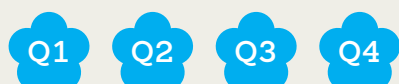


# Full-year summary

January – December 2017



The Folksam Group



Folksam

# Overview: The Folksam Group

Folksam overall	2017	2016	2015
<b>Folksam Customer Index (FCI), %</b>	<b>78</b>	<b>79</b>	<b>78</b>
Premiums, SEK million <sup>1</sup>	49,939	47,023	50,490
Assets under management, at period-end, SEK million <sup>2,3,4</sup>	394,125	375,794	344,851
Unit-linked insurance assets, at period-end, SEK million <sup>3,4,5</sup>	139,632	124,042	111,144
Number of full-time positions <sup>6</sup>	3716	3,731	3,706

<sup>1</sup> Premiums comprise premiums earned in non-life insurance, premiums written in life insurance, and receipts and fees from unit-linked insurance investors in all ten insurance companies.

<sup>2</sup> Konsumentkooperationens Pensionsstiftelse is not included.

<sup>3</sup> At the end of the period.

<sup>4</sup> Assets according to the total return table less strategic holdings, which principally relate to the value of subsidiaries.

<sup>5</sup> Investment assets for which the policyholders bear the risk.

<sup>6</sup> Based on the number of hours worked during the period.

## Significant events during the period (Oct-Dec)

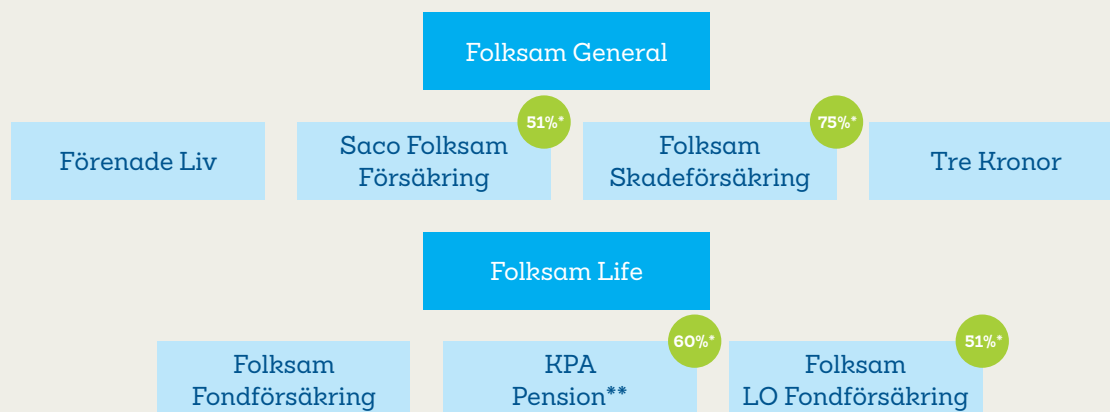
- Folksam Life and Folksam General acquired four office properties from Stena in central Gothenburg at a value of SEK 1.63 billion.
- KPA Pensionsförsäkring sold 23 retail properties to ICA Fastigheter and Secore Fastigheter at an underlying property value of SEK 525 million.
- Folksam General continues to be a national partner to the Swedish Athletic Association for four years beginning in 2018. Folksam extended and is also expanding the cooperation with the Swedish Golf Federation in a three-year agreement.
- Folksam and KPA Pension backed the financial world's international climate appeal, the Task Force on Climate-related Financial Disclosures (TCFD), the framework of which is intended to reduce the finance sector's climate impact.

- Folksam General sold its participating interest of 10.08 per cent in the Danish non-life insurance company, Alka Forsikring. The sale was made together with company's other owners and the price amounted to DKK 8.2 billion.
- The Folksam Group invested a total of EUR 50 million in the Swedish forestry fund Silvestica Green Forest AB. The customers thereby gain indirect access to a new type of asset in their portfolios.

## Significant events after the end of the period

- Folksam launched the new product Private Pension. It is a traditional insurance mainly targeted at the more than one million of Folksam's customers aged 25 to 55 who currently have no savings.
- The Folksam group acquired in a private placement bonds obligationer that the World Bank (IBRD) emitted to a value of USD 350 million or almost SEK 2.8 billion.

## Four brands, two Groups and ten insurance companies



\*Refers to the Folksam Group's participating interest.

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

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

# 2017: Progress and challenges

2017 was an intense and in many ways challenging year, but nonetheless offered a number of gleams of light for the Folksam Group.

From a world economic perspective, development has been relatively bright, and the forecasts of several analysts for 2018 and 2019 indicate a GDP growth of nearly 4 per cent. The developed countries in Europe and Asia, like the U.S., have a stable economic development, even if the world is still facing many politically difficult challenges.

The Folksam Group's total premium volume grew by 6 per cent to SEK 50 billion in 2017. The primary growth came from collectively agreed occupational pensions, and above all the subsidiary KPA Pension. The non-life insurance business also grew although at a rate not as high as the market. Total return for our companies was somewhat lower than the levels in the previous year.

We are still the largest in traditional life insurance and Folksam Life and KPA Pension have provided an average return at the absolute top of the industry in the past ten years. Similarly, Folksam LO Pensions and KPA Pension's unit-linked insurance has provided the best return over the same period of time. On the non-life insurance side, we are the third largest in the market and our car, household and home owner insurance receive the best average ratings in the industry comparison by the Swedish Consumers' Insurance Bureau. So there are indeed gleams of light.

The many regulatory frameworks that went into effect or will soon do so contributed to the intense 2017. For example, PRIIP, which regulates how advice shall be provided when we sell endowment insurance, took effect at year-end. In 2018, a steady flow of new regulations are taking effect: GDPR in May, IDD in October and then IORP. And we cannot forget money laundering issues where we are gathering forces to have proper order. We have prepared ourselves for all of this in a meritorious manner in 2017. This has required – and requires – hard work, but fundamentally concerns increasing security for the customers. As a customer-owned company, this is naturally something we like.



The year was also intense on the asset management side. With our progress in the market for green bonds, we have at the same time staked out a clear direction for how we conduct responsible asset management. Today, we own green bonds at a value of nearly SEK 15 billion and have set a new target of owning SEK 25 billion in this asset class before the end of 2018. Another notable investment was that we invested in forests for the first time during the year and thereby gained indirect access to a class of assets new to us.

Our commitment for the customers is now continuing through both large and small efforts. We will take advantage of good opportunities that 2018 brings with it. Always based on being good at pensions and insurance for the many and with the best interests of the customers in mind.

**Jens Henriksson**  
President and CEO

# Market overview and the Folksam Group

## Market development

Folksam is retaining its position in the market. According to premium figures from the Swedish Insurance Federation for 2017, we are still the market leader in life insurance and third in the non-life insurance market.

The total life insurance market subject to competition grew by 12 per cent to SEK 209 billion in the past year, mainly through a positive development in endowment insurance.

Folksam is maintaining its leading position in total premiums in life insurance even if the market share is somewhat lower and amounts to 14.7 (15.4) per cent (paid-in premiums for both old and new insurance policies). The market share in new policies is decreasing, but Folksam remains third after Skandia and Alecia. In total premiums, Folksam is still the largest, followed by Skandia, Alecia and AMF.

The total non-life insurance market grew by 3.1 per cent or SEK 2.4 billion compared with the previous year. Folksam's market share decreased from 16.3 to 16.0 per cent. Folksam is growing somewhat slower than the market at large, mainly since our share is decreasing in the household market. However, we are still the third largest player.

The Folksam Group's total premium volume for 2017 amounted to SEK 49,939 million (47,023). This growth comes mainly from the collective occupational pension business, and not least RPA Pension, which contributes with strong growth in its market. The Folksam Life Group accounted for SEK 35,288 million (32,754) and the Folksam General Group for SEK 14,651 million (14,269).

## Macroeconomics

The outlooks for the global economic development continue to look bright, thanks not least to the development of the developed economies in Europe and Asia. The recently

adopted tax reform in the U.S. is also expected to benefit the financial development. The IMF is raising its forecasts for global GDP for 2018 and 2019 to 3.9 per cent for both years, which is 0.2 percentage points higher compared with the autumn forecast.

But there are challenges to manage, such as low inflation and an uneven recovery. At the same time, the political development is continuing to create uncertainty. Negotiations on important trade agreements such as Nafta, as well as negotiations between the UK and the EU on the country's exit from the union have an effect. However, Sweden is showing indications of a strong economic growth with both high growth and falling unemployment.

The prevailing interest rate situation continues to be a challenge for the insurance industry.

In the autumn, the Government presented a proposal to raise taxes on the savings classes of endowment insurance and investment savings accounts, which entered into effect on 1 January 2018.

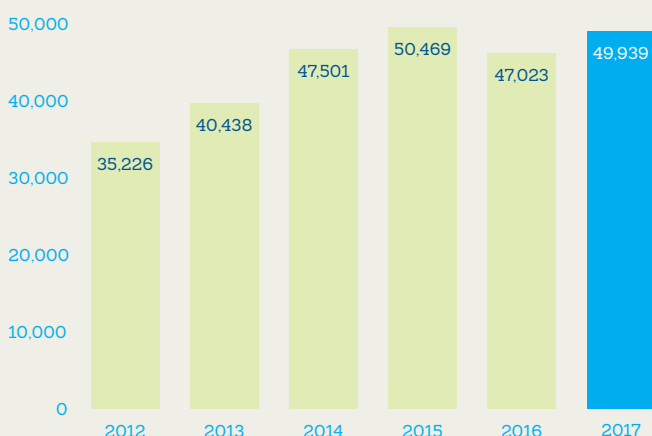
## Managed assets and unit-linked insurance assets

At 31 December 2017, the Folksam Group managed SEK 394,125 million (375,794). At 31 March 2017, the unit-linked insurance assets amounted to SEK 139,632 million (124,042). The increase of the unit-linked insurance assets is due to good value growth and a strong positive premium inflow.

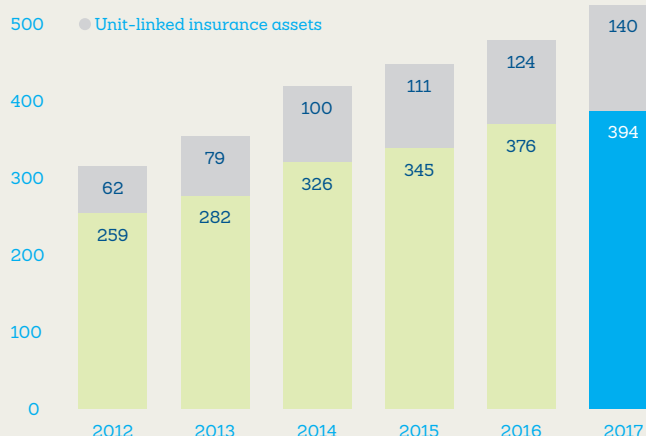
Folksam's managed assets, December 2017



Total premium volume, SEK millions



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



Despite the situation with continued negative interest rates, the Folksam Group succeeded in providing returns in 2017. The return on the interest-bearing holdings were, however, lower than the previous year. Properties are a class of assets that continue to develop strongly, as does the relatively smaller holdings in special investments. The share portfolios also provided returns, not least in life insurance. Some special events in the asset management business in the period October to December 2017:

- Folksam General sold its participating interest of 10.08 per cent in the Danish non-life insurance company, Alka Forsikring. The sale was made together with company's other owners and the price amounted to DKK 8.2 billion. For Folksam General, the sale entailed a capital gain corresponding to around SEK 700 million before tax and appropriations.
- The Folksam Group invested a total of EUR 50 million in the Swedish forestry fund Silvestica Green Forest AB. The customers thereby gain indirect access to a new type of asset in their portfolios.
- Folksam Life and Folksam General bought four office properties from Stena in central Gothenburg at a value of SEK 1.63 billion. This continues the stake on properties in Gothenburg.
- KPA Pensionsförsäkring sold 23 retail properties to ICA Fastigheter and Secore Fastigheter at an underlying property value of SEK 525 million. Today, ICA is conducting retail operations in the properties. These sales are in line with the property strategy with a focus on residential and office properties in Stockholm, Gothenburg, Malmö and Uppsala.
- KPA Pension and the rest of the Folksam Group continued to buy green bonds being issued by municipalities throughout Sweden. In an issue by Östersund Municipality totalling SEK 800 million, the Folksam Group bought a total of SEK 160 million worth.
- KPA Pension also bought bonds from Sundsvall Municipality through a so-called private placement, an issue especially directed at KPA Pension and Folksam. The total bond value amounted to SEK 350 million.
- In the unit-linked insurance business, Folksam launched the unit-linked insurance products SPP Sverige Plus, SPP Global Plus and SPP Tillväxtmarknad Plus in our guided fund range in December. After year-end, SPP Europa Plus was also added. These index-linked Plus funds are fossil free, take sustainability criteria into consideration and guide placements towards more sustainable companies. After the end of the period, the Folksam group acquired in a private placement bonds from the World Bank (IBRD) to a value of USD 350 million or SEK 2.8 billion. This third acquisition to same value with a World Bank organ, the Folksam group wants to direct to focus towards four of the UN's seventeen global sustainable development goals.

## Regulations

New and future regulations are placing major demands for the reorganization of companies in the insurance and pension savings industries.

The Ministry of Finance has proposed a new Insurance Distribution Directive (IDD), which contains a large number of reforms that increase customer protection and create more uniform competitive conditions in the market. IDD is a political agreement at the EU level that will begin to apply as of October first, 2018. Business models, policies, agreements, document and informational materials as well as compensation to employees will be affected. Training of personnel will also be required and perhaps new permits to ensure that the operation is consistent with the new requirements. The Ministry communication on the proposed new regulation for insurance distribution was circulated for comment through 22 September 2017. An important input from Folksam was to explain that protection is already in place for collectively agreed insurance by the equal collective agreement parties negotiating solutions. As an insurance company, we accede to the negotiated model.

### Solvency II and occupational pension regulation

Solvency II (insurance business legislation) has applied since 2016, at the same time that companies that conduct occupational pension operations can instead follow transitional rules. At the start of October 2016, the Government announced a policy decision regarding the upcoming occupational pension regulation. Based on the ambition of achieving a solution that provides adequate protection for consumers at the same time as allowing effective management of occupational pensions, the decision means that there are different regulations for occupational pension companies and insurance companies. A number of significant issues are still awaiting decisions, however, such as what the capital requirements will be for the occupational pension companies. Decisions on these issues are expected to be announced by the Ministry of Finance in spring 2018.

Even the EU's General Data Protection Regulation (GDPR), which replaces the current Swedish Personal Data Act (PUL) on 25 May 2018, will require the Folksam Group to adapt operations that handle personal data. The GDPR increases the focus on each individual's rights and ownership of their personal data.



## Digitalisation

Digitalisation is affecting insurance and pension savings in many ways. On one hand, new risks and changed ways of communicating with customers are arising, and on the other, new insurance needs, business models and competitors are being created. The Internet of Things and self-driving cars, a sharing economy and automated claims handling and robot advice are concrete examples of the consequences of digitalisation and automation.

For Folksam, major development initiatives, such as enhancement of our IT systems and an increase in our digital presence for customer communication are continuing with a view to making us an even more modern and effective enterprise. But they are also driving costs. We, therefore, prioritise among the projects to ensure that the projects we have under way provide the intended benefit.

## Sustainability

While the U.S. has repealed climate laws and decided to leave the Paris agreement, researchers continue to sound the alarm of ice in the Arctic melting faster than previously thought. In Sweden, the Government commissioned an investigation of how the finance market can contribute to the climate adjustment by promoting the market for green bonds. A result from the investigation, which was submitted to the Minister for Finance at the beginning of January 2018, was the proposal that the state issue green bonds. It has now been circulated for comment.

At the end of 2017, Folksam and KPA Pension backed the financial world's international climate appeal, the Task Force on Climate-related Financial Disclosures (TCFD), the framework of which is intended to reduce the finance sector's climate impact.

Within the scope of the corporate network of the Haga Initiative, Folksam has committed to be fossil-free by 2030. We have also invested extensively in green bonds and are approaching SEK 15 billion in investments. We have set a new target of owning SEK 25 billion in this asset class before the end of 2018.

Folksam General with subsidiaries reports in accordance with Solvency II. Folksam Life with subsidiaries has pure Solvency II companies (KPA Livförsäkring), companies with mixed operations (Folksam Fondförsäkring and Folksam Life) and pure occupational pension companies (Folksam LO fondförsäkring and KPA Pensionsförsäkring) that follow the Solvency I regulations. The companies' capital requirements under Solvency II are determined according to the standard model, which is adapted to an average, European insurance company. All companies meet the solvency and minimum capital requirements. Calculations of the solvency factor for Folksam General (Group) and Folksam Life (parent company) are presented with a one-quarter delay.

# Folksam General

Folksam General

Förenade Liv

Saco Folksam  
Försäkring

51%

Folksam  
Skadeförsäkring

75%

Tre Kronor

Folksam General Group	2017	2016	2015
Premiums earned, SEK millions	14,651	14,269	13,395
Assets under management, at period-end, SEK million	46,658	46,106	43,189
Solvency factor <sup>1)</sup> (SCR), at period-end	2.0	2.0	1.9

The premiums earned in the Folksam General Group increased to SEK 14,651 million (14,269), which is 3 per cent higher than 2016. Assets under management increased by 1 per cent to SEK 46,658 million (46,106). The solvency factor according to the Solvency II directive is 2.0 (2.0).

Folksam General (parent company)	2017	2016	2015
Premiums earned, SEK millions	11,671	11,298	10,592
Underwriting result, SEK millions	108	-250	148
Profit/loss before appropriations and income tax, SEK million	913	1,746	557
Total expenses, %	97.9	100.8	96.8
of which claims expenses, %	82.7	84.0	77.9
of which operating expenses, %	15.2	16.8	18.9
Total return, %	3.4	6.6	2.4
Solvency capital, at period-end, %	18,996	18,092	16,293
Funding ratio, at period-end, %	168	157	149
Solvency factor <sup>1)</sup> (SCR), at period-end	2.2	2.2	2.1

<sup>1)</sup> The solvency factor pertains to the capital base in relation to capital requirements in accordance with the Solvency II directive. The solvency factor is presented with a one-quarter delay.

The premiums earned for the period amounted to SEK 11,671 million (11,298) in the parent company, which is around 3 per cent higher than 2016. The strong offering and the greater willingness-to-pay for insurance among customers continued to drive demand and contribute to the volume growth. Likewise, the trend towards insurance with more content continued, at the same time that some premium adjustments increased revenues. Above all, it was household and home owner insurance, and pet insurance that accounted for the premium increase.

The total cost ratio in the parent company amounted to 97.9 (100.8). This is around 3 percentage points lower than the previous year and followed by the operating expense ratio, which decreased to 15.2 (16.8) as a result of lower acquisition and development costs and a repayment of pension premiums from Folksam Life. The claims expense ratio also improved to 82.7 (84.0) per cent. We saw the largest improvement of the total cost ratio in the two largest insurance lines "household & home owner" (as a result of better claims outcomes for fire and nature claims and premium adjustments) and "auto & road traffic".

The underwriting result amounted to SEK 108 million (-250), which is SEK 359 million higher than 2016. It is primarily higher premiums earned, better claims outcomes and lower operating costs that contributed to the improvement

in earnings. Earnings were negatively affected in part by lower return on assets in the insurance business. Profit before appropriations and tax amounted to SEK 913 million (1,746) for the period. Return on assets includes an unrealised gain of around SEK 700 million as a result of sales of Folksam General's participating interest in the Danish non-life insurance company Alka.

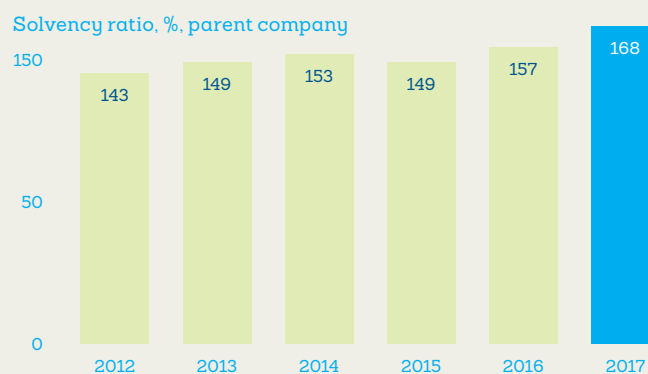
The total return ratio decreased to 3.4 (6.6) per cent. This is mainly due to lower return on interest-bearing securities, but also other asset classes had lower returns compared with the year-before period. The solvency factor, which we present with a one-quarter delay, amounted to 2.2 (2.2) for the parent company.

The funding ratio increased to 168 (157) per cent in the parent company.

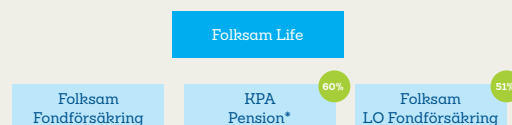
Folksam General is paying bonuses to its customers for the sixth consecutive year after reintroducing the bonus programme in 2012. Within Folksam General, the bonus amounts to SEK 320 million (271) and comprises pet, home and vehicle insurance as well as personal risk. The bonus is divided between around 2.4 million customers.

### Events during the period (Oct-Dec):

- With a long history as a sponsor of athletics, Folksam General continues to be a national partner to the Swedish Athletic Association for four years beginning in 2018.
- Folksam is extending and expanding the cooperation with the Swedish Golf Federation in a three-year agreement.
- Hyundai is extending the agreement with Folksam by another three years. The deal comprises 49,000 car policies and 60,000 assistance policies.



# Folksam Life



Folksam Life Group	2017	2016	2015
Premium income, SEK million	35,288	32,754	37,095
Assets under management, at period-end, SEK million	347,258	329,485	301,464
Unit-linked insurance assets, at period-end, SEK millions	139,632	124,042	111,144
Solvency factor <sup>1)</sup> , at period-end	3.3	3.4	3.5

Premiums written for the Folksam Life Group amounted to SEK 35,288 million (32,754) for 2017. Assets under management amounted to SEK 347,258 million (329,485) and the unit-linked insurance assets amounted to SEK 139,632 million (124,042). In total, the customers' assets had increased by more than 7 per cent as of 31 December 2017, compared to the same time in the preceding year. The solvency factor was 3.3.

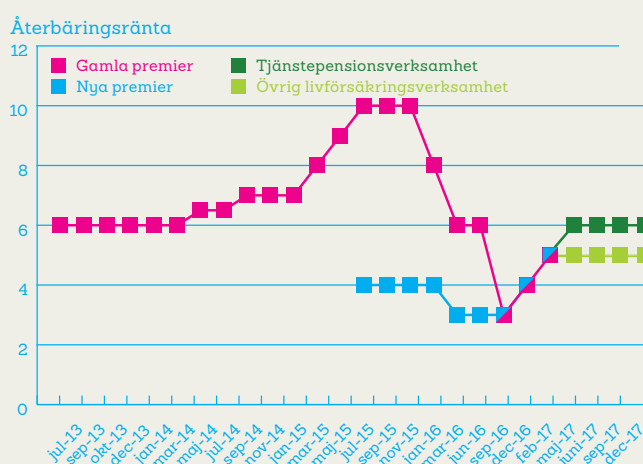
Folksam Life (parent company)	2017	2016	2015
Premium income, SEK million	10,324	9,840	13,479
Underwriting result, SEK millions	5,706	8,190	8,985
Management expense, %	0.6	0.6	0.7
Total return, %	4.2	8.4	3.7
Assets under management, at period-end, SEK million	179,413	176,267	164,489
Solvency ratio, at period-end, %	165	165	162
Solvency factor <sup>1)</sup> mixed companies	3.7	3.9	4.1
Collective funding ratio <sup>2)</sup> occupational pension, at period-end, %	120	121	119
Collective funding ratio <sup>2)</sup> other life insurance activities, at period-end, %	118	120	118

<sup>1)</sup> The solvency factor for mixed companies refers to the sum of the capital base relative to the capital requirements for other life insurance (in accordance with the Solvency II directive) and the capital base relative to the capital requirements (in accordance with the Solvency I directive) for the occupational pension operations. The solvency factor is presented with a one-quarter delay.

<sup>2)</sup> The collective funding ratio was calculated until 30 November 2015 divided into the business lines Life1 and Life2. Thereafter, all occupational pension business was combined and the business lines "occupational pension business" and "other life insurance business" were formed.

Premiums written for the parent company Folksam Life amounted to SEK 10,324 million (9,840). The increase comes from the savings products where all areas are increasing. The highest percentage increase was in individual occupational pensions with premiums written of SEK 1.3 billion. At the same time, the risk products are decreasing in premium volume.

The operating expenses decreased somewhat compared with 2016, mainly as a result of lower acquisition costs, which in turn are due to lower sales and restructuring in the sales organisation. At the same time, the on-going development projects drive costs, such as regulatory adaptation and efficiency enhancements to IT systems and other processes. The total return for the period amounted to 4.2 (8.4) per cent and contributed to the positive underwriting result. It is above all equities that contribute with a return of 7.4 per cent. Properties, which currently account for 9 per cent of the asset portfolio, had returns of 13.8 per cent and interest-bearing securities had returns of 0.9 per cent in 2017. Seen over the past five years 2013–2017, the annual average total return for Folksam Life was 7.1 per cent. The total return for the past ten-year period, 2008–2017, was 6.9 per cent per year.



In 2015, Folksam Life divided up the bonus rate into "old capital" and "new capital". Depending on the portfolio, the breakpoint is 1 June 2015 (Life2) or 1 July 2015 (Life1). The diagram shows the breakpoint for Life1. Since 1 September 2015, Folksam Life went back to a joint bonus rate for "old" and "new" capital. On 30 November 2015, all occupational pension business was combined and the business lines "occupational pension business" and "other life insurance business" were formed. As of 1 April 2017, the two insurance lines have different bonus interest rates.

The solvency ratio in the parent company was 165 (165) per cent at 31 December 2017 and was thereby on a par with the beginning of the year. Bonuses paid amounted to SEK 2.8 billion (3.0), which reduced equity. Folksam Life also made a payment of surpluses to employers within KTP2 of SEK 1.7 billion, which was booked during the second quarter of the year. The premium discount of 90 per cent in defined-benefits pension remained.

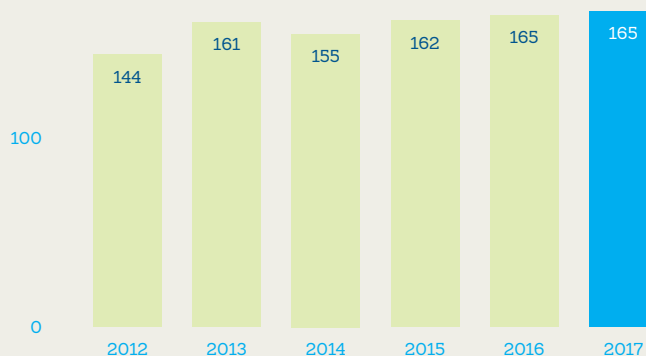
The solvency factor for mixed companies, which we present with a one-quarter delay, is stable and amounts to 3.7 for the parent company. The collective funding ratio for the defined-contribution occupational pension insurance amounted to 120 (121) per cent on 31 December 2017, and 118 (120) per cent for other life insurance business.

### Events after the end of the period

- Folksam launched the new product Private Pension. It is a traditional insurance mainly targeted at the more than one million of Folksam's customers aged 25 to 55.

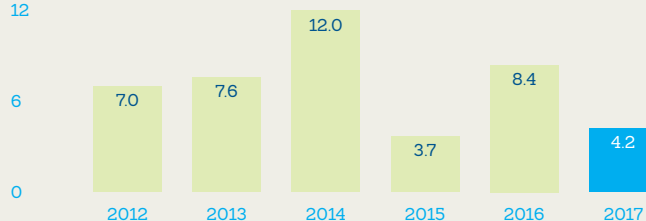
Solvency ratio %, parent company

200

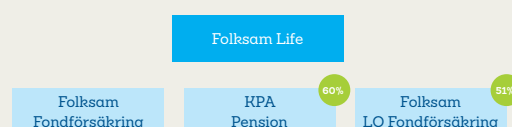


Total return %, parent company

12



## KPA Pensionsförsäkring



KPA Pensionsförsäkring AB	2017	2016	2015
Premium income, SEK million	13,378	12,138	11,726
Underwriting result, SEK millions	9,171	7,281	4,098
Management expense, %	0.2	0.2	0.2
Total return, %	4.6	6.6	3.3
Rate of return, %	4.8	6.7	3.7
Assets under management, at period-end, SEK million	163,060	148,379	132,283
Solvency ratio, at period-end, %	168	164	164
Solvency factor (S1), at period-end	16.3	15.4	15.2

Premiums written for KPA Pensionförsäkring amounted to SEK 13,378 million (12,138), which is an increase of 10 per cent. As a default selection company in the defined-contribution pension, KPA Pension received 115,000 new pension savers covered by the pension agreements RAP-KL and AKAP-KL in connection with the year's brokering in 2017. This is 12,000 more than the year before. Capital moved out in 2017 was just over SEK 1,269 million. The administrative cost ratio in KPA Pensionsförsäkring was 0.2 (0.2). KPA

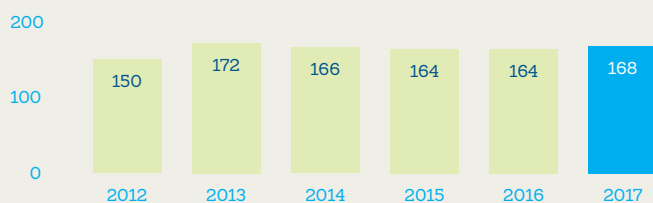
Pensionsförsäkring's solvency ratio at period-end was 168 (164) per cent. Above all, it is the return on assets and the positive cash flow of almost SEK 10 billion that contributed to the improved solvency ratio.

Total return amounted to 4.6 (6.6) per cent for the period and the rate of return amounted to 4.8 (6.7) per cent. All asset classes developed positively during the period. Viewed over the past ten years, 2008-2017, the annual average total return for KPA Pensionsförsäkring was 7.5 per cent.

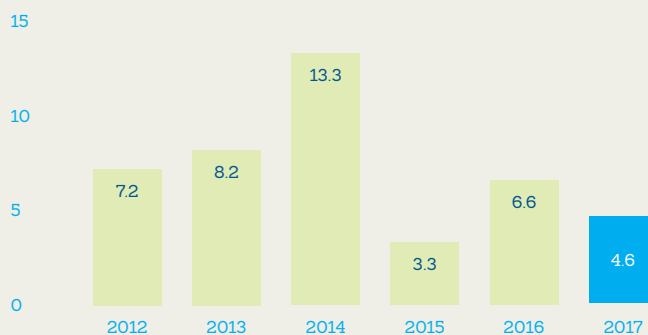
## Events during the period (Oct-Dec):

- KPA Pensionservice moved the majority of the remaining employer customers as of 1 November to the New KPA Direct system where pension administrators in municipalities and county councils administer the employees' pensions. Some 130 municipal customers were already moved over to New KPA Direct.
- Täby, Tyresö, Luleå and Motala are four municipalities that during the period chose KPA Pension as the supplier for pension administration.
- Thanks to strong finances, KPA Pensionsförsäkring is reducing the premium from 3 to 2 per cent as of 1 January 2018 in a product linked to the collectively agreed occupational pension, the so-called waiver of premium insurance. The premium reduction concerns 900 employers in municipalities, county councils and municipal companies.
- KPA Livförsäkring is reducing the premium by 70 per cent of the 2018 premium for the occupational group life insurance, TGL-KL for around 2,000 employer customers. This corresponds to SEK 200 million.
- KPA Pension receives the best rating in the Svenskt Kvalitetsindex (SKI - Swedish Quality Index) measurement of customer satisfaction among corporate customers in the insurance industry.

Solvency ratio, %



Total return, %



## Appendix: Other subsidiaries and associated companies

Folksam General			
Tre Kronor	2017	2016	2015
Premiums earned, SEK millions	999	962	921
Underwriting result, SEK millions	95	56	123
Profit before tax, SEK millions	94	66	120
Total expenses, %	90.5	94.1	86.8
Solvency factor (SCR), at period-end	2.1	2.0	1.9
Folksam Skadeförsäkring			
Premiums earned, SEK millions	721	736	708
Underwriting result, SEK millions	-14	61	12
Profit before tax, SEK millions	-18	99	-3
Total expenses, %	103.7	93.3	101.5
Solvency factor (SCR), at period-end	3.1	2.9	2.6
Förenade Liv			
Premiums earned, SEK millions	1,086	1,110	997
Underwriting result, SEK millions	-24	246	-91
Profit before tax, SEK millions	-24	246	-91
Total expenses, %	103.9	100.8	117.1
Solvency factor (SCR), at period-end	2.0	1.8	2.0
Saco Folksam Försäkring			
Premiums earned, SEK millions	174	163	176
Underwriting result, SEK millions	8	18	17
Profit before tax, SEK millions	14	25	23
Total expenses, %	82.1	85.8	80.5
Solvency factor (SCR), at period-end	1.5	1.4	1.3
Folksam Life			
KPA Livförsäkring			
Premium income, SEK million	279	266	252
Profit/loss for the period before income tax, SEK million	4	57	17
Management expense ratio, %	0.7	0.6	0.6
Total return, %	3.0	4.8	2.4
Solvency factor (SCR), at period-end	3.1	3.2	3.4
Folksam Fondförsäkring			
Premium income, SEK million	20	14	18
Profit/loss for the period before income tax, SEK million	45	110	13
Management expense ratio, %	1.3	1.2	1.5
Unit-linked insurance assets, at period-end, SEK millions	42,574	39,961	37,527
Solvency factor mixed companies	1.5	1.5	1.4
Folksam LO Fondförsäkring			
Premium income, SEK million	103	95	77
Profit/loss for the period before income tax, SEK million	241	199	168
Management expense ratio, %	0.1	0.1	0.2
Unit-linked insurance assets, at period-end, SEK millions	87,525	75,174	65,214
Solvency factor (S1), at period-end	5.4	4.6	3.8

# This is the Folksam Group

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. Every time we meet a customer, we also meet an owner. And we have many owners. We insure almost half of all Swedes and take care of the pensions of more than two million people. As a result, the Folksam Group is one of the leading players when it comes to insurance and pension saving.

## Our vision

Our customers should feel secure in a sustainable world.

## Our business concept


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

## Our overriding objective

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



Find out more at [www.folksam.se](http://www.folksam.se)



Our customers should feel  
secure in a sustainable  
world

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