



♥ 2022

Annual and Sustainability Report

Folksam

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Our customers should feel secure in a sustainable world

We are there for our customers

Our job is increasing security in every phase of life. With us, customers can insure themselves, their loved ones and their property and save for their pension. More than three million households are customers of Folksam, which corresponds to two out of three households in Sweden. This makes the Folksam Group a leading player when it comes to insurance and pension savings in Sweden.

Folksam Life and Folksam General are owned by their customers. Instead of the profit being distributed to shareholders, it is returned to our owners – our customers – in the form of bonuses, premium reductions or better services, offers and customer services.

Working together with our business partners

Many of our customers come to us through collaborations, for example with trade unions and the sports movement. Through our close collaborations and by joining large groups, we can provide attractive offers at preferential prices. Together, we help our customers feel secure in a sustainable world.

Read more about how we generate value for customers on page 19.

We are financially strong

Our financial strength provides us with resilience in times of unrest. This financial strength has also provided good conditions to develop competitive offers for our customers. We are one of Sweden's largest investors and it is important that we manage our customers' money responsibly. For us, this means yielding a good, competitive return, while at the same time contributing to a more sustainable society.

We take responsibility

The fact that we are a mutual company, our size and our operations entail a responsibility. As a major player and investor, we have the opportunity to exert influence, employ a long-term approach and contribute to sustainable development. We therefore offer insurance that increases security for customers, at the same time that we safeguard people and the environment. Our goal is to be the leader in the field of sustainability. Our climate target is to have net-zero greenhouse gas emissions in our own operations by 2030 and in our investment portfolios by 2050.

Read more about our sustainability work in the Sustainability Report on page 29.



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The fact that Folksam
is mutual company
is a strength
in trying times.

With strong financial key ratios, we can contribute to the transition

Folksam entered the year 2022 in the strongest financial position in Folksam's modern history. This strength gives us the opportunity to be a long-term owner in our investments and thus help to transition to a more sustainable world. There were many challenges in the world arounds us in 2022. Both the pandemic and the war in Ukraine have brought unimaginable suffering for many and have affected us all. Energy prices, inflation and interest rates rose at the same time as a new refugee crisis arose.

The fact that Folksam is mutual company is a strength in trying times. The business model means that the surplus goes back to our customers and allows flexibility over time. We are particularly keen to give our customers, who are also our owners, tangible benefits and are proud to be able to offer them an attractive bonus rate in Folksam Life and a record-high bonus in Folksam General.

Life and General

Premium growth remains stable in both Life and General. The total premium volume amounted to SEK 64 billion, an increase of 4 per cent compared with the full year 2021. In the Folksam Life Group, premium growth amounted to 5 per cent compared to the previous year, of which the majority of premium growth took place during the first half of the year. Folksam General's premiums grew marginally by 1 per cent.

Folksam Life's operating expenses are burdened by the development costs related to the occupational pension regulation. The solvency ratio at Folksam Life remains strong at 185 per cent, mainly thanks to higher long-term interest rates.

Within Folksam General, the claims expense ratio increased compared to the previous year, mainly due to the high inflation. The total cost ratio amounted to 99.9 per cent, roughly 12 percentage points higher than the previous year, mainly as a result of the increased claims expense ratio. The funding ratio at Folksam General was 187 per cent.

Managed assets and sustainability

Assets under management decreased to SEK 527 billion, as a result of the weak stock market trend. Since November, however, there has been a significant recovery on the stock exchanges.

Folksam's long-term perspective and strong financial key ratios provide good opportunities to contribute to climate transition as an asset owner. We have been investing for many years in bonds that support sustainable transition, and as owners we engage in the sustainability challenges faced by the companies in which we invest, rather than selling our shares.

In an uncertain world, stable and sustainable investments are increasingly important. Our customers' money is invested with sustainability in focus for a better future. We want to contribute to the world's development going in the right direction, without sacrificing good returns. For example, during the year, we invested an additional SEK 850 million in Northvolt to speed up the transition towards a more sustainable automotive industry. In addition, we invested in the first bond ever issued by the UN International Fund for Agricultural Development (IFAD). The money is expected to help reduce food shortages and increase growth in the world's poorer countries.

We were also pleased that during the year we became the first in Sweden to offer eco-labelled home insurance. Being able to offer home insurance that lives up to one of the world's toughest eco-labels is entirely in line with our sustainability ambitions.

For the past three years, we have tracked CO2 emissions from our own operations, our properties and our listed part of the share portfolio. The results have been very positive and show a development in line with the goals we set within the framework of the Net Zero Asset Owner Alliance.

Since 2018, we have reported our climate work in accordance with the guidelines in the Task Force for Climate Related Financial Disclosures (TCFD). To give you readers a better overall picture of our sustainability efforts, we will integrate the climate report into our annual and sustainability report from now on. Please read more about how we handle climate risks by following the references on page 37.

Customers first

The year 2022 demanded a lot from us all and I want to thank all our customers and employees for good collaboration. We are now at the beginning of a new year where I can promise that Folksam will continue to put customers first. We must create real benefit for our customers and strive for them to feel secure in a sustainable world.



Ylva Wessén
Ylva Wessén
President and CEO

The Folksam Group – the year in brief



The Folksam General board decided to distribute SEK 1 billion to its customers

As a customer-owned company, all surplus within Folksam General goes back to the customers, in the form of bonuses and other ways. The bonus is based on the paid in premium in the previous year and the size of the bonus depends among other things on Folksam's surplus. In 2022, there was a record bonus of SEK 1 billion.

The disbursements begin in May 2023.



The Folksam Group invested SEK 1 billion to develop agriculture and prevent hunger (IFAD)

This investment, where the Folksam Group is the only financier, will contribute to reducing food shortages and increasing growth in the poorer countries of the world. Among other things, by helping small-scale farmers to adapt to the climate changes.



Folksam Tjänstepension was formed

The portfolio transfer from Folksam Life was carried out and Folksam Tjänstepension AB became the new insurance provider for the portfolios in question. Folksam Life continues to offer personal risk insurance and savings insurance for private individuals and companies.



Bonuses to Folksam Life customers amounted to SEK 3 billion

The payout is the result of successful asset management for several years, which meant that there was a surplus that we distributed to the customers in the form of bonuses.



Several important business relationships began or deepened during the year

This includes those with Saco and their 22 member associations, Pegggers, Friskis & Svettis, CAKE, the Swedish Volleyball Federation and the Swedish Tennis Federation.

The year in brief – continued

A great deal has happened at Folksam in the past year.

The following is just a selection. Find out more at www.folksam.se

- ♥ The Folksam Group invested SEK 3.8 billion in a green bond in the World Bank.
- ♥ The Folksam Group invested a total of SEK 9.6 billion in the mortgage funds Stabelo Bolånefond I and Hypoteket Bolånefond II.
- ♥ Vätternrundan and Folksam extended their collaboration for increased traffic safety.
- ♥ The Financial Supervisory Authority gave authorisation to convert Folksam LO Pension into an occupational pension company.
- ♥ The Financial Supervisory Authority granted authorisation for the transfer of assets from Folksam Life to Folksam Tjänstepension AB.
- ♥ The Folksam Group acquired two properties in central Stockholm.
- ♥ Increased reuse will reduce the climate impact of Folksam's properties.
- ♥ The Folksam Group expanded its ownership in Heim-staden Bostad.
- ♥ The Folksam Group invested SEK 3 billion in a new credit fund from P Capital Partners.
- ♥ Folksam donated SEK 1 million to support agriculture in poor countries.
- ♥ The Folksam Group acquired Påsen 7 in Hammarby Sjöstad.
- ♥ The Folksam Group invested a further SEK 850 million in Northvolt.
- ♥ Folksam's CEO Ylva Wessén spoke at the UN General Assembly – sees an opportunity to prevent millions of road accidents in the world.
- ♥ The Folksam Group invested SEK 1 billion to develop agriculture and prevent hunger.
- ♥ The Folksam Group and Schibsted extended leases in the city of Stockholm.



Håkan Svärdman assumed responsibility for strategic development in Marketing and sales.



Björn Frimodig the new Managing Director of Folksam Fondförsäkring.



Charlotta Carlberg the new Managing Director of Folksam Tjänstepension.



Marcus Svedberg took over as Chief Economist at the Folksam Group.



Anders Lundesten took over as a new CIO at Folksam.

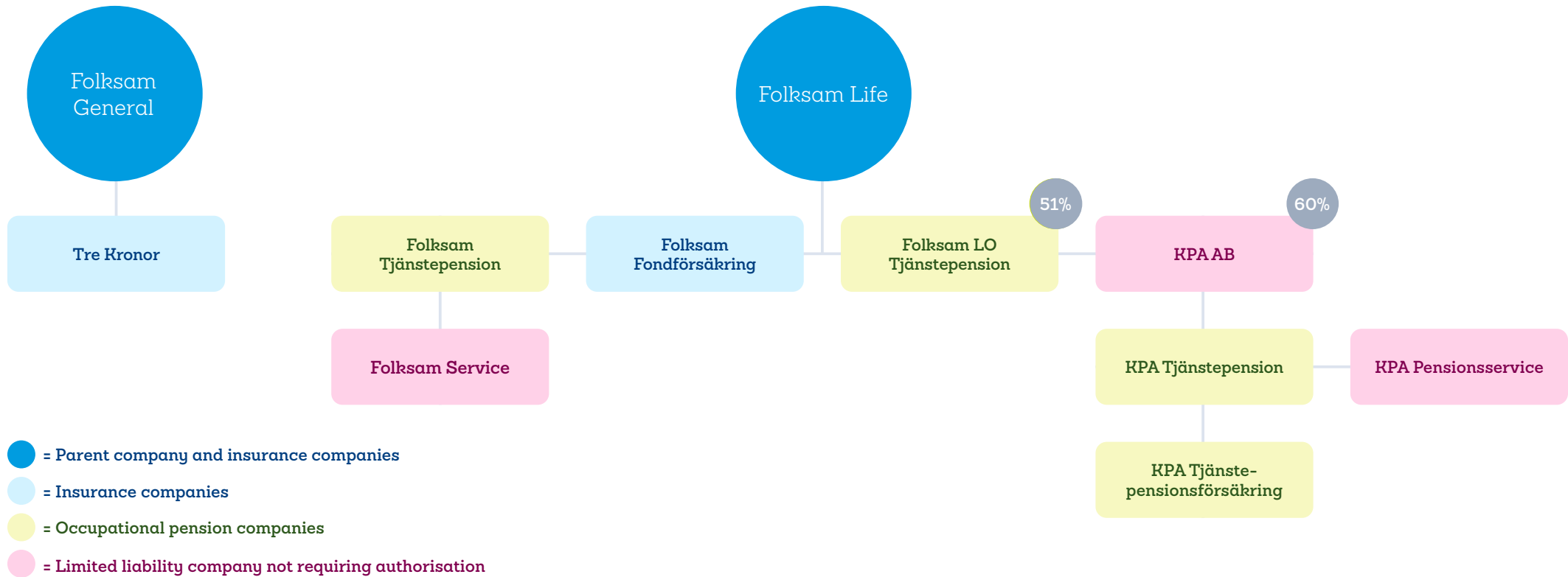
This is the Folksam Group

It is our job to provide security for every phase of life. With us, customers can insure themselves, their loved ones and their property and save for their pension. Almost half the people in Sweden are insured by the Folksam Group and more than three million people save with us in the long term for their pensions. This makes the Folksam Group a leading player when it comes to insurance and pension savings in Sweden.

Folksam Life and Folksam General are owned by their customers. Instead of the profit being distributed to shareholders, it is returned to our owners – our customers – in the form of bonuses, premium reductions or better services, offers and customer services.

Our sustainability work is based on our vision that our customers should feel secure in a sustainable world. We are convinced that having sustainability work integrated into our offerings and operations improves the conditions for long-term success.

The Folksam Group – corporate and group structure at 1 January 2023



Companies and organisation working in harmony

The Folksam Group comprises the parent companies Folksam ömsesidig sakförsäkring (Folksam General) and Folksam ömsesidig livförsäkring (Folksam Life) and subsidiaries.

Folksam General is the parent company of a group that, in addition to the parent company, comprises insurance operations in the wholly owned subsidiary Tre Kronor Försäkring AB* (Tre Kronor).

Folksam Life is the parent company of a group that, in addition to the parent company, comprises the wholly owned subsidiary Folksam Fondförsäkringsaktiebolag, the 60-per-cent-owned company KPA AB and its subsidiaries, which operate under the brands KPA Pension** and Folksam LO Fondförsäkringsaktiebolag, which after 2022 changed name to Folksam LO Tjänstepension and conducts operations under the brand Folksam LO Pension, which is owned at 51 per cent. During 2022, Folksam Tjänstepension AB was formed with the aim of conducting occupational pension operations in accordance with mutual principles.

* Provides insurance policies that are sold under a different brand.

** The brand KPA Pension comprises the parent company KPA AB, the insurance companies KPA Tjänstepension AB and KPA Tjänstepensionsförsäkring AB and KPA Pensionservice AB.

Strategic brands

The Folksam Group includes the main brand, Folksam, as well as the two complementary brands, KPA Pension and Folksam LO Pension.

Strategy, vision and overriding objective

Our overriding objective is to have the most satisfied customers in the industry. To achieve this, we need to be profitable, financially stable and a leader when it comes to sustainability. We also need to be an attractive workplace that works in a modern and efficient way, guided by our values.

We shall be the obvious insurance partner and create mutual added value through collaboration. To safeguard the security of our customers, we need proper order in our operations.

Our vision

Our customers should feel secure in a sustainable world
Our job is to provide security to our customers in every phase of life. With us, customers can insure themselves, their loved ones and their property and save for their pension. In this way, we are also creating security in society in general. We get involved in what our customers care about, which is why we promote sustainable development.

Our business concept

We are our customers' company, offering insurance policies, pensions and long-term savings for the many.

Our overriding objective

We aim to have the most satisfied customers in the industry

Our values

We are personal, committed and responsible
Everything we do must be permeated by our values. We seek to be personal by showing consideration, conducting a dialogue and working on the basis of the customer. Committed by being active and taking the initiative in the customer's best interests, seeing opportunities and being solution-oriented. We seek to be responsible by being reliable, knowledgeable and employing a long-term approach.

Folksam

Folksam General offers a full range of non-life insurance to Swedish households and private individuals, with a focus on car and home insurance.

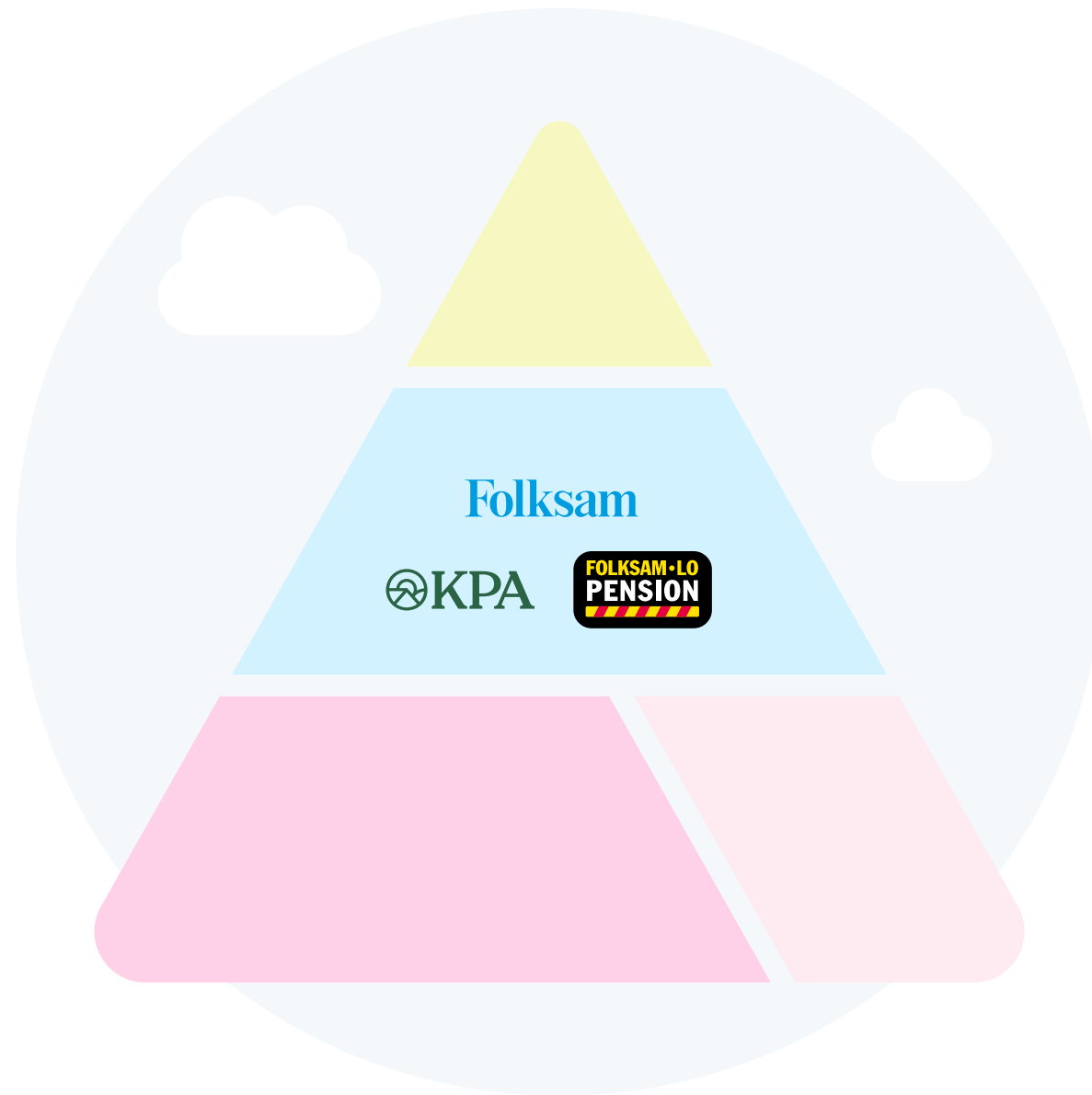
Folksam Life offers occupational pensions and long-term savings directly to private individuals, or through partnerships, as well as group life insurance and other types of risk insurance.

KPA

KPA Pension is the pension company for the local government sector and manages occupational pensions for employees in municipalities and regions, as well as municipal and cooperative companies.

FOLKSAM•LO
PENSION

Folksam LO Pension offers unit-linked insurance for collectively agreed occupational pensions, mainly to employees within the SAF-LO area. The company is co-owned by Folksam and LO.



Occupational pension companies in the Folksam Group

The possibility to conduct occupational pension operations in accordance with the Swedish Occupational Pensions Companies Act has been used by the companies in the Folksam Group. This has laid the foundation for better occupational pension savings. For our occupational pension customers, the transformation means that we can continue to invest wisely and in the long term with active management and low fees.

Folksam Life and Folksam Tjänstepension

During the summer, the subsidiary of Folksam ömsesidig livförsäkring (Folksam Life), Folksam Tjänste AB, was granted an authorisation by the Swedish Financial Supervisory Authority to become an occupational pension company. In connection with this, the name was changed to Folksam Tjänstepension AB. The Swedish Financial Supervisory Authority also gave permission for the majority of the occupational pension operations in Folksam Life to be transferred to Folksam Tjänstepension AB on 1 November 2022.

Folksam Tjänstepension AB, like its parent company Folksam Life, is run in accordance with mutual principles and all surplus is thereby allocated to the customers of the company. After the portfolio transfer, Folksam Life's operations consist of personal risk insurance and savings insurance for private individuals and companies.

Folksam LO Pension

In the autumn, the Swedish Financial Supervisory Authority approved the application by LO Fondförsäkringsaktiebolag for conversion to an occupational pension company. In connection with the conversion on 1 January 2023, the company was renamed Folksam LO Tjänstepension AB.

KPA Pension

Throughout 2022, KPA Tjänstepension and KPA Tjänstepensionsförsäkring operated with authorisation in accordance with the Swedish Occupational Pensions Companies Act. The companies are run according to mutual principles.

Strategy

The diagram illustrates Folksam’s strategy. The strategy is our common target for where we want to be and how we will get there. We will achieve our goals by developing four main strategic areas:

Long-term and sustainable

We shall be profitable, financially stable and a leader when it comes to sustainability.

Strong together

We shall be the obvious insurance partner and create mutual added value through collaboration.

An attractive workplace

We shall be an attractive workplace where we work in a modern and efficient way.

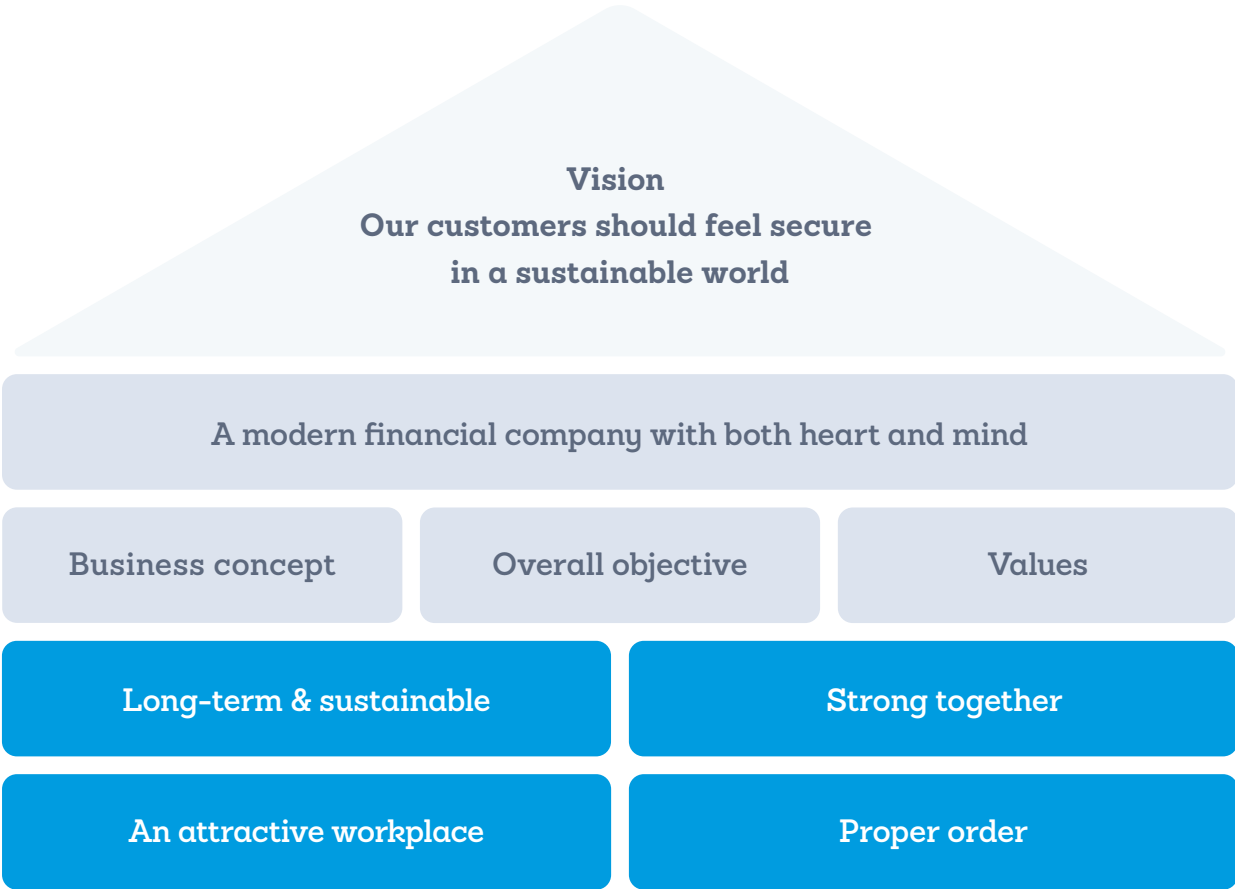
Proper order

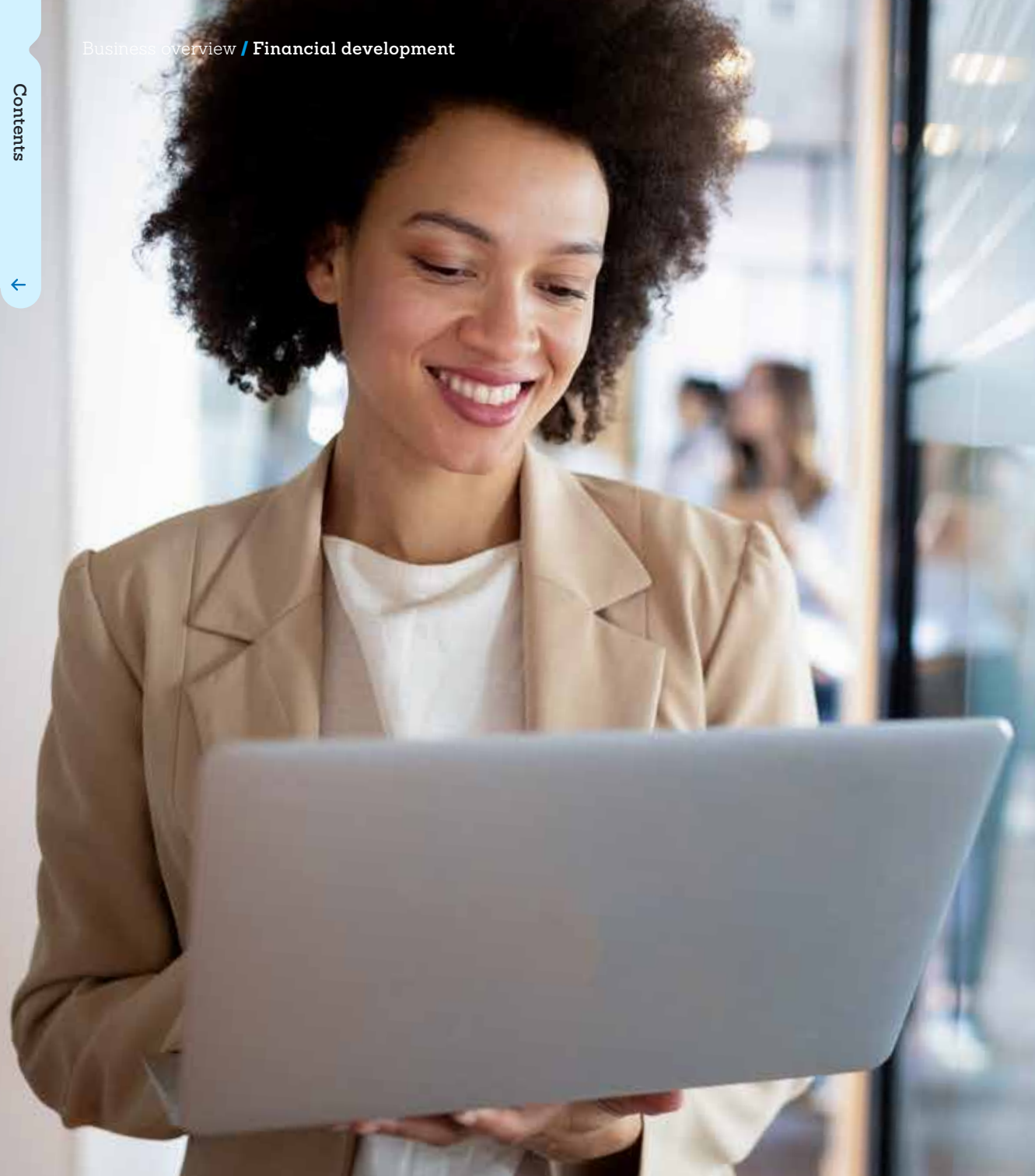
We shall have a business and an organisation that are characterised by proper order.

Read more about our main strategic areas and how they add value for the customer on page 22.

Overall objective

To measure our overall goal of having the industry’s most satisfied customers, we use our recurring customer survey, the Folksam Customer Index (FCI). This gives us customer insights, identifies our strengths and weaknesses and shows how well we are satisfying our customer targets. The result for 2022 was 75%, which was also the target for the year.

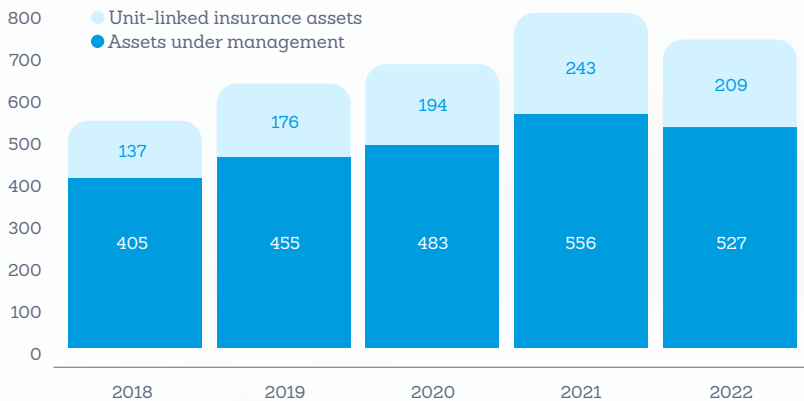




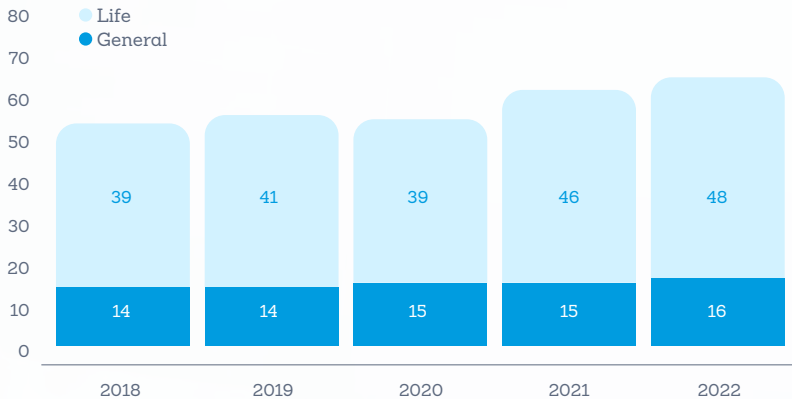
Financial development

Folksam entered the year 2022 in the strongest financial position in Folksam’s modern history. This strength gives us the opportunity to be a long-term owner in our investments and thus help to transition to a more sustainable world. There were many challenges in the world around us in 2022. The total premium volume was SEK 64 billion in 2022. Within non-life insurance, premiums increased compared with the previous year.

Total managed assets and unit-linked insurance assets, SEK billion



Total premium volume, SEK billion



Key ratios

The Folksam Group	2022	2021	2020	2019	2018
Folksam Customer Index (FCI), % ¹⁾	75	76	74	75	75
Premiums, SEK million ²⁾	63,693	61,093	54,351	55,543	53,812
Assets under management, SEK million ^{3) 4)}	526,756	556,341	483,379	454,684	405,399
Unit-linked insurance assets, SEK million ^{3) 5)}	209,189	242,541	193,972	175,826	137,076
Number of full-time employees ⁶⁾	3,399	3,399	3,478	3,605	3,523

1) New measurement method from 2020 that gives a lower numerical value than 2019. The new FCI measurement does not include partners and companies, only private and individual markets.

2) 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.

3) Relates to period-end.

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.

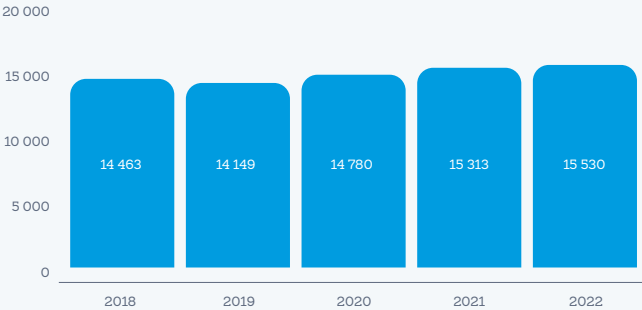
Non-life insurance

Folksam conducts non-life insurance business focused chiefly on the Swedish household market. Folksam General offers a full range of insurance products to households and individuals with a focus on car and home insurance policies, as well as commercial insurance products within specially selected areas. The operations are conducted under the Folksam brand.

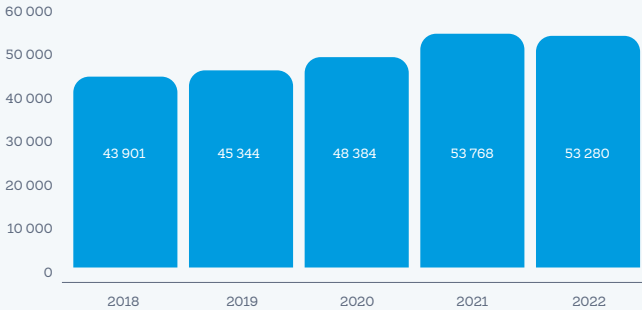


Folksam General Group

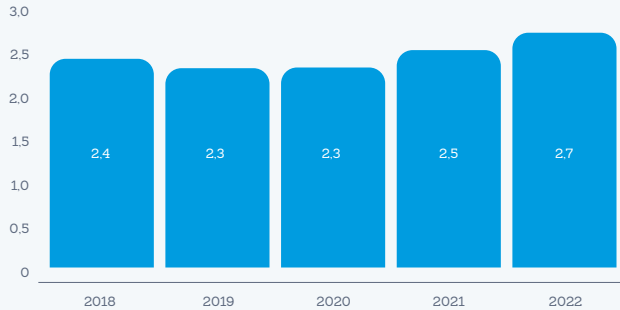
Premiums earned, SEK million



Assets under management, at period-end, SEK million



Solvency factor (SCR), at period-end



Non-life insurance, continuation

Folksam General Group	2022	2021	2020	2019	2018
Premiums earned, SEK million ¹⁾	15,530	15,313	14,780	14,149	14,463
Assets under management, end-of-period, SEK million	53,280	53,768	48,384	45,344	43,901
Solvency factor ²⁾ (SCR), at period-end	2.7	2.5	2.3	2.3	2.4

Premiums earned in the companies in the Folksam General Group increased by just over 1 per cent compared to the same period last year and amounted to SEK 15,530 (15,313) million.

Folksam General (parent company)	2022	2021	2020	2019	2018
Premiums earned, SEK million ¹⁾	14,257	14,089	13,419	12,885	11,629
Underwriting result, SEK million	-890	1,306	1,026	237	81
Profit/loss before appropriations and tax, SEK million	-2,453	4,667	1,843	1,308	1,349
Total expenses, %	99.9	87.3	89.8	96.1	97.9
of which claims expenses, %	86.1	74.5	76.4	81.8	79.4
of which operating expenses, %	13.7	12.8	13.5	14.3	18.5
Total return, %	-2.3	7.8	2.2	3.0	4.1
Solvency capital, at period-end, SEK million	26,693	29,016	24,401	22,821	21,565
Funding ratio, at period-end, %	187	203	180	178	177
Solvency factor ²⁾ (SCR), at period-end	2.7	2.5	2.3	2.2	2.4

1) Premiums are defined as the premiums earned, equivalent 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 ratio in the current quarter is reported with a one-quarter delay.

1) Premiums are defined as the premiums earned, equivalent 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 ratio in the current quarter is reported with a one-quarter delay.

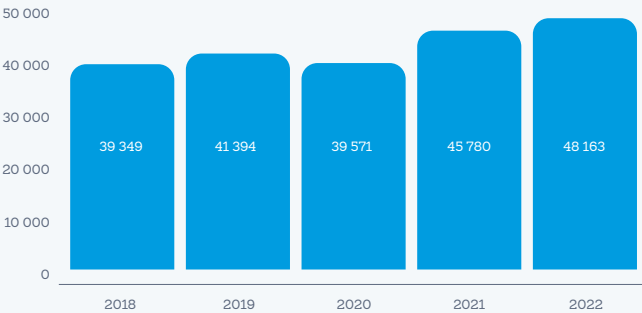
Life insurance

Folksam offers occupational pensions and long-term savings directly to private individuals, or through partnerships, as well as group life insurance and other types of risk insurance. The operations are conducted under three brands: Folksam, KPA Pension and Folksam LO Pension.

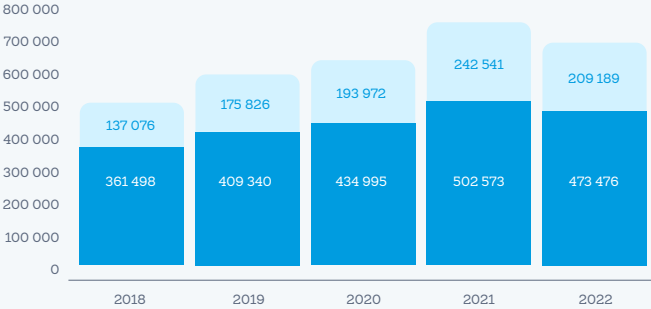


Folksam Life Group

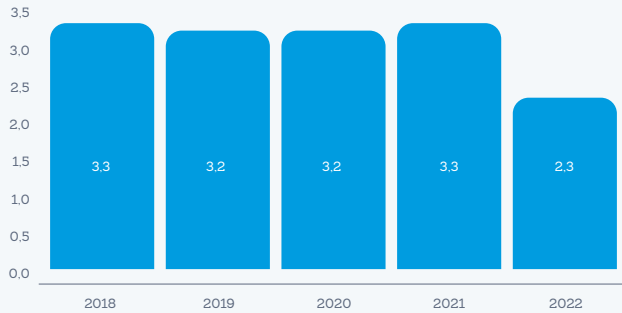
Premiums earned, SEK million



Unit-linked insurance assets, end-of-period, SEK million
Assets under management, end-of-period, SEK million



Solvency factor (SCR), at period-end



Life insurance, continuation

Folksam Life Group	2022	2021	2020	2019	2018
Premiums, SEK million ¹⁾	48,163	45,780	39,571	41,394	39,349
Assets under management, end-of-period, SEK million	473,476	502,573	434,995	409,340	361,498
Unit-linked insurance assets, at period-end, SEK million	209,189	242,541	193,972	175,826	137,076
Solvency factor ²⁾ (SCR), at period-end	2.3	3.3	3.2	3.2	3.3

The premiums for the Folksam Life Group amounted to SEK 48,163 (45,780) million for the full year 2022, assets under management to SEK 473,476 (502,573) million and unit-linked insurance assets to SEK 209,189 (242,541) million.

Folksam Life (parent company)	2022	2021	2020	2019	2018
Premiums, SEK million ¹⁾	15,173	16,399	10,935	12,040	11,584
Underwriting result, SEK million	-1,394	29,017	6,371	11,868	2,018
Profit/loss before appropriations and tax, SEK million	-1,668	29,437	6,522	12,134	2,062
Management expense, %	0.6	0.5	0.5	0.5	0.6
Total return, %	-7.0	12.4	4.7	10.4	1.5
Assets under management, at period-end, SEK million ²⁾	115,214	238,914	211,444	205,912	187,259
of which strategic company holdings:	7,286	8,142	6,465	5,778	4,073
Solvency ratio, end-of-period, %	185	194	171	169	163
Solvency factor, mixed companies ³⁾	4.0	3.7	3.7	3.7	3.8
Collective funding ratio, other life insurance business, at period-end, %	110	123	118	119	114

1) Premiums comprise premiums earned in life insurance and premiums earned in non-life insurance.

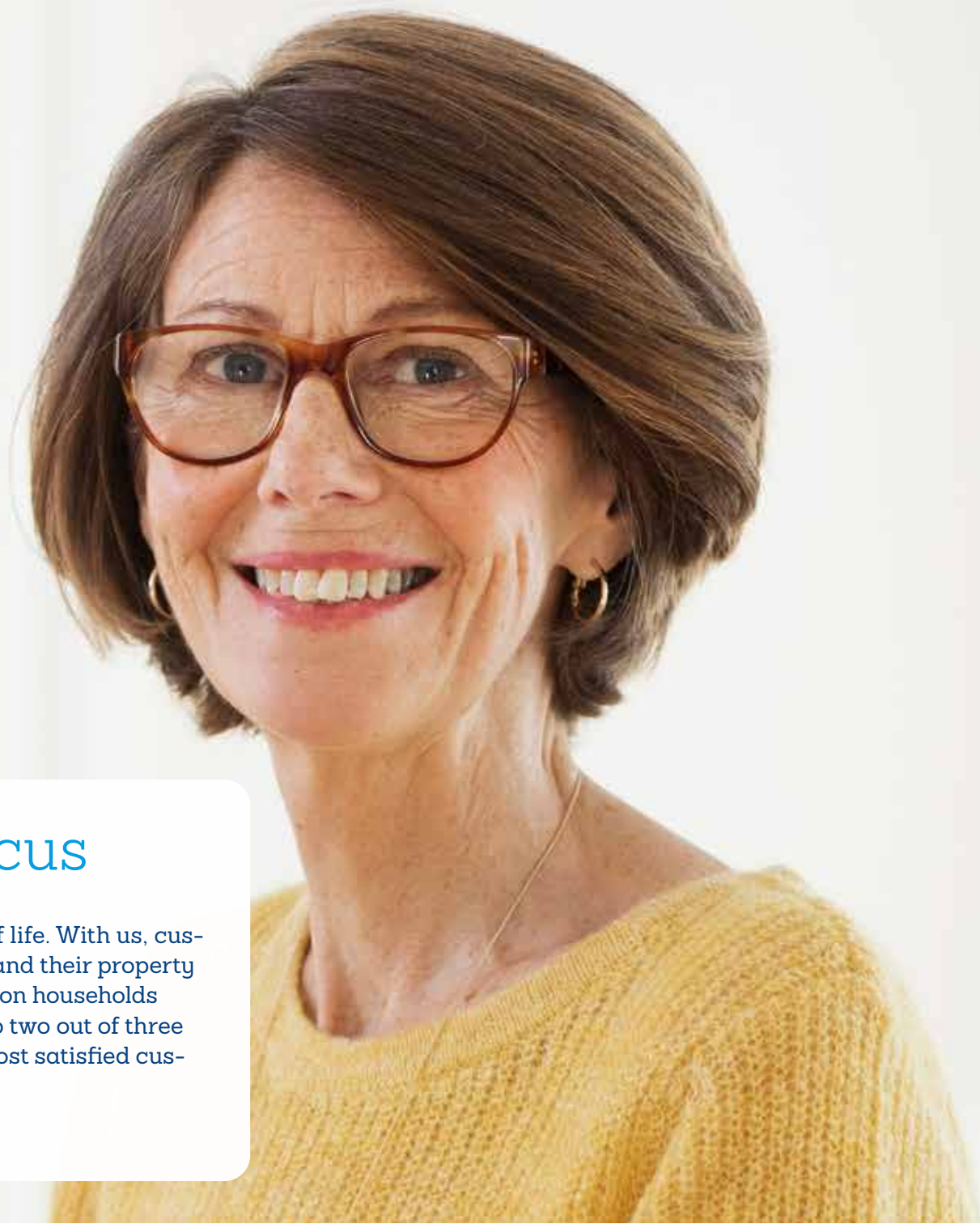
2) The solvency factor pertains to the capital base in relation to capital requirements in accordance with the Solvency II Directive.

The solvency ratio in the current quarter is reported with a one-quarter delay.

1) Premiums comprise premiums earned in savings insurance and premiums earned in risk insurance.

2) The figures for assets under management have been adjusted, as the value of subsidiaries (strategic company holdings) is included in assets under management at the parent company as of 2020. The figures for previous years have been adjusted in line with this change.

3) 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 occupational pension business. The solvency ratio in the current quarter is reported with a one-quarter delay.

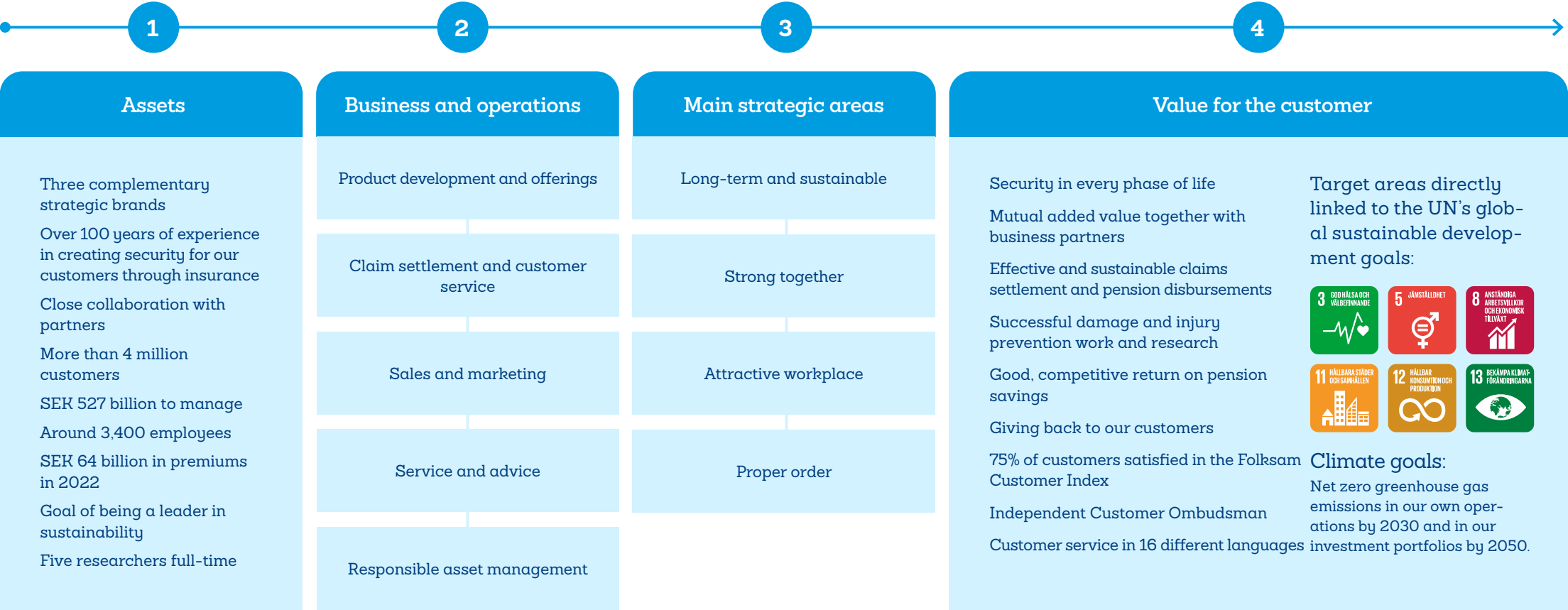


The customer in focus

Our job is to provide security for every phase of life. With us, customers can insure themselves, their loved ones and their property and save for their pension. More than three million households are customers of Folksam, which corresponds to two out of three households in Sweden. Our aim is to have the most satisfied customers in the industry.

Customer value chain

The Folksam Group's value chain shows how we use our combined expertise, experience and other assets to generate value for our customers through our business operations.



1

Assets

The Folksam Group includes the main brand, Folksam, as well as the brands, KPA Pension and Folksam LO Pension. In 2022, the premium volume amounted to SEK 64 billion and assets under management amounted to SEK 527 billion, including unit-linked insurance assets, for our customers.

The Folksam Group has been providing security for its customers for over 100 years. In order to remain relevant and attractive, we have developed our customer offerings as needs have changed.

Many of our customers come to us through collaborations with trade unions and other partners. Together, we help our customers feel secure in a sustainable world.

Today, we have around 3,400 employees, counted as full-time positions, who work every day to achieve our objective of having the most satisfied customers in the industry.

We are convinced that having sustainability work integrated into our offerings and operations improves the conditions for long-term success. The Folksam Group therefore aims to be the leader in the field of sustainability.

We have five researchers in areas such as car and road traffic, helmets and houses and homes. We do this to contribute to the safety of our customers.

2

Business and operations

We generate value for the customer in every part of the Folksam Group. We do so by having clear guidelines for the business, from customer contact and product development to managing our customers' money.

Product development and offerings

We offer products that provide protection for various events and contribute to our customers' security through the various phases of their life. The customers should perceive our products as being easy to understand, easy to relate to and important. We are developing our offering in line with changing customer needs.

Claim settlement and customer service

Folksam's claim settlement contributes to our customers' security and makes the situation they are in easier. We strive to prevent the damage and at the same time set tough sustainability requirements on the suppliers.

Sales and marketing

We know that our contact with customers has a bearing on their satisfaction. In sales contexts, we work on the basis of each customer's individual needs, providing information about possible alternatives. We should always have an advisory approach and should never persuade customers to buy anything they do not need. Folksam's ethical rules guide us in our daily work.

Service and advice

Digitisation and changing behaviour in customers is driving a need for new and adapted ways of doing business. The customers want to meet us when and where it suits them. Developing digital customer contact is therefore a priority. Whether the customer contact is digital or personal, it must be easy for customers to get in touch with us and receive the help they expect. We provide needs-based advice on insurance, pensions and long-term savings and we also provide advice on how to avoid damage, fire and burglary.

Responsible asset management

Our management of our customers' money will promote long-term security based on return and sustainable development. In order to achieve good risk diversification, we distribute our investments over various kinds of assets and markets. We are convinced that responsible companies will be more profitable in the long term, which increases the potential to give our customers a good return. We never compromise on the financial return, but believe that the return our customers can expect to receive from us is more than just financial. We use our belief in making an impact, constant improvements and transparency as a starting point.

Main strategic areas

We will achieve our goals by developing four main strategic areas:

Long-term and sustainable

We shall be profitable, financially stable and a leader when it comes to sustainability. We are convinced that having sustainability work integrated into our offerings and operations improves the conditions for long-term success.

Strong together

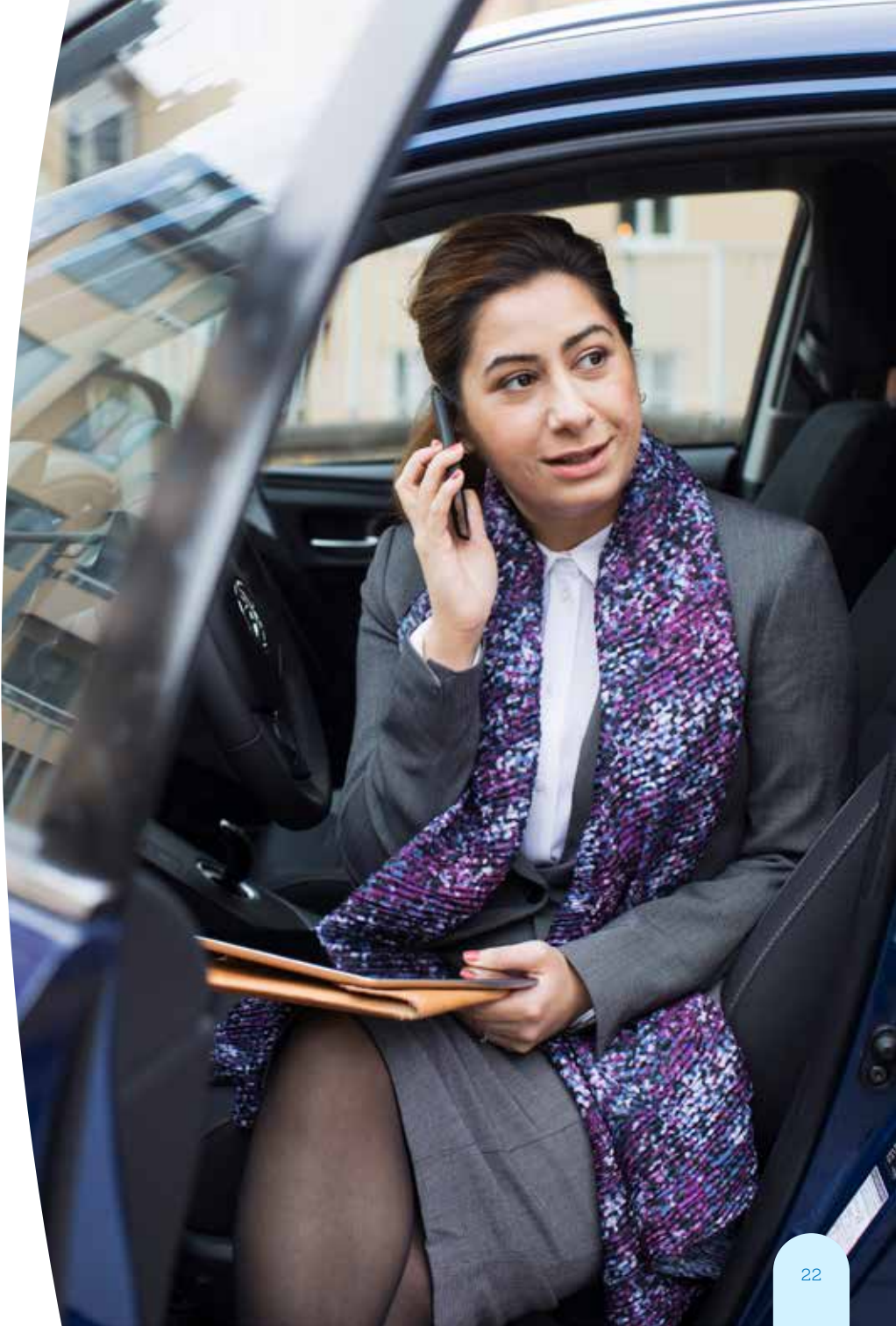
We shall be the obvious insurance partner and create mutual added value through collaboration. We do this through both commercial cooperation with business partners and collaboration between the companies in the Folksam Group.

Attractive workplace

We shall be an attractive employer where we work in a modern and efficient way. This enables us to attract and retain the skills we need and to meet customer expectations as a modern, digital company.

Proper order

We shall have a business and an organisation that are characterised by proper order. Our operations are subject to a wide range of regulations, with new ones constantly being added. Proper order is required to safeguard our customers' security, to maintain confidence among customers, authorities and other stakeholders, and to be able to increase business benefit.



Value for the customer

Our job is to provide security for every phase of life. With us, customers can insure themselves, their loved ones and their property and save long term for their pension. Our aim is to have the most satisfied customers in the industry.

Together with trade unions and several other business partners, we create mutual added value through collaboration. Through our close collaboration, we are able to provide attractive offers to our customers at preferential prices.

Our claim settlement contributes to customers' security and makes the situation they are in easier, and as a major player in the Swedish insurance and pension savings industry, we also have potential to exert an influence. For example, reusing and repairing instead of buying new not only represents a gain for the environment, but is also a good deal for our customers and for us. We renovate buildings using good-quality, sustainable materials, repair mobile phones in a circular process, buy and recycle spare parts on damaged vehicles and, when the customer is provided with a hire car, it must maintain a high safety and environmental standard. If the customer is unhappy with a decision, they can have it reviewed by the Customer Ombudsman.

A pension is something that is a long way in the future for many people and the management of our customers' pension savings should promote long-term security with regard to both the return and sustainable development. We are convinced that responsible companies will be more profitable in the long term, which increases the potential to give our customers a good return.

By helping customers make the right choices, think first and prevent an injury or accident from occurring, we can contribute to safer customers, lower consumption of resources and consequently lower insurance premiums. Our research and our work to prevent injury and damage benefit both our customers

and our environment. For example, we have been examining the crash safety of different car models and presenting the results in the "How safe is your car?" report for more than 35 years.

The Folksam Group is owned by its customers. Instead of the profit being distributed to shareholders, it is returned to our owners – our customers – in the form of bonuses, premium reductions or better services, offers and customer services.

For customers who do not have Swedish as their mother tongue, we offer customer service in 16 other languages. This enables more people to obtain information about insurance and savings in their mother tongue.

Our sustainability work provides long-term success

We are convinced that having sustainability work integrated into offerings and operations improves our conditions for long-term success. Thanks to our size and our business, we have a great opportunity to be a positive force for our customers and society in general. It is therefore our goal to be the leader in the field of sustainability. Our climate target is to have net-zero greenhouse gas emissions in our own operations by 2030 and in our investment portfolios by 2050.

The Folksam Group also contributes to the UN's Agenda 2030 and the 17 Sustainable Development Goals through our offerings, our investments and how we conduct our business. The Folksam Group's target areas are directly linked to the global goals numbered 3, 5, 8, 11, 12 and 13.

Read more about our sustainability work on page 29.

Broad customer offering

We are developing our offerings in line with changing customer needs. We work closely with our partners to ensure that customers get the best insurance and pension solutions on the market. Our insurance and pension offerings can be divided into the following areas:

Traditional insurance

Secured savings

Traditional insurance is a safe form of saving. The customer does not determine their own level of risk and the Folksam Group instead invests the capital in equity, interest-bearing securities and other assets. The customer is guaranteed a certain amount when it is time for an outgoing payment, and can also receive additional amounts in the form of a bonus.

Occupational pension

The employer pays

The occupational pension is the part of the pension that the customer's employer pays. It is about 4.5 percent of the annual salary, although it can be more, which is set aside each year and is therefore an essential element of the customer's future finances. At present, about ninety per cent of all employees have occupational pensions through their employer, and everyone who works in a cooperative or NGO-owned company is insured with Folksam. We have secure occupational pensions for customers both with and without collective agreements.

Unit-linked insurance

Possibility to influence the return

Unit-linked insurance is a form of saving where the premiums are invested in funds. The customer bears the risk here in terms of the development of the fund's value. The fund offering is based on the idea that it should be easy to invest in a wide range of high-quality funds, adapted to the different needs of our customers.

Personal risk insurance

Security in the event of an accident, illness or death

Personal risk insurance provides financial security in the event of accident, illness and death. The Folksam Group offers both individual insurance solutions and group insurance. Customised group life and occupational group life insurance, as well as health and accident insurance and income protection insurance have been specially developed for trade unions, companies and organisations.

Non-life insurance

Insurance for the home, car and other property

The Folksam Group offers a full range of non-life insurance products to households and individuals with a focus on car and home insurance policies, as well as commercial insurance products within specially selected areas.

Overview of customer offers per company

Traditional insurance	Folksam	KPA	
Occupational pension	Folksam	KPA	
Unit-linked insurance	Folksam	KPA	FOLKSAM-LO PENSION*
Personal risk insurance	Folksam	KPA	Tre Kronor
Non-life insurance	Folksam	Tre Kronor	

* Folksam LO Pension is an occupational pension company as of 2023.

The world around us and the market

The insurance and long-term savings sector plays an important role in the economy, and it is becoming increasingly important to have insurance solutions that relieve the pressure on the public sector. In 2022, the world was strongly affected by the war in Ukraine and the coronavirus pandemic.

The world around us

What happened in 2022?

The year 2022 was very different from what was expected. Of course, the most important and problematic was Russia's invasion of Ukraine at the end of February, which resulted in great human suffering. The war also affected the underlying order of European security that resulted in Sweden and Finland applying for membership in NATO.

The global economy was affected through higher energy and food prices and increased uncertainty. Inflationary pressure was strong all year round, partly as a result of the war, which led the central banks to bring forward and speed up interest rate increases. However, growth in Sweden proved to be surprisingly robust, not least thanks to a very strong labour market, but concern for an impending recession grew strong during the year.

Given the tumultuous geopolitical and macroeconomic trends, it is no wonder that financial markets developed weakly. Inflation and interest rate increases caused the bond market to strongly decline, at the same time that concern for a recession affected the stock market negatively. Poor liquidity in several markets combined with great uncertainty also meant that volatility was unusually large.

The overall expectation for 2022 was a continued tug-of-war between the various effects and consequences of the pandemic and a number of additional uncertainty factors such as security policy concerns and the development of the economy.

What do we think about 2023?

Our basic scenario is that the economy is entering a recession, but that it will be relatively short-lived. Inflation will fall from a high level and growth will be negative at the same time that unemployment will rise during the year, but not dramatically. There will continue to be a shortage of labour in many sectors, not least in health care, but also in industry and several service sectors. The vast majority will surely receive higher wages and it is important that wage increases are balanced given the underlying problem of inflation.

The geopolitical and energy-related problems are far from resolved, but will receive less focus. In other words, it will continue to be a complicated macroenvironment, but not necessarily a poor market environment. The market in general and the bond market in particular are expected to have a strong focus on the central banks' trimming of the balance sheets. On the political stage, the issue of democracy is likely to receive extensive attention in the debate given the development in the U.S. and in emerging economies such as Brazil. India will take over the chairmanship of the G20 and Sweden will take over the Presidency of the Council of the European Union in the first six months. COP 28 will be held in the UAE in the autumn and Sweden's application to NATO will continue to be considered during the year.

Trends we face

Understanding the world around us and how it affects us is vital if we are to meet the needs and demand of tomorrow.

Geopolitical unrest, energy crisis and growing economic uncertainty affect both consumers and companies in Sweden. The three major surrounding trends we described in 2021 – sustainability, rapid technological development and changes in people's values remain, at the same time that the changes of the past year will have major consequences in society. The combination of more long-term, serious surrounding changes and the new surrounding environment places new demands on both the insurance industry in general and the Folksam Group as a long-term sustainable player in insurance, pensions and long-term savings.

Climate change

Climate change means that we will see more and worse climate-related damage over time, which will affect the premium levels. In the past ten years, Sweden has suffered several natural disasters, most often associated with floods and storms. Other effects of a changed climate are changes in soil moisture and humidity, changes in the amount of snow, heat waves, drought and increased fire risk. This development means that there is a great need to continuously work on climate adaptation and damage-prevention efforts. As Insurance Sweden writes in its report "Market Trends 2023 – Insurance in an unsettling time", the issue of climate adaptation is highly central to the insurance industry, as it is an essential part of limiting the number and extent of weather-related claims.

Rapid technological development

The coronavirus pandemic has accelerated customer digital maturity and many new internet users have been added primarily among the elderly. The effects of the pandemic show that we can embrace new technology in a short period of time if we have to. As a result, expectations of companies and organisations are increasing in terms of accessibility and digital service. We will see less and less acceptance and understanding for low flexibility and slow service.

Geopolitics, war and conflict

The security policy situation changed dramatically with Russia's invasion of Ukraine. The direct consequences of the war in Ukraine for Swedish insurance and occupational pension companies have so far been small, while the indirect effects have been greater. There are also more conflicts which, if they worsen, can add to the economic unrest and its consequences – conflicts such as those between China-Taiwan and North and South Korea.

The war in Ukraine has involved a reassessment of our security policy strategy and Sweden has applied to become a member of the NATO defensive alliance. As a result of the deteriorating security policy situation, major efforts are now being made to improve total defence and a new structure for civil defence has been in force since the autumn of 2022. In connection with the growing security policy concern, focus has increased on the insurance industry's role in war and conflict. Certain insurance services important to society need to be able to be maintained even in the event of very severe disruptions to society, such as a situation with increased preparedness and war. This involves, for example, being able to settle claims, carry out transports and secure people's livelihoods through the disbursement of pensions.

The insurance industry in Sweden

According to Insurance Sweden, at the end of 2021 the insurance industry in Sweden consisted of 315 companies, 278 of which were Swedish companies and 37 were foreign-owned branches operating in Sweden. Of the Swedish companies, 32 were life insurance companies, 195 non-life insurance companies, 14 occupational pension companies and 37 friendly societies. Between them, these insurance companies employ approximately 22,000 people in Sweden.

The industry is predicted to be significantly affected by climate impact and the conversion to electric vehicle ownership, which will drive up premiums within the non-life companies. Other factors, such as the increased frequency of cyber threats, may also affect pricing. For life companies, the increase in climate awareness will mean greater demand for sustainable investments. New business models are emerging as a result of technical developments. Traditional insurance companies, particularly within non-life insurance, are facing growing competition from entirely new digital players. Established companies from other sectors are also making a challenge. Rapid changes are also taking place within life insurance and savings, such as the development of "robot advice", where customers can receive a customised yet automated solution when choosing long-term savings. Global climate change is another important factor. When weather-related damage increases, this affects the entire insurance sector, which then has to review its forecasts regarding future claims payments.

Laws and regulations

Solvency II review

The Solvency II Directive is being reviewed. The proposed changes of the European Commission concern, among other things, the valuation of the insurance companies' long commitments, and the reporting structure for capital requirements and supervisory reporting. The changes proposed in the design of the capital adequacy rules, the discount rate, group solvency calculations and the scope of supervisory reporting are considered to be particularly prioritised for Folksam. In its current form, some of the proposed amendments could have a major impact on Swedish mutual insurance companies. EU negotiations on the Solvency II review are expected to be concluded in the first half of 2023.

Crisis management and resolution of insurance companies (IRRd)

The European Commission has proposed a directive regarding crisis management and resolution for the insurance sector. It proposes far-reaching requirements for insurance companies to draw up recovery plans, appoint a resolution authority, with responsibility for, among other things, the insurance companies being able to be resolved, and that there are resolution plans for the insurance companies. Folksam believes that IRRd should be adapted to mutual insurance companies and their specific characteristics. The EU negotiations on IRRd are expected to be concluded in the first half of 2023.

Extended transfer and repurchase right for unit-linked and deposit insurance

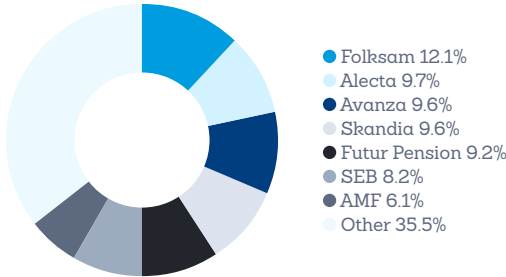
In 2022, unit-linked and deposit insurance companies were permitted, regardless of when the insurance contract was signed, to repurchase an endowment insurance policy or to transfer the value of a pension insurance. Rules were also introduced for the insurance contracts concerned that limit the size of the transfer and repurchase fees. For Folksam, it is a priority to analyse how transfers can be made easier, how different customer groups are affected by the rules and how the availability of advice is affected by them.

Global minimum tax for corporate groups with certain turnovers

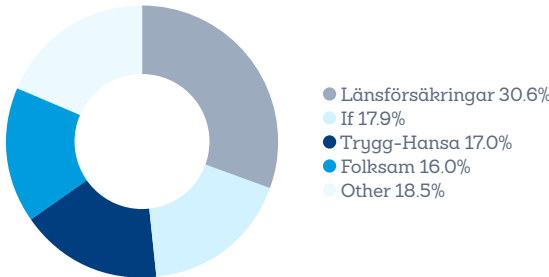
In December 2022, the EU Pillar 2 Directive was adopted, which means that all EU Member States have said yes to a global minimum tax of 15 per cent for corporate groups with an annual turnover of at least EUR 750 million. Both global and domestic corporate groups are covered by the new regulations. For Folksam, influence on Swedish mutual life insurance companies is a priority issue. Details and clarifications regarding exceptions and how this is to be implemented are expected in 2023. According to the information available, the new rules will enter into effect on 1 January 2024.

Market share

Market shares as a percentage for premiums paid in for both old and new life insurance policies.



Market shares as a percentage of total premium income, non-life insurance



Folksam's direction towards 2026

Folksam's direction towards 2026 shows the way to achieve the vision and our overall objective is about a cohesive customer experience, profitable growth and being efficient in everyday life.

Cohesive customer experience

As a customer, you should be met by a Folksam that provides a cohesive customer experience. You should not feel ignored and you should experience Folksam as being responsible and committed to you, your life situation and a sustainable society. Folksam is here for you, our customer, and you will usually interact with us digitally.

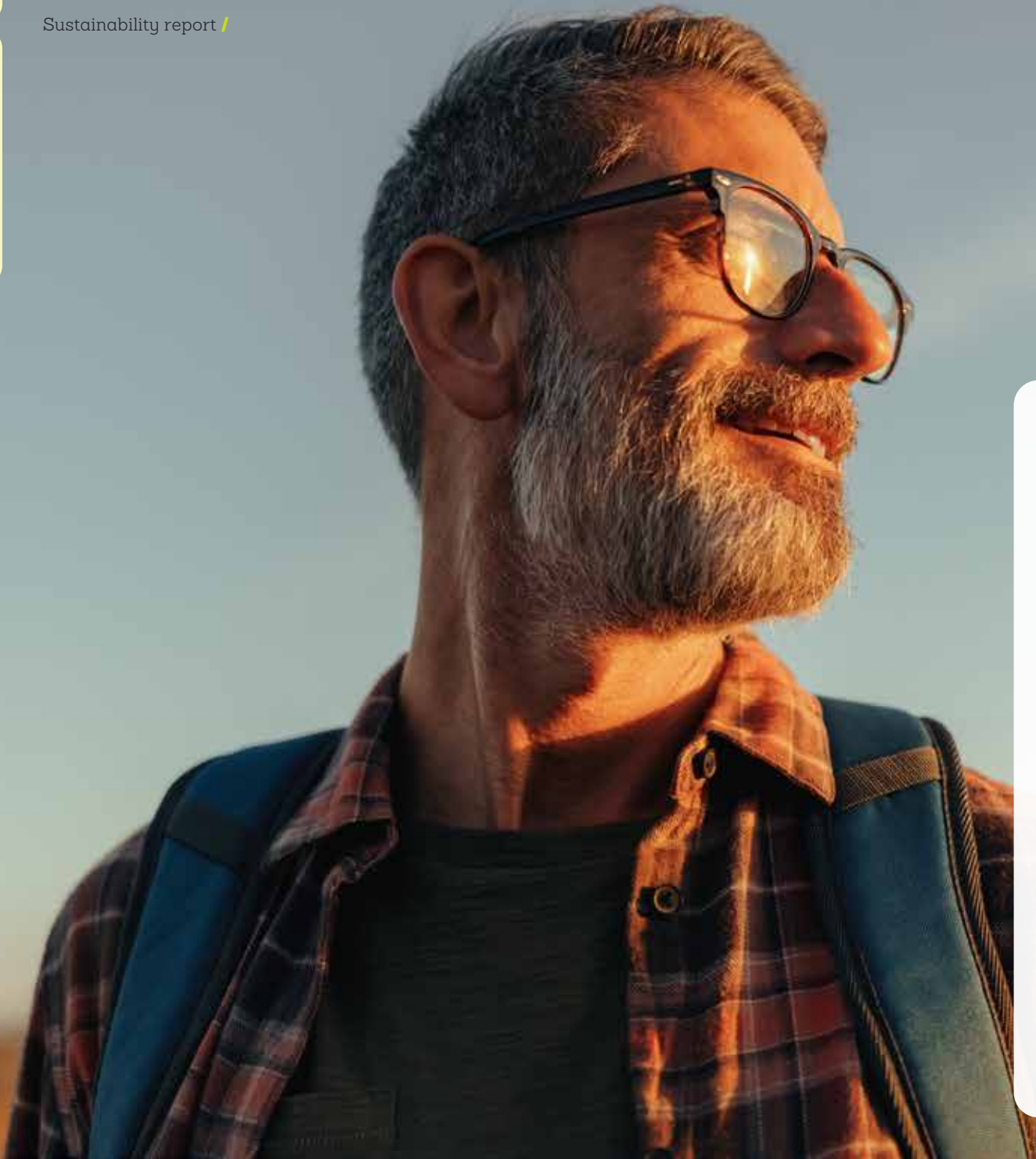
Profitable growth

Folksam continues to develop its business model with group insurance, occupational pensions and insurance policies, as well as savings that are suitable for many different people. Folksam is developing its collaboration with partners to become the obvious choice of insurer and occupational pension company, and also has direct contact with the end customer, who can easily supplement their commitment. Sustainability is at the heart of Folksam's product development and the company shares its expertise in damage and injury prevention.

Everyday efficiency

Folksam uses its joint operational organisation to combine its expertise wherever synergies can be achieved. We work as one Folksam, with a common culture and a collegiality and leadership that provides development and is characterised by ongoing learning, trust and openness. The IT environment is simplified and data and information management streamlined. The development and implementation of new IT solutions is followed by the phasing out of old systems. The level of operating expenses contributes to Folksam's competitiveness.





Sustainability report

With this report, our aim is to show how the Folksam Group works with sustainability over time, which sustainability issues have been our most important and, in particular, what we have done and accomplished during 2022. KPA Pension is part of the Folksam Group and also publishes its own sustainability report.

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Better conditions for more people

The foundation for what the Folksam Group is today was laid over 100 years ago, at a time when a large proportion of Sweden's homes were uninsured. The concept of a mutual insurance association grew out of the idea of establishing better conditions and greater security for ordinary people. As an insurance and pension company, we contribute to financial security. Offering good conditions to as many people as possible is still one of the most important tasks of the Folksam Group.

More people can get eco-labelled products

The Folksam Group is actively working to integrate sustainability requirements into our products. In 2022, for example, we improved sustainability aspects in home insurance so that we can label it with Good Environmental Choice. In this way, 1.9 million households have received the home insurance labelled with Good Environmental Choice.



Mutual bonus

Folksam Life and Folksam General are owned by their customers. Instead of the profit being distributed to shareholders, it is returned to our owners – our customers – in the form of bonuses, premium reductions or better services, offers and customer services.



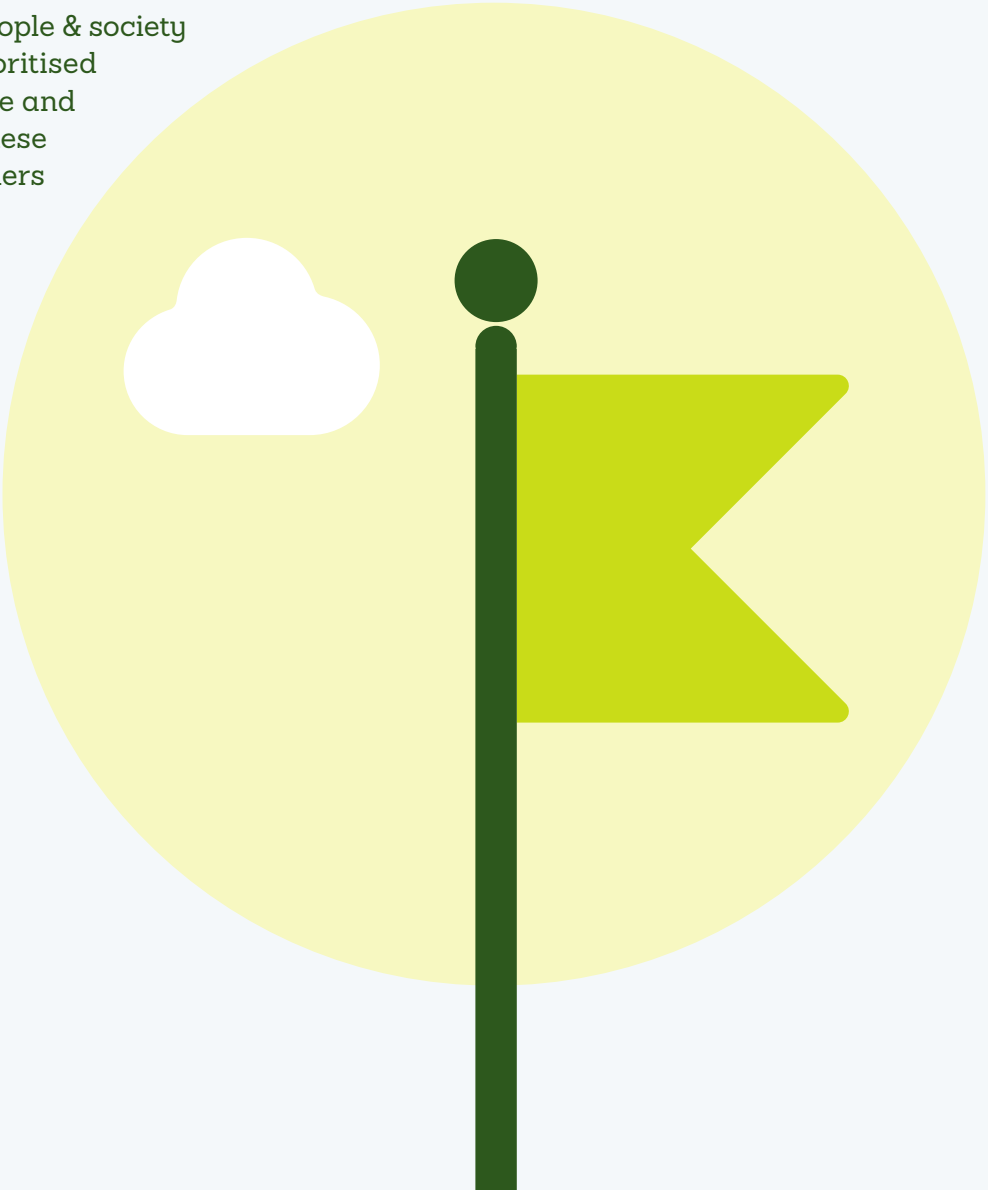
Financial security for many people

Many of our customers come to us through collaborations with trade unions and other partners. Through close cooperation, and based on the needs of the members, we develop services and terms and conditions for group insurance policies. The fact that assault protection under the householders' comprehensive policy covers domestic violence and that we offer multilingual customer service are both examples of services and terms and conditions developed in cooperation with the LO unions. We currently have partnerships with all 14 trade unions within LO, 8 of the 12 trade unions within TCO and 17 of the 21 trade unions within Saco. This means that around 2.6 million trade union members have group insurance with the Folksam Group. The members of the LO unions make up around half of these, with insurance often included for them as part of the membership fee. This enables Folksam to offer security solutions to people who may not otherwise have chosen such extensive insurance cover.



Our target areas

Our sustainability work is organised into two overall target areas: people & society and climate & environment. Within these target areas, we have prioritised six specific areas that are based on our business within both the life and non-life groups and our impact on the environment and society. These have also been influenced by what is most important to our customers and stakeholders. The Folksam Group’s target areas form the basis of both strategic development work and operational work to integrate sustainability throughout the business.





People and society target area

Offering good conditions to as many people as possible is one of the most important tasks of the Folsam Group. Fair terms and conditions must apply, regardless of whether you are a customer, an employee or are working somewhere in our supply chain or in companies in which we have invested.

Our People and society target areas frame how we work with social sustainability. We focus extra on three significant areas.





Health and well-being:
We promote good health and prevent injury for our customers.



Equality and diversity:
We combat discrimination and promote equal rights and opportunities. We want everyone to have the opportunity to insure and be able to afford to retire.



Work environment and human rights:
We strive to achieve decent working conditions and the opportunity to have a full working life.

Significant area	Ambition/target	Examples of progress/ Outcome 2022	Main working methods	Contribution to global goals	Policy commitment
 Health and well-being	<ul style="list-style-type: none">– To promote better public health through partnerships with sports federations.– Work on damage and injury prevention to avoid mental and physical illness and promote well-being.– Zero vision for road traffic injuries.– Reduced long-term absence among Folksam Group employees.– Highlighting questions about safe workplaces in assets we own.	<ul style="list-style-type: none">– Partnerships with 54 associations.– Around 312,000 green cards for fair play.– Reinforcement of the damage and injury prevention unit to include health.– Road safety research and reports are estimated to reach 26.2 million readers.– -2.5 per cent long-term sickness absences.	<ul style="list-style-type: none">– Sponsorship and cooperation with sports federations.– Integrate health-promoting conditions in products and services (conversation therapy, advice and care).– Road Safety Research– Efforts for the working environment and collegiality.– Asked questions about workplace safety at AGMs in Swedish holdings.	<ul style="list-style-type: none">– Health 3.	<ul style="list-style-type: none">– Sustainability policy– Sponsor policy– Investment criteria and ownership policy.
 Equality and diversity	<ul style="list-style-type: none">– Improved insurance terms and conditions for more people.– Our multilingual customer service must be able to handle at least 15 languages.– An even gender distribution (50/50 ± 5 per cent) among employees, managers, group management and boards.– Gender-equal sponsorship – it goes without saying that for us, women's sport and men's sport are valued equally.– Zero tolerance of victimisation.– Highlighted questions about equality and diversity in assets we own.	<ul style="list-style-type: none">– Improved insurance cover for violence in close relationships in home insurance.– 16 languages in customer service during 2022.– Outcomes for a gender balance. See page 59.– Renewed partnership with the Swedish Parasports Federation.– 9 cases of discrimination and victimisation. See page 59.	<ul style="list-style-type: none">– Group insurance with the same conditions as individual for lower premiums.– Recruitment and training of multilingual staff in customer service.– Active follow-up of gender equality through, among other things, JÄMIX and the employee survey.– Working methods that promote diversity and inclusion. Is followed up through the Nyckeltalsinstitutet.– Asked questions at general meetings of shareholders in Swedish holdings.	<ul style="list-style-type: none">– Equality and diversity 5.	<ul style="list-style-type: none">– Sustainability policy– Work environment policy– Investment criteria and ownership policy.

Significant subject area	Ambition/target	Examples of progress/ Outcome 2022	Main working methods	Contribution to global goals	Policy commitment
 Work environment and human rights	<ul style="list-style-type: none">– 100% compliance with the Code of Conduct for Suppliers.– Highlighted questions about human rights and working conditions in the supply chain.	<ul style="list-style-type: none">– New membership in the ETI – Ethical Trading Initiative.	<ul style="list-style-type: none">– Self-estimation form for suppliers.– Dialogue with holdings on the right to join a trade union.	<ul style="list-style-type: none">– Decent employment conditions 8.	<ul style="list-style-type: none">– The Code of Conduct for Suppliers assessment.– Good Environmental Choice.– Investment criteria and ownership policy.



Climate and environment target area

The UN Intergovernmental Panel on Climate Change (IPCC) confirms a clear correlation between man-made greenhouse gas emissions and the increase in the global average temperature. One of the effects of a warmer climate is more intense and frequent extreme weather events. Folksam's climate work aims partly to reduce greenhouse gas emissions in order to slow down climate change, but also to contribute to the transition through targeted investments and to prevent damage that comes from a changing climate.

Our Climate and environment target areas frame how we work with climate issues and with protecting and preserving our nature. We work extra with three significant areas.





Climate:
We strive to limit global warming to 1.5 degrees in line with the Paris Agreement and work to speed up the transition.



Sustainable cities and communities:
We contribute to a more sustainable society by investing in green infrastructure.



Efficient resource utilisation:
We prevent and reduce the impact of damage to people and the environment, and strive to preserve biodiversity.

Significant area	Ambition/target	Examples of progress/ Outcome 2022	Main working methods	Contribution to global goals	Policy commitment
 Climate (footprint, adaptation, transition)	<ul style="list-style-type: none">– The investment portfolios shall show net-zero greenhouse gas emissions by 2050, in accordance with our commitment in the UN-convened Net Zero Asset Owner Alliance.– Investments in companies that enable the transition to a low-fossil society.– Reduced energy consumption in the property portfolio.– Net-zero CO2 emissions from own operations by 2030. Minus 9 per cent per year by 2030.– Transparent reporting of the Group's work on climate risks through the Task Force on Climate-related Financial Disclosures, TCFD.	<ul style="list-style-type: none">– Interim target: emissions from equities, corporate bonds and properties shall decrease by 29 per cent by 2025.– Transition investment in SSAB's stake on fossil-free steel production.– The carbon footprint (Co2e) has increased by 45 per cent due to increased travel after the pandemic, but is in line with an annual 9 per cent reduction compared with the base year.– Implemented a survey on business travel.– Introduced digital inspection of claims, which reduces business travel.	<ul style="list-style-type: none">– Impact dialogues with the largest emitters in the portfolios with the aim of getting more people to adopt scientifically based climate targets.– Dialogue meetings with municipalities.– Activities to reduce energy consumption in own properties – such as geo thermal energy storage.– Activities for climate-efficient travel.	<ul style="list-style-type: none">– Climate 13.– Sustainable cities and communities 11.	<ul style="list-style-type: none">– Sustainability policy– Investment criteria and ownership policy.– Travel policy
 Resource efficiency	<ul style="list-style-type: none">– Increased use and range of preventive services.– Resource-efficient claims settlement.– Reduced effect of injuries to people and the environment.– Resource-efficient operations	<ul style="list-style-type: none">– New tougher criteria for Good Environmental Choice in the products of automotive, home and holiday home.– 1.5 million home insurance policies received the Good Environmental Choice label.	<ul style="list-style-type: none">– Damage- and injury-prevention services.– Reuse, recovery and part-repair in claims settlement.– Good Environmental Choice label for products.	<ul style="list-style-type: none">– Responsible consumption and production 12.	<ul style="list-style-type: none">– Sustainability policy– Guidelines for claims settlement.– Criteria document for Good Environmental Choice Home, Villa (third-party revised follow-up).

Climate risks and opportunities

The Folksam Group has been working in accordance with the recommendations in the Task Force on Climate Related Financial Disclosures (TCFD) since 2018. The introduction of TCFD recommendations means that we inventory and map how and in what processes risks and opportunities arise with climate change.

In the insurance business, we work with damage and injury prevention efforts to reduce the extent of natural peril. We also strive to reduce the climate impact of our insurance offers and our operations. Our reinsurance process takes into account natural disasters in the calculation models. Statistics for natural peril are included when we calculate risk exposure to update the insurance terms and conditions. We also offer eco-labelled insurance policies for homes, villas, cars and holiday homes, circular claims settlement and lower premiums to customers who have safe and fuel-efficient cars. Circular claims settlement means that in the event of compensable claims, we recycle and re-use the customers' damaged property. Read more on page 43.

As asset managers, we analyse how our investments are affected by climate change. The work on risks and opportunities has mainly concerned listed equities and alternative investments. We also assessed fixed-interest investments, partly how we invest and partly through investor dialogues. We have climate-related targets for directly owned properties. Analyses were done of how our asset portfolio would be affected by changed values in the energy sector, as a result of possible stranded assets, which is presented further in the Scenario Analysis section on page 66. We also work to ensure that the boards and management of the companies we invest in drive the transition to a fossil-free economy. The Folksam Group is one of the initiators of the UN Convened Net-Zero Asset Owner Alliance. This Alliance means that the Folksam Group – together with some of the world's largest pension and insurance companies – has committed to its investment portfolios having net-zero greenhouse gas emissions by 2050. The work within the Alliance includes the members agreeing on new targets and methods for measuring.

Claims expenses related to storm damage (SEK million)	
Expected expenses for events that occur every 50 years.	307
Expected expenses for events that occur every 200 years.	601

To read more about how we work with the climate, follow the references in our TCFD index on page 78.

Selected progress in sustainability



Sustainability in advice

We welcome the new rules introduced during the year as part of the EU's action plan for sustainable finances. Our advisers have a key role to play in ensuring that the customer feels secure in their choices of savings.



Geothermal energy storage can halve Folksam's energy consumption

In the basement under Folksam's office in Skanstull, there is now a geothermal energy storage system. In the long term, this technology can halve energy consumption in Folksam's large office building.



Folksam first in Sweden with ecolabelled home insurance


In 2022, Folksam was the first to be able to label our home insurance with Good Environmental Choice. In doing so, 1.5 million home insurance policies received a Good Environmental Choice label.



Major steps towards the climate targets

In 2022, the Folksam Group took major steps to approach the asset management's climate target. The interim targets up to 2025 include a reduction of nearly one third in emissions from equities, corporate bonds and properties.

Read more about our sustainability work here

A photograph of a woman with blonde hair tied in a ponytail, wearing a mustard-colored sweater, and a young girl with dark hair, wearing a white patterned top and orange shorts. They are sitting on a dark, textured rug, laughing and hugging each other. There are patterned pillows and some toys scattered around them.

Sustainability in the insurance and savings offering

Since we offer eco-labelled insurance, you as a customer can make conscious choices – feeling secure in the knowledge that we repair homes and cars with environmentally friendly materials. Being able to avoid damage and injury is of course the best thing for people and the environment. In 2022, we expanded our damage- and injury-prevention work to include road traffic and health. We also manage our customers' savings in a sustainable way.

A sustainable insurance offering

Eco-labelled insurance

Since 2011, Folksam's home, holiday home and car insurance policies have been certified with the Good Environmental Choice label. In 2022, 1.5 million home insurance policies received the Good Environmental Choice label. In order for our insurance to receive the label, we must meet a number of requirements set by the Swedish Society for Nature Conservation. A few examples:

- Asset management applies both negative and positive investment criteria and conducts advocacy work for science-based climate targets, for example.
- We ensure environmentally friendly purchases and use eco-labelled electricity in our offices.
- We inform our customers about how they can contribute to a sustainable lifestyle and provide access to energy savings advice.
- Our claims settlement works with environmentally friendly material choices and repairs in e.g. home and car insurance.



More about eco-labelled home insurance

At the end of 2022, around 880,000 (890,000) cars, 440,000 (435,000) homes and 117,000 (120,000) holiday homes were insured under our Good Environmental Choice-labelled insurance policies. These insurance policies achieved a turnover of around SEK 8.7 billion.

Extended protection for domestic violence

In 2018, Folksam was the first insurance company to introduce compensation and crisis therapy for assaults that take place between people living in the same household. During 2022, this work continued. Assault compensation has previously been awarded to a greater extent to men, because they are more often affected by violence outside the home. This extended protection now provides all persons who are subjected to violence equivalent to insurance cover at home.

Folksam's householders' comprehensive policy now also includes compensation for additional costs that arise when the victim needs to leave home, such as travel to a women's shelter or other emergency accommodation, as well as costs of food, SIM cards, hygiene items, etc.

Finances can weigh heavily when someone is considering leaving their home due to domestic violence. For example, the vulnerable person may have shared finances with the perpetrator. In this situation, Folksam can help with the extra costs that can arise due to having to leave the shared household. The compensation that customers can receive from their householders' comprehensive policy should be viewed as a supplement to the protection offered by society. The insurance includes:

- Assault compensation for individual claims events
- Compensation for persons who are subjected to repeated physical violence (gross violation of integrity and gross violation of a woman's integrity).
- Compensation for additional costs incurred when you are forced to leave your shared home and arrange other accommodation.
- Opportunity for ten sessions with a psychologist and costs of travel, and interpreter for the appointment if required.
- Extended limitation period for minors. This means that children who are victims of sexual abuse or domestic violence can receive compensation from Folksam even a long time after the abuse.

We reach the customers in 16 different languages

Around 20 per cent of Sweden's population were born outside our country, which makes our multilingual service so important. It enables more people to obtain information about the Swedish insurance and pension system in their mother tongue. It also provides us with an opportunity to connect with customer groups that are otherwise difficult to reach. With the 16 (17) languages we offer today, including Arabic, Polish, Persian and Spanish, our customer service reaches around 100 different nationalities and receives just over 100,000 phone calls every year.



Many injuries and types of damage can be prevented

In 2022, we expanded our damage- and injury-prevention efforts from focusing in particular on the residential area, to also covering mobility and health. This gives us new opportunities to be able to interact with customers, partners and society. By preventing damage and injury, we increase security for the customers, we use less resources, have lower claims expenses and the ability to keep the insurance premiums down.

Damage and injury at home

Over the past 30 years, our claims expenses for home insurance linked to extreme weather events such as storms and cloudbursts have more than doubled. The level of damage has also grown worse, costing on average more than twice as much as 30 years ago. It is therefore important for us to inform our customers about how they can adapt their homes to climate change.

Ongoing damage- and injury-prevention work during the year

The damage- and injury-prevention work for our home insurance customers is based on experiences that we handle on a continuous basis, as well as research and testing.

Our home insurance customers receive targeted information adapted to the damage and injury risks of the season six times a year. If the customer's safety inspection shows an increased risk of damage or injury, the customer receives weekly information. In addition to this, a number of activities take place during the year.

- Digital send-outs addressed to, among others, customers who have reported a bicycle claim or a water damage.
- A safety inspection by Anticimex for all new home insurance customers, and every five years at customers who have Large

home insurance, with specific tips and advice to prevent, for example, water and fire damage.

- Offer of damage and injury prevention advice through our building and energy saving advice service.
- Sending targeted text messages in emergency situations related to extreme weather.
- Continued analysis of the effect of water switches on water damage among homeowners.
- Review and report on how the customer can reduce their energy costs by reviewing their heating system.
- Regular survey of how many households have fully functional smoke detectors fitted.
- To reduce the risk of electrical fires in homes caused by incorrect charging of electric vehicles, we have collaborated with Ellevio to offer chargers including installation.

Discount for damage and injury prevention

Customers who prevent damage and injuries receive a discount. By installing home alarms, safety doors and water switches, for example, our customers can receive a discount of up to 15 per cent on their householders' comprehensive policy. Customers who choose safe cars with a low climate impact receive a 10 per cent discount on their car insurance. Similarly, we give customers whose motorcycles have ABS brakes a 20 per cent discount on motorcycle insurance because our researchers have shown that these brakes have a major impact on the risk of accident.

Preventing illness

Problems in everyday life can in the long term affect both health and the capacity to work, regardless of whether they are private or work-related. For us, social sustainability is about creating opportunities for us and our loved ones to live a good life.

The health protection we offer our customers includes, for example, counselling and advice in several insurance policies:

- Counselling and advice from a midwife for issues relating to pregnancy and childbirth.
- Counselling and advice from a midwife or social worker for questions about children's development or family life.
- Crisis therapy is a preventive protection that is available in most of Folksam's insurance policies and means that Folksam can offer urgent support from a psychologist in the event of a traumatic event within 24 hours. The customer can then receive up to ten support calls via a large network of psychotherapists throughout the country, to prevent further mental illness.
- Wellness advice provides an initial contact with a social worker who then offers help from economists, lawyers, psychologists or health coaches depending on the individual's needs.
- Career advice or counselling in the event of unemployment.

Partnership for better health

By getting involved in sports, we want to be involved in the development of better public health in Sweden. We insure the sportsmen and sportswomen of 54 sports federations, including football, skiing and equestrian sports. As an athlete, you are welcome, regardless of whether you are involved in recreational sports or elite level sports.

Our partnerships must always support our business operations. Folksam sponsors sports that have broad and popular roots. The objective is to support both elite and recreational sport as well as to create and strengthen long-term relationships with Swedish sport.

During the pandemic, Folksam has continued to be a stable partner, supporting sport even in the situations where it was not possible to deliver the rights promised, due to the fact that many sports associations have faced a strained situation. We have also chosen to renew our partner agreements at a time when many companies have instead chosen to end their partnerships.

Help for athletes to stay uninjured

“Advice and care for sports injuries” is a free service that is included in the sports insurance for many of the sports federations with which we collaborate. Today, 24 sports federations are affiliated with the service. The service is staffed by physiotherapists with a high level of knowledge about injuries that can arise when doing sports. Leaders and coaches can also call them for advice on training in a way that prevents injury.

Together with the Swedish Football Association, Folksam has developed the service to help athletes stay free of injury and get access care when they need it. Getting the right assessment early on contributes to more people being involved in sports longer and not quitting due to injury, which is in line with the Swedish Sports Confederation’s vision, “Lifelong sports”.

Green Card for Fair Play

Hundreds of thousands of young people play football all over Sweden. To encourage good conduct, the Swedish Football Association, in partnership with Folksam, introduced the Green Card for Fair Play a couple of years ago. A Green Card is given to a player who, for example, helps an injured team-mate or opponent, shows respect for everyone, has a positive attitude or helps the referee. In 2022, Folksam presented 312,000 Green Cards to the clubs.

Zero vision for road traffic injuries

Since the end of the 1970s, we have conducted safety research the purpose of which is to develop new knowledge to save lives and prevent damage and injuries. Our researchers conduct long-term advocacy work particularly with regard to road safety, as well as environmental and health aspects, primarily in the field of road transport.

Our research contributes to the zero vision of a road transport system that is free from long-term suffering in the form of personal injuries that result in death or disability. The advice we provide to customers promotes transport and sporting activity that minimise injury to people and harm to the environment. By highlighting differences in the risk of personal injury and accident for different genders and age groups, we contribute indirectly to a more equal road transport system. Consumer tests also help customers to choose products that are safe.

Road safety research is a part of our offering

We also promote transport that has a reduced climate impact by earmarking investments for improving the cycling infrastructure and by highlighting the health benefits of active forms of transport.

Our road safety research helps to reduce suffering in the form of death and disabling injuries on the roads.

Fewer road traffic claims also mean lower claims expenses and so lower premiums for our insurance products. In this way, our road safety research is part of our offering and represents a positive impact for our customers.

Research to prevent sports injuries

We insure the vast majority of sportsmen and sportswomen in Sweden and our unique sports injury base makes it possible to see and monitor the effects of injury prevention work that helps people remain physically active for their entire lives. Consequently, we are conducting research to develop measures that will prevent sports injuries. Examples of such research are our collaborations at major sporting events, such as Vätternrundan and Cykelvasan. In equestrian sports, we have performed tests on riding helmets to prevent head injuries and, together with the Swedish Equestrian Federation, we have developed a rehabilitation method for brain injuries, the “Brain staircase”, which is now widely used in several sports.

Research that reaches out

In 2022, ten press releases were published that generated 252 news articles that reached around 26.2 million readers. These concerned lists of the safety levels and emissions of various cars, how well commercial traffic stays within the applicable speed limits, how children are protected in traffic and bicycle helmet protection. A major event during the year was that Folksam’s CEO Ylva Wessén spoke to the UN General Assembly at their first high-level meeting on road safety. She spoke about how road safety bonds can be used to save millions of lives in the world.

In 2022, three academic papers were published on the following subjects:

- How drivers use and experience different driver support systems.
- How to make automated vehicles available to the blind, deaf and deaf blind.
- Damage-reducing effect of automatic braking systems with detection of pedestrians and cyclists.



Claims settlement that reduces the mountain of waste

Folksam's cost for repairs of damaged houses amounted to more than SEK 1 billion in 2022. The cost of car repairs was roughly twice as high. The scope enables us to set tough requirements on our suppliers. We train our suppliers to ensure that claim settlement is long-term, sustainable and effective, which is having a significant impact.

There is an established second-hand market for car parts and we require that car mechanics repair and use reused parts wherever possible and appropriate.

During the year, this helped a mountain of waste of around 1,710 (1,880) tonnes to be avoided and we saved approximately SEK 306

(290) million in the repair of damaged cars. In total, reuse in connection with car repairs has brought a saving of just over SEK 3 (2.8) billion since the beginning of the millennium. In addition to influencing the industry, we are also hoping to be able to influence our customers' attitude towards repairs and the circular economy.

Circular claim settlement is central to reducing our customers' consumption of energy and materials. Since 2015, we have been working together with Godsinlösen (GIAB) to create a circular flow for damaged objects such as sofas, glasses, bicycles, mobile phones, computers and other electronics.

A special "mobile circle" has been developed for mobile phones, where customers hand in their damaged phones and, in most cases, receive an equivalent remanufactured or repaired phone in return. Through our cooperation with (GIAB), the majority of our customers' mobile phones are reused. All usable parts are reused as a resource for other customers' mobiles, rather than becoming electronic waste.

The burden on the environment is reduced, in the form of reduced waste volumes and lower carbon dioxide emissions. According to GIAB's calculations, in 2022 our circular claims handling together with GIAB helped to avoid 1,627 (1,634) tonnes of carbon dioxide emissions and 1,406 (1,903) tonnes of waste.

The reported saving of carbon dioxide and waste is a comparison of whether the claims have been replaced by new units instead of repairing or replacing them.

Digital inspection

Since 2022, we have used video inspection as a complement to ordinary claims settlement. By travelling less, we have a lower climate impact. Video inspection does not replace all physical visits, but with the help of the service the case officer can directly get a good overview of what has happened and to what extent.

A sustainable savings offering

Folksam is one of Sweden's largest investors. This is a great responsibility, but it also provides opportunities to make a difference. With our savings offers, we actively work to take steps closer to a more long-term sustainable world.

The savings market is broad and contains a wide variety of savings products, where different types of unit-linked savings and traditional insurance form a major part of what customers demand. Folksam therefore mainly offers unit-linked insurance and traditional insurance.

Demand for savings and investment opportunities among players who actively work with sustainability issues has increased recently, especially in the younger customer groups.

Investing responsibly on behalf of our customers, without compromising on the return, has been a focus area for many years. The fact that a traditional insurance includes assets that are otherwise difficult or impossible for small savers to invest in is an opportunity for our customers. Having professional managers invest for a good pension without having to be active oneself is appealing to many. The fact that this is also done with a clear sustainability focus strengthens our offering even more.

Folksam offers a guided range of funds where the various fund management companies are continuously evaluated and there are clear sustainability requirements to be selectable in Folksam's offering. The fact that the funds in our range have sustainability requirements is a matter of course today.

Unit-linked insurance

We do not have our own fund management company within the Folksam Group, but offer specially selected external funds instead. Today, we have around SEK 209 billion in unit-linked insurance assets.

In our evaluation process, there are clear sustainability requirements that all external funds must satisfy. All funds selected must not only have a well-integrated sustainability analysis in their investment processes, but also influence the companies in which they invest to work sustainably. This may be in relation to environmental and climate issues or employment terms and conditions for employees, prohibiting child labour and encouraging the companies to work actively to achieve a transparent corporate culture that prevents corruption.

We review all the holdings in all funds that are in Folksam's platform twice a year. Folksam is also working to further refine and tighten the sustainability requirements for external funds.

Folksam Fondförsäkring AB has long focused on sustainability when selecting funds. In 2022, we worked actively to expand the range with the proportion of funds that promote sustainability (light green) and funds that have sustainability as their goal (dark green). We also conducted dialogues with the companies for those funds that are currently not light green or dark green about when in time they are expected to be. During the year, we also took in two Nordic Swan eco-labelled funds, which strive towards the UN's climate target. We will regularly evaluate whether the funds are keeping their promises.

Traditional insurance

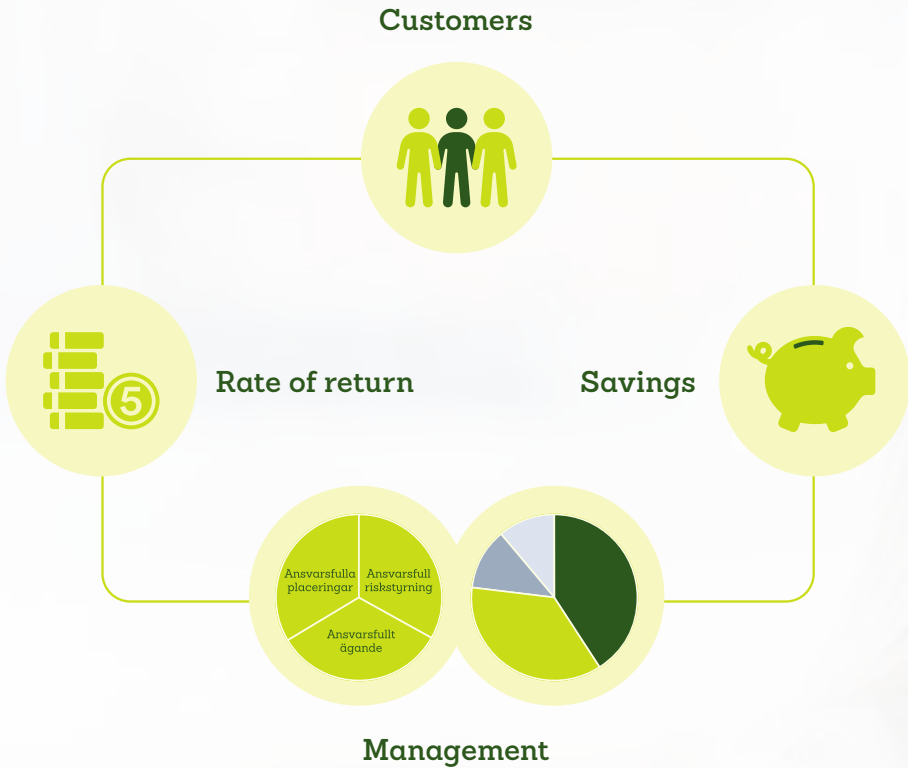
Traditional insurance is a safe and easy way to save. It is important to the Folksam Group that we manage our customers' long-term savings responsibly and to us this means that the savings should provide a good return while at the same contributing to a more sustainable society. Our size provides us with the potential to influence the world around us in both the short and the long term. As an investor and an owner, we are able to focus on a number of issues that we know are important to our customers.

Managing customers' savings in a responsible way can be about the environment and climate, but also about things such as fair working conditions, prohibition of child labour or work against corruption. The work on our traditional insurance products is described in the next chapter.



Responsible asset management

The Folksam Group strives to manage our customers' premium payments and long-term savings responsibly. For us, this means that our customers' money has to yield a good return, while also contributing to the transition to a more sustainable society.



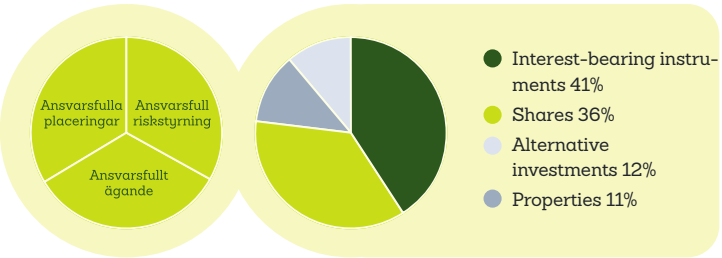
Customers

The Folksam Group consists of two mutual groups. This means that the Folksam Group is owned by our customers. We insure almost half of all the people in Sweden, and more than three million customers save with us in the long term.

Savings

Most of the assets under management come from savings in occupational pensions, the majority of which are collectively agreed occupational pension. However, we also manage premium payments from other life insurance (including private pension savings) and non-life insurance policies. To generate a return, we invest the premium payments in the financial market.

Management



We invest and manage our customers' money with the aim of promoting long-term security based on return and sustainable development. Our work is based on three cornerstones:

Responsible risk management

Balance between security and the potential to achieve a return, for example

- The prudent person principle
- Active allocation

Responsible investments

Including and excluding, for example:

- Exclusion and influencing investment criteria
- Screening and rating
- Investments in sustainable bonds and transition companies

Responsible ownership

We work to achieve the sustainable development of our holdings, for example through:

- Advocacy dialogues and collaborations
- Voting at General Shareholder Meetings
- Nomination committees

Our total portfolio includes various asset classes invested in different markets for good risk diversification. Interest-bearing assets constitute the foundation of our asset portfolios, largely made up of Swedish government and housing bonds.

The Folksam Group also invests in equities and is one of the major institutional owners in listed Swedish companies. We also have holdings in listed companies on developed markets outside Sweden. We own properties directly and, in addition to this, have alternative investments in a number of unlisted holdings and funds.

The Folksam Group is one of Sweden's largest investors. At the end of 2022, we managed assets totalling SEK 527 (556) billion. As an investor and an owner, we are able to focus on a number of sustainability-related issues that we know are important to our customers. Our goal is to deliver a competitive return and at the same time to be a leading player in responsible asset management. Whether in equities, interest-bearing securities, properties or alternative investments, we apply the same criteria when it comes to investor and owner responsibility. We always work on the basis of the following principles:

- Responsible risk management
- Responsible investments
- Responsible ownership

This forms a framework that helps us to target our investments at clearly sustainable choices. The Folksam Group's insurance companies all have different focuses and profiles, with different objectives for their asset management. For Folksam Life and KPA Pension, the objective is to achieve the highest possible level of real return under relevant risk and investment restrictions, while at Folksam General and the other companies, it is to make the optimum contribution to stable and competitive premiums.

Rate of return

The profit goes back to our customers in the form of a bonus, premium reductions or even better service, services and offers.

Responsible risk management: Provides a balance between stability and return

The Board expresses its overall attitude to risk and risk-taking in the Folksam Group’s risk strategy, such as the risks and extent to which the Group wishes to have exposure. The risk level, even in the event of extremely negative developments on the financial and insurance markets, must not be so high that the statutory requirements cannot be satisfied. In our investment activities, risk-taking is all about the balancing act between security and the potential to achieve a return. Investment activities should be conducted on the basis of the prudent person principle. This means, among other things, that the assets must be invested in such a way that appropriate risk diversification is achieved and in the manner that best benefits our customers.

Responsible investments: We include, exclude and influence

The Folksam Group’s investment criteria apply to all asset classes. We have both influencing criteria and exclusion criteria.

Influencing criteria

The influencing criteria are about how we take responsibility as an owner. Our starting point is always to try to guide our holdings in a more sustainable direction. However, if we find that an asset is not compatible with our view of sustainability after advocacy dialogues, we may choose to sell. Through our investments, we try to influence holdings to take greater responsibility regarding issues relating to climate and the environment, human rights and anti-corruption.

Exclusion criteria

The exclusion criteria provide us with external investment frameworks and determine whether or not we are able to invest. We do not, for example, invest in businesses that produce tobacco, pornography or controversial weapons, such as cluster munitions. The criteria vary somewhat between different customer collectives, depending on their preferences, but generally speaking we exclude controversial industries that are contrary to the broadly entrenched values of our customer groups.

The Folksam Group's investment criteria			
Criteria	Folksam Life & Folksam Tjänstepension	Folksam General	RPA Pension
Climate and environment	✓	✓	✓
Human rights	✓	✓	✓
Corruption	✓	✓	✓
Alcohol			X
All weapons		X ¹	X
Cannabis	X ²	X ²	X ²
Illegal weapons	X	X	X
Coal-fired power	X ³	X ³	X ³
Nuclear power		X	
Oil sands	X ⁴	X ⁴	X ⁴
Pornography	X	X	X
Gambling	X ⁵	X ⁵	X
Tobacco	X ⁶	X ⁶	X ⁶

✓ Influencing criteria X Exclusion criteria

¹ Excludes companies that generate five per cent or more of their revenues from the production or sale of war materiel and military services intended to be used in combat.

² Excludes companies that generate five per cent or more of their revenues from the production of non-medical cannabis.

³ Excludes companies with more than 30 per cent of the turnover from operations based on thermal coal (primarily power companies) and more than 5 per cent or more of their turnover from thermal coal (primarily mining companies).

⁴ Excludes energy companies that generate 10 per cent or more of their revenues from oil sands.

⁵ Excludes gambling companies that generate 5 per cent or more of their revenues from gambling.

⁶ Excludes companies that produce tobacco and companies with more than 5 per cent or more of their revenues that come from the distribution of tobacco.

Screening and rating to ensure compliance

In order to ensure that no company we own conducts operations that are contrary to our investment criteria, we employ screening and rating. Screening is also used to identify companies for advocacy dialogues.

Screening is carried out in respect of all the exclusion criteria and is based on the proportion of a company's revenue that is generated by activities covered by the exclusion criteria, such as the production of tobacco or controversial weapons. The Swedish and foreign equity portfolio is continually screened and potential shareholdings are screened before they are approved for investment. Existing holdings that can no longer be approved according to the investment criteria as a result of changes in their behaviour or composition are sold immediately if the market conditions permit. Otherwise, they are sold within a period not exceeding six months.

We also conduct so-called norm-based screening with the aim of identifying possible violations of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and other frameworks that our investment criteria and owner policy lean on. Violations of the Paris Agreement are also included in norm-based screening, such as corruption related to climate lobbying and active concealment of information relating to relevant emissions. Our sustainability analysis uses data from MSCI and Sustainalytics. Ratings and underlying information are also used as a basis in advocacy dialogues.



Carbon footprint of the equity portfolio

The carbon footprint of the equity portfolio (Swedish and foreign) is affected by its composition and how the companies work to reduce their footprint, which the Folksam Group tries to influence through company dialogues. Our climate and environmental impact work takes place both under our own direction and together with other investors, primarily in the UN Convened Net Zero Asset Owner Alliance, where we have undertaken, together with the initiative's members, that our investment portfolios will show net-zero greenhouse gas emissions by 2050.

The Folksam Group has undertaken to measure the equity portfolio's carbon footprint by signing the Montreal Carbon Pledge and reporting in accordance with TCFD. The footprint in the share portfolio is reported in accordance with the recommendations of Insurance Sweden and TCFD. Information regarding the footprint of the Folksam Group's directly owned properties can be found on page 54.

**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 of 31 December 2022. The calculation is based on data in USD, which affects reported earnings in SEK.*

Indicators for the carbon footprint of the equity portfolio				
Indicators*	TCFD indicator name	2022	2021	2020
Total carbon footprint, tonnes of CO2e	Total Carbon Emissions	723,000	660,954	655,638
Carbon dioxide intensity, tonnes of CO2e/equity portfolio's market value, SEK million	Carbon Footprint	4.0	3.3	4.2
Carbon dioxide intensity, tonnes of CO2e/participating interest in the companies' sales, SEK million	Carbon Intensity	7.2	8.2	9
Carbon dioxide intensity, weighted average, tonnes of CO2e/SEK million	Weighted Average Carbon Intensity	5.2	5.5	6.9

Investments for a sustainable future

We are increasingly targeting our investments at activities that we consider contribute to sustainable development. Our investments in green bonds are a clear example of this. Green bonds are interest-bearing securities, which are used for environmental and climate-related investment projects. This may include investing in projects in areas such as renewable energy, energy efficiency, clean transport, greenhouse gas emissions reduction, waste and water management, sustainable agriculture and fisheries or biodiversity. As a result, the Folksam Group can invest our customers' money with a low level of risk, while at the same time the funds are contributing resources to the transition towards a sustainable society.

The Folksam Group's investments in green bonds finance environmental and climate-related projects both in Sweden and globally. For an investment to be made, the Folksam Group requires that the green bond must live up to the Green Bond Principles framework. The purpose of these principles is to improve transparency and reporting in respect of green bonds. But it is not only in green bonds that the Folksam Group's investments make a difference. For example, in 2022, we invested around SEK 1 billion when the UN International Fund for Agricultural Development (IFAD) issued its first ever bond, and SEK 3.8 billion in a green bond from the World Bank. The Folksam Group's holdings of green bonds amounted to SEK 22.6 billion on 31 December 2022. The corresponding figure for 2021 was SEK 27.3 billion (market value). The decrease is largely due to the fact that investments in interest-bearing assets decreased in total, which affected the volume of green bonds as well.




The Folksam Group – one of the initiators of the Net-Zero Asset Owner Alliance

The Folksam Group is one of the initiators of the UN-convened Net Zero Asset Owner Alliance, launched during the climate conference in New York in September 2019. Together with some of the world's largest pension and insurance companies, the Folksam Group has committed to our investment portfolios having net-zero greenhouse gas emissions by 2050.

At the end of 2022, the Owner Alliance consisted of 83 organisations with a total managed capital of around SEK 110,000 billion. Focus within the alliance is on achieving a real climate transition in the world economy, and using the force of change that exists when many owners join together with a common and clear goal.

The work within the alliance includes the members agreeing on new targets and methods for measuring work towards net-zero greenhouse gas emissions. In addition, the members jointly conduct advocacy dialogues with portfolio companies with the aim of getting more people to change and take greater responsibility in the climate issue.

In 2022, we continued to work towards our climate component targets for the investment business by 2025.

Major steps towards the climate targets 

The Folksam Group’s interim climate target for 2025 within the scope of the Net-Zero Alliance.

Advocacy:

The Folksam Group has identified the 121 biggest emitters of greenhouse gases in the Group’s investment portfolios. Between now and 2025, the Folksam Group will strive, through general meetings, direct meetings and other advocacy activities, in its own name or in collaboration with others, to ensure that the companies on the list gradually improve their reporting and the targets they set associated with the climate transition. Companies already covered by the Folksam Group’s existing climate impact initiatives have been removed from the list of the 121 biggest emitters. The remaining 83 companies have then been divided into four different categories, depending on the current level of their climate targets and climate reporting, with milestones linked to each category. The overriding target, however, is that at least 50 per cent of these 83 companies shall have adopted science-based climate targets by 2025, approved by the Science Based Targets Initiative or equivalent. In the latest measurement in 2022, this figure was 40 per cent, which corresponds to an increase of 17 percentage points compared with 2021 (23 per cent).

Reduced emissions:

The Folksam Group is continuing to build on the reduction work carried out in 2019, with a new target to reduce emissions of carbon dioxide equivalents by an additional 29 per cent by 2025. The asset classes covered are equities, corporate bonds and properties. The target shall be achieved primarily through advocacy activities directed towards each asset. At the same time, divestments may be relevant in cases where the Folksam Group – despite repeated attempts at advocacy – does not see sufficient desires to make the transition in line with the goals of the Paris Agreement.

Promote the availability of green investments:

The Folksam Group’s target by 2025 is to further develop its relationships with issuers and other players in the primary market, in order to promote the availability of green investment alternatives. This will be achieved by such means as dialogue meetings and advocacy activities, with the aim of clarifying the link to sustainability in future investment products and encouraging more players in the primary market to create climate adaptation strategies.



Responsible ownership: Influencing in a sustainable direction

It is our conviction that well-managed companies, which integrate sustainability in their business model, over time generate better returns than companies with weak corporate governance and without a focus on sustainability issues.

It is only natural, therefore, that we attach great importance to discussing the climate and environment, human rights, anti-corruption and other sustainability issues with our listed holdings and other assets in which we invest. As an owner, we work to achieve sustainable development in all asset classes through measures such as advocacy dialogues and collaborations with other investors, as well as by voting at general shareholders meetings.

Dialogues and collaborations

The Folksam Group continuously conducts three types of advocacy dialogues:

1. Ongoing dialogues: Ongoing dialogues with portfolio companies without a specific timeframe. Ongoing dialogue is a proactive strategy that focuses on long-term, financially important sustainability factors that can affect the companies' ability to create value. The aim is to improve the risk and return profile of our investments.

2. Thematic dialogues: Dialogue relating to a specific issue or industry, such as climate work in the steel and cement industry or antibiotic resistance in veterinary medicine. These dialogues have a clear timeframe, usually two or three years, and often involve more than one portfolio company.

3. Incident-driven dialogues: Focus on companies with serious and structural violations of international conventions. Only end once clear improvement has been noted from the company in question. If the outcome of the dialogue is negative, this may result in exclusion.

In 2022, we conducted a number of dialogues within different types of asset class. Examples include:

1. Interest-bearing instruments: Dialogues with several Swedish municipalities such as Örebro, Umeå, the City of Stockholm, Falkenberg and Gothenburg. The Folksam Group conducts continuous discussions on the municipalities' challenges and opportunities associated with sustainable investments and loan financing.

2. Equities: 173 dialogues covering a broad range of topics. Examples include climate transition in major international banks, sustainable use of antibiotics on animals and continuing advocacy dialogues in order to encourage the biggest emitters in our portfolio to adopt science-based climate transition goals.

Working together, we can be more effective and find a stronger voice than if all investors engage in a separate dialogue with each company. Two examples of this are our involvement in the Net-Zero Asset Owner Alliance and in the investor initiative Climate Action 100+, where investors work to ensure that the 160 largest emitters of greenhouse gases reduce their carbon footprint and set measurable targets for their climate work. The Folksam Group is globally responsible for a company dialogue together with a foreign investor. Another example is Nordic Engagement Cooperation (NEC), an investor initiative with PFA from Denmark and Ilmarinen from Finland, which aims to coordinate corporate governance activities targeted at listed holdings with regard to sustainability issues, with particular focus on issues related to human rights.



Voting and General Shareholder Meetings

The Folksam Group believes it is important to exercise our right to vote as a shareholder, and we vote annually at both Swedish and foreign General Shareholder Meetings. The General Shareholders Meeting is also a good opportunity to ask the companies questions about sustainability, as both the Board of Directors and management are present. The company also has the opportunity to inform its shareholders directly what it is doing in this field. The Folksam Group has been raising sustainability issues with boards and management teams at Swedish General Shareholder Meetings for nearly 15 years.

In 2022, physical annual general meetings made long-awaited comebacks after the coronavirus pandemic and the Folksam Group was thereby again able to ask questions on the spot in the meeting rooms. This year's questions were asked on the theme of human rights. In the run-up to the AGM season, the Folksam Group also traditionally sent a letter to the respective holding's board chairman, in which we summarised our basic expectations of our holdings in relation to sustainability issues, at the same time that we explained why human rights were specifically identified as the theme of the year.

Voting, General Meetings	2022	2021	2020	2019
Number of foreign General Meetings at which the Folksam Group has voted*	679	560	618	436
Number of Swedish General Meetings at which the Folksam Group has voted	50	64	57	43
Total	731	624	675	479

*As of spring 2019, we vote at all foreign holdings of Folksam Life and KPA Pension.

The Folksam Group's conditions for corporate governance in companies outside Sweden differ from those in the Swedish holdings, since we are a minor owner in the foreign companies. In 2022, however, we and several other international investors submitted a sustainability-related proposal to the annual general meeting of the major bank HSBC for the second consecutive year. The proposal built further on the climate impact work we conducted towards the bank in recent years. The proposal was withdrawn before the AGM because the bank met several of our requests. The Folksam Group plans to continue to follow HSBC's transition efforts.

At foreign AGMs, the Folksam Group votes through an agent (ISS), known as proxy voting. Since a couple of years ago, we also vote at all foreign holdings of Folksam Life and KPA Pension. The way we have voted is reported publicly. Sometimes, as in the example above, we submit our own proposals or support other people's proposals for the meetings, because it is a good tool where we as a relatively small owner can also be involved and make a difference by collaborating with other investors around the world.

Nomination committees

The Folksam Group's ownership shares have entitled us a place on the nomination committees at Swedbank, SSAB, Bilia, Trelleborg and Volvo Cars. In 2022, we also took part in Telia's nomination committee. In these nomination committees, the Folksam Group ensures that the candidates for the board have been evaluated regarding their knowledge and competence from both an individual and a group perspective.

Class actions

The Folksam Group conducts litigation, class actions, against US companies, among others, that have treated shareholders incorrectly and where this has had a negative impact on the share price. This work results in the Folksam Group receiving SEK 1–2 million in compensation each year.

Number of advocacy dialogues in 2022 - shares/alternative investments			
Subject	Direct	Via suppliers	Via cooperation
Environment & Climate	15	25	68
Social issues	5	41	4
Corporate governance	0	0	0
Sustainability in general (all above)	12	0	3
Total	32	66	75

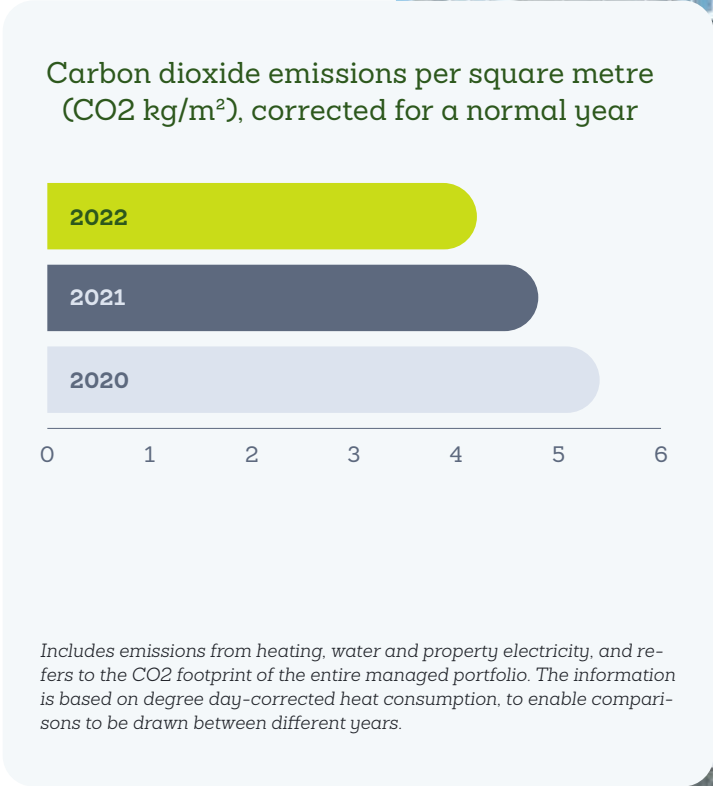
Being a responsible property owner

Properties are an important asset class and the directly owned properties account for nearly 11 per cent of the Folksam Group’s managed assets. It is important for us to be a responsible property owner. All properties are subject to the Folksam Group’s ethical investment criteria.

We set clear environmental targets on energy consumption, CO2 emissions and environmental certifications. All property electricity purchased is marked with Good Environmental Choice. We carbon-offset for the CO2 emissions generated by the property holding through Vi-skogen and by purchasing Climate-neutral heat.

We are continuously increasing our share of green leases that are based on collaboration between us as landlords and our tenants. This allows us to contribute together to a positive development. We environmentally certify our properties according to the BREEAM In-Use and Miljöbyggnad standards.

Green properties are considered to be more attractive in both the rental and property markets. Together with our management partner, Newsec, we have continued to raise awareness and knowledge about how we can influence customers, business partners and suppliers to promote sustainable development.



Key ratios	Outcome 2022	Outcome 2021	Outcome 2020
Energy consumption, corrected for a normal year (kWh/m²)	94.5	102	103
Green leases*	76	54	66
Environmentally certified properties**	75	76	56

*Share of number of new and renegotiated commercial leases.

**Share of total area (excluding project properties).

Overview of asset classes

At the end of 2022, the Folksam Group managed assets totalling SEK 527 (556) billion. The figures in the illustration are rounded.

Alternative
investments
12%

Strategy

Alternative investments complement the Folksam Group's asset portfolios. These are investments with long investment horizons that give customers exposure to unlisted assets. The investments are mainly made in fund-like structures and in partnership with other operators, sometimes in real assets, such as our investment in the electricity grid company Ellevio, or through indirect property investments in order to complement the direct property investments. We have identified infrastructure as being of particular interest to us.

Equities
36%

Strategy

The Folksam Group has a well-diversified equity portfolio divided into Swedish and foreign developed stock markets, as well as emerging markets. Approximately 40 per cent of the equity exposure consists of Swedish shares. We have strategic holdings in Swedbank and SSAB.

2022: Continued high activity in several areas

The Folksam Group invested a further SEK 850 million in Northvolt to speed up the transition towards a more sustainable automotive industry. Folksam made its first investment in Northvolt as early as 2019.

The Folksam Group expanded its investment in Heimstaden Bostad by around SEK 6.3 billion in connection with a new share issue. The company is Sweden's largest property company and Europe's second largest housing property company.

The Folksam Group invested SEK 4.8 billion in Stabelo Bolånefond I and SEK 4.8 billion in Hypoteket Bolånefond II. These mortgage funds offer private individuals the opportunity to borrow money when buying homes.

2022: Continued advocacy efforts in the areas of climate and the environment, human rights and anti-corruption

Conducted more than 170 advocacy dialogues with both Swedish and foreign holdings. A large proportion of these dialogues took place within the framework of the Net-Zero Asset Owner Alliance and aimed to get more portfolio companies to adopt science-based climate goals.

Voted at 731 Swedish and foreign general meetings. The lifted coronavirus restrictions contributed to the Folksam Group being able to again ask sustainability-related questions at physical AGMs.

The Folksam Group invested considerable resources in following up on Ericsson's anti-corruption work, in light of the media information that the company may have paid bribes to the terrorist organisation IS. We asked questions at several meetings with the company and at the AGM in March we voted no to discharge the company's CEO and board from liability, and no to the remuneration report.

In 2022, Folksam conducted a new overview of our exposure to the energy sector, particularly in oil and gas companies. The exposure to this type of energy company is something we continuously review, especially in light of our long-term net-zero target by 2050. The work resulted in a new quantitative process for how we select these companies that we believe are best positioned for the climate transition.

Overview of the asset classes – continuation

Contents



Strategy

Interest-bearing assets form the basis of our total asset portfolios. They are characterised by high quality and low risk. The majority of our interest rate portfolios are made up of Swedish government and housing bonds.



Strategy

The Folksam Group is a long-term property owner who works to ensure that our residential customers can be secure and proud of their home and that the local customers can achieve their goals with the support of the rented premises. Since 2015, we have had an expansive strategy, with a new organisation, and have acquired properties to a value of just over SEK 27 billion. The total property value amounts to around SEK 61.5 billion and comprises 140 properties consisting of 5,300 residential apartments and 533 thousand sq.m. premises.

2022: Investment in bonds from the World Bank and the UN agency IFAD

The Folksam Group invested SEK 3.8 billion in a green bond from the World Bank (IBRD) that aims to finance sustainable development around the world. The invested money will among other things contribute to supporting projects in the areas of renewable energy, energy efficiency and biodiversity.

The Folksam Group invested SEK 1 billion when the UN International Fund for Agricultural Development (IFAD) issued its first ever bond. The investment will help reduce food shortages and increase growth in the world’s poorer countries, including by helping small-scale farmers adapt to climate change.

Within the scope of the Net Zero Asset Owner Alliance, dialogue meetings are held to promote the availability of green investment alternatives. Eight meetings were held with municipalities and regions during the year.

2022:

Completion and possession of three newly produced apartment blocks in Skåne. 142 apartments are located in Ängelholm and 51 apartments in Helsingborg.

Energy consumption in the portfolio continues to decrease, from 102 to 94 kilowatt-hours per square metre. To reduce energy consumption in the properties at the pace we have set ourselves and in line with the targets we have set in the Net-Zero Asset Owner Alliance, we invested SEK 40 million in various energy projects during the year.

Acquisition of properties for SEK 3.7 billion, including the large office and hotel property Vasahuset on Vasagatan in central Stockholm

We continued to work actively with our existing customers, which is evident not least in customer satisfaction among our residential tenants continuing its positive trend and that we managed to renegotiate the contracts with many large and important office customers during the year.

An extensive repair-conversion-extension project was carried out during the year in a residential property in central Stockholm.

The rental market for housing and offices remains stable. The offices in the Folksam Group’s property portfolio are located in attractive locations where demand continues to be deemed to be strong despite a probable future slowdown in the labour market. The leasing ratio in the portfolio is 96 per cent.



Our own operations

Through our employees' commitment and energy, we are able to promote customer benefit and sustainability work. For us in the Folksam Group, it is important for us to offer an attractive and inclusive workplace where our employees can grow and develop. In addition, we are working to achieve net-zero greenhouse gas emissions by 2030 in our own operations and to reduce our total environmental impact.

A workplace where everyone can grow

The Folksam Group has around 3,800 employees distributed between different companies and locations. Approximately half of our employees work at the head office in Stockholm. All employees in the Folksam Group – except the CEO and members of the Group Management team – are covered by collective bargaining agreements. Through its membership of the employers' organisation Fremia, the Folksam Group is covered by collective bargaining agreements on pay and general terms and conditions of employment.

Folksam should be a sustainable and attractive workplace, with good opportunities for development and competitive benefits. Every year, Folksam carries out its Focus employee survey, monitoring areas such as collegiality, leadership, the working environment, health and diversity. The 2022 survey produced generally good results. The total index remained at a high level, with an average of 83 (82) per cent positive responses. 88 (86) per cent responded that they would like to continue working in the Folksam Group in the future. The result for the employee Net Promoter Score (eNPS), that is to say the extent to which the employees would recommend Folksam as an employer, ended up at 35 (36), which generally counts as a very good result.

Opportunities to perform and develop

In 2022, in-depth work in the Folksam Group was offered in collegiality and leadership to create commitment and strength for the future, so that the Folksam Group can achieve set goals and meet future challenges. During the spring, a management day was arranged to strengthen Folksam as a team and to rally around the common direction towards 2026. Our employees must have good working conditions that enable them to develop and have a stimulating and sustainable working life. We are therefore working in a structured manner according to the Perform and Develop process. This means that every employee has individual delivery targets, as well as development goals for what he or she needs to develop in both the short term and the long term. In 2022, 97 per cent of men and 96 per cent of women had regular performance reviews. The Folksam Group works continuously with skills development to ensure regulatory knowledge and skills requirements and to provide employees with the right conditions in the work. For example, employees affected by the Insurance Distribution Act and the Act

on Measures against Money Laundering and Terrorist Financing underwent training, knowledge testing and continuing education.

The Folksam Group's management and leadership programmes were further developed based on new needs where selected sections are implemented digitally. The programme for new leaders was expanded with additional course starts to be made available to more people. As a large employer, we are able to offer many different career paths, whether the aim is to grow into a managerial role, to hone your skills as a specialist or to try out an entirely new area of work. The Folksam Group encourages internal mobility, and all job vacancies are advertised internally, with just a few exceptions. Around 340 of our existing employees found new jobs internally within the Folksam Group during the year. In addition, we recruited around 680 new employees.

Initiatives to promote a good working environment and health

During the year, the Folksam Group continued its efforts to improve health, reduce sickness rates and share learning in the area. Reinforcement efforts regarding ergonomics were made to prevent risks of illness through, for example, a new e-learning for all employees. The aim is to increase knowledge about the risks of illness in long-term sedentary habits and how movement, an activity-based way of working and various working environments can prevent these risks. In addition to this, the Folksam Group also introduced a mandatory e-learning for managers on systematic work environment management. The Folksam Group's sick leave rate for the full year 2022 was 4.9 per cent, which is higher than the previous year's figure of 4.1 per cent. The increase is mainly due to a strong increase in the spread of Covid-19 at the beginning of the year. When the spread of the disease decreased during the spring, a gradual return to work was made in the offices, which was completed in April. To create flexibility for the employees, the opportunity was then introduced to work from home for a few days a week, based on the needs of the operation.

Follow-up at individual level with regard to performance, workload and well-being takes place continuously in a dialogue

between the employee and the manager. In addition, there is a Group-wide survey on the physical working environment every year with the aim of ensuring compliance with legal requirements on systematic work environment management and preventing risks to health due to work. In the 2022 survey, 82 (81) per cent said that they were satisfied overall with the physical working environment. The survey is a complement to the Focus employee survey, which assesses the organisational and social working environment. Folksam's meeting places, working methods and technology should promote efficiency in everyday life. As one element of this, Folksam continued to enhance the agile way of working in development and life cycle management in order to be able to meet customers' needs more quickly. The shift towards digital working methods has also been further boosted. During the year, the employees' perception of the digital workplace at Folksam was measured. The aim is to be able to monitor the shift of the digital experience and to continuously implement improvements. The result was an average of 3.9 on a five-point scale.

Equal opportunities workplace

The Folksam Group works actively to achieve greater diversity and make use of the full skills and perspectives of our current and potential employees, with the aim of achieving better customer benefit. This provides us with a foundation to stand on in the practical work of integrating diversity and gender equality into all kinds of operations. We want an inclusive working climate where differences are seen as an advantage. There is a diversity group in the Folksam Group, with representatives from different parts of the organisation and also from the trade unions. The group pursues these issues by managing and gradually further developing the local diversity work. In 2022, the much appreciated activity "Looking at norms" was relaunched, which consists of a group session featuring issues associated with norms, gender and concepts of discrimination. In the group work, knowledge is interspersed with dialogue to highlight values and encounters in everyday life. One of the Folksam Group's goals is to achieve an even gender distribution between women and men at all levels and in all occupational groups (50/50 ± 5 per cent). As the tables below show, we meet the goal for employees, managers and boards. The boards of both Folksam Life and Folksam General have an entirely equal gender distribution.

According to Nyckeltalsinstitutet’s annual gender equality survey (Jämix), Folksam is one of the best employers in the finance and insurance industry for equal working conditions. In order to ensure a sustainable working life and further promote the diversity perspective, Folksam also mapped foreign backgrounds in the organisation during the year with the help of the Nyckeltalsinstitutet and Statistics Sweden.

The mapping consists of ten key indicators, such as university competence, pay and form of employment. According to the survey, a little more than one out of six employees in Folksam have a foreign background. An improved result in 2022 to 14.6 (13.6) per cent.

The Folksam Group strives to offer employees pay at market rates, and we are working continually to secure equal pay. In 2022, the difference in average pay between female and male employees was 7 (7) per cent. Broken down to equivalent work (level of difficulty) the weighted gender pay gap was 2 (2)* per cent. This breakdown shows that the differences are not entirely one-sided; in some jobs, the average pay of women is higher than that of men, while in other jobs the average pay of men is higher, although in the majority of cases the difference are in favour of men. Most of the differences have objective explanations such as skills, experience, performance and market forces. Where unjustified pay differences are identified, appropriate measures are implemented in the annual salary survey.

Zero tolerance of discrimination and abuse

Within the Folksam Group, we have a zero tolerance policy towards all forms of discrimination and victimisation. Clear values are fundamental for an inclusive culture, with the potential for support from an individual’s immediate superior, union representative or HR being central. Preventive work is carried out primarily through clear procedures, such as regular individual follow-up within the Perform and develop process. Other activities include systematic working environment efforts in collaboration with safety representatives, the annual employee survey (Focus) and specific actions in the form of group activities at a local level.

The Folksam Group has both formal internal regulations and information on the intranet regarding discrimination, harassment/sexual harassment, retaliation and victimisation. These sources indicate the ways in which an employee can receive support and also make formal internal reports. When there is a suspicion of a crime, Folksam reports the matter to the police. Folksam’s guide-

lines and instructions are designed without regard to gender, cross-gender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age.

The Folksam Group urges managers and employees to make an internal report in cases of wrongdoing, with a view to being able to implement measures that will lead to the cessation of these improprieties. In 2022, nine cases of suspected discrimination, harassment or other abuse were reported. All reports are investigated and, if the investigation determines that discrimination, bullying or other improprieties have taken place, the Folksam Group may decide to instigate a labour law response. Of the reports received in 2022, one led to labour law measures in the form of a warning.

KPA Pension, one of the companies in the Folksam Group, is LGBT-QI-certified. This means, among other things, that all employees receive training on LGBTQ issues and that the company has a plan for working with these issues.

We Effect

The Folksam Group has a far-reaching collaboration with We Effect, an aid organisation with roots in the Swedish cooperatives and which Folksam co-founded 60 years ago. We Effect works to eradicate poverty in the world and has a focus on gender equality, women and assistance with self-help, where people come together to form their own organisations. The Folksam Group’s employees can support We Effect by making a contribution that is taken directly from their salary. The amount donated by the employee is then matched by the Folksam Group. During 2022, the Folksam Group and its employees donated just over SEK 2.1 (1.2) million. Of this amount, SEK 1 million was distributed as a donation during the year.

Sickness absence (%)	2022	2021	2020
Total sickness absence	4.9	4.1	4.6
Women	5.7	5.0	5.5
Men	3.3	3.1	3.4
Short-term sickness absence	2.4	2.0	2.3
Women	2.5	2.3	2.6
Men	1.9	1.7	2.0

Long-term sickness absence	2.5	2.1	2.2
Women	3.3	2.7	3.0
Men	1.3	1.4	1.4

Gender distribution, employees and managers	2022	2021	2020
Number of employees	3,821	3,710	3,884
women (%)	54	55	54
men (%)	46	45	46
Number of managers	346	352	366
women (%)	51	53	51
men (%)	49	47	49

Gender distribution, Boards and management	2022	2021	2020
Number of members, Board of Folksam Life	12	12	12
women (%)	50	50	50
men (%)	50	50	50
Number of members, Board of Folksam General	12	12	11
women (%)	58	50	45
men (%)	42	50	55
Number of members, Group Management	10	10	10
women (%)	60	60	60
men (%)	40	40	40

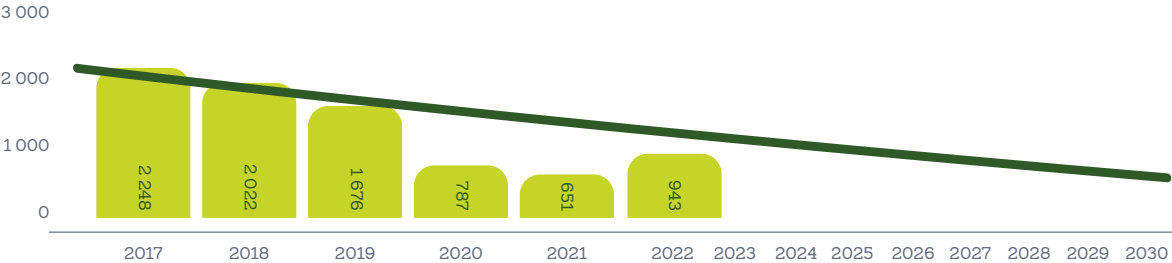
Towards net-zero emissions by 2030

This confirms a clear correlation between man-made greenhouse gas emissions and the increase in the global average temperature.

Folksam has a goal of achieving net-zero emissions from its own operations by the year 2030. This means that we need to have reduced our emissions by 85% compared with the base year of 2002. Based on emissions in 2017, the Folksam Group developed a plan towards the net-zero target that involves a nine per cent reduction in emissions every year. The roadmap is based on Carbon Law and is in line with the Paris Agreement. Since we began working on the goal of net-zero emissions by 2030 in our own operations, the results have been in line with the annual targets. In 2022, emissions from our own operations increased by 45 (-17) per cent compared with 2021. As can be seen in the table below, emissions from Folksam's own operations continue to be in line with an annual 9 per cent reduction compared with the base year, despite the increase in 2022. The increase is largely due to more travel after the pandemic.

Emissions, own operations, tonnes CO2e

- Emissions, own operations
- Net-zero targets



The Folksam Group offsets all of its estimated emissions from its own operations each year through Vi-skogen's project, which is certified according to the globally recognised Verified Carbon Standard.

Energy-efficient offices

Improving the energy efficiency of our offices is an important part of reducing our environmental impact.

- Energy efficiency improvements are based on further space efficiency measures in the offices as well as Green leases, with the aim of optimising the operation of cooling and heating, for example.
- During 2021, Folksam Fastighet invested SEK 50 million in various energy projects to reduce energy consumption, including a geothermal energy storage facility and geothermal heating facility at the head office in Skanstull. With the aid of this technology, the need for district heating is reduced by 50 per cent in Skanstull, but electricity consumption is increasing by around 25 per cent. This means that the total savings are currently around 25 per cent.

Geothermal energy storage reduces energy consumption



Climate-efficient travel

Carbon dioxide emissions from business travel account for a large part of the emissions in Folksam's own operations. The Folksam Group has worked systematically for many years to reduce the number of physical journeys.

- Our travel policy includes clear guidelines on how to conduct business trips. Among other things, any journeys shorter than 600 km should be made by train.
- In 2022, a survey was carried out on the climate impact of the employees' commuting and business travel. The aim is to be able to propose adapted measures for climate-efficient travel. An action plan for 2023 has been prepared.

Smart choices in everyday life

To reduce carbon dioxide emissions, more people must make choices that are climate-smart. Within the Folksam Group's operations, we make it easier for employees to make choices that help reduce our footprint.

- In our KRAV-labelled restaurant, which we run ourselves, the carbon dioxide is calculated for all of our menus, enabling guests to make a good choice.
- Transports to the restaurant were reduced through well-planned purchases. As of the first quarter of 2022, food items are delivered at night with an electric truck.
- Several raw materials are transported in crates that are part of a closed deposit system.
- In 2023, a decision was made to certify our café with the KRAV label.
- The Folksam Group is the first company in Stockholm to be granted an exemption by the City of Stockholm to recycle paper towels from the toilets at its head office. The project launched in January 2020. We recycle just over one tonne of paper towels every month.

How IT can become more sustainable

The purpose of the Folksam Group's sustainability work in IT is to clarify how information and technology will contribute to the overall goal of net-zero by 2030. The majority of IT services are outsourced to external parties and cooperation is under way to limit our carbon footprint, including related to server operation, hardware, coordinated transports and the digitalisation of customer communications.

In the run-up to 2023, Folksam IT has set clear goals and activities to focus on and improve sustainability efforts linked to IT:

- We measure the carbon footprint (CO₂) from Folksam's large data centre.
- We measure our carbon footprint with each hardware supplier in order to maximise the lifetime of existing IT products (via reuse) and recycle end-of-life equipment in an environmentally friendly way.
- We are working to establish the central coordination of orders and transport in order to minimise Folksam's carbon footprint when ordering and transporting IT products.
- We offer all of Folksam's systems that send out information the opportunity to move from postal mailings to digital mailings.
- We strive to ensure that all suppliers of our agreements comply with Folksam's code of conduct.
- We work to limit Folksam's carbon footprint by informing all employees about choosing sustainable alternatives with regard to digital behaviour and working methods.



In-depth sustainability information

The appendix for in-depth sustainability information contains information on the report: calculation methods, risk and management, the supply chain and indices for the Global Reporting Initiative Standards, Task Force on Climate Related Financial Disclosures and Principles for Responsible Investment.

Management and risk

Supervisory role of the boards

The parent company boards are ultimately responsible for the sustainability work. The boards receive risk reports twice a year where all risk categories are addressed, including the sustainability risks. In addition, the board approves a report on the annual risk and solvency assessment explicitly addressing climate-related risks in non-life insurance and investments. Risk reporting also forms the basis for strategy and business development in the annual business planning work. The boards annually decide on the reinsurance programmes, which include disaster protection for, among other things, nature-related claims. The investment operations are based on the Investment Policies, which are adopted by the respective board every year. The policies set the limits for how the capital may be invested and how the ownership shall be exercised.

The boards have also adopted sustainability policies that indicate what applies to the work for sustainable development. These are reviewed once a year. In addition to the sustainability policies, there are other internal steering documents that are crucial for this work, such as the code of conduct for suppliers, the ethical rules and staff-related policies such as the remuneration policy and the working environment guidelines. In order to integrate sustainability in all parts of the business, the employees' skills and understanding of the sustainability issues are crucial. We work to ensure that our employees receive continuous training on sustainability. This includes, for example, mandatory sustainability training and an introduction for all new employees. Two additional digital training courses on sustainability have been developed, with a focus on skills development in sustainability issues for customer advisers. In the context of the Insurance Distribution Training in 2022, the boards of Folksam General, Folksam Life, Tre Kronor, KPA Tjänstepension, KPA Tjänstepensionsförsäkring, Folksam LO Pension and Folksam Fondförsäkring received a knowledge update in the following sustainability areas:

Circular claims handling

- How the non-life companies can work to promote a circular economy.
- Examples of claims and settlement of claims in line with the circular economy.

Long-term climate change scenarios

- Knowledge of climate scenarios in the insurance companies' own risk and solvency assessment within the scope of that assessment (ORSA).

Product approval process

- Knowledge of new requirements on product developers to gather and take into account the customer's sustainability preferences in their work.

Management and organisation

The Folksam Group has a joint Group management team. A sustainability committee, consisting of members from Group management, prepares the CEO's decisions on sustainability-related issues. The Committee is also responsible for the general follow-up of the sustainability work in the Folksam Group. The Deputy CEO (who is also the head of the asset management and sustainability unit) has the overall responsibility for coordinating, evaluating and reporting the Folksam Group's sustainability efforts. Since 2021, there has been a Sustainability Forum, with representatives from all the different parts of the business, including subsidiaries. The purpose of the forum is cross-functional collaboration on sustainability for increased transparency and participation and to prepare matters for the Sustainability Committee.

Ethics and anti-corruption

Acting in an ethical manner is only natural to us. In order for everyone in the Folksam Group to know what applies, we have ethical rules in place. An important aspect of our business ethics is our work on anti-corruption. According to the Swedish Anti-Corruption Institute, the insurance industry is particularly privacy-sensitive. We have zero tolerance of bribery. The Folksam Group's internal rules for the prevention of corruption are available to all employees, for example through our intranet. In 2022, 2,984 (2,692) employees completed mandatory regulatory training. Group Staff is responsible for the regulations and for the overall processes that exist within the business. The Folksam Group's managers are responsible for disseminating information and guiding their employees on these issues. The Compliance function and the Folksam Group's lawyers assist the whole business with advice and support regarding ethics and anti-corruption. The Folksam Group has an incident reporting system to deal with incidents of various kinds. There is also a whistleblower function, where reports are submitted to an external party, allowing anonymous reporting of irregularities. The Folksam Group has not handled any confirmed cases of corruption during 2022. No insurance company within the Folksam Group has incurred any sanctions or fines in 2022 for a breach of laws and provisions. In order to reduce the risk of bribery and corruption within the claims operation, where we pay compensation to customers for repairs, restoration work or other compensation for damage that has occurred, we hire, as far as possible, companies with which we have entered into agreements. We have also developed a control mechanism to ensure that we are compensating for damage in the right way. This consists of decision verification, payment verification, quality assurance and claim audits. In addition, certain types of damage are also inspected on site. In this way, we can monitor that we are handling damage in accordance with conditions, instructions and applicable legislation.

Work against money laundering and financing of terrorism

Money laundering and terrorist financing are serious threats that hamper economic growth and affect democracy and public safety. There is a risk to all financial companies of being exploited for money laundering and financing of terrorism. The Folksam Group is constantly working to minimise this risk. For us, it goes without saying that any suspicion of money laundering or financing of terrorism must be examined and investigated. This is about long-term confidence in our industry. Our work to minimise this risk goes on – and must continue to do so – at all times.

We should know our customers

Our work is based on the general risk assessment we perform. In it, we assess the risks of our products, for example, being exploited for money laundering or terrorist financing. We can then come up with procedures and processes to prevent this. We then assess each of our customers to understand whether they represent a higher or lower risk. The law requires us to “know our customers” but we can also provide better advice to our customers if, for example, we know more about their financial circumstances or about how we anticipate they will use our products. When we “know our customers” and understand the risk they represent, we can check for deviations from their expected behaviour. If we suspect money laundering or financing of terrorism, we have a clear obligation to report this to the Financial Intelligence Unit. The Folksam Group's efforts to combat these crimes are important work and also form part of the global sustainability goals for Agenda 2030.

If the customer is dissatisfied

In the customer contacts we have, there are sometimes misunderstandings, dissatisfaction or problems of various kinds. The customer can then file a complaint. Proper handling of complaints is important, as it gives us the opportunity to identify problems, do something about them and, in the long term, ensure that the customer is satisfied. During the year, 8,713 (9,315) customer complaints were reported. When a customer is dissatisfied with our decision in a case, they are offered a free review procedure. The Customer Ombudsman is entitled to recommend changes in cases that have been submitted for review. Just over 7,000 (7,000) customers consulted the Customer Ombudsman during 2022. During the year, 1,634 (1,708) cases were closed and more than 17 (17) per cent resulted in some form of change in the customer's favour.

Financial sanctions

Financial sanctions involve restrictions being imposed on the freedom of a state, a group or individuals to take action in order to try to influence behaviour through various economic measures. This may include, for example, trying to influence the policies of a state that is threatening international peace and security, cooling down a conflict, inducing a state to stop systematic violations of human rights, or trying to encourage a state to respect certain democratic principles. The EU decides on financial sanctions in the form of ordinances that apply directly to companies in Sweden. There are currently extensive financial sanctions in connection with the situation in countries such as Ukraine, North Korea and Myanmar. The Folksam Group checks, for example, customers and beneficial owners against in the EU sanctions lists to ensure that we do not receive money or make payments to persons on the sanctions list. We have an obligation to immediately freeze, i.e. block, financial assets for these people or companies and make a report to the relevant authority. Financial sanctions are valuable instruments for international efforts to ensure peace and security, and to promote democracy and human rights. Folksam's actions contribute to this important work.

Climate risks

The resilience of the organisation – climate-related scenarios for non-life insurance

The strategy is based on the climate scenarios with various temperature increases based on data from the UN Intergovernmental Panel on Climate Change (IPCC). The scenarios have different impacts on e.g. sea levels, forest fires, precipitation based on temperature increases of up to two, three and five degrees respectively. In climate scenarios higher than two degrees, our assessment is that today's strategy with a high degree of reinsurance may be challenged from a financial perspective. According to the scenarios, an average temperature increase of three to four degrees provides a very uncertain climate with extensive natural peril and increased physical risks, which drives the reinsurance premium up far above today's levels. In addition, certain natural disasters may be excluded from the insurance contract unless the reinsurance companies are able to offer adequate disaster cover. This would lead to an increase in the company's reinsurance costs, which in turn entails higher insurance premiums for the direct customers at the same time that the insurance cover gets worse. In a climate scenario of less than two degrees, our assessment is that today's strategy of reinsurance and the possibility of changing prices and conditions is resilient. When it comes to allocating the costs of risk, the insurance premium and the insurance terms and conditions are the primary control instruments for an insurance company. The level of premiums is based, among other things, on probabilities that claims of varying scopes occur. The insurance terms and conditions are normally updated annually. Market intelligence and claims history form the basis for the setting of premiums and insurance terms and conditions. The most important strategy to meet climate-related insurance risks is damage and injury prevention. The best for policyholders is to avoid damage and injury. We help our customers to climate-proof themselves. Through proactive damage- and injury-prevention work, we can help the customer before damage or injury occurs. On our website, there is advice for homeowners on how they can climate-proof their homes. This advice includes building green roofs and draining house foundations to prevent damage caused by storm flows. In the event of acute damage or injury risks associated with extreme weather, we also send text messages to help customers prevent damage and injury.

Scenario analysis

Scenario analysis is a process for identifying and evaluating the effects of potential future events. Scenarios are a way of studying what the future may look like if certain trends continue or certain conditions are met. When it comes to climate change, scenario analyses provide a good opportunity to understand how different combinations of climate-related risks can affect operations and the financial position over time. The scenario analysis was carried out in connection with the own risk and the solvency assessment for the non-life insurance business. The scenario comprises four natural disasters with a gross cost of SEK 50 million, SEK 50 million, SEK 100 million and SEK 200 million per year for Folksam General and its subsidiaries. The effect is increased claims expenses and a sharp increase in the burden on the companies' claims organisation. In addition, reinsurance costs increase. Claims are considered to affect both the claims expenses and claims settlement costs. Claims expenses are primarily affected by compensation for the natural events themselves. In addition to this, the claims expenses for other claims are expected to increase, as the case officers need to prioritise the natural damage, and, in the long term, staffing may also need to be strengthened in the claims organisation. The results of the scenario analysis show that nature-related claims events driven by a warmer climate would have a significant impact on earnings, but that Folksam's solvency position is good enough to handle the scenario.

Risk management

TCFD classifies climate-related risks in two main risk types – transition risks and physical risks. Transition risks consist of risks that arise as a result of the transition to a sustainable world, while physical risks consist of the physical effects of climate change. These main types are then divided into further sub-groups. Climate-related opportunities are an equally important part of the recommendations and are listed in five areas.

Transition risks

- Regulatory or policy risks – such as an increased price of greenhouse gas emissions.
- Technological risks – such as new technology not being profitable, or existing technology being outcompeted.
- Market risks – such as changed customer behaviour.
- Brand name/reputation – such as criticism from customers or other stakeholders.

Physical risks

- Sudden – such as increased disruptions and damage from weather phenomena.
- Lasting – such as higher sea levels.

Opportunities

- Resource efficiency, energy sources, products and services, markets and resilience.

The Folksam Group has existing risk concepts that are divided into three overarching risk categories

Climate-related risks are to varying degrees included in Folksam's existing risk categories. Climate-related risks are thereby treated no different from other risks, and are not related to other types of risks in the Folksam Group's overall risk management system. The overall risk categories are defined according to the following:

- **Insurance risk:** Examples of events can be claims in the form of, among other things, natural damage, increased mortality, cancelled premium payments or repurchase of insurance capital.
- **Financial risk:** Examples of events can be stock price drops, falling property prices or changes in market interest rates, but also other financial events such as changes in creditworthiness or bankruptcy of counterparties.
- **Operational risk:** Examples of events can be changed market conditions, disruptions and operational disruptions in the insurance business, or adaptation to new regulations or new customer needs such as increased demand for sustainable products.

Sustainability risks³⁾ thereby occur as causes or drivers of risks within the existing risk categories. In the sustainability area, a warmer climate is why both financial and operational risks arise. These are referred to as climate-related financial risks, insurance risks and climate-related operational risks. The Folksam Group has for many years insured natural damage that comes under the risk category of insurance risk. For a few years now, climate-related operational risks have also been identified and exclusion criteria that take into account sustainability risks in our investment portfolios.

³⁾ The term sustainability risks is one that appears in various regulations. Sustainability has three causal areas where 1) environmental factors, 2) social factors and 3) corporate governance factors can give rise to risks with consequences for the company's target attainment. The terminology is based on three causal categories referred to in English as ESG: environmental (E), social (S) and governance (G).

Identify and assess climate-related risks

The process of identifying and measuring potential size and impact from climate-related risks is different depending on the category.

- Individual climate-related operational risks are assessed based on a probability and consequence scale where impact is assessed based on consequences for the customer and brand, financial impact and impact on regulatory and contractual compliance.
- For climate-related insurance risks, it is natural peril, such as extreme weather, that constitutes the main focus. Through calculations based on actual claims events, models are developed for the probability that claims of different financial scopes will occur in the future. These forecasts are accordingly based on historical data.
- In the case of climate-related financial risks, stress tests are carried out for various holdings with regard to conversion risks within the scope of the annual risk and solvency assessment.

The climate-related risks that are identified can be combined in one or more climate risk scenarios. Thereafter, the financial impact with the aid of various assumptions can be quantified or assessed qualitatively in connection with the above-mentioned own risk and solvency assessment.

Identified conversion risks according to TCFD recommendations

Below is a non-exhaustive list of the climate-related risks that the Folksam Group has identified both as an insurance provider and within the scope of the investment operations.

Transition risks	Potential financial impact for companies that the Folksam Group invests in	Potential financial impact for the Folksam Group
Regulatory		
Increased regulatory and reporting requirements (short term).	Future tightening of regulatory requirements can lead to a ban on certain operations, increased reporting requirements for reduced revenues and higher regulatory compliance costs.	Increased costs for the companies we invest in, which risks having a negative impact on the return. The Folksam Group may also suffer increased costs as a result of changed laws and regulations.
Market		
Stranded assets (short term).	Large financial values risk being lost when certain assets cannot be commercialised as a result of, for example, changed markets or regulatory requirements. This risks negatively impacting the companies' earnings and financial position.	The returns can be negatively affected if the Folksam Group has exposure to companies whose assets fall sharply in value.
Brand/Reputation		
Deteriorated perception of a company (short term).	Brands are at risk of being damaged if they are associated with products or services with a negative climate impact, which can lead to reduced sales. This entails a risk that the companies' earnings and financial position are negatively affected.	The Folksam Group's brand is damaged by being associated with companies that do not control their sustainability risks.

Identified physical risks according to TCFD recommendations

Below are examples of the climate-related risks that the Folksam Group has identified both as an insurance provider and within the scope of the investment business.

Physical risks	Potential financial impact for companies that the Folksam Group invests in	Potential financial impact for the Folksam Group
Sudden		
Increased disruptions and claims expenses due to extreme weather (medium).		As an insurance provider, we may suffer rapidly increased claims expenses that can only be partially covered by the reinsurance programme.
Lasting		
Increased costs due to changing weather patterns and sea levels (medium).	.	As an insurance provider, we may suffer lower revenues as a result of certain areas and the insurability of assets being reduced, for example through a ban on rebuilding in certain geographical areas. Higher sea levels also risk increasing the number of moisture-related claims.
Damaged perception of company (medium).	Brands are at risk of being damaged if they are associated with products or services with a negative climate impact, which can lead to reduced sales. This entails a risk that the companies' earnings and financial position are negatively affected.	The Folksam Group's brand would be damaged by being associated with companies that do not manage their sustainability risks.

Identified opportunities according to TCFD recommendations

Below is a non-exhaustive list of the climate-related opportunities that Folksam has identified both as an insurance provider and within the scope of the investment business.

Climate-related opportunities	Potential financial impact for companies that the Folksam Group invests in	Potential financial impact for the Folksam Group
Products and services		
Developing damage-prevention services in pace with increased digitalisation.		Damage- and injury-prevention services reducing the costs of claims as the damage is avoided.
Circular claims settlement through reuse and recovery.		Reducing claims expenses.
Eco-labelled claims settlement with low CO2 emissions.		Increasing revenues when the demand for low CO2 products becomes more important to the customers.
Resilience		
Investments in projects/companies that contribute to greater resilience to climate change.	Increased market value through resilience planning, such as own solar electricity resilient infrastructure and buildings.	Better conditions to be able to generate returns over time compared with competitors who do not have the same resilience or preparedness for climate change i.e. reduced risk level in asset portfolios.
	Increasing reliability of the supply chain's ability to deliver under different conditions.	
	Increased revenues through new products/services related to resilience, e.g. CCS technology, food production in marine environments.	Investing in new industries that may emerge in case the price of CO2 emissions rises sharply. Companies that take care of CO2 emissions at a lower cost may then have new market opportunities.
Energy		
Investing in renewable energy sources.	Brand benefits that lead to increased demand for goods/services.	Increased shareholder value.
	Lower exposure to fossil price increases and lower exposure to costs for CO2 emissions.	
Resource efficiency		
Investing in companies/properties/projects with high energy efficiency.	Increased value for fixed assets, for example, higher value for energy-efficient properties.	Increased shareholder value.
	Lower costs in companies that re-use and require less resources in their production chain.	
	Lower costs for fossil energy if it is used for production.	

The Sustainable Finance action plan

Sustainable Finance is the European Commission's action plan for sustainable finance. The Commission has developed the action plan as it sees that financial players have a key role to play if the goals of the Paris Agreement are to be achieved. If we are to limit global warming to a maximum of two degrees, preferably one and a half degrees, we need to switch financial flows in a more sustainable direction. Sustainable Finance is primarily a legislative package that aims to clarify what constitutes a sustainable investment and places additional information requirements on financial operators who provide sustainable products to clearly inform about it in a uniform way.

Sustainability elements are brought into processes

In 2022, the Folksam Group's companies adapted to the new regulations. Among other things, new processes were introduced in advice activities where sustainability has become an even clearer component. The product development process was also developed where sustainability factors are integrated as part of the target market, tests and monitoring. Through updates in Solvency II, we further integrated sustainability aspects into the care principle and adapted our definition of sustainability risks to the definition in the Sustainable Finance Disclosure Regulation (SFDR). We also expanded the sustainability information in the annual reports with a taxonomy section.

Easier for the customer to make decisions

Within Folksam, we have a comprehensive view of the introduction of the European Commission's action plan and actively monitor the work of the Commission and the European supervisory authorities. There are many parties engaged in this work, and we are applying a cross-functional work method to introduce the regulations. Because the ambition of the regulations is largely about making it easier for customers to make more informed decisions linked to sustainable investments, it is our ambition to introduce the regulations in the most customer-friendly way possible.

Sustainable supply chain

We work to persuade industries and companies to assume responsibility for pursuing sustainable operations. A large part of our external influence lies in our work with contractual suppliers. Purchasing activities are divided into three organisations: Claims, IT and Finance and Accounting. The responsibility for suppliers and contracts rests with the respective units, while the overall responsibility for the purchasing process rests with Finance & Accounting Purchasing. The Folksam Group has around 1,530 contract suppliers.

Priority area

Sustainable purchasing is, and will remain, a priority area for us. By setting sustainability requirements, and including them in the contracts we enter into with the suppliers, we are able to discover and possibly exclude suppliers who do not comply with our requirements. When we set requirements on the sustainability work of our suppliers, we can also influence them to move these issues higher up their agendas, which provides leverage. We are working for a closer collaboration with the suppliers to increase cooperation and expertise through experiential exchange and getting support to drive our own sustainability issues.

Approved supplier

We clarify our most basic requirements in "Approved Supplier". To become an "approved supplier", regardless of the industry in which it operates, the supplier must meet the following sustainability requirements:

- Accept and comply with "Folksam's Code of Conduct for Suppliers"
- Have collective bargaining agreements for employees in Sweden

The Code of Conduct is based on international conventions concerning human rights, the working environment, labour law and international environmental and anti-corruption legislation. The Code applies to Folksam and all subsidiaries, and exceptions to the above requirements presuppose the approval of someone in Group management for the Folksam Group.

Sustainability requirements

In addition to "Approved supplier", Folksam supplements with detailed environmental and sustainability requirements in our procurement processes for both operational and claim purchases when necessary.

In 2022, Purchasing designed a new set of questions linked to sustainability. The requirements are part of an overall inquiry and requirement package that can be used in our procurements. The information we request is linked to the four areas of the Code of Conduct where the suppliers can freely describe how they work with the issues.

Setting area-specific requirements, and getting input on the various industries' challenges, gives us a deeper understanding and increases our ability to identify unique risks and manage the requirements. Seeing what requirements are relevant requires industry knowledge, which is why we prepare them in consultation with the operations.

Follow-up work in the purchasing processes

During the year, we focused on our new agreement system. In 2023, work will continue on the introduction of the system. When all the pieces are in place, it will provide us with the conditions for systematic follow-up, which will include our sustainability requirements.

Purchasing has begun work to investigate the establishment of systematic follow-up based on announced future human rights regulations. This work is in an early stage and will continue in 2023.

About the sustainability report

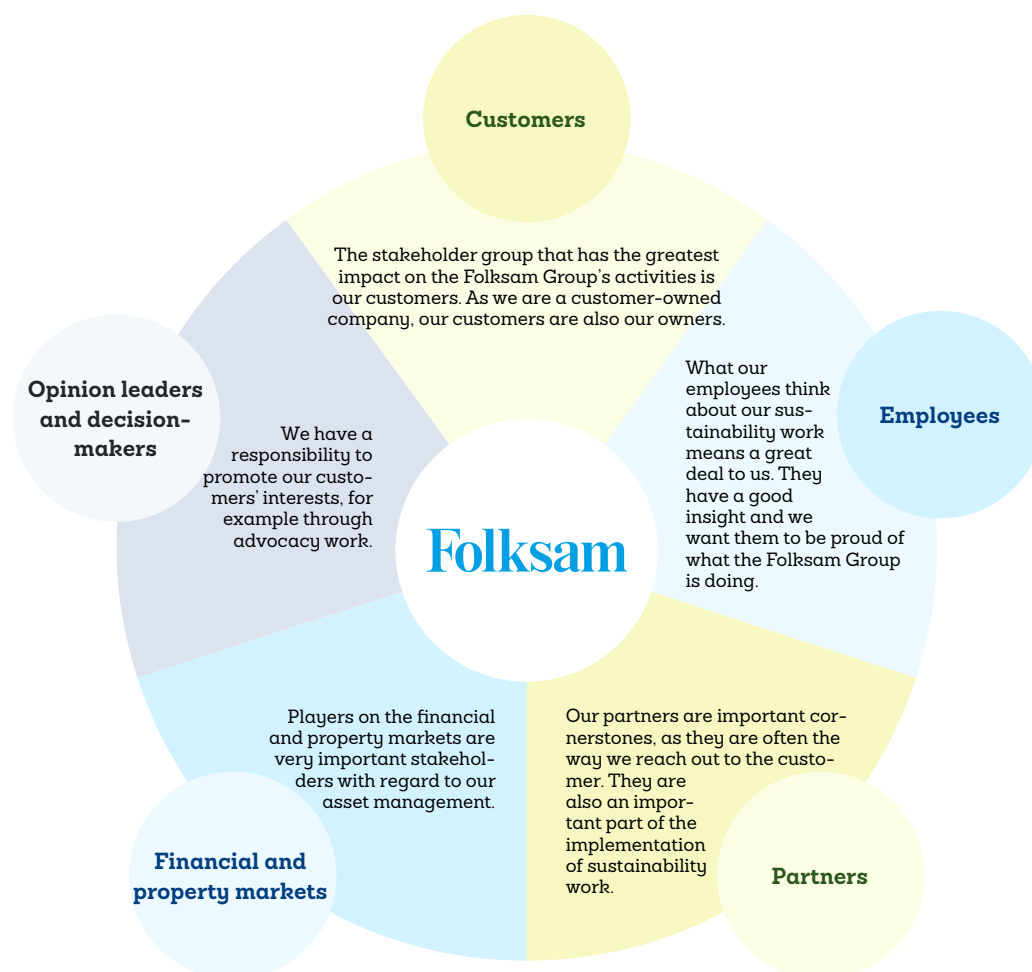
The Folksam Group's sustainability report describes how sustainability work is carried out and developed. The sustainability report forms part of the Folksam Group's annual and sustainability report, principally pages 29-83, and is reviewed externally by the independent public accounting firm Ernst & Young; see the Auditor's Report on page 82-83. This is the 18th sustainability report prepared by the Folksam Group. The latest was issued in March 2022. The sustainability report covers the entire Folksam Group (Folksam Life and Folksam General, including subsidiaries). For more information, see the annual reports for Folksam General and Folksam Life, which also include the statutory sustainability report in accordance with the requirements of the Swedish Annual Accounts Act. When the Folksam Group is referred to as Folksam in the report, this refers to the Folksam brand. This year's sustainability report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. This year's outcome is reported in the text, generally along with last year's outcome in brackets. In those cases where the outcome constitutes a GRI disclosure, an additional two comparison years are presented to enable readers to follow the development of the sustainability work. The contact person for the sustainability report is the Folksam Group's sustainability manager, Karin Stenmar, karin.stenmar@folksam.se. In 2022, Folksam integrated TCFD reporting into the annual and sustainability report. A TCFD index was prepared on page 78 to enable the reader to find information in accordance with the disclosure requirements specified by the TCFD framework. No other significant differences have been updated since the previous accounting period.

Accounting principles and materiality

The report is aimed at the Folksam Group's stakeholders. The content of the report has been selected on the basis of material impact. In other words, the extent to which the issue has a negative or positive impact on society and the environment. Material issues are also selected on the basis of an ongoing sustainability dialogue with the Folksam Group's key stakeholders. The Folksam Group has a common process for the collection of sustainability data. Reporting takes place annually and is part of the Folksam Group's monitoring and reporting of sustainability work. The Folksam Group uses predetermined definitions and documents procedures for the collection and control of data. The Folksam Group prepares a GRI report annually, but has been reporting climate data every quarter since 2020. Measurement and calculation methods are set out in detail below for material issues. In this year's reporting, the key ratio concerning whether customers and employees perceived that the Folksam Group takes responsibility for sustainability was removed because the input data was inadequate.

Stakeholder engagement

We are convinced that responsiveness and cooperation are crucial to achieving success in our target areas. We therefore have an ongoing and transparent dialogue with our stakeholders to ensure that we can best create value for them and the world around us. The Folksam Group has identified five strategic stakeholder groups, as it is these groups that have the greatest impact on, and are most affected by, our activities and the decisions that we make. The Folksam Group conducts an ongoing dialogue with all our stakeholders within the framework of our day-to-day operations. In addition, we also carry out regular measurements for each strategic stakeholder group. The results of these dialogues have provided an important foundation for the development of our continued work. In 2022, interviews were conducted with the Folksam Group management team and all of the managing directors of the subsidiaries with the theme of sustainability targets and areas of movement. The dialogue was conducted to evaluate the Folksam Group's overall goal of being a leader in sustainability and to identify areas of movement within sustainability.



Calculation methods and in-depth information

Calculation methods for Environment and Climate: The information about carbon dioxide emissions from properties in 2022 is based on actual heat consumption statistics in MWh and CO₂ from our property managers, while the heating, electricity and water consumption for local offices and advice bureaux is estimated. Heating takes place with district heating, apart from the few properties that also use pellets and one remaining oil-fired boiler. We do not include district cooling as a basis for the climate calculations. This is because all the district cooling purchased is for properties in Stockholm and district cooling is a by-product of the supplier's district heating production, with emissions consequently deemed to be zero or very low. As of 2021, we include 100 per cent of the emissions from electricity, heat and water in our directly owned properties, regardless of ownership in the subsidiary that owns the properties. In previous years, we calculated the proportion of emissions corresponding to our ownership shares. Folksam Life owns, for example, 60 per cent of KPA Pension, so we previously included 60 per cent of the emissions from the properties that KPA Pension owns. But since Folksam Fastigheter manages the entire property portfolio, as of this year we will include emissions from the entire property portfolio.

Heating and cooling of properties: The information about carbon dioxide emissions from properties in 2022 is based on actual heat consumption statistics in MWh and CO₂ from our property managers, while the heating, electricity and water consumption for local offices and advice bureaux is estimated. Heating takes place with district heating, apart from the few properties that also use pellets and a remaining oil boiler. We do not include district cooling as a basis for the climate calculations. This is because all the district cooling purchased is for properties in Stockholm and district cooling is a byproduct of the supplier's district heating production, with emissions consequently deemed to be zero or very low. As of 2021, we include 100 per cent of the emissions from electricity, heat and water in our directly owned properties, regardless of ownership in the subsidiary that owns the properties. In previous years, we calculated the proportion of emissions corresponding to our ownership shares. Folksam Life owns, for example, 60 per cent of KPA Pension, so we previously included 60 per cent of the emissions from the properties that KPA Pension owns. But since Folksam Fastighet manages the entire property portfolio, as of this year we will include emissions from the entire property portfolio.

Electricity consumption in properties: Carbon dioxide emissions from electricity consumption in the Folksam Group's properties in 2022 are relatively low because the Folksam Group uses electricity that is labelled Good Environmental Choice from renewable sources – wind, hydro, biomass and solar power. Good Environmental Choice stipulates stringent requirements in terms of how the electricity is produced and it works to ensure that the impact on the environment from electricity production is constantly reducing. Consumption for 2022 is based on actual consumption figures. Electricity consumption is reported according to the market-based calculation method.

Water consumption in properties: Carbon dioxide emissions from water in the Folksam Group's properties are based on actual consumption figures.

Refrigerants: The refrigerant that is reported is the topping up that has been carried out in the units, as an approximation for leakage. As the units are topped up as required, an average value is reported for the last five years.

Travel

- **Air travel:** Emissions from air travel are based on statistics provided by the travel agency BCD Travel on the number of passenger kilometres travelled. Greenhouse gas emissions have been calculated using the "Our Impacts" climate reporting tool.
- **Rail travel:** The carbon footprint of the Folksam Group and its subsidiaries from rail travel is based on statistics provided by the travel agency BCD Travel on the number of passenger kilometres, and the emissions have been calculated using Our Impacts.
- **Taxi:** The emission calculation is based on data regarding costs in SEK, including VAT, and statistics from the taxi industry.
- **Car travel:** The figures for the Folksam Group's road vehicle emissions are based on statistics on mileage allowance.

The vehicles are divided into two categories:

- **Vehicle A:** Number of kilometres driven using vehicles which, at the time of purchase, met the Folksam Group's safety and environmental requirements. In other words, fuel-efficient petrol and diesel vehicles, ethanol vehicles, gas vehicles and electric and plug-in hybrids.
- **Vehicle B:** Number of kilometres driven by other cars.

Paper, printed matter and coffee: The statistics come from the Folksam Group's purchasing department as well as from the Market communications department. Statistics on purchased copier paper, envelopes, output data production, printed materials and coffee have been reported by weight, for subsequent conversion to CO₂ equivalents using the Our Impacts calculation platform. Emissions from printed materials are based on weight in kilograms.

The Folksam Group's carbon footprint distributed by scope (tonnes COe)			
	2022	2021	2020
Road travel	163	111	142
Refrigerants	67	75	68
Total Scope 1	230	186	210
Heating of the Folksam Group's offices	230	282	305
Business electricity for the Folksam Group's offices*	2	1	2
Total Scope 2	232	283	307
Upstream emissions from electricity generation*	74	65	92
Air travel	292	32	36
Rail travel	0.42	0.06	0.12
Taxi journeys	6	1	2
Printed materials and paper	32	41	59
Coffee	75	41	79
Water	1	2	2
Total scope 3 excl. property and equity portfolio	481	182	270
Directly owned properties: Property electricity* **	327	271	237
Directly owned properties: Heating**	3,569	4,131	2,952
Directly owned properties: Water**	79	86	57
Total carbon footprint, tonnes of CO2e for the equity portfolio	723,000	660,954	655,638
Total Scope 3 including properties and the equity portfolio	727,456	665,624	659,154

*Electricity emissions are calculated using a market-based model.

** As of 2021, we include 100 per cent of the emissions from the properties in our property portfolio, regardless of participating interest in subsidiaries that own the property, which we have done before. The figures as of 2021 are therefore not comparable with previous years.

Energy consumption within the organisation (MWh)			
	2022	2021	2020
Heat consumption	4,116	4,785	4,545
Business electricity	4,841	4,810	6,495
Total energy consumption	8,957	9,595	11,039

Calculation methods, asset management

The footprint in the share portfolio is reported in accordance with the recommendations of Insurance Sweden and TCFD. Information regarding the footprint of the Folksam Group's directly owned properties can be found on page 54. The Folksam Group reports the carbon footprint of the equity portfolio using the following indicators:

Total carbon footprint, tonnes of CO2e Shows the total carbon footprint of the equity portfolio based on the owned share of the companies' total emissions.

Carbon dioxide intensity, tonnes of CO2e/equity portfolio's market value, SEK million Shows the total carbon footprint in relation to the market value of the equities portfolio.

Carbon dioxide intensity, tonnes of CO2e/participating interest in the companies' sales, SEK million Shows the total carbon footprint per SEK million in sales.

Carbon dioxide intensity, weighted average, tonnes of CO2e/SEK million Shows the portfolio's exposure to carbon dioxide-intensive companies, where the sum of the companies' share in the portfolio (based on market value) is multiplied by the companies' carbon dioxide intensity in relation to sales.

Calculation methods, employees

Personnel key indicators: Includes all subsidiaries. Staff paid by the hour and on the basis of fees are not reported. The number of employees includes all permanent and probationary employees, as well as all fixed-term employees as of 31 December 2022.

Employee turnover: Calculated on the basis of permanent employees (not fixed-term employees) from 2022 onwards. The lower of either the number of externally recruited new employees or the number of departures during the year, divided by the number of employees. Reported as a percentage.

Percentage who have changed job internally in the past 12 months (%)			
	2022	2021	2020
On own initiative via advertised position	9	8	9
In connection with restructuring	3	5	6
Employee turnover, external	16	10	10
Employee turnover, external, women	17	9	10
Employee turnover, external, men	15	10	11

Sickness absence: Reported sickness absence in relation to scheduled hours. Sickness is reported to Previa and registered in the HR system. The data is then sent to the Cognos analysis tool, where statistics are compiled into reports. Proportion calculated on same population as number of employees. Calculated over full calendar year.

Employee survey: The Focus employee survey is carried out once a year and includes the same population as in "Number of employees". Long-term absent employees, new employees and people who will soon be leaving are excluded, however. In the case of new arrivals/leavers and the reformulation of questions from year to year, the results are recalculated for the affected index/key ratio, which is why differences across the years may arise.

Boards of Directors: Information about gender distribution on Boards of Directors is based on ordinary Board members (excluding employee representatives) as of 31 December 2022.

Further information regarding consultants.

At the end of 2022 (31 December), the Folksam Group had a total of 339 consultants on assignment. The limit was set at 50% of full-time. The consultants' main occupation is in IT. 33 per cent were women and 67 per cent were men.

Employment and form of work (percentage)			
	2022	2021	2020
Employees on permanent contracts, total	100	99	99
Employees on permanent contracts, women	100	99	99
Employees on permanent contracts, men	100	100	99
Employees on fixed-term contracts, total	0	1	1
Employees on fixed-term contracts, women	0	1	1
Employees on fixed-term contracts, men	0	0	1
Full-time workers, total	95	93	94
Full-time workers, women	93	91	91
Full-time workers, men	97	97	97
Part-time workers, total	5	7	6
Part-time workers, women	7	9	9
Part-time workers, men	3	3	3

GRI 2-21:

A: The highest paid individual earns the equivalent of 13.4 times the median individual.

B: The highest paid individual had a salary development equivalent to 1.1 times the median individual.

C: Based on monthly salary as of 31 December 2022, fixed salary/basic salary, since no variable remuneration is applied. Same ratio corresponding to annual salary. Regarding B, above compared to equivalent as of 31 Dec 2021.

Association memberships and collaborations that are of significance to the sustainability work

Mutuality and industry collaborations

Folksam participates in several collaborations aimed at promoting mutuality in the insurance industry and other industries. Examples: AMICE (Association of Mutual Insurers and Insurer Cooperatives in Europe), ICA (International Cooperative Alliance), ICMIF (International Cooperative and Mutual Insurance Federation) and Svensk kooperation. Folksam is also involved in collaborations that work to promote the insurance market, such as Insurance Europe, Insurance Sweden and the Swedish Insurance Society.

Road safety research

In the field of road safety, Folksam participates in collaborations aimed at e.g. influencing European legislation in the field of road safety, realising the Zero Vision or standardising analyses for road traffic accidents at an international level. Examples of collaborations are ETSC (European Transport Safety Council), GNS (Group for the Zero Vision in Collaboration), RCAR and SAFER.

Responsible asset management

The Carbon Disclosure Project and Climate Action 100+ are two examples where Folksam, together with investors around the world, collaborates to encourage companies to take greater responsibility in the climate transition. Further collaborations with investors in sustainability issues are GISD (Global Investors for Sustainable Development), GNI (Global Network Initiative), Sustainable Value Creation, Institutional Owner Association, Swesif and UN Net Zero Asset Owner Alliance.

General

Folksam is also a member of the Haga Initiative, which seeks to strengthen the role of business in climate policy, and the European Corporate Leaders Group, where European companies work to achieve climate neutrality. Folksam also supports the aid organisation We Effect.

Agreements and frameworks endorsed by the Folksam Group

- UN Agenda 2030 and the global sustainable development goals (SDG).
- The UN Global Compact.
- The UN Principles for Responsible Investment (PRI). Folksam is one of the founders of these.
- Global Reporting Initiative (GRI).
- Green Bond Principles (GBP).
- The Swedish Society for Nature Conservation's Good Environmental Choice certification for home, villa, holiday home and car insurance.
- Task Force on Climate-related Financial Disclosures, TCFD.
- The Montreal Carbon Pledge.

TCFD Index

Task Force on Climate Related Financial Disclosures

Since the 2018 financial year, the Folksam Group has reported in accordance with TCFD's recommendations for climate-related risks. Information in accordance with TCFD's recommendations can be found at the page references below. KPA Pension prepares a separate TCFD report that can be found in the company's sustainability report.

	Disclosure	Page reference
Governance	The Board's supervision of climate-related risks and opportunities. Management's role in the assessment and management of climate-related risks and opportunities.	63
Strategy	Climate-related risks and opportunities. Impact of climate-related risks and opportunities. Resilience to various climate-related scenarios.	37, 50-51, 65-66
Risk management	The organisation's process for identifying and assessing climate-related risks. Processes for managing climate-related risks. Processes for identifying, assessing and managing climate-related risks in the organisation's overall risk management.	65-69
Metrics and targets	The metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. Reporting on greenhouse gas emissions (GHG): Scope 1, Scope 2 and Scope 3 and the related risks. The organisation's targets for managing climate-related risks and opportunities and outcomes with regard to the targets.	49-51, 55-56, 75

GRI Index

This year's sustainability report has been prepared in accordance with the GRI Universal Standards, including the industry supplement for financial players (Financial Services, FS). This GRI index indicates where in the Folksam Group's sustainability report information is provided and whether deviations from the disclosure requirements were made.

GRI standard	Disclosure	Deviations/comments	Page
GRI 2: General disclosures 2021			
About the reporting			
2-1	Organisational profile		9
2-2	Entities included in the reporting.		72
2-3	Reporting period, reporting cycle.	The 2022 report was released on 29 March 2023 and concerns the 2022 financial year.	72
2-4	Restatements of information		72
2-5	External assurance.		82, 83
Market activities and employees 2021			
2-6	Market activities, value chain and commercial relationships.		24
2-7	Employees	Deviations - RPIs for employees are not reported by region.	58, 59, 76
2-8	Non-employed workers.		76
Sustainability governance 2021			
2-9	Governance and structure.		63-65
2-10	Appointments to the highest governing body.		85-86
2-11	Chair of the highest governing body.		87, 91
2-12	The role of the highest governing body in the materiality analysis.	Deviations - this disclosure is not fully reported. The page reference is to the board's role in the governance of climate risks and impact.	63, 64
2-13	The highest governing body's delegation of responsibility for the company's influence on surrounding factors.		63-65
2-14	The role of the highest governing body in sustainability reporting.	Decision items in the boards of the parent companies Folksam General and Folksam Life. Information items in the other boards and in the Corporate Forum. The report is also addressed in the Risk and Compliance Committee.	63
2-15	Conflicts of interest		64
2-16	Reporting of serious incidents to the board.		64
2-17	The board's combined expertise.		87-79
2-18	Evaluation of the boards' performance.	Deviations - information is provided in the corporate governance reports for the annual reports.	85
Strategies, policies and implementation 2021			
2-19	Remuneration policy	Deviations: The remuneration reports are in Folksam Life and General's annual reports, which can be found at folksam.se	76
2-20	Process for Bonus Policy.	No bonus is awarded to management or boards.	
2-21	Scope of annual remuneration.		76
2-22	CEO's statement		4-5
2-23	Policy commitments	Policies are available at folksam.se	33, 34, 36
2-24	The application of policy commitments.		33, 34, 36
2-25	Handling of negative impacts.	Deviations regarding disclosures d and e.	64
2-26	Procedures for incidents and complaints.		64
2-27	Compliance with rules and laws.		64, 65, 70
2-28	Membership associations.		77

5. Stakeholder dialogues			
2-29	Approach to stakeholder engagement		72-73
2-30	Collective bargaining agreements		58
GRI standard	Disclosure	Deviations/comments	Page
GRI 3: Materiality analysis 2021			
Disclosures of material issues			
3-1	Process for prioritising material issues.		72
3-2	Compilation of material issues.		32-38
3-3	Governance of material issues.	Evaluation of sustainability governance.	32-38
Economic standards GRI 2016			
201-2	Financial implications and other risks and opportunities due to climate change.		67-69
203-1	Infrastructure investments and services supported.	The aim of is to provide a good return and to help make the transition to a more sustainable society. For us, this means investing in new, climate-friendly infrastructure and – where necessary – developing existing infrastructure to make it greener in terms of energy, transport, telecommunications and community properties.	49
203-2	Significant indirect impact.		55, 56
205-1	Operations assessed for risks related to corruption.	Supplier evaluations are audited.	47
205-2	Information and training on anti-corruption policies and processes.		63, 64
205-3	Confirmed incidents of corruption and actions taken.		64
3-3	Governance of material issues.	Evaluation of sustainability governance.	32-38
Environmental standards GRI 2016			
302-1	Energy consumption within the organisation.	The division into renewables and fossil fuels is only made for electricity.	75
302-2	Energy consumption outside of the organisation.		75
305-1	Direct greenhouse gas emissions (Scope 1).		75
305-2	Energy indirect greenhouse gas emissions (Scope 2).	The base year for scopes 1 and 2 was chosen when Folksam switched to eco-labelled electricity.	75
305-3	Other direct greenhouse gas emissions (Scope 3).		75
3-3	Governance of material issues.	Evaluation of sustainability governance.	32-38
Social standards GRI 2016			
401-1	New employee hires and employee turnover.	No reporting by age group.	58, 76
404-3	Percentage of employees receiving regular performance and career development reviews (by gender and employee category).	The Folksam Group only reports distribution by gender.	58
405-1	Diversity in the Board, management and among employees.	Deviations regarding age and information about minority groups.	59
405-2	Ratio of basic salary and remuneration of women to men.		59
406-1	Incidents of discrimination and possible actions taken.		59
3-3	Governance of material issues.	Evaluation of sustainability governance.	32-38, 58-59
Sustainability governance, financial services sector			
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit.	Does not report the number of eco-labelled insurance policies in relation to the total number of policies.	40, 49
G4-FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues.		52-53
G4-FS11	Percentage of assets subject to positive and negative environmental or social screening.		47-48
G4-FS14	Initiatives to improve access to financial services for disadvantaged people.		30

PRI index

PRI	Disclosure	Comment	Page
PRI 1	Incorporate ESG issues into investment analysis and decision-making processes.		46-47
PRI 2	Be an active owner and incorporate ESG issues into our ownership policies and practices.		47-48
PRI 3	Seek appropriate disclosure on ESG issues by the entities in which we invest.		52-53
PRI 4	Actively work to promote the acceptance and introduction of the Principles within the finance industry.		52-53
PRI 5	Work together to enhance the effectiveness of the introduction of the Principles.		50-51
PRI 6	Report on our activities and progress towards introducing the Principles.		55-56

Auditor's report on the review of the Folksam Sustainability Report

For Folksam Life and Folksam General

Introduction

We have been engaged by the Board of Directors of Folksam ömsesidig livförsäkring and Folksam ömsesidig sakförsäkring ("Folksam") to conduct a review of the contents of the Folksam Sustainability Report 2022. Folksam has defined the scope of the Sustainability Report on pages 79-80 of the Folksam Annual and Sustainability Report.

Responsibility of the Board of Directors and the company management for the sustainability report

The Board of Directors and the company management are responsible for preparing the Sustainability Report in accordance with the applicable criteria, as shown on page 72 of the Sustainability Report, constituting those parts of the sustainability reporting framework published by the Global Reporting Initiative (GRI) that apply to the Sustainability Report, as well as the company's own accounting and calculation principles. This responsibility also includes the internal control that is deemed necessary to prepare a sustainability report that does not contain material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the Sustainability Report based on our review. Our assignment is limited to the information contained in this document and the historical information that is reported and consequently does not encompass forward-looking data.

We have conducted our review in accordance with ISAE 3000 (revised) Assurance engagements other than audits or reviews of historical financial information. A review consists of making enquiries, primarily among persons responsible for preparing the Sustainability Report, and of performing analytical and other review procedures. A review is substantially smaller in scope and has a different focus compared with the scope and focus of an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards.

The audit firm applies ISQC 1 (International Standard on Quality Control) and consequently has a comprehensive quality control system that includes documented guidelines and procedures regarding compliance with ethical requirements, standards for professional activities and applicable legal and regulatory requirements. We are independent of Folksam in line with good auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibilities according to these requirements.

The procedures performed in a general review do not enable us to obtain an assurance that we are made aware of all significant matters that might be identified in an audit. The stated opinion based on a review therefore does not have the certainty that an expressed opinion based on an audit has.

Our review of the Sustainability Report is based on the criteria defined above that have been selected by the Board of Directors and the company management. We consider these criteria suitable for the preparation of the Sustainability Report.

We consider the evidence we have obtained during our review to be sufficient and appropriate in order to provide grounds for the opinion we provide below.

Opinion

Based on our review, nothing has come to our attention that gives us cause us to believe that the Sustainability Report has not, in all material respects, been prepared in accordance with the above criteria set forth by the Board of Directors and the company management.

Stockholm on the date indicated by our electronic signature.

Ernst & Young AB

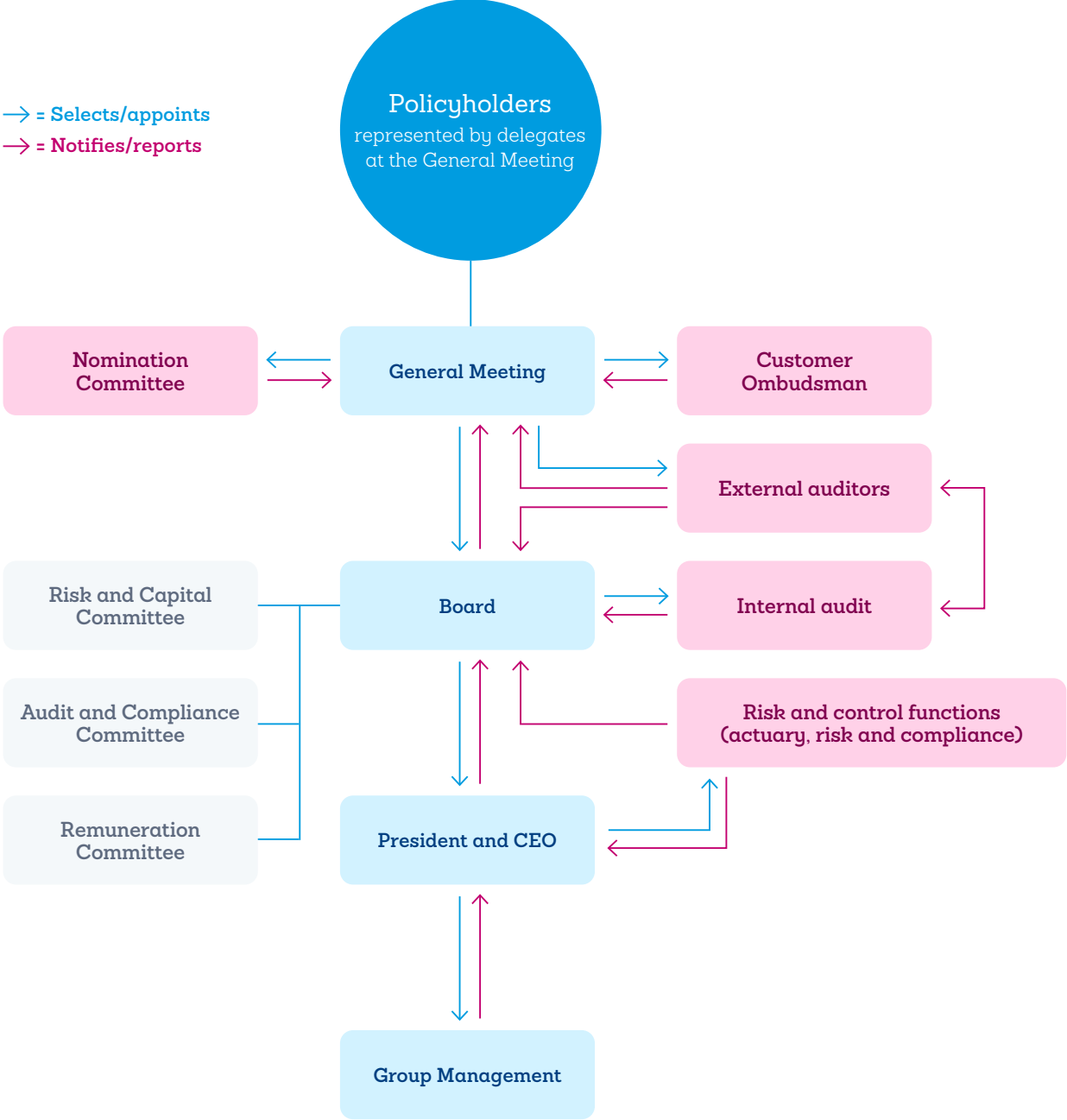
Jesper Nilsson	Daniel Eriksson	Outi Alestalo
Authorised	Authorised	Specialist member,
Public Accountant	Public Accountant	Swedish Institute for
		Authorised Chartered
		Accountants

Our customers are in control

It is our customers who ultimately have control over Folksam General and Folksam Life. On the following pages you will find information about who represents the customers on the various company boards.

The customers' influence in the form of voting rights, the right of expression and proposal takes place through specially elected delegates. Delegates are elected at the General Meetings and are either directly elected policyholders or appointed by large customer groups or organisations.

The allocation of mandates is based on the number of policyholders, premium volume and strategic importance of each customer group and is regulated in the Articles of Association. In Folksam General, the customers are represented by 80 delegates and in Folksam Life by 75 delegates.



Our boards and companies

On the boards of Folksam General and Folksam Life, the board members represent the policyholders' interests. This means that the members represent the various customer groups: The cooperative sphere, the trade union sphere, the sports movement, retirees, entrepreneurs and employers. Since 2013, there have also been board representatives who do not come from these groups.

The nomination committees propose board members to the AGMs. They should aim to ensure that the boards have a suitable composition with regard to skills, age and gender. For further information about how the boards are appointed and how they work, please see our formal annual reports at [folksam.se](https://www.folksam.se)

The Folksam General Group is customer-owned and conducts non-life insurance business focused chiefly on the Swedish private market. The Group offers a full range of insurance products based on household and car insurance policies, as well as commercial insurance products within specially selected areas.

Folksam General is the parent company of a group that, in addition to the parent company, comprises insurance operations in the wholly owned subsidiary Tre Kronor Försäkring AB (Tre Kronor). Ylva Wessén is the CEO.

Folksam General

Folksam General (parent company)	2022	2021	2020
Premiums, SEK million ¹⁾	14,257	14,089	13,419
Underwriting result, SEK million	-890	1,306	1,026
Profit/loss before appropriations and tax, SEK million	-2,453	4,667	1,843
Total expenses, %	99.9	87.3	89.8
of which claims expenses, %	86.1	74.5	76.4
of which operating expenses, %	13.7	12.8	13.5
Total return, %	-2.3	7.8	2.2
Solvency capital, at period-end, SEK million	26,693	29,016	24,401
Funding ratio, at period-end, %	187	203	180
Solvency factor (SCR), at period-end ²⁾	2.7	2.5	2.3

1) Premiums are defined as the premiums earned, equivalent 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.

Board of Directors, Folksam General



Susanna Gideonsson
Chair of the Board
Elected 2021. Born 1963.

Current assignments
President of LO. Member of the board of Trygghetsfonden SAF-LO.

Selected previous assignments
Chair of the Swedish Commercial Employees' Union. Board Member of Folksam Liv, LO/TCO Rättsskydd, Handels- anställdas Förbunds A-kassa and KP Pension och försäkring.

Education
Upper secondary qualification.



Malin Ackholt
Board member elected in 2017. Born in 1972.

Current assignments
President of the Hotel and Restaurant Workers' Union. Board Member of LO. President of the EFFAT European Trade Union Federation. Vice President of the International Union IUL. Member (lay judge) of the Labour Court. Chair of the Hotel and Restaurant Workers' unemployment insurance fund and of the R&D Fund of the Swedish Tourism & Hospitality Industry, BFUF.

Selected previous assignments
Agreement secretary of the Hotel and Restaurant Workers' Union and Chair of HRF-Folksam's insurance committee.

Education
Executive leadership courses at IFL, Rutgers University and the Stockholm School of Economics.



Mikael Ahlström
Board member elected in 2021. Born 1971.

Current assignments
CEO and Chair of Sprout Park. Chair of The Park Group. Member of the Government's collaborative group for skills provision. Fryshuset, Bambuser, Stiftelsen Hack for Earth and Advisory Board UNHCR.

Selected previous assignments
Chair of Hyper Island. Chair of SUP46.

Education
Upper secondary Economics. Berghs School of Communication.



Ulf Andersson
Board member elected in 2009. Born 1965.

Current assignments
CFO of IF Metall. Elected auditor of LO and of Industri All Global. Chair of the Audit and Compliance Committee of Folksam General and of Folksam's Remuneration Committee.

Selected previous assignments
CFO of Wedins Norden. Tax accountant and tax administrator at the Swedish Tax Agency. Elected auditor of AFA Försäkring.

Education
Degree in Economics from the Umeå School of Business, Economics and Statistics.



Pernilla Bonde
Board Member
Elected 2022. Born 1972.

Current assignments
CEO of HSB Riksförbund. Chair of HSB Projekt partner, HSB Finansstöd and HSB Affärsstöd. Member of the boards of Fastigo, Svensk kooperation and Cooperative Europé.

Selected previous assignments
President of HSB Riksförbund. Head of HSB Kompetenscentrum.

Education
Master of Business Administration, Mid Sweden University.



Björn Eriksson
Board member elected in 2016. Born 1945.

Current assignments
Chair of the Swedish Sports Confederation. Chair of the Board of the Swedish School of Sport and Health Sciences and of the Swedish Media Publishers' Association's social security fund. Chair of Kontantupproret (The Cash Uprising). Member of the Risk and Capital Committee of Folksam General.

Selected previous assignments
Governor of Östergötland County. National Police Commissioner. General Customs Director. Deputy Governor of the Riksbank. President of Interpol and the World Customs Organization. One-man inquiry committee (SOU) on escapes from prisons, immigrant entrepreneurship, unaccompanied refugee children and hooliganism in sport.

Education
Degree in Economics from the Stockholm School of Economics. Honorary Doctorate from Linköping University.

Board of Directors, Folksam General – continuation



Åsa Fahlén
Board Member elected in 2018. Born 1967.

Current assignments
President of the Swedish National Union of Teachers. Member of the boards of Saco, the Swedish Public Employees' Negotiation Council (OFR) and the Nordic Teachers' Council (NLS). Chair of management company Luna and of Skoltema.

Selected previous assignments
Member of the boards of Svenska Lärarförbundet and the Swedish National Union of Teachers, and several honorary positions for the Swedish National Union of Teachers, Gothenburg.

Education
Master of Education for the Upper Secondary School, Lund University. Specialism in Social Sciences, Lund University.



Johanna Frelin
Board Member
Elected 2021. Born 1969.

Current assignments
CEO of Riksbanken. Member of the boards of Addnote and Springtime Group.

Selected previous assignments
CEO of Tengbom and Hyper Island. Head of Division at SVT. Member of the board of SNS.

Education
MBA, School of Economics. BA in Media Studies, Luther College, Iowa.



Helena Liljedahl
Board Member
Elected 2017. Born 1969.

Current assignments
CEO of KF Fastigheter. Board Member of Swedbank and Member of the Remuneration Committee. Chair of the Board of Norra Backaplan Fastighets AB. Member of the Risk and Capital Committee of Folksam General.

Selected previous assignments
Chair of the Board of Coeli Fastighet II. Board Member and member of the audit committee, Technopolis Oyj. Board Member of Medmera Bank. Head of Commercial Development, Ingka Centres Russia. Asset Manager, Asset Management, Alecta. Deputy CEO, Centrumutveckling.

Education
Degree in Economics from Örebro University.



Leif Linde
Board Member
Elected 2010. Born 1955.

Current assignments
Chair of the boards of KF, the employers' association Fremia and of Fonus. Chair of the Risk and Capital Committee of Folksam General.

Selected previous assignments
CEO of Riksbanken. President of KF. CEO of Konsumentföreningen Svea. Member of the board of Svensk kooperativ. Director-General of the Swedish Agency for Youth. Expert adviser to the Ministry of Enterprise and Innovation. Party Secretary of the Social Democrats. President of ABF and SSU.

Education
Upper secondary qualification.



Patrik Nygren
Board Member
Elected 2017. Born 1973.

Current assignments
CEO of Unionen Medlemsförsäkring AB. Member of the Audit and Compliance Committee of Folksam General.

Selected previous assignments
Controller of Unionen Medlemsförsäkring and Purchasing Manager at Unionen. Administrative Manager of the Swedish Union of Commercial Salaried Employees, HTF.

Education
Upper secondary qualification.



Therese Svanström
Board Member
Elected 2021. Born 1973.

Current assignments
Chair of TCO.

Selected previous assignments
Administrative Director of Unionen and Vision. State Secretary at the Ministry of Health and Social Affairs. Secretary of S-students.

Education
BSc. in Political Science, Lund University and Örebro University.

Employee representatives on the Board of Directors



Ann-Louise Andersson

Employee representative
since 2005.
Born 1971.

Appointed by
Association for graduate profes-
sionals at Folksam.

Employed at Folksam since
2001.



Anneli Ersson

Employee representative
since 2016.
Born 1967.

Appointed by
Forena Folksam.

Employed at Folksam since
1984.



Mikael Karlsson

Employee representative
since 2013.
Born 1961.

Appointed by
Swedish Commercial Employees'
Union.

Employed at Folksam since
2003.

Folksam Life

The Folksam Life Group is customer-owned and conducts life insurance business. The Group offers occupational pensions and long-term savings directly to private individuals, or through partnerships, as well as group life insurance and other types of risk insurance. Folksam Life is the parent company of both wholly owned subsidiaries such as Folksam Fondförsäkringsaktiebolag (publ) (Folksam Fondförsäkring), and part-owned subsidiaries such as the companies within the KPA Pension brand, which is 60 per cent owned, and Folksam LO Fondförsäkringsaktiebolag (publ) under the Folksam LO Pension brand, which is 51 per cent owned. During 2022, Folksam Tjänstepension AB was formed with the aim of conducting occupational pension operations in accordance with mutual principles. Ylva Wessén is the CEO.

Folksam Life (parent company)	2022	2021	2020
Premiums, SEK million ¹⁾	15,173	16,399	10,935
Underwriting result, SEK million	-1,394	29,017	6,371
Profit/loss before appropriations and tax, SEK million	-1,668	29,437	6,522
Management expense, %	0.6	0.5	0.5
Total return, %	-7.0	12.4	4.7
Assets under management, at period-end, SEK million	115,214	238,914	211,444
Of which strategic company holdings	7,286	8,194	6,465
Solvency ratio, end-of-period, %	185	194	171
Solvency factor ²⁾ mixed companies	4.0	3.7	3.7
Collective funding ratio, other life insurance business, at period-end, %	110	123	118

1) Premiums are defined as the premiums earned, equivalent 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.

Board of Directors, Folksam Life



Lars Ericson
Chair of the Board
Elected 2015. Born 1963.

Current assignments

CEO of KF Stockholm. Chair of Coop Butiker och Stormarknader AB. Board Member of Mentor. Member of the Nomination Committee of Atrium Ljungberg, of the Risk and Capital Committee of Folksam Life and of Folksam's Remuneration Committee.

Selected previous assignments

Chair of the Board of MedMera Bank. Member of Folksam's Nomination Committee. Member of the boards of Coop Sverige, Ambulanssjukvården i Stockholm and Folktandvården i Stockholms län. Business area and marketing manager at Swedbank and Municipal Commissioner for Tyresö Municipality.

Education

Upper secondary qualification.



Anna Almqvist
Board Member
Elected 2022. Born in 1985.

Current assignments

Economist, LO.

Selected previous assignments

Analyst at the agency for growth policy evaluations and analyses. Investigator at the International Business Leaders Forum (IBLF). Member of the Boards of the Swedish Committee for United World Colleges (UWC).

Education

Master of Science and Bachelor of Science in Political Science, both with specialisation in economics, Lund University. Master of Science, London School of Economics and Political Science.



Jesper Andersson
Board Member
Newly elected in 2022.
Born 1977.

Current assignments

CEO of Löf, the regions' mutual insurance company. Board Member, MedMera Bank.

Selected previous assignments

CFO, Folksam. Head of Private Business Area, Folksam. CEO of Tre Kronor Försäkring. Member of the Boards of Fonus, Familjens jurist, Folksam Fondförsäkring, Löf, Folksam Skadeförsäkring and Swedish Society of Actuaries.

Education

Degree in mathematical statistics, Stockholm University.



Göran Arrius
Board Member
Elected 2013. Born 1959.

Current assignments

President of Saco. Chair of the Board of Akademikernas a-kassa unemployment fund (AEA). Chair of the Board of Folk och Försvar. Member of the Risk and Capital Committee of Folksam Life.

Selected previous assignments

Chair of the Board of Jusek. President of the Saco association at SEB. Employee representative on the board of SEB. Board Member of Första AP-fonden.

Education

Degree from the Swedish Armed Forces Staff College. Officer's degree from the Royal Swedish Naval Academy.



Robert Eriksson
Board Member
Elected 2020. Born 1967.

Current assignments

CFO of the Swedish Municipal Workers' Union. Member of the Audit and Compliance Committee of Folksam Life and Folksam/Kommunal Insurance Committee. Chairman of the board of Romanco AB. Member of the boards of Arena Idé Kapital, Kommunalarbetaren in Sweden and the Polstjärnan property company.

Selected previous assignments

CFO and Head of IT of the GS trade union and prior to that Union to Union. Head of internal bank, Postnord.

Education

Degree in Economics, Stockholm University. Certified controller, FAR.



Britt Hansson
Board Member
Elected 2015. Born 1966.

Current assignments

President and CEO of OK economic association. Chairman of the board of OK-Q8 AB. Board Member of KF and Fremia. Chair of the Audit and Compliance Committee of Folksam Life.

Selected previous assignments

Scandinavian Director for HR, Integration, IT and Purchasing at OKQ8. CFO at OKQ8. CEO of OKQ8 Bank. Nordic CFO of McDonald's Sweden. Board Member of OKQ8 Bank, Bra Bil, Apotek Produktion och Laboratorier, Petrolia and Företagsekonomiska föreningen.

Education

Degree in Economics from Örebro University. Leadership course, Ashridge Business School. Authentic Leadership Development, Harvard Business School.

Board of Directors, Folksam Life – continuation



Cecilia Hermansson
Board Member
Elected 2015. Born 1962.

Current assignments

Researcher and teacher, KTH. Consultant in economics and business administration. Board Member of Creades, HUI, Infostat, G-förvaltning and Entreprenörskapsforum. Chair of the Swedish Climate Policy Council and member of the Swedish Retail and Wholesale Economic Council. Chair of the Risk and Capital Committee of Folksam Life.

Selected previous assignments

Chief Economist, Swedbank, Acting Assistant Under-Secretary, Ministry of Finance. Macroeconomist at Sida and the Swedish Embassy, Nairobi. Member of the Swedish Fiscal Policy Council. Chair of the Swedish Industry Economic Council, Member of the advisory council of the Swedish National Mediation Office.

Education

PhD in Banking and Finance from KTH. Degree in Economics from the School of Economics.



Britta Lejon
Board Member
Elected 2019. Born 1964.

Current assignments

President of the ST trade union. Vice Chair of the Swedish Job Security Foundation.

Selected previous assignments

Member of the Swedish parliament. Member of the Labour Market Committee. Vice Chair of the Justice Committee. Minister for Democracy and Administration. Minister for Youth and Minister for Consumer Affairs. Member of the board of Folksam LO Fondförsäkringsaktiebolag.

Education

Liberal Arts, Stockholm University. Studies in Political Science, Business Administration and Economics at Lund University.



Johan Lindholm
Board Member
Elected 2017. Born 1964.

Current assignments

President of the Swedish Building Workers' Union. Board Member of LO. Chair of the Board of Riksborgen. President of the Nordic Federation of Building and Wood Workers (NBTF) and President of the European equivalent, EBTF. Member of the board of the global federation Building and Wood Workers' International (BWI/BTI).

Selected previous assignments

Chair of Riksborgen Bospar. Vice Chair of Byggnads A-kassa unemployment fund. Member of the boards of Byggnads solidaritetsfond, the Polstjärnan property company and of A-kassornas samorganisation.

Education

Upper secondary qualification.



Kerstin Wallentin
Board Member
Elected 2021. Born 1964.

Current assignments

Senior advisor/interim manager in communication, marketing and leadership. Executive coach at Ståhl&Partner. Chair of the Stockholm Consumer Cooperative Society. Member of the boards of KF and Riksborgen.

Selected previous assignments

Head of Communication Department, Systembolaget. Director of Marketing and Communication, ATG. Managerial roles within KF/COOP. Member of SEEM.

Education

Degree in HR and Labour Market Studies, Stockholm University.



Sineva Ribeiro
Board Member
Newly elected in 2022.
Born 1968.

Current assignments

Chair and Chief Executive, Swedish Association of Health Professionals. Board Member of TCO. Board Member on SBU Board. Vice President of SSN (Nordic Association for Nurses)

Selected previous assignments

Member of the Swedish National Council on Medical Ethics (SMER). Member of the EFN (European Union Federation of Nurses). Nurse, Sahlgrenska.

Education

Specialist nursing degree in surgical care, University of Gothenburg.



Petter Skogar
Board Member
Elected 2022. Born 1967.

Current assignments

CEO of Premia. Chair of the Board of Ciko. Board Member of Svensk kooperativ and Handelsrådet.

Selected previous assignments

President of KFO. Head of Negotiation, SKR. Head of Negotiation, Almega. Board Member of Coompanion Sverige, Idébarna Skolors Riksförbund. Konsumentkooperationens pensionsstiftelse and the think-tank Global utmatning.

Education

Master of Arts, University of Leeds. Bachelor of Science in Economics, Karlstad University. Studies in Law, Lund University.

Employee representatives on the Board of Directors



Anders Johansson
Employee representative
since 2007.
Born 1960.

Appointed by
Forena Folksam.

Employed at Folksam since
1989.



Susanna Järnek
Employee representative
since 2012.
Born 1968.

Appointed by
Association for graduate profes-
sionals at Folksam.

Employed at Folksam since
1999.



Maria Bolin
Employee representative
since 2021.
Born 1968.

Appointed by
Swedish Commercial Employees'
Union.

Employed at Folksam since
2007.

KPA Pension

KPA Pension is a brand in the Folksam Group and the joint name for KPA AB, KPA Tjänstepensionsförsäkring (formerly KPA Pensionsförsäkring), KPA Tjänstepension and KPA Pensionservice. KPA Pension operates in the local government sector and manages occupational pensions for employees in municipalities and regions, as well as municipal and cooperative companies. KPA Pensionservice offers employer service for the handling of municipal pension commitments, administration of the employees' individual pension choices, qualified consulting services, occupational group life insurance and professional pension advice. Folksam owns 60 per cent of KPA AB and the Swedish Association of Local Authorities and Regions (SALAR) owns 40 per cent. Camilla Larsson is the CEO. Johan Sjöström is CEO of KPA Tjänstepension and Ninni Wibeck is CEO of KPA Pensionservice. Camilla Larsson is also the Managing Director of KPA Tjänstepensionsförsäkring.

KPA Tjänstepensionsförsäkring AB	2022	2021	2020
Premiums, SEK million ¹⁾	19,464	18,613	17,381
Underwriting result, SEK million	11,806	42,778	11,129
Management expense, %	0.14	0.14	0.17
Total return ratio, %	-7.8	13.7	4.8
Bonus rate (%), defined benefit	-7.6	7.2	3.4
Bonus rate (%), defined contribution	-7.3	14.6	5.1
Assets under management, end-of-period, SEK million	253,412	264,049	223,364
Solvency ratio, end-of-period, %	234	204	172
RBC ratio, at period-end ²⁾	2.9	-	-

1) Premiums are defined as the premiums earned, equivalent to the proportion of premiums paid in for the period.

2) The RBC ratio for the current quarter is reported with a one-quarter delay and indicates the relationship between the capital base and the risk-based capital requirement RBC within the framework of regulation for occupational pension companies.

Board of Directors, KPA Pension



Ylva Wessén

Chair of the Board
Elected 2019. Born 1970.

Current assignments

President and CEO of Folksam. Chair of the Board of Folksam Tjänste- pension and Insurance Sweden. Board Member/Member of Executive Committee and Vice Chair in Europe, ICMIF. Member of Swedbank's nomination committee and of the nomination committee for Volvo Cars.

Selected previous assignments

Deputy CEO and Director of Group Staff, Folksam. Head of Governance, Risk and Compliance, Folksam. Company lawyer and insurance lawyer, Folksam. Lawyer, Lindhs DLA Nordic KB. Legal associate, Hågglund & Ramm-Ericsson KB.

Education

LL.M., Stockholm University.



Peter Danielsson

Board Member
Elected 2022. Born 1974.

Current assignments

President of SKR. President of SKR Företag. Chair of the City of Helsingborg's Fastighets Holding and Helsingborgs stads Förvaltnings AB etc. Vice Chair of Ångelholms flygplats holding AB.

Selected previous assignments

Municipal Councillor and Municipal Board Chair. City of Helsingborg. Member of Parliament, Swedish Parliament. 1st Deputy Party Chair, Moderates. Board Member of SKR, Irena AB, Skånes kommuner, Greater Copenhagen Committee and PRV. President of Avfall Sverige.

Education

Bachelor of Arts, Lund University. Board training. Board Academy. Leadership training.



Anders Henriksson

Board Member
Elected 2019. Born 1961.

Current assignments

Second Vice President of SKR. Vice President of SKR Företag. President of KPA Tjänstepension and chair of the Risk and Capital Committee for KPA Tjänstepension and Kalmar FF. Vice Chair of the Board of Linnaeus University.

Selected previous assignments

Chair of the Regional Executive Board of Kalmar County, County Councillor, member of the boards of Första AP-fonden, KPA Tjänstepensionsförsäkring AB and SMER. Chair of the Board of INERA. Ombudsman of central LO.

Education

Upper secondary school and leadership training.



Michael Kjeller

Board Member
Elected 2022. Born 1964.

Current assignments

Deputy CEO and member of Group management, Folksam.

Selected previous assignments

Various positions within Folksam since 1988. CEO of KPA Kapitalförvaltning AB 2000–2001.

Education

BSc. in Mathematical Statistics/Mathematics, Uppsala University.



Palle Lundberg

Board Member
Elected 2022. Born 1960.

Current assignments

CEO of SALAR. Member of the Trial Activities Committee (Government Commission).

Selected previous assignments

City Manager and CEO of the Municipal Group, City of Helsingborg. Municipal Director and CEO of the Municipal Group, Botkyrka Municipality. Director Consulting and Service, City of Västerås. Member of the Board for clear language questions.

Education

Multiple leadership development programmes. Board training, Styrelseakademin. Upper secondary school teacher training, GIH.



Katrin Röcklinger

Board Member
Elected 2021. Born 1975.

Current assignments

Head of Business Area Life, Folksam, and member of Folksam's Group Management. Board Member of Folksam Fondförsäkringsaktiebolag, Folksam Tjänstepension AB, KPA Tjänstepensionsförsäkring AB, KPA AB and Konsumentföreningen Stockholm.

Selected previous assignments

President of the Consumer Cooperation's Pension Trust. Company Lawyer, Folksam and AFA Försäkring. Attorney, Baker & McKenzie Advokatbyrå. Chair of Svenska Pensionsstiftelsersförening. Board Member of Folksam Service AB and Grön Bostad AB.

Education

LL.M., Stockholm University.

Board of Directors, KPA Pension – continuation



Lena Dahl
Co-opted Board Member
Elected 2011. Born 1966.

Current assignments
CEO of SKR Företag. Chair of the Board of Slussgården, SKR Rapi-
talförvaltning and SKR Pensions-
stiftelse. Member of the boards of
KPA Tjänstepensionsförsäkring,
SOS Alarm, Adda and Inera.

Selected previous assignments
Deputy CEO of SKR Företag. Acting
CEO of Pacta and Pactarb. Acting
CEO of SALAR and SKR Företag.
Controller, SALAR. Administra-
tive manager, Tyresö Gymnasium
school.

Education
Degree in Economics, Uppsala
University.



Eva Fagerberg
Co-opted Board Member
Elected 2011. Born 1963.

Current assignments
Administrative Director/1st om-
budsman at the Public Employees'
Negotiation Council (OFR), CEO
of OFR Fastighets AB. Member of
the Board of Kåpan Pensioner.
Substitute at the Transition Fund.
Member of the KR delegation at
AFA Försäkring. Vice Chair of KKP.

Selected previous assignments
Prison Service Inspector, HR
administrator, Chief Negotiator,
Akademikerförbundet SSR.

Education
Social worker.



Johan Ingelskog
Co-opted Board Member
Elected 2020. Born 1977.

Current assignments
Agreement secretary, Swedish
Municipal Workers' Union. Member
of the KR delegation at AFA
Försäkring, the Transition Fund
for the KR section, KKP and the
Labour Court.

Selected previous assignments
Ombudsman, LO. Head of Unit,
Swedish Municipal Workers' Union.
Vice Chair LO-TCO legal protection.
Member of the Board of the United
Nations Association of Sweden.

Education
European and Swedish labour law,
Stockholm University. Leadership
training, School of Economics Exec-
utive Management.

Employee representatives on the Board of Directors



Ann-Charlotte Tollqvist
Employee representative
since 2013.
Born 1960.

Appointed by
Forena Folksam.

Employed at KPA Pension since
2001.



Susanna Järnek
Employee representative
since 2014.
Born 1968.

Appointed by
Association for graduate profes-
sionals at Folksam.

Employed at Folksam since
1999.



Karin Lindblom
Employee representative
since 2017.
Born 1968.

Appointed by
Forena Folksam.

Employed at KPA Pension since
2005.

Folksam LO Pension

Folksam LO Pension focuses on offering unit-linked insurance for collectively agreed occupational pensions. Operations are conducted under the Folksam LO Pension brand in the company Folksam LO Fondförsäkring AB, which is 51 per cent owned by Folksam Life and 49 per cent owned by LO and its associations. Folksam LO Pension became an occupational pension company as of 01/01/2023 under the name Folksam LO Tjänstepension. Christoffer Jönsson is the CEO.

Folksam LO Fondförsäkring	2022	2021	2020
Premiums, SEK million ¹⁾	7,891	6,485	7,272
Underwriting result, SEK million	324	384	301
Total return, %	-15.9	21.9	9.7
Management expense ratio, %	0.08	0.07	0.09
Unit-linked insurance assets, at period-end, SEK million	149,892	171,711	135,487
Solvency capital requirement (S1), end-of-period	9.7	8.0	7.7

1) Premiums are defined as the premiums earned, equivalent to the proportion of premiums paid in for the period.

Board of Directors, Folksam LO Pension



Anna-Karin Laurell
Chair of the Board
Elected 2018. Born 1963.

Current assignments
Chief Marketing and Sales Officer, Folksam. Member of the board of Folksam Tjänstepensionsförsäkring and Min Pension.

Selected previous assignments
Member of the boards of Folksam Fondförsäkringsaktiebolag, KPA AB and KPA Pensionsservice. Head of Ao Life and Head of Ao Private, Folksam. CEO of Bukowskis and of SalusAnsvar. Operations Manager, Claims, Folksam. Sales Manager, SalusAnsvar. Customer Service Director, Tre. Head of Telephone Banking at Skandiabanken, Head of Customer Unit Skandia, Member of the boards of ICA-banken and ICA-försäkring.

Education
Humanities course, Lund University.



Christoffer Ahlqvist
Vice Chair
Elected 2021. Born 1971.

Current assignments
CEO of LO Mervärde.

Selected previous assignments
HR Manager, Bantorget Förvaltning AB. Head of Finance, IT and HR, LO. Head of HR, Fackförbundet GS. Board Member of Runö folk high school and the Coop Pension Foundation. Chair of the Labour movement's negotiating organisation.

Education
Upper secondary school qualification, as well as study programmes in leadership, Board work, economics and law at Brunnsvik Folk High School.



Mats Davidsson
Board Member
Elected 2021. Born 1978.

Current assignments
Finance Director, Folksam.

Selected previous assignments
Head of Business Control, Folksam. Head Business manage Office, Group IT Nordea. Management consultant, Acando. Business Controller, Scania.

Education
Master's degree in Industrial Economics, KTH. Master's degree in Economics, Stockholm University.



Olof Dahlbeck
Board Member
Elected 2022. Born 1971.

Current assignments
Head of Section, Sales Partner, Folksam.

Selected previous assignments
Head of Group company business and sales, Folksam. CEO of Alfakraft VP. Head of Sales, Erik Penser Bank. Sales Director, Dell Sweden. Chair of the Equality Board, Erik Penser Bank.

Education
Economics, Law and Human Geography, Stockholm University.



Magnus Karlsson
Board Member
Elected 2021. Born 1968.

Current assignments
Responsible for ALM, Asset Management, Folksam.

Selected previous assignments
Head of Strategic Asset Allocation, Folksam. Actuarial, Folksam Life

Education
Master's degree in Mathematical Statistics, Stockholm University. CEFA, Stockholm School of Economics.



Maria Liljedahl
Board Member
Elected 2021. Born 1962.

Current assignments
Head of Analysis, Folksam Life. Chair of the Board of Folksam Fondförsäkring.

Selected previous assignments
Head of Department and Responsible for Actuary Function, Folksam Life Group. Group Chief Actuary, Folksam Life Group. Vice-President of the Swedish Society of Actuaries.

Education
Degree in Mathematical Statistics, Umeå University.

Board of Directors, LO Pension – continuation



Bent Malmsjö
Board Member
Elected 2021. Born 1969.

Current assignments
Responsible for "New occupational pension regulation", Folksam.

Selected previous assignments
CRO Folksam Life, Chief Actuary of KPA Pension, Chief Actuary of Skandia.

Education
Master of Science in Mathematical Statistics, Umeå University.



Kristina Mårtensson
Board Member
Elected 2020. Born 1966.

Current assignments
Administrative Director of the Swedish Municipal Workers' Union and member of AP2.

Selected previous assignments
Head of Investigations, Swedish Municipal Workers' Union. Head of Unit Management Office LO. Special adviser to the Ministry of Enterprise and Innovation, and political adviser to the Swedish Government Offices. Member of the boards of the Swedish Social Insurance Agency and Luleå University of Technology.

Education
Degree in Economics, Gothenburg School of Economics.



Annika Nilsson
Board Member
Elected 2020. Born 1966.

Current assignments
Union Ombudsman Working Life Division, IF Metall. Member of the Swedish Road Traffic Injuries Commission and LO's insurance committee.

Selected previous assignments
Union Officer, Swedish Transport Workers' Union. Member of LO's pension committee and welfare policy committee.

Education
Courses in Law and Work Environment Law at Stockholm University and Örebro University. Leadership and board work, Brunnsvik Folk High School.



Tina Nordling
Board Member
Elected 2021. Born 1968.

Current assignments
Ombudsman for Contract Unit, LO. Member of the Foundation for Special Pension Funds, Fora. Deputy board member of the Foundation for the Collective Agreement Guarantee, etc. for RAP within the agreement area KFO-LO.

Selected previous assignments
Ombudsman, Swedish Electricians' Union. Member of the Electrical Safety Council.

Education
Upper secondary qualification.



Jörgen Nyberg
Board Member
Elected 2017. Born 1975.

Current assignments
Central ombudsman, Swedish Food Workers' Union. Member of the Livs-Folksam insurance committee. Vice Chair, Stiftelsen Anna Johanssons minne.

Selected previous assignments
Local ombudsman Central region, Swedish Food Workers' Union. Member and Vice Chair. RBF Gävlehus. Machine operator, Arla Foods and Gefleortens Mejeriförening.

Education
International Economics, Södertörn University.

The Folksam Group's Group management in 2022



Ylva Wessén

President and CEO
Born 1970.

Other current assignments

Chair of the Board of KPA AB, Folksam Tjänstepension and of Insurance Sweden. Board Member, Member of the Executive Committee and Vice Chair in Europe, ICMIF. Member of Swedbank's nomination committee and of the nomination committee for Volvo Cars.

Selected previous assignments

Deputy CEO and Director of Group Staff, Folksam. Head of Governance, Risk and Compliance, Folksam. Company lawyer and insurance lawyer, Folksam. Lawyer, Lindhs DLA Nordic KB. Legal associate, Hägglund & Ramm-Ericsson KB.

Education

LL.M., Stockholm University.



Michael Kjeller

Deputy CEO and Head of Asset Management and Sustainability
Born 1964.

Other current assignments

Board Member of the UN-Convened Net Zero Asset Owner Alliance.

Previous assignments

Various positions within Folksam since 1988. CEO of KPA Kapitalförvaltning AB 2000–2001.

Education

Fil. kand. in Mathematical Statistics/Mathematics, Uppsala University.



Linn Edström Larsson

CFO
Born in 1976.

Other current assignments

Member of the boards of the Sweden-America Foundation and Riksborgen.

Previous assignments

Transformation Program Manager, Tele2. CFO Office, Carnegie Investment Bank. Nordic Integration and Business Manager, Royal Bank of Scotland. Risk Manager, Swedish Export Credit.

Education

M.Sc. in Economics, Stockholm University. B.A. in English, Stockholm University.



Pernilla Glad

Head of People and Places
Born 1967.

Other current assignments

Member of the boards of the Coop Pension Foundation and Fremia.

Previous assignments

HR Director, Region Stockholm. HR Director, Swedish Government Offices. Senior Vice President HR, Nasdaq OMX and managerial positions in HR at Tredje AP-Fonden, Hemsö Fastighet and Vattenfall.

Education

BA in HR and Labour Market Studies, Stockholm University and HR Executive Program at Stockholm School of Economics.



Anna-Karin Laurell

Chief Marketing and Sales Officer
Born 1963.

Other current assignments

Chair of the Board of Folksam LO Tjänstepension AB. Member of the boards of KPA Tjänstepensionsförsäkring and Min Pension.

Previous assignments

Member of the boards of Folksam Fondförsäkringsaktiebolag, KPA AB and KPA Pensionservice. Head of Ao Life and Head of Ao Private, Folksam. CEO of Bukowskis and of SalusAnsvar. Operations Manager, Claims, Folksam. Sales Manager, SalusAnsvar. Customer Service Director, Tre. Head of Telephone Banking at Skandiabanken, Head of Customer Unit Skandia, Member of the boards of ICA-banken and ICA-försäkring.

Education

Humanities course, Lund University.



Anders Lundsten

Head of IT and CIO, Born in 1966.

Previous assignments

Group CIO at Vinggruppen. CIO at Clas Olsson, Dustin and DeLaval, etc. Board Member of Dataföreningen Sverige.

Education

Electronics and computer engineering, KTH Royal Swedish Institute of Technology. Telephone engineer, Håssleholm Technical College.

The Folksam Group's Group management in 2022 – continuation



Björn Nordin

Director of Group Staff
Born 1959.

Other current assignments
Board member of We Effect.

Previous assignments
Head of Corporate Law, Company Law, company lawyer and insurance lawyer, all at Folksam. Lawyer, Advokatfirman Fylgia. Legal clerk and junior judge at Svea Court of Appeal.

Education
LL.M., Uppsala University.



Katrin Röcklinger

Head of Business Area Life
Born 1975.

Other current assignments
Board Member of Folksam Fond-försäkringsaktiebolag, Folksam Tjänstepension AB, KPA AB, KPA Tjänstepensionsförsäkring AB and Konsumentföreningen Stockholm.

Previous assignments
President of the Consumer Cooperation's Pension Trust. Company Lawyer, Folksam and AFA Försäkring. Attorney, Baker & McKenzie Advokatbyrå. Chair of Svenska Pensionsstiftelsers förening. Board Member of Folksam Service AB and Grön Bostad AB.

Education
LL.M., Stockholm University.



Jens Wikström

Head of Business Area General, Born in 1973.

Other current assignments
Member of the Fonus Group Board and the Swedish Theft Prevention Association.

Previous assignments
Strategic Partner Personal Banking. Head of Region North and Head of Key Account Unit Service – all at Nordea. CEO of Skellefteå Industrihus. A number of political assignments within Skellefteå municipality, and also within Sparbanksstiftelsen Norrland and Swedbank

Education
Graduate in Computer Engineering, Luleå University of Technology.



AnnKristine Wuo-pio-Mogestedt

CCO and Head of Claims
Born 1961.

Retired at year-end 2021. The new CCO from 2023 is Ragnhild Lindegren.

Other current assignments
Chair of the Board of the Swedish Fire Protection Association. Member of the board of CAB AB and SOS International a/s.

Previous assignments
Various management positions within Claims at Folksam since 1988. CEO of Svenska Konsumentförsäkringar 2005–2006. Board assignments including the Association of Swedish Motor Insurers, Larmtjänst and the Swedish Theft Prevention Association.

Education
Subject teacher degree, Linköping University.

About the reports for 2022

For the 2022 financial year, the Folksam Group has published an Annual and Sustainability Report, which includes a sustainability report according to GRI, as well as formal annual reports for each company. Annual reports are published separately. Folksam has published sustainability reports every year since 2002. More in-depth information can also be found at [folksam.se](https://www.folksam.se)

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