



Interim Report

January–March 2020

The Folksam Group

2020



Folksam

Overview: The Folksam Group

The Folksam Group as a whole	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Folksam Customer Index (FCI), % ⁷⁾	73	74	75	75
Premiums, SEK million ¹⁾	24,704	23,899	55,543	53,812
Assets under management, at period-end, SEK million ^{2) 3) 4)}	442,080	431,184	454,536	404,059
Unit-linked insurance assets, at period-end, SEK million ^{3) 4) 5)}	151,382	155,799	175,826	137,076
Number of full-time employees ⁶⁾	3,569	3,615	3,633	3,771

¹⁾ Premiums comprise premiums earned in non-life insurance, premiums written in life insurance and receipts and fees from unit-linked insurance investors in the insurance companies included in the Folksam Group.

²⁾ Konsumentkooperationens Pensionsstiftelse is not included.

³⁾ At the end of the period.

⁴⁾ Assets according to the total return table less strategic holdings, which principally relate to the value of subsidiaries.

⁵⁾ Investment assets for which the policyholders bear the risk.

⁶⁾ Based on paid time during the period.

⁷⁾ The FCI measurement includes private and individual markets, not partners and companies.

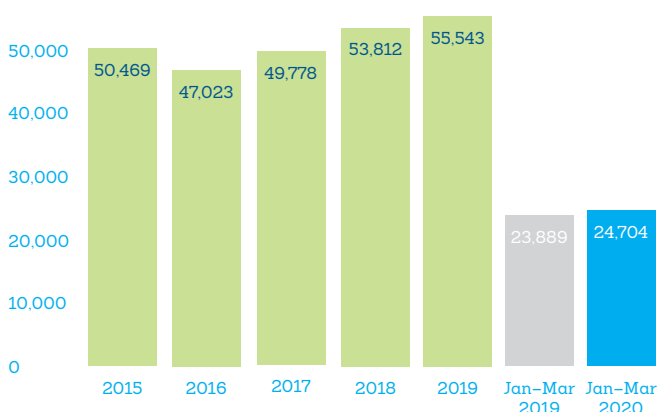
Folksam Group's managed assets, 31 March 2020



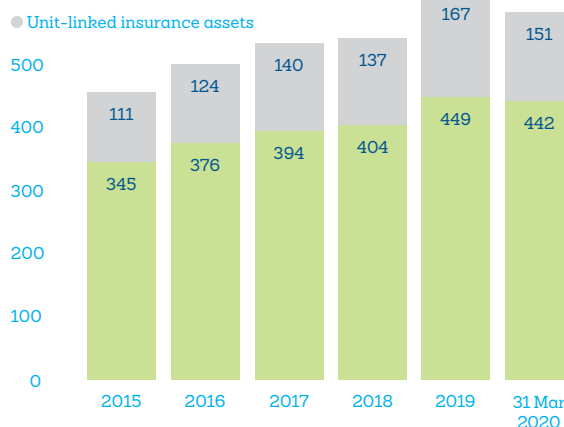
Managed assets and unit-linked insurance assets

As at 31 March 2020, Folksam managed SEK 442,080 (431,184) million. Unit-linked insurance assets amounted to SEK 151,382 (155,799) million. As a result of the coronavirus crisis, the Folksam Life Group's various companies exhibited a reduced return during the first three months of the year compared with the previous year. Folksam Life's rate of return was -5.0 (3.5) per cent and KPA Pensionsförsäkring's rate of return was -5.8 (4.9) per cent.

Total premium volume, SEK million



Folksam Group's managed assets and unit-linked insurance assets, SEK billion



A stable financial position in challenging times

The first quarter of the year has been overshadowed by the pandemic that has had a huge impact on the entire world. Measures to protect people and mitigate the consequences of the pandemic are affecting the entire economy and many of Folksam's business partners and customers have been hit hard by the crisis.

Folksam's insurance business is growing

The Folksam Group's total premium volume grew by 3.4 per cent during the first quarter to SEK 25 billion, compared with just under SEK 24 billion for the same period last year. Premiums earned at the General companies grew by 6 per cent and at the Life companies by 3 per cent.

Assets under management amounted to SEK 442 billion, a decrease of SEK 12.5 billion compared with the final quarter of 2019. This fall is the result of the negative return during the period, despite the positive effect of the premium flows at KPA Pensionsförsäkring. The total return ratio at Folksam Life was -5.0 per cent and at KPA Pensionsförsäkring was -5.8 per cent during the first quarter of the year.

Operating expenses continue to fall at the Folksam Group and the total cost ratio of the Folksam General parent company was 96 per cent, an improvement of 4 percentage points compared with the corresponding period last year.

Folksam stands firm in the crisis

Folksam remains financially strong following a dramatic first quarter. Folksam General's funding ratio is 165 per cent and the solvency ratio for Folksam Life is 155 per cent.

Our financial strength means that even with continued turbulence on the financial markets, we are able to focus on continuing to generate value for our customers from a long-term perspective.

Folksam's key role in the financial system

As one of Sweden's largest pension and insurance companies, we are an important part of the financial system and confidence in the system provides the basis of financial security for many people. The situation today is very different from the crisis of 2008–2009, but Folksam and the entire financial system are much better equipped to deal with the current situation. When there are storms on the world's financial markets, there are now buffers we can use that enable us to withstand a considerable amount of turbulence.



Investing in bonds to mitigate the consequences of COVID-19

Folksam's vision is for customers to feel secure in a sustainable world. This has rarely been more relevant than it is now. That is why in March we invested SEK 700 million in a bond issued by the World Bank to support companies that are affected by the ongoing pandemic. We then invested a further SEK 1 billion in a bond issued by the Nordic Investment Bank to finance, among other things, projects that aim to promote effective healthcare systems and reduce the disruption that has been caused to various supply chains, including in Sweden. The Folksam Group has therefore invested SEK 0.8 billion in bonds issued to mitigate the economic and social impact of COVID-19 during the first quarter. After the end of the quarter, we invested a further SEK 1.2 billion for the same purpose.

Ylva Wessén
President and CEO

Significant events

During the quarter (Jan–Mar)

The Folksam Group invested SEK 1 billion in a green forestry fund

The Folksam Group continued to invest in the green forestry fund Silvestica Green Forest. The fund manages and improves its forest ownership in a responsible and sustainable manner in order to achieve strong increases in value and stable direct yields. The fund is continuing to expand to around SEK 1,600 million, spread across 54,000 hectares. The fund invests in forests in the Baltic Sea region, predominantly in Sweden and Finland. The Folksam Group is investing a further SEK 1,000 million, distributed as follows: Folksam Life SEK 440 million, Folksam General SEK 110 million, and KPA Pension SEK 450 million.

Folksam excluded gambling companies

Folksam's asset management aims to be a leader in terms of responsible investments. As part of this work, Folksam will no longer be investing in companies that operate within the gambling industry. This decision was made at the end of 2019 by the boards of Folksam Life and Folksam General, following which the relevant holdings were divested in early 2020.

The Folksam Group invested SEK 700 million in bonds to support the fight against COVID-19

The Folksam Group invested SEK 700 million in a bond issued by the IFC, the part of the World Bank that focuses on the private sector. The bond was issued to finance aid for companies affected by the COVID-19 pandemic.

Folksam was ranked the best in the industry on sustainability

Folksam was ranked as Sweden's most sustainable brand in the insurance category by the Sustainable Brand Index 2020. The Sustainable Brand Index is the Nordic region's largest independent brand study with a focus on sustainability.

Michael Kjeller was appointed new Deputy CEO of Folksam

The boards of Folksam Life and Folksam General decided at their respective board meetings in February to appoint Michael Kjeller as the new Deputy CEO and Vice President of Folksam. Michael Kjeller is Head of Asset Management and Sustainability at the Folksam Group and is a member of the Group Management. He has worked for Folksam since 1988.

Jesper Andersson is leaving the Folksam Group

Jesper Andersson, the Folksam Group's CFO and Director of Economics and Finance since 2017, is leaving the Group to take up the position of CEO of Lof (Landstingens ömsesidiga försäkringsbolag) in December 2020.

After the end of the quarter

As of 1 April, Folksam Life reduced the bonus interest rate

- As of 1 April, Folksam Life reduced the bonus interest rate for both occupational pension and other life insurance, from 5 per cent to 2 per cent. The reason for this reduction is the market downturn that has resulted from the ongoing coronavirus crisis.

The Folksam Group invested more to mitigate the social and economic impact of coronavirus

- The Folksam Group has invested SEK 900 million in a bond issued by the Nordic Investment Bank. The bond will finance projects in the Nordic countries and the Baltic States with the primary aim of promoting effective healthcare systems and providing financial support to reduce the disruption that has been caused to various supply chains.

Anna-Karin Laurell new member of the board of minPension

- At the Annual General Meeting of minPension on 2 April 2020, Anna-Karin Laurell, Head of Business Area Life at Folksam, was elected as a new member of the board of minPension.

Trends

The Folksam Group's strategic focus going forward is on:

- developing **strong partnerships** with customers and business partners,
- investing in an even **better customer experience**, where the digital customer experience has an important role to play. Being a Folksam customer should be easy.
- continuing to **reduce operating expenses** in order to improve competitiveness and generate greater customer benefit through our offers
- a **higher pace of change** and we are therefore testing various new working methods, such as more agile working
- continuing to **focus on sustainability**.

Strong partnerships

Strong partnerships are the foundation of the Folksam Group's business. Several of the Folksam Group's business partners, both trade unions and intermediaries, are facing major changes. Creating real added value for them requires responsiveness and adaptability to new demands, always with the best interests of the end customer or union member at heart.

It is important that the work of the intermediary fulfils its function properly and that the end customer receives good advice and an individual solution. Areas prioritised by the Folksam Group include creating attractive offers and fine-tuning its administration and support to make everyday life easier and more efficient.

Better customer experience through digitisation

Even if your insurance solution is provided to you as part of a group, you will still want to see your individual insurance cover.

The Folksam Group must always be available to its customers. The information and self-service that customers need are available digitally. A hassle-free, personal and straightforward customer experience. Customers should always be able to understand what their insurance policy covers and be able to track their case digitally. Being a Folksam customer should be easy.

The Folksam Group has acquired a lot of systems over time. So a new risk system is being implemented that will replace 54 IT systems. This risk platform enables faster service development, among other things.

Digital customer contact and the mobile version of My Pages are being developed.

Reduced operating expenses

Folksam's business concept is to be our customers' insurance company, offering insurance policies, pensions and long-term savings for the many. The Folksam Group needs to continue its work to reduce operating expenses in order to improve competitiveness and generate customer benefit through attractive offers.

Higher pace of change

The challenges the future brings require a higher pace of change – this means:

- getting the full potential out of every employee.
- streamlining meetings through culture and governance.
- working smarter, for example by working across departments based on customer needs.
- trialling new working methods, such as more agile working.
- investing in coaching leadership and employeeship.

This places major demands on both leaders and employees but also involves an exciting journey of change as the Folksam Group shapes the insurance and savings companies of the future.

Focus on sustainability

The Folksam Group has invested SEK 2,0 billion in the fight against coronavirus. This money is primarily being used to mitigate the social and economic impact of the virus epidemic. For example, it is financing projects in the Nordic countries and the Baltic States with the primary aim of promoting effective healthcare systems and providing financial support to reduce the disruption that has been caused to various supply chains.

The annual support we provide to aid organisation We Effect is also helping the very poorest during the coronavirus crisis. At the Annual General Meeting, Folksam made an increased donation to support We Effect's fight against poverty.

We are the best in the industry on sustainability

Folksam and KPA are the industry's most sustainable brands in the categories of insurance and pensions respectively. This is the verdict of the Nordic region's largest independent brand study with a focus on sustainability, the Sustainable Brand Index 2020. For the Folksam Group, this award is proof that we have successfully demonstrated to our customers that what we do has an effect.

Work on the annual and sustainability report for 2019

During the first quarter of the year, we put the finishing touches to the 2019 summary and audit of the Folksam Group's sustainability work. This was recorded partly in the annual and sustainability report and partly in our report on climate-related risks and opportunities, compliant with the TCFD's recommendations. In 2019, the Folksam Group focused on sustainability, digitisation and cost reductions, which has left us well equipped to deal with the impact of coronavirus on the markets and on society.

Our goal is to be the industry leader in terms of sustainability and an example of this is that our own operations will be fossil-free by 2030. During 2019 the Folksam Group reduced CO2 emissions from our own operations by a good 17 per cent compared with 2018. The target according to our Carbon Law curve is -9 per cent per year.

Green Card for Fair Play in partnership with the Swedish Football Association

Green Card is an initiative that was launched during the first quarter and is designed to encourage fair play in children's and youth football. After each match, the coach, or a parent nominated by the coach, should choose a player from the other team who has stood out a little for their conduct on the pitch. The green card is then recorded in an app where friends and relatives can see it and provide further encouragement.

A nationwide initiative involving hundreds of thousands of young people that results in fairer games, reducing the risk of injury and making it safer and more fun for players, coaches and referees.

Quarterly reporting of sustainability data

The Folksam Group will begin quarterly reporting of both direct and indirect carbon dioxide emissions, starting in the first quarter of 2020. The aim is to provide greater transparency and establish a stronger focus on climate-related risks and opportunities, both in our industry and in other sectors. We see development as a prerequisite for making long-term, sustainable investments, running a resource-efficient business and effectively achieving the target of net zero emissions in our own operations by 2030 and in our investment portfolio by 2050.

The Folksam Group is one of the initiators of the UN Convened Net-Zero Asset Owner Alliance. Together with some of the world's largest pension and insurance companies, the Folksam Group has committed to its investment portfolios having net zero greenhouse gas emissions by 2050. The total assets under management of the asset owner alliance currently amount to SEK 40,000 billion.

The Folksam Group's quarterly reporting includes emissions data from the following sources: equity portfolios, energy consumption at properties and the Folksam Group's own operating emissions. In-depth information can be found at folksam.se

Climate indicator	TCFD indicator name	Jan-Mar 2020	2019	2018
Emissions (CO2e) from our own operations with net zero target 2030 ¹⁾		364	1676	2022
Energy consumption, corrected for a normal year (kWh/m ²)		106.5	108.4	109
Carbon footprint of the equity portfolio, Carbon dioxide intensity, weighted average, tonnes of CO2e/SEK million ²⁾	Weighted Average	6.9	7.7	10.6

¹⁾ The majority of the emission sources are updated quarterly. For more information about our calculations and Carbon Law, see our Annual and sustainability report 2019

²⁾ The key ratios present a snapshot of the equity portfolio's greenhouse gas emissions. Note that the measure does not show the total climate impact of the investments. The calculations are not comprehensive and also do not include all indirect emissions. The calculation of the equities portfolio is based on the latest available data from MSCI and includes emissions corresponding to scopes 1 and 2 according to the Greenhouse Gas (GHG) Protocol. Greenhouse gas emissions are measured in carbon dioxide equivalents (CO2e), which makes it possible to measure different greenhouse gases in the same way. The measurement includes all listed Swedish and foreign companies in the equity portfolio as at 31 December 2019. The calculation is based on data in USD, which affects reported earnings in SEK. For more information, see our Annual and sustainability report 2019

The Folksam Group's comments on laws and regulations

The coronavirus crisis and measures to handle it

The Folksam Group and the Folksam Group's customers are affected by the coronavirus crisis and by the measures implemented to fight it. For example, companies in affected industries have had problems paying their rent to property owners such as the Folksam Group. The Folksam Group welcomes the government's support package for affected industries, but is concerned about the targeting and flexibility of the support.

Transfer fees for unit-linked insurance

The Ministry of Finance has submitted a proposal on fees for the surrender and transfer of unit-linked and deposit insurance. Under this proposal, insurance companies will not be able to charge fees for past expenses, which often relate to advice provided. The proposal will also apply retroactively. Retroactive legislation should be avoided in principle, unless there are strong grounds to justify this. There is also no detailed analysis of the fact that pension savings in unit-linked insurance have collective insurance coverage such as repayment cover or survivors' pension. In addition, the costs of advice provided in relation to insurance are currently charged over time so that those on low and middle incomes are also able to receive advice. It is important that the proposal does not turn advice into a luxury that is available only to those who can afford it.

Stimulus for private pension savings

Good pensions need a government stimulus for private pension savings. Sweden is one of the few OECD countries without any specific stimulus for private pension savings. The government should reintroduce a financial stimulus for private pension savings. For those on low and middle incomes, it would be beneficial if the government chose to introduce matching of private pension savings.

Opportunity for pensions to help achieve net zero emissions

In March, the government received a report on green savings. The report's proposal to finance stimulus for green bank savings by increasing taxation on endowment policies is counterproductive. The Folksam Group proposes that the government also promotes green pension savings. Together with the UN Net-Zero Asset Owner Alliance, the Folksam Group has urged governments to ensure that measures to combat coronavirus lead to the halving of emissions by 2030 and to net zero emissions by 2050. This is important if pensions and insurance are to help achieve net zero emissions.

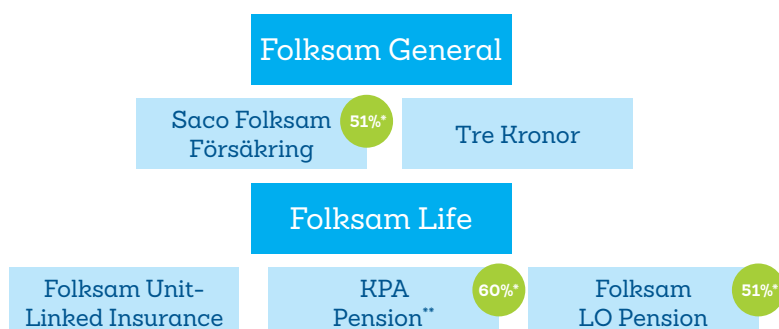
Tax on occupational pensions and occupational pension regulation

A new law on occupational pensions was adopted in November, which aims to adapt the regulatory framework to the needs of the market. The Swedish Parliament instructed the government to improve occupational pension regulation. The Folksam Group hopes that the government will enable the effective management of pension assets, ensure adequate protection for current and future pensioners and that the parties on the labour market will continue to have a great responsibility for providing pension information to individuals and companies.

In order to adapt the business to the new Occupational Pensions Act, the assets of pension savers need to be transferred within the Group so that occupational pension business and other business are not at the same company. When pension assets, such as equity, properties and related profits, are transferred this can result in tax effects. The Folksam Group wants the government to adjust the tax legislation to give customer-owned pension companies the opportunity to adapt their operations to the Occupational Pensions Act with fiscal continuity.



Three brands, two groups and eight insurance companies



* Refers to the Folksam Group's participating interest.

** The brand KPA Pension comprises the parent company KPA AB, the insurance companies KPA Livförsäkring AB (publ) (KPA Livförsäkring) and KPA Pensionsförsäkring AB (publ) (KPA Pensionsförsäkring), as well as KPA Pensionservice AB.

In this interim report, we present reports on Folksam as a whole, the Folksam General Group and the Folksam Life Group. Group refers to all insurance companies within Folksam Life and Folksam General, meaning both those that are consolidated and those that are not. The exception to this in the KPI tables for the Folksam Life Group and the Folksam General Group is the solvency factor, which relates to the respective legal group. We concentrate on the profit/loss for the parent companies Folksam General and Folksam Life and the subsidiary KPA Pensionsförsäkring. We also present a number of central KPIs for the other subsidiaries and associated companies in the Folksam Group.

Future reporting dates:

31 July 2020, interim report for second quarter of 2020

6 November 2020, interim report for third quarter of 2020

4 February 2021, full-year report for 2020

This report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish report and the English translation, the former shall take precedence.

Folksam General

Folksam General Group	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	3,610	3,408	14,149	14,463
Assets under management, at period-end, SEK million	44,135	44,203	45,344	43,901
Solvency factor (SCR), at period-end ²⁾	2.3	2.4	2.3	2.4

¹⁾ Premiums means premiums earned, which corresponds to the proportion of premiums paid in for the period.

²⁾ The solvency factor pertains to the capital base in relation to capital requirements in accordance with the Solvency II Directive. The solvency factor is presented with a one-quarter delay.

All companies within the Folksam General Group increased their premiums earned, resulting in an overall increase to SEK 3,610 (3,408) million. The solvency factor amounted to 2.3 (2.4).

Folksam General (parent company)	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	3,281	3,102	12,885	12,379
Underwriting result, SEK million	130	17	237	81
Profit/loss before appropriations and income tax, SEK million	-1,025	-146	1,298	1,349
Total expenses, %	96.0	100.0	96.1	97.9
of which claims expenses, %	82.2	84.3	81.8	79.4
of which operating expenses, %	13.8	15.7	14.3	18.5
Total return, %	-2.4	-0.1	3.0	4.1
Solvency capital, at period-end, SEK million	21,686	21,328	22,821	21,565
Funding ratio, at period-end, %	165	169	178	177
Solvency factor ²⁾ (SCR), at period-end	2.2	2.4	2.2	2.4

¹⁾ Premiums means premiums earned, which corresponds to the proportion of premiums paid in for the period.

²⁾ The solvency factor pertains to the capital base in relation to capital requirements in accordance with the Solvency II Directive. The solvency factor is presented with a one-quarter delay.

Premiums earned for the period increased by 6 per cent at the parent company to SEK 3,281 (3,102) million. This increase is the result of both portfolio growth and premium adjustments. The largest premium increases occurred in the Home contents/Homeowners, Motor and Traffic and Illness and Accident insurances.

The total cost ratio at the parent company amounted to 96.0 (100.0), which was lower than the previous year. The claims expense ratio decreased to 82.2 (84.3) per cent, primarily as a result of fewer natural damage and major loss claims compared with the previous year.

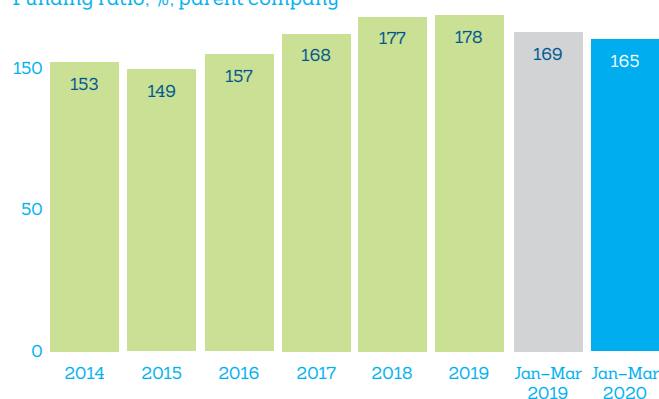
The operating expense ratio decreased to 13.8 (15.7). This decrease is mainly the result of the exchange of consultants that has been implemented, where consultants are replaced by internal resources to a greater extent, combined with the effects of the focus on costs.

The underwriting result amounted to SEK 130 (17) million. This increase was the result of higher premiums earned and lower operating costs, combined with an improved claims outcome, which was driven partly by lower costs for natural damage and major loss claims. Profit before appropriations and tax amounted to SEK -1,025 (-146) million for the period. This decrease can be attributed to the reduced return on capital during the period.

Total returns for the period amounted to -2.4 (-0.1) per cent. The solvency factor, which we present with a one-quarter delay, amounted to 2.2 (2.4) for the parent company in the most recent outcome.

The funding ratio decreased slightly to 165 (169) per cent at the parent company.

Funding ratio, %, parent company



Folksam Life

Folksam Life

Folksam Unit-Linked Insurance

KPA Pension*

Folksam LO Pension

60%

51%

Folksam Life Group	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	21,093	20,490	41,394	39,349
Assets under management, at period-end, SEK million	396,172	367,495	407,446	360,157
Unit-linked insurance assets, at period-end, SEK million	151,382	155,799	175,826	137,076
Solvency factor, at period-end ²⁾	3.2	3.2	3.2	3.3

¹⁾ Premiums comprise premiums earned in savings insurance and premiums earned in risk insurance as well as from fees from unit-linked insurance investors.

²⁾ The solvency factor is presented with a one-quarter delay.

Premiums written for the Folksam Life Group amounted to SEK 21,093 (20,490) million for the first quarter of 2020. Assets under management amounted to SEK 396,172 (367,495) million and unit-linked insurance assets amounted to SEK 151,382 (155,799) million. In total,

customers' assets increased by just under five per cent during the first quarter of 2020 compared with the corresponding period of the previous year. The solvency factor, which is presented with a one-quarter delay, was 3.2 (3.2).

Folksam Life (parent company)	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	3,377	3,244	12,040	11,584
Underwriting result, SEK million	-12,277	3,058	11,777	2,018
Management expense, %	0.5	0.6	0.5	0.6
Total return, %	-5.0	3.5	10.4	1.5
Assets under management, at period-end, SEK million	190,829	171,675	200,134	183,259
Solvency ratio, at period-end, %	155	163	169	163
Solvency factor ²⁾ mixed companies	3.7	3.7	3.7	3.8
Collective funding ratio, occupational pension, at period-end, %	111	114	119	110
Collective funding, other life insurance business, at period-end, %	113	117	119	114

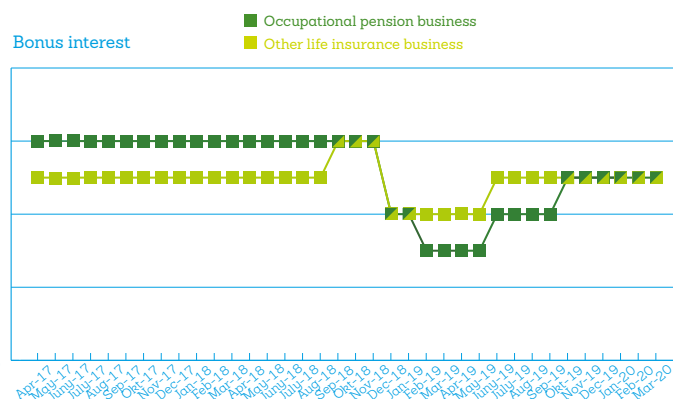
¹⁾ Premiums comprise premiums earned in savings insurance and premiums earned in risk insurance as well as from fees from unit-linked insurance investors.

²⁾ The solvency factor for mixed companies refers to the sum of the capital base relative to the capital requirements for other life insurance (compliant with the Solvency II directive) and the capital base relative to the capital requirements (compliant with the Solvency I directive) for the occupational pension operations. The solvency factor is presented with a one-quarter delay.

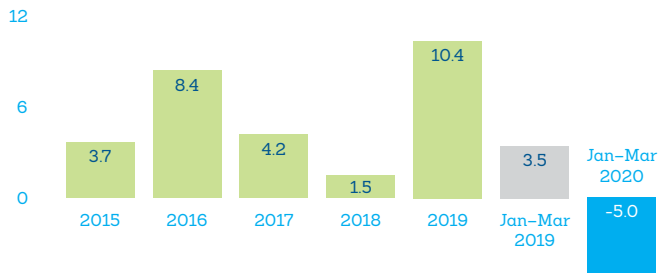
Premiums written for the parent company, Folksam Life, increased to SEK 3,377 (3,244) million. The number of crosses has increased in collective agreement business, both by more people having chosen to move their capital to Folksam and because of an increase in the numbers paying premiums. Increased sales within own channels, primarily in the savings products, have also led to a higher premium.

Total return for the period amounted to -5.0 (3.5) per cent. Viewed over the past five years, 2015-2019, the annual average total return for Folksam Life was 5.6 per cent. The total return for the last ten-year period, 2010-2019, was 6.9 per cent per annum. The solvency ratio of the parent company decreased to 155 (163).

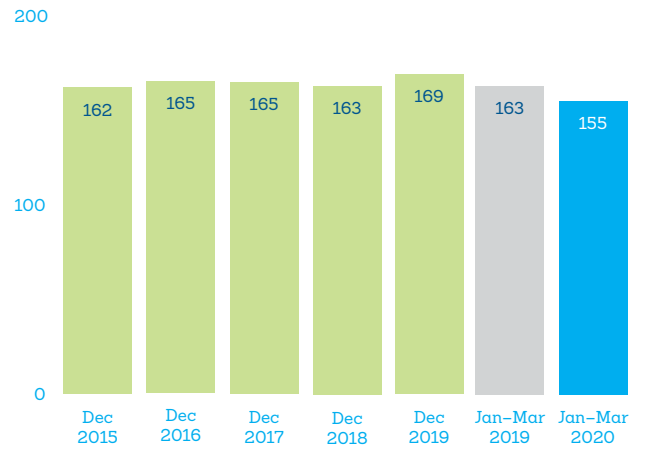
Operating expenses amounted to SEK 237 (262) million. The solvency factor for mixed companies, which we present with a one-quarter delay, is stable and amounted to 3.7 for the parent company. The collective funding ratio for defined-contribution occupational pension insurance amounted to 111 per cent in the first quarter of 2020 and to 113 per cent for other life insurance business, corresponding to a decrease of SEK 24 million or just over nine per cent. This decrease is mainly the result of the exchange of consultants that has been implemented, where consultants are replaced by internal resources to a greater extent, combined with the effects of the focus on costs.



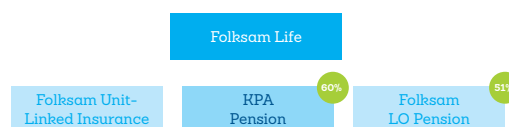
Total return %, parent company



Solvency ratio %, parent company



KPA Pension*



KPA Pensionsförsäkring AB	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	11,033	10,616	17,315	16,475
Underwriting result, SEK million	-12,606	8,820	17,615	4,375
Management expense, %	0.2	0.2	0.2	0.2
Total return, %	-5.8	4.9	11.2	0.5
Rate of return, %	-5.8	4.9	11.3	0.5
Assets under management, at period-end, SEK million	201,034	191,120	202,714	172,402
Solvency ratio, at period-end, %	155	167	171	165
Solvency factor (S1), at period-end ²⁾	16.8	16.0	16.8	15.7

¹⁾ Premiums comprise premiums earned in savings insurance and premiums earned in risk insurance as well as from fees from unit-linked insurance investors.

²⁾ The solvency factor is presented with a one-quarter delay.

Premium income for KPA Pensionförsäkring amounted to SEK 11 033 (10,616) million. KPA Pension has preferred company status for defined-contribution pensions for municipal and regional employees.

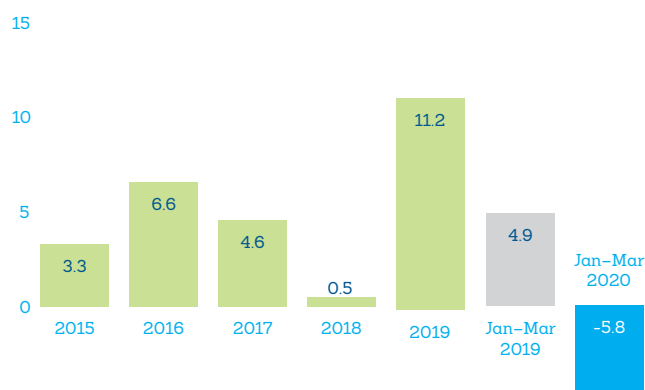
The underwriting result suffered from a negative total return. The underwriting result amounted to SEK -12,606 (8,820) million and is explained by the negative return on capital during the period.

The total return ratio amounted to -5.8 (4.9) per cent for the period, while the rate of return stood at -5.8 (4.9) per cent as a result of the negative development in the value of equities during the first quarter. The management expense ratio at KPA Pension amounted to 0.2 (0.2). The solvency ratio decreased to 155 (167) per cent at the end of the period. Viewed over the past ten years, 2010–2019, the annual average total return was 6.8 per cent.

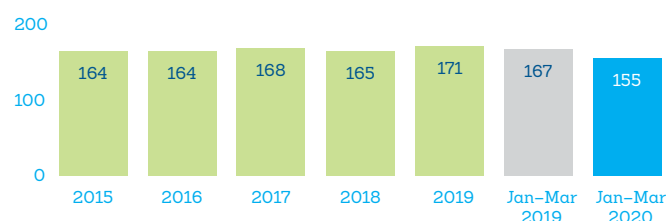
The solvency factor, which we present with a one-quarter delay, amounted to 16.8 per cent.

* The brand KPA Pension comprises the parent company KPA AB, the insurance companies KPA Livförsäkring AB (publ) (KPA Livförsäkring) and KPA Pensionsförsäkring AB (publ) (KPA Pensionsförsäkring), as well as KPA Pensionservice AB.

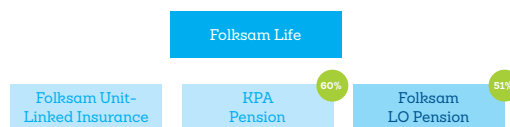
Total return, %



Solvency ratio, %



Folksam LO Pension*



Folksam LO Fondförsäkring	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	5,043	4,975	7,925	7,405
Underwriting result for the period, SEK million	48	50	231	232
Profit for the period	-11	87	312	238
Total return, %	-16.9	10.8	24.3	10.8
Management expense ratio, %	0.12	0.13	0.13	0.14
Unit-linked insurance assets, at period-end, SEK million	103,014	102,768	118,624	88,609
Solvency factor (S1), at period-end	7.6	6.4	6.6	6.6

¹⁾ Premiums comprise premiums earned in savings insurance and premiums earned in risk insurance as well as from fees from unit-linked insurance investors.

The premium payments for Folksam LO Fondförsäkring increased to SEK 5,043 (4,975) million. This increase resulted from an increasing numbers of customers who moved their capital to Folksam LO Fondförsäkring. The underwriting result amounted to SEK 48 (50) million and the company's total profit for the period was -11 (87) due to a lower return on capital during the period.

Unit-linked insurance assets increased as a result of positive cash flow, which was offset by a negative change in value during the second half of the first quarter and amounted to SEK 103,014 (102,768) million. The total return ratio amounted to -16.9 (10.8) per cent. The solvency factor, which is presented was 7.6 (6.4).

* The brand Folksam LO Pension includes Folksam LO Fondförsäkring.

Appendix: Other subsidiaries and associated companies

Folksam General				
Tre Kronor	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	279	264	1,088	1,040
Underwriting result, SEK million	-3	10	76	48
Profit/loss before appropriations and income tax, SEK million	-16	16	83	45
Total expenses, %	101.0	96.3	92.8	95.4
Solvency factor (SCR), at period-end ²⁾	1.9	2.0	1.8	2.0
Saco Folksam Försäkring	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	50	43	176	156
Underwriting result, SEK million	2	-3	3	25
Profit/loss before appropriations and income tax, SEK million	-8	6	22	25
Total expenses, %	96.5	115.6	102.2	85.1
Solvency factor (SCR), at period-end ²⁾	1.6	1.7	1.7	1.7

¹⁾ Premiums means premiums earned, which corresponds to the proportion of premiums paid in for the period

²⁾ The solvency factor is presented with a one-quarter delay

Folksam Life				
KPA Livförsäkring	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	324	311	311	294
Underwriting result, SEK million	-228	179	22	17
Management expense ratio, %	0.8	0.8	0.8	0.8
Total return, %	-4.8	3.8	7.9	0.0
Solvency factor (SCR), at period-end ²⁾	3.3	3.3	3.3	3.4
Folksam Fondförsäkring	Jan-Mar 2020	Jan-Mar 2019	2019	2018
Premiums, SEK million ¹⁾	902	916	3,272	3,410
Profit/loss for the period before tax, SEK million	25	13	92	82
Management expense ratio, %	1.00	1.10	1.00	1.20
Unit-linked insurance assets, at period-end, SEK million	38,725	42,939	46,075	39,318
Solvency factor, mixed companies ²⁾	1.6	1.5	1.6	1.5

¹⁾ Premiums means premiums earned, which corresponds to the proportion of premiums paid in for the period

²⁾ The solvency factor is presented with a one-quarter delay

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Our vision

Our customers should feel secure in a sustainable world.

Our business concept

We are our customers' company, offering popular insurance policies and pension investments that provide security.

Our overriding objective

We should have the most satisfied customers in the insurance and savings industry.



[Read more at folksam.se](https://www.folksam.se)



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