control functions Compliance and Internal Audit.

Risk tolerance and solvency need

The Company's Board annually establishes the Insurance Group's tolerance of risk by adopting a so-called "Risk tolerance statement".

The overall tolerance of risk is defined by a solvency tolerance level which is set to avoid a situation where the ratio of Own Funds to its Solvency Capital Requirement is at a level that adversely affects the Insurance Group's ability to achieve its business goals in the short and long term. In addition to a minimum tolerance level for the solvency ratio, the Board has also defined an internal target for the solvency ratio aimed at ensuring that there is enough time to implement appropriate measures in an orderly manner if a negative scenario develops which has not been anticipated in the business plan nor considered in the financial plan.

Within each subsidiary there are also defined risk measures per risk category, which are monitored continuously to ensure that the business is conducted within the framework of established risk tolerance. Examples are the maximum accepted loss on stress testing of current assets and liabilities (market risk), difference in modified duration between assets and liabilities (market risk), technical risk result in relation to premiums (underwriting risk), and operational losses (operational risk).

Furthermore, the tolerance of risk per risk category is defined in qualitative terms and, at subsidiary level, through quantitative limits.

The Company's risk function continuously monitors that business is conducted within defined levels of risk tolerance and it reports any deviations to the Board and the CEO.

Risk management principles

The following risk management principles are common to the subsidiaries within the Insurance Group. Underwriting risks are managed through risk assessments, underwriting limits and by using prudent assumptions in premiums and in calculating technical provisions as well as through reinsurance.

The management of the financial risks, where applicable, is determined by investment guidelines in each subsidiary, which are adopted by the Board. Investment guidelines indicate the companies' financial risk profile, strategic asset allocation, risk budgets and financial risk management organisation. Furthermore, the financial risks are monitored through simulations of historical financial crises and analyses of historical portfolio variances. A considerable part of the Insurance Group's business is unit-linked insurance where the companies do not carry a direct financial risk because the policyholder is responsible for the investment risk. However, revenues from unit-linked insurance mainly consist of fees based on the value of fund units and are therefore affected by the value development of the funds.

Operational risks are managed primarily through a clearly distributed responsibility for processes, internal controls, and well-functioning system support. There are also procedures for crisis management, business continuity planning, incident reporting and quality routines for the introduction of new products and processes. Furthermore, the subsidiaries carry out ongoing exercises aimed at identifying significant operational risks in different parts of the business. In cases where risk management is not considered sufficient, necessary improvement measures are identified.

Business risks, including strategic risks, are handled in the context of business planning and in the ongoing follow-up of operations. Business planning is based on, among other things, competitor and world surveillance, analyses of developments in the insurance market and analysis of proposed changes in legislation and regulations and how these can affect the business model.

Further information about the Insurance Group's risk management, risk exposure and sensitivity to risks are set out in section C. Risk profile.

Reporting of risk

The aggregate risk position of the Insurance Group is reported by the risk function to the Company's Managing Director and Board at all Board meetings. The risk report contains an overall analysis against the established risk tolerance, as well as sections per risk category describing risk exposure more in detail.

In addition, the risk function is responsible for escalation and reporting to the Company's CEO and Board if business is conducted outside the defined risk tolerance.

Own Risk and Solvency Assessment (ORSA)

Within the framework of the ORSA process, the business plan is analysed from a risk and solvency perspective. The overall objective is to evaluate whether identified risks and capital requirements are acceptable and manageable or whether the strategy should be reviewed to balance the risk profile in relation to the ability to manage risks and the financial position of the Insurance Group.

The ORSA process is carried out annually, but if there are significant changes in the Insurance Group's risk profile, the Company will evaluate whether there is a need to initiate a non-regular ORSA. Examples of events that could potentially involve a significant change in the risk profile are major adjustments to the business model or strategy such as launch of new products, material changes in the current investment strategy, dividend policy or similar.

The instruction regarding capital and the own risk and solvency assessment, adopted by the Board, stipulates that the Insurance Group's capitalisation should be risk-based and forward-looking. The ORSA process is designed to fulfil this purpose and is structured around the following activities:

1) Establish the instruction for capital and ORSA

The Board has adopted an Instruction regarding Capital and ORSA, which defines the targets and main principles for capital management and the own risk and solvency assessment. The instructions prescribes that the ORSA shall be an integral part of the business planning process, to ensure that the Board is aware of the impact strategic decisions may have on the risk profile and the solvency position.

2) Establish the business strategy and identify significant risks

In connection with the Business Planning, main risks that could threaten each of the insurance companies' ability to reach the goals and financial objectives embedded in the business plan are identified. This activity covers potential risks within all defined risk categories, i.e. Counterparty default risk, Market risk, Liquidity risk, Underwriting risk, Operational risk, Business risk and Strategic risk.

3) Evaluation of the suitability of the standard formula

All insurance companies within the Insurance group, use the standard formula to calculate the Solvency Capital Requirement ("SCR"). In order to ensure that the standard formula properly reflects the specific risk profile of each Subsidiary, and the Insurance Group, an evaluation of the appropriateness is performed at least annually.

4) Prognosis of the financial position based on the business plan

A financial plan and a capital plan, based on the business plan, are prepared including projections of the P/L, BS, SCR, Own funds and solvency ratios.

5) Define stress scenarios

Based on the risks identified during the business planning and potential downturns in the macroeconomic environment, stressed scenarios are defined. The scenarios shall express severe but not unlikely development and are intended to give the Board and Management a good sense of potential financial impact over time of economic conditions more adverse than those underlying the business plan.

6) Prognosis of the financial position based on stress scenarios

By running defined stressed parameters through respective Subsidiary's ORSA models, updated financials (including impact on the solvency position) are prepared for the stressed scenarios. The models apply the stressed assumptions and calculate projected financial statements (Profit & Loss, Balance Sheet) and solvency requirements over a five-year planning period. The projections of each of the Insurance Companies are consolidated into a group financials, including solvency requirements.

7) Analyse the result of stress scenarios

The outcome from the stressed scenarios is analysed to understand how adverse market/business movements would affect the business, and how a potential shortfall of capital resources could be managed. This might lead to that the Insurance Group's strategy needs to be reviewed and updated.

8) Review risk tolerance level

Based on the analysis of the outcome from the stressed scenarios, the Board reviews the risk tolerance statement to assess and decide whether the Boards risk tolerance, as a function of the proposed and analysed business plan, has changed, or remains unchanged.

9) Evaluate solvency need

Based on the scenario analysis and the risk tolerance stated by the Board, the capital need is assessed and documented. Should the capital need exceed the available capital over the planning period, the Board needs to decide on whether to immediately improve the capital position or plan for management actions to be implemented should this scenario materialize.

10) Review and approval of the ORSA report

Based on the outcome from the steps above, an ORSA report is created and presented to the Management and the Board of Directors for review and approval. This report is used both for internal communication and reporting to the Financial Supervisory Authority (FSA).

11) Communicate ORSA results to interested parties

The outcome of the ORSA process, including any actions stemming from decisions made during the process, shall be communicated to relevant stakeholders. Who receives the information is dependent on the nature of the outcome but typically includes personnel managing the Insurance Group's assets, products, and finances.

B.4 Internal control system

Description of internal control system

All subsidiaries in the Insurance Group have implemented customised internal control systems to achieve business efficiency, to ensure reliability in internal and external reporting and to support compliance with external regulations and internal guidelines.

The internal control system of each subsidiary is structured around the following five components, which are further explained below: Control Environment, Risk Assessment, Control Activities, Information and Communication as well as Monitoring.

Control Environment

The control environment is defined by the corporate culture of the Insurance Group and each subsidiary, and the overall attitude communicated by senior executives regarding the internal control system and its importance.

Examples of important components that contribute to a good control environment are:

- Codes of conduct, emphasising the importance of integrity and values
- Clear roles and responsibilities
- Continued work in relation to resource planning and competence development of staff.

Risk Assessment

Each subsidiary continuously conducts various risk assessment activities in order to identify risks that need to be managed within the internal control framework. Examples of risk assessment activities are:

- Workshops on team and departmental level in relation roles and responsibilities and risk connected to these.
- The new product approval process
- Information security analysis
- Data privacy analysis
- Analysis and follow up of operational incidents.

Control Activities

Each subsidiary has defined control activities in order to create a structure that effectively addresses identified risks. The control structure includes both manual and automated controls and is documented in control catalogues per unit or in some similar way.

Information and communication

The Information and Communication component supports the other components within the framework and includes, for example:

- Compulsory education about internal instructions
- Discussions at group and unit levels about the respective control directories
- Various workshops on operational risks/internal controls facilitated by the risk function.

All subsidiaries also have procedures for escalation such as whistle blower functionality.

Monitoring of control effectiveness within each subsidiary

In order to ensure that the internal control system is effective over time, each subsidiary has implemented suitable monitoring activities linked to defined control responsibilities.

- Regular follow-up of key risk indicators such as outstanding reconciliation differences, etc.
- Self-assessment of control effectiveness initiated by the risk function.
- Random sample checks performed by compliance.

- Random sample checks performed by internal audit.
- Random sample checks performed by external audit.

The result of the monitoring activities, i.e., if the internal control system is effective or if improvements are necessary, will be presented to management and the Board as part of the regular risk reporting as well as in the form of compliance and audit reports.

Monitoring of control effectiveness from the perspective of the Group
The Company's key functions (Risk Function, the Compliance Function and Internal Audit) all take note of the reporting from the key function of each subsidiary including results from monitoring the effectiveness of internal control systems. This information is then consolidated in reports on the Insurance Group which are presented to the Company's management and Board.

The Compliance Function

The Company and its subsidiaries have a separate compliance function (the Compliance Function) whose role and responsibility are stated in special instructions adopted by the Board in each company.
The Compliance Function's responsibility covers mainly the following regulatory areas:

- Business regulation and Permit issues
- Consumer Protection
- Market Conduct
- Prevention of money laundering and terrorist financing

The main tasks of the Compliance Function are:

- Managing compliance risks
- Monitoring
- Investigate incidents
- Provide advice on compliance issues and application of rules
- Develop internal rules on compliance
- Educate and inform
- Relationship with authorities

The Compliance Function is independent in relation to the Company's business and reports to the Managing Director and the Board. The Compliance Function shall be provided with full access to materials, staff, and property relevant to the performance of the function's duties and all employees are required to co-operate fully with the Compliance Function. Any limitation of this right shall be reported to the Board and the Managing Director.

The Compliance Function annually establishes a written plan to be approved by the Board. The plan describes compliance activities for the coming year. In addition, the Compliance Function must provide a written report annually summarising the work carried out during the past year and the outcome of the work.

The Compliance Function attends Board meetings and management team meetings when dealing with compliance issues.

The Compliance Function co-ordinates its activities with the internal audit function and risk management function to ensure an appropriate distribution of activities and minimize duplication.

B.5 Internal audit function

The Company's Internal audit function is provided by Pension & Försäkring. The Internal audit function is independent in relation to the business activities. The function maintains its independence and its objectivity from the business it reviews by not participating in the Company's operational activities and by adhering to the Board's instruction on the function and The Institute of Internal Auditor's Standard according to the International Professional Practices Framework. The Internal Audit Function further decides independently of its audit activities.

B.6 Actuarial function

The Company has no actuarial function. Actuarial competence and coordination are, however, provided by Pension & Försäkring. Within the Insurance Group, there are instead actuarial functions within each insurance company.

B.7 Outsourcing

The Board has adopted an Instruction regarding outsourcing which shall be implemented by the insurance companies in the Insurance Group. The Instruction specifies the conditions under which such arrangements may be made, internal rules on the assessment and classification of outsourcing arrangements as well as the principles for the governance, oversight, and documentation of outsourcing. Furthermore, the Instruction establishes a procedure for the approval and follow-up of outsourcing arrangements, including requirements related to risk assessments, service provider due diligence, contractual requirements in outsourcing agreements, follow-up routines and exit strategies. According to the Instruction, the insurance companies in the Insurance Group may not enter outsourcing arrangements regarding critical or important operational functions if it leads to:

- a significant deterioration of the quality of the system of governance,
- a significant increase in the operational risk,
- a deterioration of the supervisory authorities' ability to exercise supervision, or
- inability to maintain the ability to provide customers with satisfactory and continuous service.

Material group-internal outsourcing

The insurance companies within the Insurance Group mainly have the following material internal outsourcing. In all cases, the supplier is SEB or another company within the SEB Group.

Table B.7.1

Description	Country
Asset Management and Administration	Sweden
Services to prevent money laundering and terrorist financing	Sweden, Latvia and Lithuania
IT services mainly include application management services, network and internet services, workplace-related services, support services, management and operation of development and testing environments, system development services	Sweden, Latvia and Lithuania
Risk control services	Sweden and Latvia

Gamla Liv has also outsourced its insurance administration to Pension & Försäkring.

For more detailed information about outsourcing within the various insurance companies, see section B.7 in the respective solvency and financial condition report of each subsidiary.

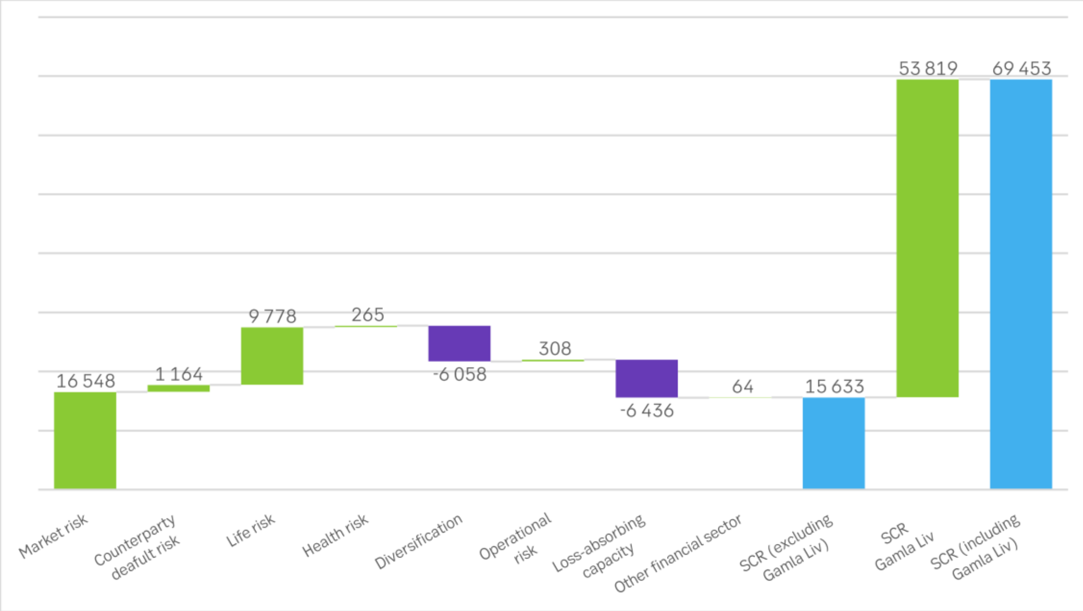
B.8 Any other information

The Insurance Group is assessed to have a mainly well-functioning system of governance at the level of the group.

C Risk Profile

The Insurance Group's business give rise to underwriting risks (life risk and health risk), market risks, counterparty risks (credit risks), liquidity risks, operational risks, and business risks. The two greatest risks expressed as Solvency Capital Requirement are market risk and life underwriting risk, which is shown by the diagram below (in SEK million).

Figure C. Capital requirement per risk module, 31 December 2023



C.1 Underwriting risk

The Insurance Group is exposed to underwriting risks within the insurance companies.

Underwriting risk is the risk of loss or adverse changes in the value in technical provisions due to incorrect assumptions regarding mortality risk, longevity risk, health/disability risk, lapse risk, expense risk and catastrophe risk.

Underwriting risks are managed by underwriting guidelines in terms of risk assessment, through reinsurance, appropriate product design and pricing and by diversification of underwriting risks through a spread over many insurance contracts. In addition, the outcome of underwriting risks is continuously monitored. Each insurance company has defined risk tolerance levels for these risks and the limits established are monitored by each Insurance company.

The Insurance Group calculates the exposure of underwriting risks according to the Solvency Capital Requirement of the standard formula under Solvency II regulation.

Mortality risk

Mortality risk is the risk of loss or adverse changes in the value of technical provisions because the actual mortality of the life assureds, are higher than the insurance companies have assumed in their pricing or in their assumptions in determining the technical provisions.

The exposure of each insurance company to mortality risk is limited by applying underwriting guidelines to ensure that the products are priced in correspondence with the life assured's health status and further by limiting the insurance amounts through reinsurance.

Longevity risk
Longevity is the risk of loss or adverse changes in the value of technical provisions because the life assureds live longer than the insurance companies each have assumed in their pricing or in their assumptions in determining the technical provisions.

The exposure of each insurance company to longevity risk is limited by using careful assumptions for remaining life. Assumptions on future mortality include trends with a gradually longer life expectancy and are based on both internal and external data.

Health/disability risk
Health/disability risk of loss or adverse changes in the value of technical provisions because the actual rate of disability of the insured is higher than the insurance company each have assumed in their pricing or in their assumptions in determining the technical provisions.

The exposure of each insurance company to the risk of illness is limited by applying underwriting guidelines to ensure that the products are priced in correspondence with the insured's health status and further by limiting the insurance amounts through reinsurance.

Lapse and expense risk
Lapse risk is the risk of loss or adverse changes in the value of technical provisions because policyholders cease to pay premiums, surrender, transfer or change the insurance contract in a way that the insurance companies have not predicted in their pricing or in their assumptions when determining the technical provisions.

Expense cost risk is the risk of loss or adverse changes in the value of technical provisions because the actual operating costs are higher than the insurance companies each have assumed in their pricing or in their assumptions in determining the technical provisions.

Lapse or expense risk risks are managed through appropriate product design and pricing and by a regular follow-up of outcomes against assumptions.

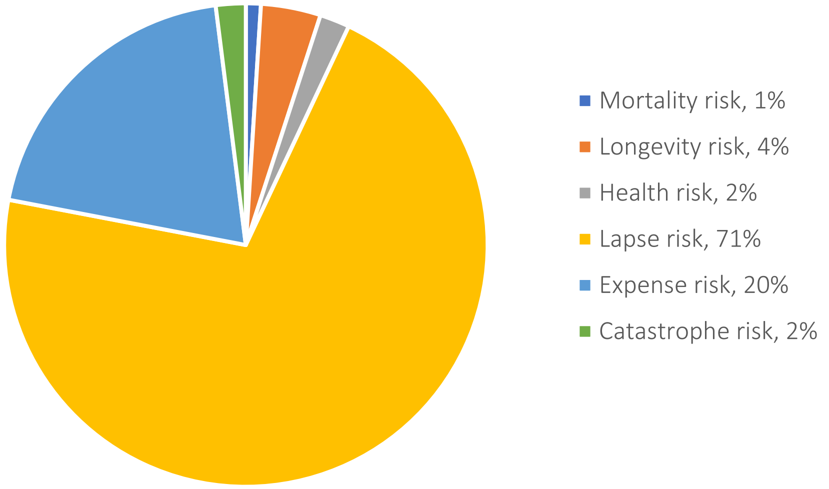
Concentration of risk
The Insurance Group has only limited exposure to concentration of risk in terms of underwriting risk.

Reinsurance
Reinsurance is used at each subsidiary to limit exposure to mortality risk and health/disability risk. The reinsurance arrangements may differ between the subsidiaries but usually include protection through retention limits for individual risks.

The reinsurers are carefully selected and consider the credit rating, competence, experience, solvency, and service level of the counterparty.

The reinsurance programmes are evaluated continuously, inter alia in order to evaluate their effectiveness, and the actuarial function of each subsidiary submits an opinion on the appropriateness of reinsurance programmes to the Board at least once a year.

Figure C.1 Life and health underwriting risks - Solvency capital requirement per type of risk, 31 December 2023



C.2 Market risk

The Insurance Group is exposed to market risks through the investments linked to traditional life assurance and risk insurance operations at each subsidiary, as well as through investments of own equity.

To maintain a good balance between risk and return, each subsidiary has defined risk tolerance levels as well as strategic asset allocation per investment portfolio. Fixed limits are continuously monitored by the respective risk function, which also daily monitors how the market risk exposure has developed through, for example, Value-at-Risk calculations as well as historical scenario analyses. In terms of unit-linked insurance, the Insurance Group does not carry the direct market risk because the policyholder is responsible for the investment risk. However, the income from unit-linked insurance largely comes from fees for assets under management based on the value of fund units and is therefore affected by the fund's value development.

Risk exposure in terms of market risk

The main market risks the Insurance Group is exposed to is equity risk, interest rate risk, credit spread risk currency risk and property price risk.

Equity risk is the risk that the market value of equity investments will fall due to market and socioeconomic factors.

The Insurance Group is exposed to interest rate risk through the risk that the market value of assets carrying interest will decrease as interest rates rise. Interest rate risk increases with the maturity of the asset. Furthermore, there is a risk of interest rate exposure linked to the policyholders being entitled to guaranteed insurance sums and that technical provisions for life insurance are discounted at projected market rates.

Credit spread risk arises when investing in investments in instruments such as corporate bonds and mortgage bonds and symbolises the risk premium over the risk-free interest rate. The credit spread is the difference between the yield of these instruments and the risk-free rate and represents the risk of the instrument decreasing in value due to an increase of this difference.

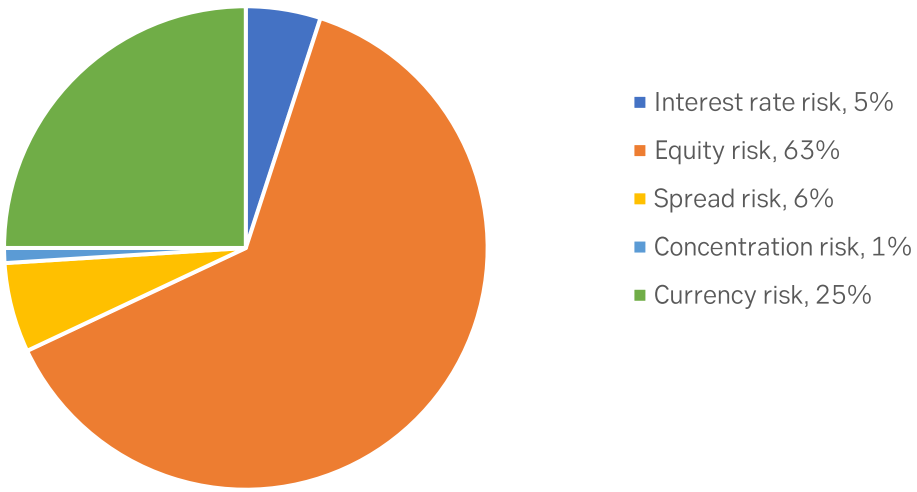
Currency risk arises in the Insurance Group by the subsidiaries operating in local currency, which differ from the group's currency. The subsidiaries investments may involve currency positions in relation to the currency of the Group. Furthermore, there is a currency risk exposure within the Company as the shares in subsidiaries are reported in Swedish kronor while the subsidiaries' equity is in local currency. (However, this risk is mostly managed through currency hedging.)

Property price risk is the risk that the market value of the property portfolio will fall due to market and socioeconomic factors.

The Insurance Group is also exposed to risk in alternative investments, which includes private equity, infrastructure, and credit funds. Since underlying investments mostly consists of unlisted assets, valuation and liquidity risk also arises, in addition to equity and credit risk. The value of the unlisted holdings may increase or decrease due to several different factors such as trends in the stock market and variation in credit spreads.

The Insurance Group calculates the exposure of market risks according to the Solvency Capital Requirements of the standard formula under Solvency II regulation.

Figure C.2 Market risks - Solvency Capital requirement per type of risk, 31 December 2023



Prudent person principle

The Boards of each subsidiary have defined investment guidelines, or similar steering documents, in accordance with prudent person principle. The following general principles apply to all insurance companies in the Insurance Group:

- Investments should always be based on the policyholders' best interests and any conflicts of interest associated with the investment should always be evaluated and managed. The portfolio's security, availability, liquidity, and profitability shall be continuously analysed, evaluated and managed, compared against commitments and other management requirements.
- There must always exist a good picture of the purpose of the investment as well as understanding and knowledge about the investment's characteristics risk and return profile in isolation and how the portfolio is influenced by investment.
- Ensuring that all investments can be managed, valued, and followed up in relevant systems and that sufficient expertise and experience exists to manage and administer the investment.
- Ensuring that the return on investment and risk, including solvency requirements, can be calculated, measured, monitored, controlled, and reported correctly.

- When using derivatives, it must be ensured that the exposure of the derivative reflects the underlying asset and that the expected risk transfer is achieved and that new risks arising from the use of derivatives are analysed and handled.

Material risk concentrations relating to market risk
For maximum exposures to specific geographic markets, instrument types and individual counterparties, these are regulated and limited within the framework of the investment guidelines of each subsidiary.

The Insurance Group's traditional portfolios are highly diversified. The greatest concentrations, apart from shares in well-diversified funds, are bonds with high credit rating.

The operational organisation regarding investments is partly co-ordinated with a joint Investment Manager and there is co-operation between the subsidiaries in the preparation of investment plans etc. However, the management and Board of each subsidiary own the final approval of the strategic asset allocation, risk tolerance and specific investments in each portfolio.

Risk reduction in terms of market risk
The steering and risk reduction regarding market risk is determined by the investment guidelines adopted by the Board of respective subsidiary.

Equity risk is primarily managed through diversification across several markets and sectors which helps reduce the risk of individual factors impact on the equity portfolio of each subsidiary and the aggregated exposure for the Insurance Group.

As the Insurance Group's portfolios consist largely of interest-bearing assets and the technical provisions are largely discounted at market rates, the analysis of the interest rate sensitivity of the assets and liabilities is central to the asset management of respective subsidiary. Examples of measures to balance these risks are interest rate immunisation programmes where derivatives are used to limit unwanted outcomes due to changes in market interest rates.

The Insurance Group's exposure to credit spread risk is continuously monitored through defined limit structures and stress tests. Currency risk is managed through currency hedging using derivatives.

Property price risk is managed through a highly diversified portfolio with a breakdown between different markets and because investments are made both in property-related securities and in directly owned properties.

Risks in alternative investments such as valuation and liquidity risk are handled by ongoing analysis of uncertainty in the valuation and projections of cash flow. Sensitivity analysis of alternative investments is included in the sensitivity analysis for equity.

C.3 Credit risk

Credit risk is the risk that a counterparty cannot fulfil its commitments. The risk can be split into issuer risk, which is defined as the risk that borrowers on the bond market cannot fulfil their obligations, counterparty risk and settlement risk.

Issuer risk is defined as the risk that borrowers in the bond market cannot fulfil their obligations. The company's issuer risk is governed by a rating-based limit model.

Counterparty risk in derivative contracts is the risk that a counterparty does not live up to its contractual obligations since the Company has a claim on the counterparty and the claim corresponds to a positive market value to the Company's advantage. Counterparty risk is limited by netting agreements where all positive and negative market values during a contract can be offset at counterparty level, and through standard agreements for managing collateral from counterparties for unrealized gains from the derivative market. Counterparty risk also arises through the reinsurance programs that are subscribed, and is limited by careful selection of counterparties, considering credit ratings, competence, experience, solvency and service level.

Settlement risk refers to the risk that a counterparty does not fulfil its obligation in connection with a transaction being matured, and that the price of the security has changed when the transaction must be changed with a new counterparty at a new price. This risk is a result of the fact that delivery and payment of securities are not always synchronized. The settlement risk is limited by, as far as possible, settling according to the Delivery Versus Payment (DVP) principle.

C.4 Liquidity risk

Liquidity risk refers to the risk that the Insurance Group or any of its subsidiaries may find it difficult to fulfil its short-term financial obligations due to a lack of liquid assets.

Liquidity risk is managed through ongoing monitoring of future payments and through limits designed to maintain sufficient liquidity in the investment portfolios of each subsidiary.

To assess the assets' market liquidity, each asset class is classified based on market turnover. The result is then compared with expected outflow from liabilities. In addition, hypothetical stress tests are performed with assumptions regarding unexpected liabilities outflow and reduced asset disposal rates. Based on this, a liquidity quota can be prepared which is analysed to assess short-term payment ability.

The outcome of these liquidity analyses shows that the short-term payment ability is good.

C.5 Operational risk

The Insurance Group's operational risks are primarily managed through a clearly distributed responsibility within each subsidiary for processes and internal controls as well as well-functioning system support (for more information, see section B.4 Internal Control System).

In addition, each subsidiary of the Insurance Group has implemented the following tools/processes for managing operational risks:

Operational Risk Self-Assessment
In order to identify operational risks where the risk management needs to be strengthened, regular evaluations and assessments are conducted at the process level.

Registration and follow-up of operational incidents
All operational incidents are recorded in a central incident management system and analysed to understand the root cause and whether there is a need to strengthen the internal control structure or initiate other activities to reduce the risk of similar incidents occurring again.

New Product Approval Process (NPAP)
The purpose of NPAP is to ensure that the business does not start activities that contain risks that cannot be managed and controlled in a professional and sustainable manner.

Business Continuity Planning
Each subsidiary has plans and procedures to ensure preparedness associated with critical processes and systems in the event of large-scale interference. The purpose of these continuity plans is to restore operations as quickly and smoothly as possible. The plans are tested and updated annually.

Crisis management
Each subsidiary has appointed a crisis management with the task of, in the event of a crisis, quickly determine the scope, assessing the effects, identifying, prioritising and co-ordinating the actions that should be initiated.

Information Security
There are appointed security officers within the Insurance Group with the task of monitoring the management of information security as well as raising awareness of the risks and how they are to be addressed. This role also participates in NPAP which evaluates all new initiatives.

Examples of routines implemented to handle information security risks are regular review of system permissions as well as selected log files.

Cyber Security
The Insurance Group bases its work on cyber security in the following framework: “NIST Cyber security framework” and “ISF Cyber resilience framework”. The goal is to efficiently prevent/handle negative outcomes in the event of cyber-attacks.

Compliance and legal risks
The Compliance Function is responsible for informing and educating the business in terms of regulatory requirements and monitoring their handling (see section B.4). In terms of the management of the Insurance Group’s legal risks, these are co-ordinated and supervised by the Legal Department.

Follow-up and analysis of outstanding audit observations
The Insurance Group has a process for the continuous monitoring and analysis of outstanding audit observations to mitigate the risks identified by internal and/or external auditors.

C.6 Other material risks

In addition to the risks described in previous sections, the Insurance Group is exposed to business risks and sustainability risks. Common to all identified business risks is that they may potentially adversely affect sales volumes or product margins. Business risks are handled in the context of business planning and in the ongoing follow-up of the business.

Business planning is based on, among other things, competitor and world surveillance, analyses of developments in the insurance market and analysis of proposed changes in legislation and regulations and how these can affect the business. Alongside business planning, a forward assessment of the insurance group’s risks, and solvency situation is carried out as described above under the heading “Own Risk and Solvency Assessment” in Section B.3.

Sustainability risks are defined as risks linked to environmental, social and governance related factors, so called ESG factors. Sustainability risk has during recent years increased in relevance, and these risk factors can also have an impact on other risk categories such as financial, business and operational risk.

The main sustainability risk for the Insurance Group is that ESG factors or events that, if materialized, could have a direct or indirect negative impact on the value of an investment. Insufficient standards within the ESG area could also affect the reputation and good standing of the Insurance Group.

The Insurance Group continuously ensures that ESG standards are integrated in relevant governance and instructions, and in strategy planning. ESG related risk are continuously evaluated.

The insurance group has adopted a general instruction with regards to sustainability. Policy and methods for the integration of sustainability risks in the investment process and sustainability related considerations via exclusion criteria are set via the investment guidelines governing investments of the insurance group. Work is continuously ongoing to increase the level of sustainability data in relation to underlying investments, to ensure appropriate management of sustainability risks. When new investments or additional unit linked funds are being considered, a due diligence process is performed by the company aiming to identify material or likely material effects of relevant sustainability risks. Further, the integration of sustainability matters of the companies or funds invested in represents a key part of the ongoing evaluation process including the reporting of ESG aspects to investors.

The insurance companies are also introducing sustainability criteria in applicable exclusion lists, and the ongoing work in the sustainability is also coordinated with the SEB Group.

C.7 Any other information

The Insurance Group's business is highly diversified and there is only limited concentration of risk. The concentration of risk that should be highlighted is that most of the Insurance Group's IT administration is outsourced to SEB AB, potentially causing all subsidiaries to suffer from central IT incidents and malfunctions.

D Valuation for Solvency Purposes

The Group's balance sheet has been prepared in accordance IASBs IFRS (International Financial Reporting Standards) by European Commission. Assets and liabilities have been revalued in the solvency balance sheet where Solvency II regulation prescribes valuation rules other than IFRS and these are described in the following sections.

SEB Life and Pension Baltics four subsidiaries and Gamla Liv are not consolidated in the solvency balance sheet. The subsidiaries and Gamla Liv are only included as shares in subsidiaries.

There have been no material changes in assumptions in the calculation of assets, technical provisions, and other liabilities of the Insurance Group during the reporting period.

Table D. Balance sheet for financial statement and solvency purposes in summary

31 Dec 2023, SEKm	Solvency	Financial reporting	Difference
Assets	448,776	450,446	-1,670
Technical provisions	-416,551	-428,434	11,883
Other liabilities	-11,112	-11,267	154
Excess of assets over liabilities	**21,112**	**10,746**	**10,367**

D.1 Assets

The valuation principles and the differences between the valuation in IFRS and Solvency II regulation are described below for each significant item in the solvency balance sheet. The Insurance Group's complete solvency balance sheet will be found in Appendix (S.02.01.02).

Goodwill

Goodwill is valued according to the financial statements at acquisition value adjusted for accumulated impairment gains and losses. According to Solvency II regulation, goodwill is valued at zero and no value is reported in the solvency balance sheet.

Deferred acquisition cost

Prepaid acquisition costs are the variable costs that are linked to subscribing an investment or insurance contract. According to the financial statements, prepaid acquisition costs are capitalized in the balance sheet and depreciated during the useful life. Prepaid acquisition costs (DAC) are valued to zero in the solvency balance sheet.

Intangible assets

Intangible assets are reported at amortised cost less accumulated amortisation and impairment gains and losses according to the financial statements. Under Solvency II regulation, intangible assets are valued at zero.

Tangible fixed assets

The Company's assumption is that the reporting and valuation of balance sheet items in accordance with IFRS 16 is compatible with the Solvency II regulations' requirements for how assets and liabilities are to be valued. A leasing liability is also reported within other liabilities.

Assets held for unit-linked and deposit insurance contracts

Assets held for unit-linked and deposit insurance agreements together constitute the securities portfolio that covers the policyholders' unit-linked and custody agreements. Assets include financial instruments, cash and deposits and other financial assets and the valuation follows the same principles as described below.

Investment assets

Financial instruments

Financial instruments include listed and unlisted equities, fund units, interest-bearing securities, and derivatives.

Assets are mostly market-listed assets, meaning that they are traded on an active market. An active market is a market with publicly available prices that represent actual market transactions. The assets traded on an active market are shares, fund units, bonds, derivatives, and currencies.

For assets where there is no active market, different valuation techniques are used to estimate a fair value at the point of valuation. Assets not traded on an active market are Private Equity, hedge funds, infrastructure funds, illiquid credits, and distressed debt. The valuation is prepared in cooperation between each fund's management company, fund administrator and, where applicable, special valuation companies. The valuation is based on the latest available reports and an assessment is made as to whether an adjustment needs to be made.

Fund units are valued at the net asset value, which is the rate at which transactions are made when trading units in the funds. Holdings in funds are reported to the Company's share of the valuation made by the fund manager of the fund's total holdings and is usually updated when new valuation has been obtained. Hedge funds are usually valued monthly or quarterly. Private Equity funds are valued quarterly. Other funds are valued daily.

Interest-bearing instruments traded on an active market are valued at fair value at the latest quoted buy rate or, if no such price, at the latest quoted transaction rate. Interest-bearing instruments that are not traded on an active market and where quoted prices are missing are valued after a present value calculation taking into consideration the market interest rates of comparable securities on the closing date.

Derivatives are valued at fair value. Derivatives with positive fair values are reported as investments while derivatives with negative fair values are reported as liabilities. Where there are listed courses, these are used. For non-listed derivatives, valuation is made through accepted theoretical models based on information about underlying instruments.

Investment Properties

Properties held for the purpose of generating rental income and/or value growth is reported as investment properties and is valued at fair value. Different forecasts on discounted cash-flow based on reliable estimates of future cash-flow are used for the valuation.

Receivables under reinsurance contracts

See section D.2. for differences in valuation between financial reporting and Solvency II regulation.

Table D.1.1 Change in assets according to Solvency during the reporting period

Assets according to Solvency, SEKm	31-dec-23	31-dec-22	Change
Intangible assets	0	0	0
Deferred tax receivables	0	0	0
Tangible fixed assets held for own use	226	234	-8
Investment assets (other than assets held for index and unit-linked contracts) *)	42,115	45,172	-3,057
Assets held for index-regulated agreements and unit-linked insurance contracts	393,781	356,732	37,049
Loans and mortgage loans	1	1	0
Receivables under reinsurance contracts	-11	-17	6
Insurance claims and receivables from intermediaries	130	337	-207
Reinsurance receivables	6	6	0
Receivables (accounts receivable, non-insurance)	769	1,525	-756
Cash and cash equivalents	11,679	8,804	4,875
Other	80	76	4
Total assets	**448,776**	**412,968**	**37,906**

Total assets increased with SEK 37,906 million during the period and the major part is due to an increase in values of unit-linked assets. Table below show the Insurance Group's assets according to financial reporting and solvency, and valuation differences between the two balance sheets.

Table D.1.2 Assets

Assets per 31 Dec 2022, SEKm	Solvency	Financial reporting	Difference
Goodwill	0	321	-321
Deferred acquisition costs "DAC"	0	703	-703
Intangible assets	0	205	-205
Deferred tax receivables	0	1	-1
Tangible fixed assets held for own use	226	226	0
Investment assets (other than assets held for index and unit-linked contracts) *)	42,115	42,594	-479
Assets held for index-regulated agreements and unit-linked insurance contracts	393,781	393,781	0
Loans and mortgage loans	1	1	0
Receivables under reinsurance contracts	-11	43	-54
Insurance claims and receivables from intermediaries	130	128	2
Reinsurance receivables	6	5	1
Receivables (accounts receivable, non-insurance)	769	769	0
Cash and cash equivalents	11,679	11,588	91
Other	80	82	-2
Total assets	**448,776**	**450,446**	**-1,670**

*) The difference in investment assets in solvency and financial reporting is due to differences in the classification between assets and liabilities. This is not difference in valuation.

D.2 Technical provisions

In this section, the valuation of technical provisions (TP) is defined for solvency purposes and how this differs from the financial reporting.

Table D.2.1 shows technical provisions within the Insurance Group broken down by lines of business (material class), including how these are allocated to different types of provisions: best estimate and risk margin.

Table D.2.1 Technical provisions

Per 31 Dec 2023 SEKm	Best estimate	Risk margin	TP
Index-/unit-linked	378,774	4,386	383,160
With profit participation	32,016	366	32,382
Other life	-360	107	-253
Health similar to life	853	57	910
Health similar to non-life	310	42	352
Total	**411,592**	**4,959**	**416,551**

Per 31 Dec 2021 SEKm	Best estimate	Risk margin	TP
Index-/unit-linked	341,366	3,989	345,355
With profit participation	28,854	227	29,081
Other life	-321	91	-230
Health similar to life	866	57	922
Health similar to non-life	237	36	273
Total	**371,002**	**4,400**	**375,402**

The best estimate corresponds to the probability weighted average of future cash-flows, taking account of the time value of money. All valuation of best estimate is based on mark to model techniques as there are no clear market values.

For a major part of with profit participation business in Pension & Försäkring, the estimated time value of financial options and guarantees (TVOG) is added by using stochastic valuation. For that purpose, an Economic Scenario Generator has been used.

When calculating the risk margin, subsidiaries in the Insurance Group have used a simplified method in accordance with the Solvency II regulatory framework. As the main method, the Solvency Capital Requirement is calculated approximately for each future year by multiplying the initial Solvency Capital Requirement with the ratio between the best estimate for the coming years and the initial best estimate while other methods have been used for some line of businesses where different types of risk factors have been used to calculate the Solvency Capital Requirement for coming years. When calculating the Solvency Capital Requirement for risk margin purposes, the market risk and counterparty risk (except for reinsurance) have been excluded.

The most important assumptions that influence the valuation of technical provisions are discount rates, lapse rates, cancellations, mortality rates, expense assumptions and management actions related to the pay-out of future discretionary bonuses.

Uncertainties in the valuation

The uncertainty in the valuation of the technical provisions is related to the extent to which future cash-flows can be estimated and whether the data used in the calculation cannot be considered complete, accurate and appropriate. Due to the uncertainty about future events, the modelling of future cash-flows will necessarily be incomplete, leading to a certain degree of error and ambiguity in the valuation.

The valuation of best estimate is based on different cash-flow models with many different assumptions about parameters, which generally is derived from historical data. These assumptions contain uncertainties that may have a non-significant deviation from future outcomes.

There is uncertainty in:

- Policyholders' behaviour regarding the exercise of contractual rights to change the agreement.
- Assumptions of cost
- Changes in demographic, legal, medical, technical, social, and economic development
- Times, frequency, and extent of injury events, including uncertainty in injury inflation.

The sufficient level of detail should also be continuously assessed.

The difference between valuation methods for financial reporting and Solvency regulation

Tables D.2.2 shows the differences between the valuation of technical provisions for solvency purposes and those used in the financial statements for each business area excluding Gamla Liv.

Table D.2.2. Difference between valuation methods for financial reporting and Solvency regulation

Per 31 dec 2023 SEKm	TP Solvency	TP Financial reporting	Difference
Index-/unit-linked	383,160	394,242	-11,082
With profit participation and other life	32,129	32,754	-625
Health similar to life	910	1 031	-121
Health similar to non-life	352	407	-55
Total	**416,551**	**428,434**	**-11,883**

The difference is primarily attributable to future profits being recognised in the Solvency Valuation, thereby reducing the technical provisions as compared to those in the financial reporting. This is in turn an effect of the present value of future expected expenses being lower than the corresponding present value of future expected fees.

Other differences relate to the risk margin being added to Solvency valuation.

The Insurance Group does not use the following adjustments or transitional rules:

- Matching adjustment or volatility adjustment in accordance with Article 77b respective 77d of Solvency II Directive 2009/138 / EC.
- Transitional rules for risk-free interest rates in accordance with Article 308c of Solvency II Directive 2009/138 / EC.
- Transitional rules for technical provisions in accordance with Article 308d of Solvency II Directive 2009/138 / EC.

Table D.2.3. Change of technical provisions Solvency during the reporting period

SEKm	2023	2022	Difference
Index-/unit-linked	383,160	345,355	37,805
With profit participation and other life	32,129	28,851	3,278
Health similar to life	910	922	-12
Health similar to non-life	352	273	79
Total	**416, 551**	**375,402**	**41,149**

The increase in technical provisions is mainly attributable to positive changes in value of the underlying market assets.

Valuation of reinsurance recoverables under reinsurance contracts

Tables D.2.4. Reinsurance recoverables (RR) separately for each line of business

SEKm	RR Solvency	RR Financial reporting	Difference
Index-/unit-linked	-14.9	-20.2	5.3
With profit participation and other life	-51.4	-7.1	-44.3
Health similar to life	56.6	70.2	-13.6
Health similar to non-life	-1.3	0.0	-1.3
Total	**-11.0**	**42.9**	**-53.9**

The difference to the financial reporting primarily relates to the fact that future cash-flows are to a greater extent included in the Solvency Valuation.

D.3 Other liabilities

Other liabilities have been valued in accordance with IFRS and subsequently adjusted according to the requirements in the Solvency II regulation. Below describes the valuation principles and the differences against the solvency valuation of the essential items.

Provisions other than technical provisions

Provisions other than technical provisions relate to deferred front-end fees in SEB Life International. The difference to the financial statement is that prepaid fees from customers are excluded in solvency reporting.

Deferred tax liabilities

Deferred tax liabilities refer to temporary differences between the reported values of assets and liabilities according to the financial reporting and the values used as tax base, with the addition of adjustment between IFRS and Solvency II regulation.

Derivatives

Derivatives with negative market values are reported as a liability and valued at fair value according to the same principles as for derivatives with positive market values.

Subordinated liabilities

Subordinated liabilities are subordinated loan valued at nominal value.

Other liabilities

Other liabilities include non-cash-settled securities transactions, accounts payables and other liabilities. At the first reporting date, the liabilities are valued at fair value including transaction costs. After the first reporting date, the liabilities are valued at accrued acquisition value including transaction costs using the effective interest rate method.

The table below shows the change in other liabilities in the solvency balance sheet during the reporting period.

Table D.3.1 Change in other liabilities in Solvency balance sheet during the reporting period

Other liabilities according to Solvency, SEKm	31-dec-23	31-dec-22	Difference
Provisions other than technical provisions	436	319	117
Deferred tax liabilities	246	202	44
Derivatives	2,006	9,282	-7,276
Financial liabilities other than liabilities to credit institutions	1,003	644	359

Other liabilities according to Solvency, SEKm	31-dec-23	31-dec-22	Difference
Insurance liabilities and liabilities to intermediaries	834	813	21
Reinsurance liabilities	10	13	-3
Liabilities (accounts payables, non-insurance)	4,326	2,980	1,346
Subordinated liabilities	2,100	2,100	0
Other liabilities	152	153	-1
Sum all other liabilities	**11,112**	**16,506**	**-5,394**

The decrease in derivatives refers to the company Pension & Försäkring.

Table D.3.2 shows the difference between financial reporting and Solvency regulation for other liabilities for the Insurance Group.

Table D.3.2 Differences in financial reporting and Solvency II regulation

Other liabilities per 31 Dec 2023, SEKm	Solvency	Financial reporting	Difference
Provisions other than technical provisions	436	623	-187
Deferred tax liabilities	246	0	246
Derivatives	2,006	2,230	-225
Financial liabilities other than liabilities to credit institutions	1,003	1,003	0
Insurance liabilities and liabilities to intermediaries	834	604	230
Reinsurance liabilities	10	0	10
Liabilities (accounts payables, non-insurance)	4,326	4,326	0
Subordinated liabilities	2,100	2,100	0
Other liabilities	152	381	-229
Sum other liabilities	**11,112**	**11,268**	**-154**

The difference in derivatives in solvency and financial reporting is not due to differences in valuation differences but in the classification between assets and liabilities.

Table D.3.3 Deferred tax liabilities

Per 31 Dec 2023, SEKm Tax effect of revaluations:	Financial reporting	Revaluation Solvency	Solvency	Matures
Technical provisions, net	0	246	246	-
Total deferred tax liabilities	**0**	**246**	**246**	**-**

D.4 Alternative methods for valuation

For used alternative valuation methods, see the description of the various asset classes in section D1.

D.5 Any other information

The insurance group has no other material information to provide regarding valuation for solvency purposes.

E Capital Management

E.1 Own funds

Capital management

The capital management is described and illustrated in section B.3 “Risk management system including own risk and solvency assessment (ORSA)”. The aim of ORSA is to analyse the Insurance Group’s business plan from a perspective of risk to ensure that all significant risks associated with the proposed strategy are identified and evaluated. The ORSA process is also the main tool for the Board and the management to determine if identified risks are acceptable and manageable in view of the Group’s capital requirements and overall risk management capability, or whether measures are needed to balance the risk in relation to available capital resources.

The outcome of the ORSA process shows that the Insurance Group is still financially strong and well capitalised in relation to its risk exposure and capital requirements. This conclusion is based on the analysis of the Insurance Group’s risk profile and forward-looking financial forecasts for the Solvency Position of the Insurance Group in three different scenarios:

- A baseline scenario with assumptions in line with the Insurance Group’s business plan.
- Two negative scenarios based on the risks identified in the Insurance Group’s business environment and potential downturns in the macroeconomic environment.

Own Funds components and levels (Tiers)

Table E.1.1a Own Funds breakdown into tiers under the solvency rules

Tier, SEKm	Own Funds item	31-dec-23	31-dec-22
Basic own funds Tier 1, unrestricted	Share capital	120	120
	Reconciliation reserve	19,892	19,841
Total basic own funds Tier 1, unrestricted		**20,012**	**19,961**
Basic own funds Tier 1, restricted	Subordinated liabilities	-	-
Basic own funds Tier 2	Subordinated liabilities	2,100	2,100
Basic own funds Tier 3	Deferred tax assets	-	-
Deduction	Value of other financial sectors and company included through the settlement and aggregation method	-278	-271
Own funds after deductions	**Available own funds**	**21,835**	**21,790**
Eligible own funds other financial sectors	Own funds	226	0
Eligible own funds Gamla Liv	Mainly bonus potential to policyholders	53,819	49,902
Total own funds including other financial sectors and Gamla Liv	**Available own funds**	**75,880**	**71,893**

The Insurance Group’s Own Funds consist of share capital, share premium reserve, retained earnings (reconciliation reserve) tier 1 and subordinated liabilities (subordinated loan) tier 2. The reconciliation reserve is directly available for loss coverage.

Table E.1.1b Specification of the reconciliation reserve’s composition

SEKm	31-dec-23	31-dec-22
Equity other than share capital and share premium reserve	10,626	9,854
Foreseeable dividend	-1,100	-1,000
Difference in valuation of technical provisions	11,883	12,668
Revaluation of other items	-1,516	-1,681
Total	**19,892**	**19,841**

The Insurance Group’s excluding other financial sectors and Gamla Liv, total Own Funds at the end of the reporting period amounted to SEK 21,835 (21,790) million. SEK 19,735 (19,961) million of Own Funds is Tier 1 capital unrestricted and SEK 2,100 (2,100) million is Tier 2 capital.

Gamla Liv is owned to 99.6 per cent by the Company but is operated under mutual principles where no profit distribution to shareholders is allowed, instead all surpluses are attributed to the policyholders. Gamla Liv is therefore not consolidated in the financial reporting. When the Solvency Capital Requirement for the Insurance Group is calculated, the regulation requires the company to be included. Therefore, when the Own Funds is calculated to meet the requirement, Gamla Liv is included according to the deduction and aggregation (D&A) method (alternative consolidation method 2). The method means that an amount corresponding to Gamla Liv’s capital requirements is included in the Insurance Group’s Own Funds. If the Own Funds were below the requirement, the lower amount would be included.

SEB Life and Pension Baltics SE's four financial companies are consolidated using method 1 ("sector rules") according to the Solvency II regulation.

Table E.1.2 Bridge from equity in the financial statement to available Own Funds

SEKm	31-dec-23	31-dec-22
Shareholders’ equity according to the Group’s financial reporting	**10,746**	**9,974**
Intangible assets from acquisition of subsidiaries and goodwill are excluded	-526	-510
Deferred acquisition costs are excluded	-705	-984
Technical provisions are valued lower	11,773	12,668
Other provisions are valued lower	187	290
Deferred tax liabilities are valued higher	-246	-202
Reinsurance recoverables are valued lower	-54	-100
Subordinated liabilities are included	2,100	2,100
Foreseeable dividend	-1,100	-1,000
Other adjustments	-449	-446
Own Funds, excluding other financial sectors and Gamla Liv	**21,835**	**21,790**

The main difference between equity in the financial statements and Own Funds in Solvency regulation is the effect of revaluation of technical provisions. Provisions are lower in Solvency regulation as they are reduced by expected future fees from the existing customers of the individual companies. Other provisions are valued lower as the part relating to prepaid fees (deferred front-end fees) within SEB Life International is excluded from the solvency regulation. Because the technical provisions are valued lower, additional deferred tax liabilities are calculated.

Other major differences are that deferred acquisition costs, intangible assets, and goodwill from acquisition of subsidiaries are excluded while subordinated liabilities in the form of subordinated loans are included. Finally, Own Funds are reduced with foreseeable dividend of profits from the reporting period.

Table E.1.3 Change in Own Funds

SEKm	Excluding other financial sectors and Gamla Liv	Including other financial sectors and Gamla Liv
Own funds 31 December 2022	**21,790**	**71,893**
Profit after tax according to the Group's financial reporting	1,851	0
Change in valuation differences between solvency regulation and financial reporting	-620	0
Ordinary share dividend paid to the shareholder	-1000	0
Group contribution	0	0
Change in anticipated dividend	-100	0
Other (mainly currency revaluation of equity in foreign subsidiaries)	-80	0
Change in the Own funds during the year	**45**	**3,987**
Change of SCR in other financial sectors and Gamla Liv which is included in the Insurance group's Own funds during the year	**0**	**3,942**
Own funds 31 December 2023	**21,835**	**75,880**

During the year total Own Funds including other financial sectors and Gamla Liv have increased by SEK 3,987 million. The capital increased during the year by SEK 3,942 million due to increased capital requirements within market risk. Own Funds excluding other financial sectors and Gamla Liv has increased by SEK 45 million during the year.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

As of December 31, 2023, the Solvency Capital Requirement of the Insurance Group excluding Gamla Liv amounted to SEK 15,633 (19,747) million and SEK 69,453 (64,689) million including Gamla Liv.

Solvency Capital Requirement broken down by risk modules

Table E.2.1 shows Solvency Capital Requirement broken down by risk module

SEKm	31-dec-23	31-dec-22
Market risk	16,548	14,504
Counterparty risk	1,164	1,012
Underwriting risk for life insurance	9,778	9,662
Underwriting risk for health insurance	265	257
Diversification	-6,058	-5,678
Primary Solvency Capital Requirement	**21,696**	**19,757**
Operational risks	308	322
Loss absorption capacity of technical provisions	-6,184	-5,223
Loss absorption capacity in deferred taxes	-252	-171
Capital requirements for other financial sector	64	61
Solvency Capital Requirements	**15,633**	**14,747**
Solvency Capital Requirements for Gamla Liv	53,819	49,902
Solvency Capital Requirements including Gamla Liv	**69,453**	**64,689**

The Insurance Group uses a combination of the consolidation method (Method 1 under Articles 230-232 of the Solvency II Directive) and the aggregation and settlement method (Method 2 under Article 233 of Solvency II Directive). The combination means that Gamla Liv is included with the combination and aggregation method in the calculation of the Group-based Solvency Capital Requirement and the Own Funds, while the consolidation method is used for the Insurance Group in general. Other financial sectors are consolidated according to method 1 ("Sector rules") in accordance with the Solvency II-regulation 2015/35, Articles 335 (1) (e).

The Solvency Capital Requirement for the Insurance Group calculated according to Method 1 amounts to SEK 15,633 (14,747) million.

Standard formula and the use of simplifications

The calculation of the Solvency Capital Requirement for the Insurance Group uses the standard formula for all risk modules. Simplified calculations of the standard formula are used to a limited extent in the risk modules counterparty risk, life insurance risk and health insurance risk.

Minimum Capital Requirements

Minimum Capital Requirements are only calculated at the subsidiary level and not at the group level, but for information it may be mentioned that the Solvency Capital Requirement for the Insurance Group exceeds the sum of the Minimum Capital Requirements of the subsidiaries SEK 4,203 (3,938) million excluding Gamla Liv.

Material changes in the Solvency Capital Requirement

The Insurance Group's Solvency Capital Requirement excluding Gamla Liv has increased by SEK 886 million, which is mainly due to higher capital requirement for equity risk due to higher asset values with equity exposure and changes in the symmetric adjustment that forms the basis for the capital requirement calculation. For a similar reason, the Solvency Capital Requirement including Gamla Liv has increased by SEK 4,764 million.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Insurance Group does not apply duration-based equity risk when calculating the Solvency Capital Requirement.

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

The insurance group only uses the standard formula.

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

The Insurance Group has met the capital requirements throughout the reporting period.

E.6 Any other information

The Insurance Group does not use any company specific parameters.

Appendix Templates

The templates that must be attached to a report on solvency and financial position at group level and that are applicable for the Company are listed below. All amounts in the templates are in SEK thousands.

Contents

S.02.01.02
Balance sheet

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	0
Deferred tax assets	**R0040**	0
Pension benefit surplus	**R0050**	0
Property, plant & equipment held for own use	**R0060**	225,949
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	42,115,245
Property (other than for own use)	**R0080**	0
Holdings in related undertakings, including participations	**R0090**	298,230
Equities	**R0100**	1,564,388
Equities – listed	**R0110**	0
Equities – unlisted	**R0120**	1,564,388
Bonds	**R0130**	14,965,009
Government Bonds	**R0140**	3,808,389
Corporate Bonds	**R0150**	10,986,571
Structured notes	**R0160**	169,749
Collateralised securities	**R0170**	0
Collective Investments Undertakings	**R0180**	21,036,241
Derivatives	**R0190**	3,101,931
Deposits other than cash equivalents	**R0200**	1,149,446
Other investments	**R0210**	0
Assets held for index-linked and unit-linked contracts	**R0220**	393,781,400
Loans and mortgages	**R0230**	801
Loans on policies	**R0240**	801
Loans and mortgages to individuals	**R0250**	0
Other loans and mortgages	**R0260**	0
Reinsurance recoverables from:	**R0270**	-10,972
Non-life and health similar to non-life	**R0280**	-1,279
Non-life excluding health	**R0290**	0
Health similar to non-life	**R0300**	-1,279
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	5,161
Health similar to life	**R0320**	56,591
Life excluding health and index-linked and unit-linked	**R0330**	-51,430
Life index-linked and unit-linked	**R0340**	-14,584
Deposits to cedants	**R0350**	0
Insurance and intermediaries' receivables	**R0360**	129,802
Reinsurance receivables	**R0370**	6,371
Receivables (trade, not insurance)	**R0380**	768,522
Own shares (held directly)	**R0390**	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	0
Cash and cash equivalents	**R0410**	11,678,727
Any other assets, not elsewhere shown	**R0420**	79,969
Total assets	**R0500**	**448,775,815**

S.02.01.02 Balance sheet, continue		**Solvency II value**
Liabilities		**C0010**
Technical provisions – non-life	**R0510**	351,780
Technical provisions – non-life (excluding health)	**R0520**	0
Technical provisions calculated as a whole	**R0530**	0
Best Estimate	**R0540**	0
Risk margin	**R0550**	0
Technical provisions - health (similar to non-life)	**R0560**	351,780
Technical provisions calculated as a whole	**R0570**	0
Best Estimate	**R0580**	309,773
Risk margin	**R0590**	42,007
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	33,039,051
Technical provisions - health (similar to life)	**R0610**	909,968
Technical provisions calculated as a whole	**R0620**	0
Best Estimate	**R0630**	853,066
Risk margin	**R0640**	56,902
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	32,129,083
Technical provisions calculated as a whole	**R0660**	0
Best Estimate	**R0670**	31,655,774
Risk margin	**R0680**	473,309
Technical provisions – index-linked and unit-linked	**R0690**	383,160,199
Technical provisions calculated as a whole	**R0700**	0
Best Estimate	**R0710**	378,773,759
Risk margin	**R0720**	4,386,441
Contingent liabilities	**R0740**	0
Provisions other than technical provisions	**R0750**	436,095
Pension benefit obligations	**R0760**	0
Deposits from reinsurers	**R0770**	0
Deferred tax liabilities	**R0780**	246,015
Derivatives	**R0790**	2,005,674
Debts owed to credit institutions	**R0800**	11,718
Financial liabilities other than debts owed to credit institutions	**R0810**	1,002,781
Insurance & intermediaries payables	**R0820**	834,114
Reinsurance payables	**R0830**	10,100
Payables (trade, not insurance)	**R0840**	4,325,639
Subordinated liabilities	**R0850**	2 100 000
Subordinated liabilities not in Basic Own Funds	**R0860**	0
Subordinated liabilities in Basic Own Funds	**R0870**	2 100 000
Any other liabilities, not elsewhere shown	**R0880**	140,151
Total liabilities	**R0900**	**427,663,318**
Excess of assets over liabilities	**R1000**	**21,112,497**

S.05.01.02 Premium, claims and expenses by line of business (The Company has only Medical expense insurance and Income protection insurance in non-life insurance)

Line of business: non-life insurance and reinsurance obligations (direct business and non-proportional reinsurance)				
		Medical expense insurance	Income protection insurance	Total
		C0010	C0020	C0200
Premiums written				
Gross – direct business	**R0110**	312,043	97,709	409,752
Gross – proportional reinsurance	**R0120**	0	0	0
Gross – non-proportional reinsurance	**R0130**			
Reinsurer's share	**R0140**	0	1,337	1,337
Net	**R0200**	312,043	96,372	408,415
Premiums earned				
Gross – direct business	**R0210**	303,180	97,709	400,889
Gross – proportional reinsurance		0	0	0
Gross – non-proportional reinsurance	**R0230**			
Reinsurer's share	**R0240**	0	1,337	1,337
Net	**R0300**	303,180	96,372	399,551
Claims incurred				
Gross – direct business	**R0310**	285,971	26,936	312,906
Gross – proportional reinsurance	**R0320**	0	0	0
Gross – non-proportional reinsurance	**R0330**			
Reinsurer's share	**R0340**	0	428	428
Net	**R0400**	285,971	26,507	312,478
Expenses incurred	**R0550**	**102,168**	**68,439**	**170,607**
Balance - other technical expenses/income	**R1200**			**0**
Total technical expenses	**R1300**			**170,607**

S.05.01.02 Premium, claims and expenses by line of business, life insurance obligations

		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 obligations	Health reinsurance	Life-reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	**R1410**	348,802	2,720,011	26,965,707	424,829					30,459,349
Reinsurer's share	**R1420**	18,778	3,433	3,736	174,070					200,016
Net	**R1500**	330,024	2,716,579	26,961,971	250,759					30,259,333
Premiums earned										
Gross	**R1510**	348,802	2,720,011	29,965,707	424,829					30,459,349
Reinsurer's share	**R1520**	18,778	3,433	3,736	174,070					200,016
Net	**R1600**	330,024	2,716,579	26,961,971	250,759					30,259,333
Claims incurred										
Gross	**R1610**	146,649	1,943,064	33,534,768	132,294					35,756,774
Reinsurer's share	**R1620**	4,666	1,069	3,554	66,251					75,540
Net	**R1700**	141,293	1,941,995	33,531,214	66,043					35,681,234
Expenses incurred	**R1900**	106,031	195,918	1,813,464	52,748					2,168,161
Balance - other technical expenses/income	**R2510**									30,242
Total technical expenses	**R2600**									2,198,403

S.05.02.01 Premium, claims and expenses by country, non-life obligations		**Home Country**	**Country (by amount of gross premiums written) – non-life obligations**					**Total for top 5 countries and home country (by amount of gross premiums written) – non-life obligations**
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**
	R0010		Estonia	Lithuania	Latvia			
		C0080	**C0090**	**C0100**	**C0110**	**C0120**	**C0130**	**C0140**
Premiums written								
Gross – direct business	**R0110**	312,043	27,075	43,901	26,733			409,752
Gross – proportional reinsurance	**R0120**	0	0	0	0			0
Gross – non-proportional reinsurance	**R0130**	0	0	0	0			0
Reinsurer's share	**R0140**	0	411	762	164			1,337
Net	**R0200**	312,043	26,664	43,139	26,569			408,415
Premiums earned								
Gross – direct business	**R0210**	303,180	27,075	43,901	26,733			400,889
Gross – proportional reinsurance	**R0220**	0	0	0	0			0
Gross – non-proportional reinsurance	**R0230**	0	0	0	0			0
Reinsurer's share	**R0240**	0	411	762	164			1,337
Net	**R0300**	303,180	26,664	43,139	26,569			399,551
Claims incurred								
Gross – direct business	**R0310**	285,971	5,898	14,064	6,974			312,906
Gross – proportional reinsurance	**R0320**	0	0	0	0			0
Gross – non-proportional reinsurance	**R0330**	0	0	0	0			0
Reinsurer's share	**R0340**	0	293	135	0			428
Net	**R0400**	285,971	5,604	13,929	6,974			312,478
Expenses incurred	**R0550**	102,168	12,486	36,004	19,949			170,607
Balance - other technical expenses/income	**R1200**							0
Total technical expenses	**R1300**							170,607

S.05.02.01 Premium, claims and expenses by country, life obligations

		Home Country	Country (by amount of gross premiums written) – life obligations					Total for top 5 countries and home country (by amount of gross premiums written) – life obligations
		C0220	C0230	C0230	C0230	C0230	C0230	C0280
	R0010		Estonia	Finland	Lithuania	Latvia	Portugal	
		C0220	C0230	C0230	C0230	C0230	C0230	C0280
Premieinkomst								
Gross	R1410	28,688,998	195,256	619,802	590,399	212,364	106,995	30,413,814
Reinsurer's share	R1420	179,001	7,135	637,164	9,958	2,935	0	199,667
Net	R1500	28,509,997	188,121	619,164	580,441	209,429	106,995	30,214,147
Intjänade premier								
Gross	R1510	28,688,998	195,256	619,802	590,399	212,364	106,995	30,413,814
Reinsurer's share	R1520	179,001	7,135	638	9,958	2,935	0	199,668
Net	R1600	28,509,997	188,121	619,164	580,164	209,429	106,995	30,214,147
Inträffade skadekostnader								
Gross	R1610	31,594,271	362,500	1,060,089	441,480	259,194	71,322	33,789,657
Reinsurer's share	R1620	71,126	1,276	0	1,420	1,718	0	75,540
Net	R1700	32,523,145	361,224	1,060,889	440,060	257,476	71,322	33,714,117
Expenses incurred	R1900	1,777,457	65,563	84,635	76,635	58,606	3,405	2,065,909
Balance - other technical expenses/income	R2510							0
Total technical expenses	R2600							2,096,151

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	120 000	120 000			
Non-available called but not paid in ordinary share capital at group level	R0020					
Share premium account related to ordinary share capital	R0030					
Iinitial 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 at group level	R0060					
Surplus funds	R0070					
Non-available surplus funds at group level	R0080					
Preference shares	R0090					
Non-available preference shares at group level	R0100					
Share premium account related to preference shares	R0110					
Non-available share premium account related to preference shares at group level	R0120					
Reconciliation reserve	R0130	19,892,497	19,892,497			
Subordinated liabilities	R0140	2,100,000			2,100,000	
Non-available subordinated liabilities at group level	R0150					
An amount equal to the value of net deferred tax assets	R0160	0				
The amount equal to the value of net deferred tax assets not available at the group level	R0170					
Other items approved by supervisory authority as basic own funds not specified above	R0180	0	0			
Non available own funds related to other own funds items approved by supervisory authority	R0190					
Minority interests (if not reported as part of a specific own fund item)	R0200					
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	252,686	252,686			
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 by using D&A when a combination of methods is used	R0260	24,900	24,900			
Total of non-available own fund items	R0270					
Total deductions	R0280	277,586	277,586			

S.23.01.22 Own funds, continue		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Total basic own funds after deductions	**R0290**	21,834,911	19,734,911	0	2,100,000	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	**R0300**			0		
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 at group level	**R0380**					
Other ancillary own funds	**R0390**					
Total ancillary own funds	**R0400**					
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies – total	**R0410**	208,403	208,403	0	0	0
Institutions for occupational retirement provision	**R0420**	17,640	17,640			
Non regulated entities carrying out financial activities	**R0430**					
Total own funds of other financial sectors	**R0440**	226,043	226,043			
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	**R0450**	53,819,474	53,819,474	0	0	0
Own funds aggregated when using the D&A and combination of method net of IGT	**R0460**	53,819,474	53,819,474	0	0	0
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	**R0520**	21,834,911	19,734,911	0	2,100,000	0
Total available own funds to meet the minimum consolidated group SCR	**R0530**	21,834,911	19,734,911	0	2,100,000	

S.23.01.22 Own funds, continue

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
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**	21,834,911	19,734,911		2,100,000	
Total eligible own funds to meet the minimum consolidated group SCR	**R0570**	20,575,531	19,960,954	0	840,621	
Minimum consolidated Group SCR	**R0610**	4,203,103				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	**R0650**	4.90				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	**R0660**	75,880,428	73,780,428	0	2,100,000	0
Group SCR	**R0680**	69,452,810				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	**R0690**	1.09				

Reconciliation reserve		C0060	Tier 1 - unrestricted
Excess of assets over liabilities	**R0700**	21,112,497	
Own shares (held directly and indirectly)	**R0710**	0	
Foreseeable dividends, distributions and charges	**R0720**	1,100,000	
Other basic own fund items	**R0730**	120,000	
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	**R0740**	0	
Other non available own funds	**R0750**	0	
Reconciliation reserve	**R0760**	19,892,497	
Expected profits			
Expected profits included in future premiums (EPIFP) - Life business	**R0770**	556,083	
Expected profits included in future premiums (EPIFP) - Non- life business	**R0780**	38,593	
Total Expected profits included in future premiums (EPIFP)	**R0790**	594,676	

S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
Market risk	R0010	16,548,035	-	
Counterparty default risk	R0020	1,163,764	-	-
Life underwriting risk	R0030	9,777,641		
Health underwriting risk	R0040	264,598		
Non-life underwriting risk	R0050			
Diversification	R0060	-6,057,961	-	-
Intangible asset risk	R0070		-	-
Basic Solvency Capital Requirement	R0100	21,696,075	-	-

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	308,469
Loss-absorbing capacity of technical provisions	R0140	-6,183,687
Loss-absorbing capacity of deferred taxes	R0150	-251,894
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0
Solvency Capital Requirement excluding capital add-on	R0200	15,568,962
Capital add-ons already set	R0210	
Solvency capital requirement for undertakings under consolidated method	R0220	15,633,336
Other information on SCR		
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds (other than those related to business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional))	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Net future discretionary benefits	R0460	8,615,773
Minimum consolidated group solvency capital requirement	R0470	4,203,103
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	64,374
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	55,554
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	8,820
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non--regulated entities carrying out financial activities	R0530	
Capital requirement for non-controlled participation requirements	R0540	
Capital requirement for residual undertakings	R0550	
Capital requirement for collective investment undertakings or investments packaged as funds	R0555	
Overall SCR		
SCR for undertakings included via D and A	R0560	53,819,474
Solvency capital requirement	R0570	69,452,810

S.32.01.22 Undertakings in the scope of the group

Country	Identification code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)
C0010	C0020	C0040	C0050	C0060	C0070
Sweden	LEI/5493006M54JZLSHYA349	SEB Life and Pension Holding AB	Insurance holding company as defined in Art. 212.1 section f of Directive 2009/138/EC		Non-mutual
Sweden	LEI/5493007QZK2UFPJ6NV33	Gamla Livförsäkringsaktiebolaget SEB Trygg Liv (publ)	Composite insurer	Försäkringsaktiebolag	Mutual
Latvia	LEI/549300EOIPME5OPE8U19	SEB Life and Pension Baltic SE	Composite insurer	Apdrošinašanas akciju sabiedriba	Non-mutual
Sweden	LEI/549300JSCP0FWW1SE044	SEB Pension och Försäkring AB	Composite insurer	Försäkringsaktiebolag	Non-mutual
Ireland	LEI/635400ATDJAWUVSBWM50	SEB LIFE INTERNATIONAL ASSURANCE COMPANY DAC	Life undertakings	Incorporated companies limited by shares or by guarantee or unlimited	Non-mutual
Lithuania	LEI/5493001AZDJTC88MVE82	UAB SEB investiciju valdymas	Credit institutions, investment firms and financial institutions		Non-mutual
Estonia	LEI/549300RO9B2HZRM92O38	AS SEB Varahaldus	Credit institutions, investment firms and financial institutions		Non-mutual
Latvia	LEI/549300T2LHFTKA0L2Q39	Akciju sabiedriba SEB atklatais pensiju fonds	Credit institutions, investment firms and financial institutions		Non-mutual
Latvia	LEI/549300UKTJN0KSRBNH30	Leguldijumu parvaldes akciju sabiedriba SEB Investment Management	Credit institutions, investment firms and financial institutions		Non-mutual
Ireland	LEI/635400UE4GWNAQFWJJ92	Eskimo Holdings ABC Limited	Life undertakings		Non-mutual
Sweden	SC/556022-3447	AB Framtidsvärden	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual
Sweden	SC/LU04480117441	Gamla Liv International Real Estate Fund	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual

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

Country	Identification code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)
C0010	C0020	C0040	C0050	C0060	C0070
Sweden	SC/556375-9603	Fastighetsaktiebolaget Meteor	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual
Sweden	SC/916613-4115	HB Släggan 3	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual
Sweden	SC/556660-5514	Livfastigheter S-berget Större 14 AB	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual
Sweden	SC/556048-4486	Hiby AB	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual
Sweden	SC/556881-3736	Livfastigheter Läraren 5 AB	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual
Sweden	SC/556683-9097	Livfastigheter Käpplingeholmen 4 AB	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual
Sweden	SC/556482-4471	Försäkringsgirot Sverige AB	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35		Non-mutual