



# 2024

Länsförsäkringar AB

Annual Report



# Contents

01

## INTRODUCTION

Länsförsäkringar in brief	4
2024 in figures	5
2024 in brief	6
Statement by the CEO	7

02

## STRATEGY

Our business environment	10
About Länsförsäkringar AB	11
Vision, values and focus areas	12
Value-creating business model	16

03

## OUR OPERATIONS

Non-life insurance	20
Bank	21
Pension	22
Life insurance	23

04

## BOARD OF DIRECTORS' REPORT

Introduction	25
Business operations	29
Other information	38
Sustainability Report	39
Corporate Governance Report	136

05

## FINANCIAL STATEMENTS

Five-year summary	150
Group	154
Parent Company	217
Auditor's report	250

06

## OTHER INFORMATION

Definitions	255
Länsförsäkringar Liv income statement and balance sheet	256
Addresses	257
Financial calendar	258

Länsförsäkringar AB's 2024 Annual Report contains information about the operations of the Länsförsäkringar AB Group. Länsförsäkringar AB's consolidated subsidiaries are: Länsförsäkringar Bank, Agria Djurförsäkring, Länsförsäkringar Fondliv, Länsförsäkringar Gruppliv and Länsförsäkringar Sak Fastighet. The subsidiary Länsförsäkringar Liv is not consolidated in the Länsförsäkringar AB Group's financial statements since the company is operated according to mutual principles, but it is included in the Group's Sustainability Report since the company is subject to the Group's group supervision. Länsförsäkringar AB applies in advance the new rules for sustainability reporting under the European Sustainability Reporting Standards (ESRS) in accordance with amendments to the Swedish Annual Accounts Act.

# 01

## Introduction

Länsförsäkringar in brief	4
2024 in figures	5
2024 in brief	6
Statement by the CEO	7



# Länsförsäkringar in brief

## Länsförsäkringar

Länsförsäkringar, or LF, comprises 23 local and customer-owned regional insurance companies and the jointly owned Länsförsäkringar AB and its subsidiaries. Customers are provided with a complete offering of banking, insurance, pension and real-estate brokerage services through the regional insurance companies. The regional insurance companies are owned by the insurance customers. There are no external shareholders and meeting customer needs and requirements is always the primary task. The Länsförsäkringar Alliance has 4 million customers and 9,500 employees.

4 million customers

23 local regional insurance companies

### Länsförsäkringar AB

Responsible for a large part of the Länsförsäkringar Alliance's joint development and service and conducts non-life insurance business in development areas to supplement the regional insurance companies' offering or to achieve economies of scale.

#### Länsförsäkringar Bank AB

Offers a broad range of banking services to the regional insurance companies' customers.

#### Agria Djurförsäkring

The Länsförsäkringar Alliance's specialist company for pet and crop insurance.

#### Länsförsäkringar Grupplivförsäkrings AB

Offers group life assurance and occupational group life assurance to the regional insurance companies' customers.

#### Länsförsäkringar Fondliv Försäkrings AB

Offers pension savings with fund and guarantee management and personal risk insurance to the regional insurance companies' customers.

#### Länsförsäkringar Liv Försäkrings AB

Manages traditional life assurance taken out before September 2011 when the company closed for new business.

## Rating

Company	Agency	Long-term rating	Short-term rating
Länsförsäkringar AB	S&P Global Ratings	A/Positive	–
Länsförsäkringar Bank	S&P Global Ratings	A/Positive	A-1 (K-1)
Länsförsäkringar Bank	Moody's	A1/Stable	P-1
Länsförsäkringar Hypotek <sup>1)</sup>	S&P Global Ratings	AAA/Stable	–
Länsförsäkringar Hypotek <sup>1)</sup>	Moody's	Aaa	–

<sup>1)</sup> Pertains to the company's covered bonds.



## Länsförsäkringar AB

Länsförsäkringar AB is wholly owned by the regional insurance companies, together with 14 local insurance companies. Through its distinct role in the Länsförsäkringar Alliance's value chain, Länsförsäkringar AB contributes to increasing competitiveness and reducing costs for joint development. The Länsförsäkringar AB Group conducts banking, life assurance, pension insurance as well as non-life insurance business. The task of the non-life insurance business is to complement the regional insurance companies' offering with specialist products, start new business and create economies of scale. The Länsförsäkringar AB Group also manages the Länsförsäkringar Alliance's reinsurance cover and assumed international reinsurance. Länsförsäkringar Liv is not consolidated in the Group since the company is operated according to mutual principles.

## INTRODUCTION

- Länsförsäkringar in brief 2024 in figures 2024 in brief Statement by the CEO

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



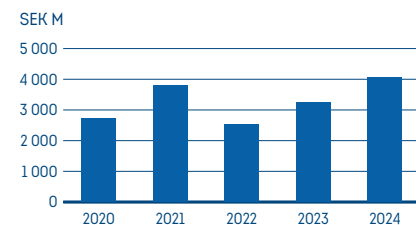
# 2024 in figures

The Länsförsäkringar AB Group's profit before tax amounted to SEK 4.1 billion, with all operations contributing to these healthy earnings. Business volumes performed strongly for all business operations in 2024.

**LÄNSFÖRSÄKRINGAR AB GROUP** *Figures in parentheses pertain to 2023*

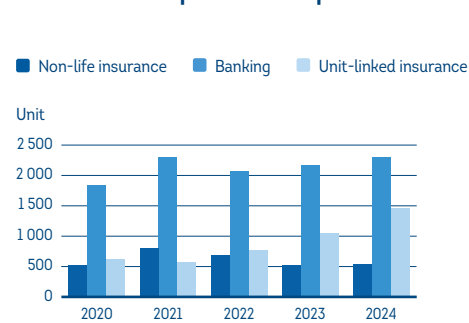
## Profit before tax

**SEK 4,050 M**



The Länsförsäkringar AB Group's profit before tax increased to SEK 4,050 M (3,240). Dividend to owners amounted to SEK 698 M (698).

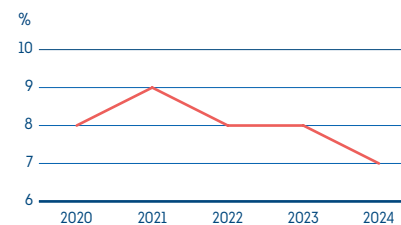
## Profit before tax per business operation



The banking operations contributed profit before tax of SEK 2,291 M (2,168), followed by the unit-linked insurance and non-life insurance operations with SEK 1,450 M (1,040) and SEK 527 M (515), respectively.

## Return on equity

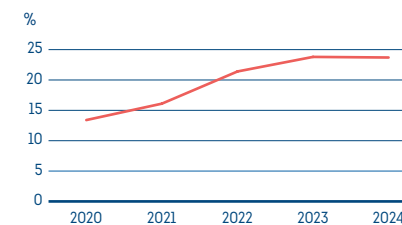
**7%**



The Länsförsäkringar AB Group's return on equity amounted to 7% (8).

## Share of sustainability-focused investments

**24%**



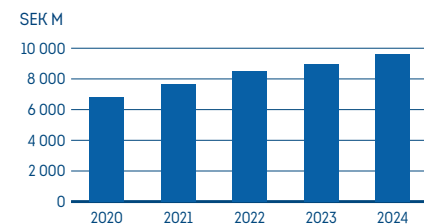
The share of sustainability-focused investments of managed assets in the Länsförsäkringar AB Group's investment portfolios amounted to 24% (24), exceeding the target of 23%.

## BUSINESS VOLUME PER BUSINESS OPERATION

### NON-LIFE

Net premiums earned

**SEK 9.6 bn**

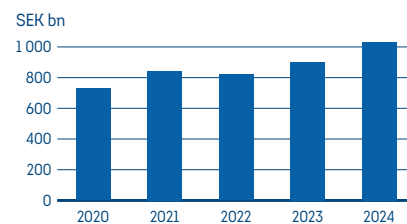


Net premiums earned for the non-life insurance operations rose 8% to SEK 9,642 M (8,946), mainly driven by personal risk insurance and Agria's international operations. The combined ratio amounted to 95.5% (95.9).

### BANK

Business volumes

**SEK 1,034 bn**

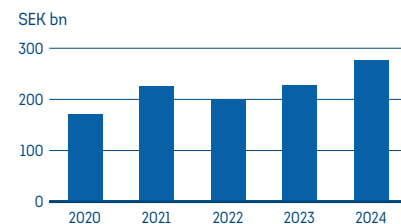


The banking operations' business volumes increased 15% to SEK 1,034 billion (901), driven by higher fund volumes and mortgage volumes.

### UNIT-LINKED INSURANCE

Managed assets

**SEK 277 bn**

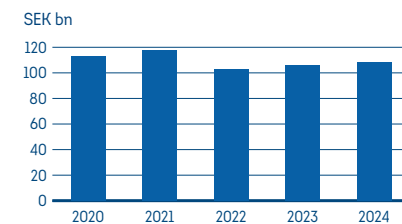


Länsförsäkringar Fondliv's managed assets increased 21% during the year to SEK 277 billion (228) on 31 December 2024 due to solid returns from stock-market upturns and strong growth in the underlying business.

### TRADITIONAL LIFE ASSURANCE

Managed assets

**SEK 108 bn**



Länsförsäkringar Liv, which is closed for new business, conducts traditional life assurance for its customers. Total managed assets rose to SEK 108 billion (106) on 31 December 2024.

## INTRODUCTION

- Länsförsäkringar in brief
- 2024 in figures
- 2024 in brief
- Statement by the CEO

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# 2024 in brief



## Agria growing internationally

Agria is one of Europe's largest pet insurance companies. As a market leader, Agria wants to exceed customer expectations and be at the forefront of service and offerings. In 2024, Agria's premiums earned increased by 9%, mainly internationally. Agria's long-standing expertise in pet insurance means it has strong potential to continue to grow. Many European countries have low levels of pet insured yet millions of animals, where more and more conscious pet owners are seeing the benefits and the security of having insurance. In 2024, Agria entered into a white-label partnership with Lloyds, a major British bank, which allows Agria to expose its insurance offering to 22 million bank customers, half of whom are pet owners.



# 4 million

## CUSTOMERS HAVE CHOSEN LÄNSFÖRSÄKRINGAR

For the first time, Länsförsäkringar has 4 million customers. Länsförsäkringar has a complete offering for its customers, featuring advice and services in banking, insurance, pension and real-estate brokerage. Länsförsäkringar's customer promise – to simplify everyday life for customers and help create a secure future – is part of the entire operations. Länsförsäkringar is there for its customers through all stages of their lives.




## LF top ranked for sustainability

Consumers rank Länsförsäkringar as the best in sustainability in the insurance industry (Sustainable Brand Index) and the real-estate broker industry (Sifopanel), and second best in the banking industry (SKI retail segment). Länsförsäkringar works actively to help future-proof society and these awards show that the sustainability efforts are producing results. Besides responsible customer offerings, Länsförsäkringar's sustainability activities encompass several areas such as claims prevention and health promotion. With the 23 regional insurance companies, Länsförsäkringar has a unique opportunity to be involved in initiatives that make a difference in the local community.



## AI at LF

Länsförsäkringar sees many opportunities to use AI to create better services and increase security for customers. In 2024, Länsförsäkringar worked on several AI projects such as more reactive fire alarms, smarter claims management, reduced cases of fraud, an improved customer chatbot, more efficient internal information and AI-driven code assistant. The aim of these initiatives is to improve Länsförsäkringar's customer offering. Länsförsäkringar's internal AI assistant, LF-GPT, streamlines the daily work of employees.

 [Read more on page 15.](#)

### INTRODUCTION

- Länsförsäkringar in brief
- 2024 in figures
- 2024 in brief
- Statement by the CEO

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION



# LF looks ahead to future-proofed operations

## STATEMENT BY THE CEO

Länsförsäkringar has four million customers and our customer promise – to simplify everyday life for customers and help create a secure future – is part of the entire operations. This means that we always need to look beyond today's operations to understand and act on future changes so that customers will continue to choose Länsförsäkringar.

We are living in a changing world marked by geopolitical turmoil, climate change and rapid technological advances, which requires us to be at the forefront and respond to changes. We must continue to offer attractive products and services that create security for customers. We need to continue to take long-term social responsibility and contribute to climate change mitigation. We need to have a high level of ambition for our development activities in which the use of AI will change our business forever. Länsförsäkringar focused on all these areas in 2024, while all business operations delivered healthy growth and strong earnings.

### Länsförsäkringar's ecosystem

LF's broad range of banking, insurance, pension and real-estate brokerage offers customers complete solutions and combined products and services. To meet the needs of tomorrow, we need to continue to develop innovative customer offerings that are better, smarter and customised. Several new, combined customer offerings were launched in 2024, for example, a tailored offering, consisting of a combination of household insurance and



a savings product, for young people who are moving away from home.

As part of the Länsförsäkringar ecosystem, we offer financial advisory services, as well as claims prevention information and security services to protect the home, belongings, pets and health. From 2025, Länsförsäkringar will conduct health care agency services itself under its health care insurance. We view this as a fantastic opportunity to improve the customer offering by gaining control over accessibility, development and costs.

We are also working together with other companies to strengthen the customer offering. Länsförsäkringar is a part-owner of the popular pregnancy app Baby



**We need to look beyond today's operations to understand and act on future changes.**

**Mathias Collén**  
President and CEO of  
Länsförsäkringar AB

Journey, which gives users access to Länsförsäkringar's advisory services and information on our pregnancy and child insurance policies. From the start of 2025, Länsförsäkringar will take over brand insurance and vehicle-damage guarantees for Suzuki cars in the Swedish market, similar to the partnership we have had with Toyota and Lexus since 2019.

### Länsförsäkringar in society

The starting point of Länsförsäkringar's sustainability efforts is local and long-term social responsibility. The regional insurance companies' strong local community involvement alongside schools, clubs, the emergency services and municipalities benefits both customers and society as a whole.

In 2024, several regional insurance companies worked together with Save the Children to roll out the digital security ambassadors initiative in the gaming world to support children and young people, and offer someone to speak to besides their parents, similar to LF's popular initiative with security ambassadors in school playgrounds.

Security challenges in society are also the focus of the LF Research Foundation, whose research projects influence public debate. Länsförsäkringar arranged seminars on topical safety and sustainability issues at the 2024 Almedalen political week. One of the seminars highlighted ways to combat the recruitment of children into criminal gangs, which in addition to rising crime is one of our biggest problems in society. For this reason, it was an obvious choice for us at Länsförsäkringar AB to make our 2024 Christmas donation of SEK 400,000 to Rätt Kurva, a crime prevention programme to reduce the recruitment of children into criminal gangs and open new paths away from crime. Länsförsäkringar AB's employees could also choose various aid packages that were sent via the Red Cross for a total of SEK 300,000.

## INTRODUCTION

- Länsförsäkringar in brief
- 2024 in figures
- 2024 in brief
- Statement by the CEO

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



### Combating financial crime

Another growing problem in society is financial crime and fraud, which creates insecurity for people and businesses. As digitisation increases so are digital fraud and cyber crime, meaning the security requirements are becoming stricter. Länsförsäkringar feels that it has a great responsibility to strengthen customer protection and to combat this type of crime by informing our customers, systematically working on risk assessments and active surveillance, participating in joint banking and insurance initiatives and collaborating with the authorities.

### Climate change mitigation

Climate change will have global consequences for many decades to come and therefore climate risk is a priority area of sustainability for Länsförsäkringar. Länsförsäkringar can help customers make sustainable choices by offering sustainability-focused offerings and advice. We need to pursue responsible business conduct ourselves, with guidance in our day-to-day sustainability activities provided by UN initiatives such as the Global Compact, Principles for Responsible Investment, Principles for Responsible Banking, Principles for Sustainable Insurance and PRI Advance. Länsförsäkringar AB has the ambition of being climate neutral by 2045 and has developed interim targets for 2030 aimed at contributing to climate change mitigation in line with the Paris Agreement.

The Länsförsäkringar AB Group will apply the new ESRS sustainability reporting rules in advance in the 2024 Annual Report. Länsförsäkringar believes that the new regulations are valuable for structured sustainability efforts.

### AI at Länsförsäkringar

The key to Länsförsäkringar's customer promise is to continue to digitalise the operations and we see many opportunities to use AI to create better services and increase security for customers. Technological advances such as generative AI will change the way we do business, and quickly. But AI is nothing new to the insurance industry or Länsförsäkringar – we've been working with machine learning for decades leading up to today's AI applications for smarter claims adjustment, improved customer chatbots and fewer cases of fraud. In 2024,



we also started implementing Knowledge Graphs and RAG technology in various pilot projects, giving us even more robust anti-fraud tools, for example. Furthermore, all Länsförsäkringar employees have access to our internal AI assistant, LF-GPT, which make day-to-day work more efficient. LF-GPT turned one in September 2024 and is used by about 5,000 employees every month. The biggest challenge is not the technology itself but our ability to adapt, but the fact that so many employees use generative AI on a daily basis gives us a solid foundation for the future!

At the same time, Länsförsäkringar places great emphasis on promoting the reliable use and development of AI that is compatible with current legislation, ethical principles and fundamental rights.

**”**  
**The biggest challenge is not the technology itself but our ability to adapt.**

**Mathias Collén**  
President and CEO  
of Länsförsäkringar AB

### Healthy growth and strong earnings

In addition to all our efforts to future-proof our operations, all businesses operations delivered healthy growth and strong earnings. The Länsförsäkringar AB Group reported a strong profit before tax of SEK 4 billion. The non-life insurance operations achieved healthy premium growth of just over 8% and a combined ratio of 95.5%. Agria continued to grow strongly, particularly internationally, and is now one of Europe's largest pet insurance companies with operations in eight countries. The banking operations reported successful growth with the second largest share of market growth in mortgages and the second largest net inflow of all fund companies in the Swedish market. The total premium income in the pension operations increased 42% and managed assets achieved a new high of SEK 277 billion. We are very grateful that customers continue to choose Länsförsäkringar!

I would like to conclude by thanking all the skilled and dedicated employees who are making our journey towards a future-proof business possible. My personal goal for 2025 is to embrace AI – to increase knowledge at all levels of Länsförsäkringar and to make the right decisions related to this. Because things are moving fast now and we have high ambitions.

Stockholm, March 2025

Mathias Collén  
President and CEO of Länsförsäkringar AB

## INTRODUCTION

- Länsförsäkringar in brief
- 2024 in figures
- 2024 in brief
- Statement by the CEO

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# O2

## Strategy

Our business environment	10
About Länsförsäkringar AB	11
Vision, values and focus areas	12
Value-creating business model	16



# Drivers and trends

## OUR BUSINESS ENVIRONMENT

Drivers and trends in our business environment affect future customer requirements and thereby Länsförsäkringar's operations, business model and development needs. There are many challenges, but Länsförsäkringar has favourable conditions to optimally meet customer needs through a broad customer base, local knowledge and a unique business model that supports both local and digital customer meetings.



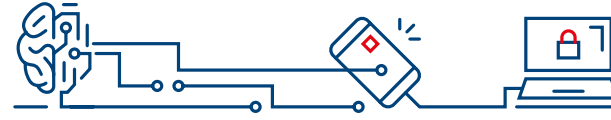
### Climate change

#### Impact on Länsförsäkringar

Climate change will have global consequences for many decades to come. Extreme weather conditions such as hurricanes, torrential rain and drought are becoming more frequent and have major socio-economic consequences. The subsequent effects of climate change will impact different geographies in different ways, and the health and welfare of people will be affected. Sustainability is increasingly being integrated into companies' business strategies, with new and future EU regulations driving the transition to a climate-friendly economy.

#### Länsförsäkringar's initiatives

Reducing the risk of claims helps create security for Länsförsäkringar's customers and every avoided claim is a gain for the environment, individuals and society at large. Länsförsäkringar offers advice to customers about claims prevention and how to best protect their property and themselves from natural catastrophes. Claims-prevention activities also include collaboration with other companies, trade and civil society organisations in Sweden and internationally. Länsförsäkringar's sustainability work is based on a materiality assessment that forms the basis for prioritising and managing material sustainability topics, including climate change. Länsförsäkringar AB has the ambition of being climate neutral by 2045 and has developed interim targets for 2030 aimed at contributing to climate change mitigation in line with the goals of the Paris Agreement.



### Technological advances

#### Impact on Länsförsäkringar

An increasingly connected society and rapid developments in AI bring new business opportunities. Traditional competition is being continually challenged by new technology, new ecosystems and innovative companies. The player who best understands the customer's needs and can package solutions that meet the customer expectations will have a competitive advantage. Continuous development is required to ensure lasting competitiveness.

#### Länsförsäkringar's initiatives

Introducing the Lean Agile work method has enhanced the efficiency of Länsförsäkringar's development activities and made them more innovative, resulting in rapid product development and testing, so as to provide the new services demanded by customers. Länsförsäkringar's broad range of banking, insurance, pension and real-estate brokerage offers customers complete solutions and combined products and services under one roof. Digital platforms, machine learning and an increasingly connected society mean that great potential exists to individualise services and prevent claims and crime as well as creating increased security for customers. Developments of automation, AI and the Internet of Things is continuing and this is where Länsförsäkringar has a major advantage with its broad customer base and offering.



### Society

#### Impact on Länsförsäkringar

The turbulent geopolitical situation is creating a gloomier outlook for stability. Many are stressed about their financial situation, and a growing interest in having savings can be seen among young people in particular. Organised crime is still commonplace and the black economy is growing, creating insecurity for both people and companies. As digitisation increases so are digital fraud and cyber crime, meaning the security requirements are becoming stricter. An ageing population and rising mental illness place a greater burden on welfare and public resources. Continued urbanisation is leading to more demographic challenges. The differences in quality of life are widening due to social and political polarisation, meaning that vulnerable groups are in poorer health and find it difficult to find work and buy a home.

#### Länsförsäkringar's initiatives

Länsförsäkringar works proactively and reactively with the effects of changes in society and how they impact customers. Measures include working together with municipalities and financing independent research projects studying social, economic and physical security for customers and society at large. Through involvement in the local community, Länsförsäkringar supports children and young people to improve mental health and reduce crime at a young age as well as increase access to sports activities. Länsförsäkringar works actively to combat fraud, money laundering and financing of terrorism.

## INTRODUCTION

### STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION



# Success lies in the balance between local and shared

## ABOUT LÄNSFÖRSÄKRINGAR AB

The Länsförsäkringar AB Group is commissioned by the regional insurance companies to conduct joint banking, non-life and pension operations, strategic development activities and to provide service in areas that generate economies of scale and efficiency. All with the aim of enabling the regional insurance companies to focus on local customer meetings and customer relationships.

The operations of the Länsförsäkringar AB Group help increase Länsförsäkringar's competitiveness. In turn, this creates possibilities for the regional insurance companies to be successful in their respective markets and offer their customers the right range of products for a simpler everyday life and a more secure future.

### Balance between local and shared

For Länsförsäkringar, the core concept is to meet and get to know customers, and this is why essentially all customer contact takes place in the local regional insurance companies. At the same time, the regional insurance companies work together through Länsförsäkringar AB to create economies of scale and enhance efficiency. Länsförsäkringar AB offers the regional insurance companies specialist expertise, business development and shared services, which help provide a comprehensive and strong customer offering. Experience shows that local decision-making authority combined with joint resources creates substantial added value for customers.

### Earnings are returned to the owners

Länsförsäkringar AB's business activities are conducted to generate a profit so that the company can pay returns on equity at market levels.



## LÄNSFÖRSÄKRINGAR AB

Länsförsäkringar AB's operates as the partner of its owners, the regional insurance companies, and is tasked with delivering business, development and service.



*Specialist expertise, business development and innovation for increased value creation.*



*Large-scale solutions for greater efficiency and lower expenses.*



*Comprehensive and strong customer offering in banking, non-life insurance and pensions.*



*Earnings are returned to our owners, the regional insurance companies, and thus to Länsförsäkringar's customers.*

All capital that is not required for Länsförsäkringar AB's operations is returned, over time, to the owners in the form of dividends – and thus back to Länsförsäkringar's customers. The Länsförsäkringar AB Group's capital strength is assessed not only on the basis of its own position but also includes the strong capital position of the regional insurance companies and the significant capacity for contributing capital to the Group. Rating agencies and other stakeholders take the same approach.

### Sustainability throughout the operations

Sustainability is integrated into Länsförsäkringar's business plans, strategies and day-to-day work, which is reflected in sustainable customer offerings. Sustainability is actively pursued across the value chain with the aim of minimising negative impact and proactively contributing to future-proofing society. Sustainability is also important for being an attractive employer. Länsförsäkringar AB's ambition is to be climate neutral by 2045.

## INTRODUCTION

## STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION





# Vision, values and focus areas

Länsförsäkringar AB's activities are guided by a vision and value-based planning of operations that sets the direction for all operations in the Group. Länsförsäkringar AB helps to fulfil the Länsförsäkringar Alliance's shared brand promise of simplifying everyday life for customers and contributing to a secure future.

## VISION

### Together we create security and opportunities

This vision must always be our key objective. The aim of all general and long-term work is that together we create security and opportunities for our customers and society in general.

## CORE VALUES

### Code of culture

Länsförsäkringar AB's code of culture is the foundation of our corporate culture, conduct and leadership. With our culture we create the conditions to succeed with the changes we are facing and deliver on our mission, our business plan and our targets. The culture words of customer, courage and performance are the focus for the next few years.

## FOCUS AREAS

Länsförsäkringar AB is, together with its owners – the 23 regional insurance companies – to realise its vision and fulfil Länsförsäkringar's customer promise of simplifying everyday life for customers and contributing to a secure future. Länsförsäkringar AB, together with the regional insurance companies, has three focus areas:

- ③ Simplify everyday life for customers and regional insurance companies.
- ③ Conduct sustainable, profitable and growing business.
- ③ Realise cost efficiency and fast implementation.

## INTRODUCTION

## STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Simplify everyday life for customers and regional insurance companies

Länsförsäkringar is to be close at hand, available, personal and dedicated in all channels. Customer expectations must be exceeded through a high level of service, expertise, and a secure, complete offering of banking, insurance, pensions and real-estate brokerage.

## OUTCOME 2024

- According to the 2024 Swedish Quality Index, Länsförsäkringar has Sweden's most satisfied customers in consumer loans, the second highest customer satisfaction in non-life insurance, pensions, mortgages and banking for retail customers, and the third highest customer satisfaction in the real-estate broker industry.
- Länsförsäkringar was named Sweden's best fund selection team at the Nordic Fund Selection Awards 2024, for the second year in a row.
- Länsförsäkringar's customer offering was expanded with a number of bundled products and services to create complete solutions.
- Länsförsäkringar launched a new advice system for all types of savings for more productive and effective customer meetings.
- The quality and flexibility of both in-person and digital customer meetings were improved to meet customer needs and demands.



Customer meetings must be qualitative and efficient, no matter if the customer wants to meet physically or digitally. With our local presence, the regional insurance companies understand their customers' situation and can meet their needs, using channels chosen by the customers.

## New bundled customer offers for complete solutions

Länsförsäkringar's customer promise is to simplify everyday life for customers and help create a secure future. When things change, there is often a need for several products and services all at the same time. That is why, with its broad range of banking, insurance, pension and real-estate brokerage, Länsförsäkringar has started to offer bundled products and services to its customers.

One example is Småföretag Bas, a new offering for small businesses that combines banking, non-life insurance and life-assurance products. Another example is a new tailored offering consisting of a combination of household insurance and a savings product, for young people who are

moving away from home. In addition, customers can get help from dedicated savings coaches to start saving for their own home, and a mini-guide filled with moving tips.

Länsförsäkringar has also started using a new advice system for all types of savings such as pension and target savings. This allows Länsförsäkringar to better tailor offerings to the savings needs of both retail and corporate customers.

Länsförsäkringar's insurance customers are offered not only insurance but also claims prevention advice for their homes, their pets and their health.

## INTRODUCTION

### STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION

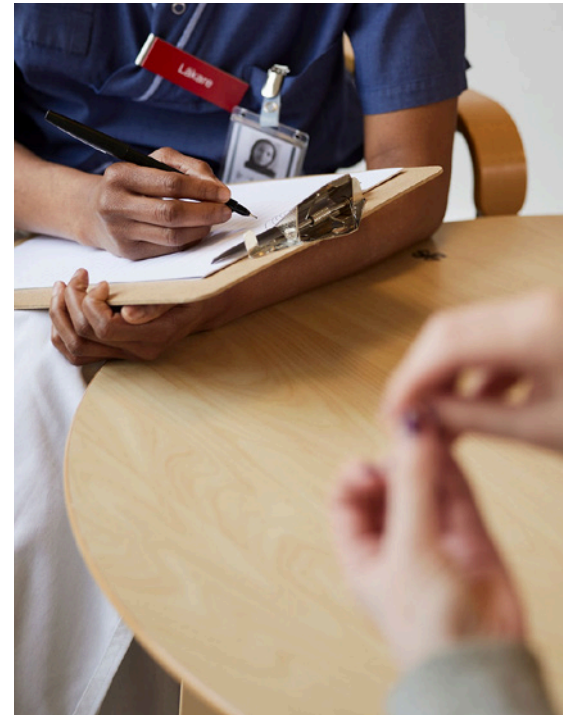


# Conduct sustainable, profitable and growing business

Länsförsäkringar makes it easy for customers to choose sustainable and value-adding offerings and services, reduces sustainability risks, contributes to the positive development of society and ensures long-term profitable growth by incorporating sustainability throughout its operations.

## OUTCOME 2024

- Consumers rank Länsförsäkringar as the best in sustainability in the insurance industry (Sustainable Brand Index) and the real-estate broker industry (Sifopanel), and second best in the banking industry (SKI retail segment).
- Länsförsäkringar AB has continued its sustainability efforts with the ambition of being climate neutral by 2045.
- The carbon footprint of listed equities in the Länsförsäkringar AB Group's investment portfolios has declined 63% since 2019 (base year).
- The Länsförsäkringar AB Group's material direct and indirect (Scope 1-3) CO<sub>2</sub>eq emissions amounted to 16 million tCO<sub>2</sub>eq.
- The percentage of investments with science-based climate targets amounted to more than 50% for the Länsförsäkringar AB Group, including Länsförsäkringar Liv.
- 99.7% of customers' unit-linked insurance capital is invested in light green or dark green funds.
- Länsförsäkringar Bank's volume of the sustainability-focused asset register increased to SEK 19 billion.
- Länsförsäkringar launched a group-wide methodology for measuring carbon emissions from repairing damaged vehicles.
- Länsförsäkringar is the market leader in Swedish non-life insurance, the second largest in non-collectively agreed occupational pensions and real-estate brokerage and Sweden's fifth largest retail bank.



On LF's website, Hälsportalen\* or in LF's Hälsa och vård app, customers have access to everything that is included in their health care insurance – from health care and health-promotion services to handling insurance cases.

\* <https://halsa.lansforsakringar.se/>

## LF runs its own health care agency services focusing on healthier and safer customers

From 2025, Länsförsäkringar will conduct health care agency services under its health care insurance in the newly formed company LF Hälsotjänster. Running such health care agency services ourselves improves the customer offering since Länsförsäkringar can better control the availability, development and costs of a highly important component of the health care insurance.

LF Hälsotjänster will initially focus on health care agency services, but in the future the company will also develop health services, focusing on making customers healthier and safer. New and

improved health programmes in health care insurance were launched in October 2024.

A rising health care backlog and long waiting lists have meant increased use of health care insurance. Many employers are eager to prevent illness and sickness absence to ensure the company's profitability and ability to deliver. Health care insurance thus fulfils an important role as a means for promoting a positive work environment and good health so as to reduce the vulnerability of illness or injury, and also helps companies to assume their responsibility as an employer.

## INTRODUCTION

### STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION

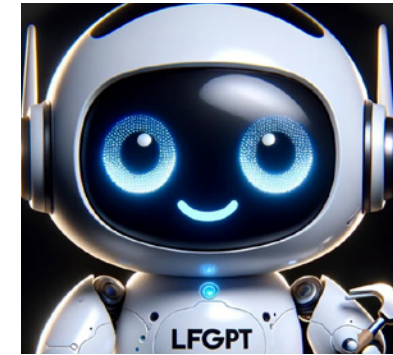


# Realise cost efficiency and fast implementation

By realising cost efficiency and fast implementation of development, service and business, Länsförsäkringar proactively improves its customer offering and grows profitably. Länsförsäkringar also places great emphasis on social responsibility and supports sustainable development.

## OUTCOME 2024

- Effective joint development based on the Länsförsäkringar's Alliance-wide marketing plan.
- Continued intense focus on digitisation at Länsförsäkringar.
- Länsförsäkringar's Lean Agile work method involves increased efficiency and innovation.
- Enhanced efficiency using AI to improve services and increased security for customers.
- The regional insurance companies will pay a total of SEK 1.8 billion in bonuses to their owners – the customers.
- The regional insurance companies, Länsförsäkringar AB and each subsidiary remain well capitalised.



Länsförsäkringar's internal AI assistant, LF-GPT, was launched in 2023 and serves as a smart colleague who is always there to help Länsförsäkringar's employees make their daily work more efficient.

## Better services and increased security for customers using AI

Länsförsäkringar sees many opportunities to use AI to create better services and increase security for customers. LF worked on several AI projects in 2024 to improve its customer offering.

One example is the ongoing testing of an AI smoke detector for animal stalls that reacts faster than current smoke detectors in dusty and difficult environments. Sejfa, owned by several regional insurance companies and offering fully digital household insurance, launched a claims adjustment service that applies generative AI in direct interaction with the customer. The aim is to adjust claims faster and smarter, have higher customer satisfaction and more efficient processes. A pilot project is testing an AI-powered customer chatbot that answers simple questions and helps customers find the right information.

Länsförsäkringar also has an AI model that identifies fraud in claims adjustment, which makes the process more efficient and helps to systematically combat fraud. Länsförsäkringar also started to implement Knowledge Graphs and RAG technology in various pilot projects to, for example, streamline and improve access to internal information such as manuals and procedures and further improve tools for combating fraud.

In 2024, Länsförsäkringar AB's system developers tested AI-powered code assistants, which led to increased productivity, improved code quality and more satisfied system developers.

At the same time, LF places great emphasis on promoting the reliable use and development of AI that is compatible with current legislation, ethical principles and fundamental rights.

## INTRODUCTION

### STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION



# Business model for long-term value creation...

## VALUE-CREATING BUSINESS MODEL

With a clear focus on giving our owners – the 23 regional insurance companies – the best conditions for developing locally, Länsförsäkringar AB creates value for both our own operations and for our stakeholders.

### Example of stakeholders and their expectations

#### CUSTOMERS

Availability, service and quality, responsible insurance, savings and investment offerings, environmental and social responsibility integrated into customer offering, claims-prevention measures, transparency and tools to select sustainable products.

#### EMPLOYEES

Attractive occupational health and safety, good career opportunities, equality and an inclusive culture that safeguards diversity.

#### SOCIETY

Managing social challenges and sustainability risks such as climate change, responsible offering of products and services, transparency and claims-prevention initiatives.

#### REGIONAL INSURANCE COMPANIES (THE OWNERS)

Development of operational assignments, product development, a sustainable offering and digitisation.

### Länsförsäkringar AB

Länsförsäkringar AB operates as the partner of its owners, the regional insurance companies, and is tasked with delivering business, development and service.



**Specialist expertise, business development and innovation for increased value creation.**



**Large-scale solutions for greater efficiency and lower expenses.**



**Comprehensive and strong customer offering in banking, non-life insurance and pensions.**



**Earnings are returned to our owners, the regional insurance companies, and thus to Länsförsäkringar's customers.**

**Business environment factors, vision, values, focus areas**

### Products and services

#### CUSTOMERS

**Insurance** – insurance solutions that complement the regional insurance companies' offerings, for example, pet, crop, personal risk, health, liability and cargo insurance.

**Bank** – broad selection of banking services for private individuals and companies, for example, mortgages, bank and mutual fund savings, financial services.

**Pension** – life assurance and pension savings in funds and traditional pension insurance.

#### REGIONAL INSURANCE COMPANIES

- An engine for new business – joint business development and innovation.
- Specialist knowledge in specific areas such as regulations, tax and risk management.
- Joint, large-scale solutions that create greater efficiency and lower expenses, such as joint IT operations and reinsurance.
- Joint service offerings.

Read more about creating value for stakeholders on pages 51-52.

Read more about our way of working on page 11.

## INTRODUCTION

### STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION



# ... for all of Länsförsäkringar's stakeholders

## Examples of the value Länsförsäkringar AB added in 2024



### CUSTOMERS

- Investment portfolios and own funds are to be aligned with the Paris Agreement by 2030 and climate neutral by 2045.
- The carbon footprint of listed equities in the investment portfolios has declined 63% since 2019.
- Every avoided claim is a gain for the environment, individuals and society at large. In 2024, claims prevention and health promotion work were carried out as well as research activities to increase security.

### EMPLOYEES

- Our attractiveness as an employer in 2024 remained high and eNPS rose to 40 (37). The Commitment Index was still at a high and stable level of 85 (85).
- Länsförsäkringar received several awards for being an attractive employer, such as best in the insurance and banking industry according to Universum's survey of Sweden's best employer 2024, and was named a Karriärföretag 2025 by Karriärföretagen.

### SOCIETY

- In 2024, Länsförsäkringar engaged in 56 research projects via the LF Research Foundation and Agria's Research Fund as part of our long-term environmental and social commitment.
- Länsförsäkringar AB awarded SEK 51 M to research into social challenges, safety in society and animal health.
- Länsförsäkringar supports investor-led initiatives on climate, biodiversity and human rights.

### REGIONAL INSURANCE COMPANIES (THE OWNERS)

- Länsförsäkringar's offering was expanded in 2024 with bundled products and services.
- At the end of 2024, two of Länsförsäkringar's own funds were classified as "dark green". The other own funds and all of the traditionally managed life-assurance and guarantee products were classified as light green funds. 99.7% of customers' unit-linked insurance capital is invested in light green or dark green funds.
- A group-wide methodology was launched in 2024 to measure carbon emissions from repairing damaged vehicles.

### INTRODUCTION

### STRATEGY

- Our business environment
- About Länsförsäkringar AB
- Vision, values and focus areas
- Value-creating business model

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION



# 03

## Our operations

Non-life insurance	20
Bank	21
Pension	22
Life	23





# Our operations

The Länsförsäkringar AB Group is commissioned by the regional insurance companies to conduct joint banking, life assurance, pension insurance and non-life insurance operations.

Joint business and development enables Länsförsäkringar AB to provide a complete and strong customer offering, lower costs and better competitiveness for the entire Länsförsäkringar Alliance. Länsförsäkringar makes it easy for customers to choose sustainable and value-adding offerings, conduct business responsibly and contribute to the positive development of society by incorporating sustainability throughout its operations.

## Responsible offering

The Länsförsäkringar AB Group offers sustainable products in savings, banking and insurance. The savings offering includes responsible investments and fund management. The lending offering includes sustainability-focused loans, such as green mortgages. Through the insurance offering, customers can make use of claims-prevention measures, advice and sustainable repairs. Länsförsäkringar can help customers make sustainable choices with its extended offering of sustainable products and advisory services.

## Responsible business conduct

Länsförsäkringar plays an important role in the transition to a fossil-free economy and the sustainable development of society. By combining strict business ethics policies with a strong corporate culture, the Länsförsäkringar AB Group ensures that employees act in accordance with the company's high ethical standards. This contributes to a sustainable and engaging work environment in which the well-being of employees and the success of the company go hand in hand to ensure responsible business conduct. The Länsförsäkringar AB Group works to ensure a sustainable and responsible supply chain. Länsförsäkringar AB's ambition is to be climate neutral by 2045.

## Social commitment

Länsförsäkringar works to contribute to the transition to a sustainable and future-proof society. Every year through the LF Research Foundation, Länsförsäkringar finances independent research projects studying social, economic and physical security. The results of this research are made public through established channels targeting politicians, key actors in society and Länsförsäkringar's own operations. Länsförsäkringar thus supports knowledge-based development towards a sustainable society. With the 23 regional insurance companies, Länsförsäkringar has a unique opportunity to be involved in initiatives that make a difference in the local community.

INTRODUCTION

STRATEGY

OUR OPERATIONS

- Non-life
- Bank
- Pension
- Life

BOARD OF DIRECTORS' REPORT

FINANCIAL STATEMENTS

OTHER INFORMATION



# Non-life insurance

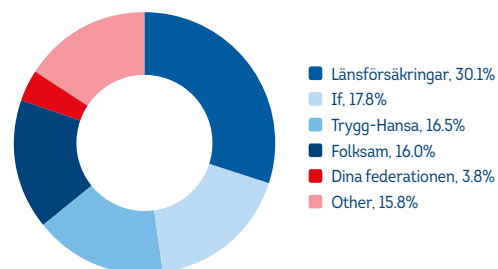
Länsförsäkringar is the market leader in non-life insurance in Sweden, most of which is underwritten locally by the regional insurance companies. Länsförsäkringar AB is responsible for the non-life insurance business, as assigned by the regional insurance companies to be operated jointly to complement the companies' offering with specialist products, start new business and create economies of scale.

Länsförsäkringar AB's non-life insurance operations primarily comprise personal risk, pet and crop insurance and some motor, cargo, liability and property insurance. Länsförsäkringar AB also manages the Länsförsäkringar Alliance's joint reinsurance cover, and underwrites some internationally assumed reinsurance. Pet and crop insurance is conducted in the subsidiary Agria Djurförsäkring. The Länsförsäkringar Alliance is Sweden's largest non-life insurance player with a market share of 30%.

## Earnings 2024

Profit before tax for the Länsförsäkringar AB Group's total non-life insurance business amounted to SEK 527 M (515). Premiums earned after ceded reinsurance rose 8% to SEK 9,642 M (8,946), mainly driven by personal risk insurance and Agria's international operations. The combined ratio amounted to 95.5% (95.9).

## MARKET SHARES, NON-LIFE INSURANCE



Market shares based on premium income. Source: Insurance Sweden



PROFIT BEFORE TAX

SEK 527 M

COMBINED RATIO

95.5%

## Sustainable offering of non-life insurance

### Claims prevention

Providing information about common types of claims and claims-prevention measures reduces the risk of claims. In 2024, Länsförsäkringar provided tips on how to best protect a home during bad weather, prevent water damage and fires, and launched improved health programmes in the health care insurance.

### Sustainable repairs

It is important when a claim occurs to possess knowledge about climate impact and apply strict requirements for sustainable repairs to reduce impact on the environment. The environmental impact of repairs can be reduced by conducting dialogue and setting requirements for repairers to use sustainable materials and methods. Länsförsäkringar launched a group-wide methodology in 2024 to measure carbon emissions from repairing damaged vehicles, which increases understanding of the impact of such damage on the climate.

### Carbon footprint measured in more areas

The number of areas in which the climate impact of the insurance business is measured, such as the carbon footprint for claims adjustment of passenger cars and customer health care appointments, was expanded 2024.

### Insurance industry leader in sustainability

Consumers rank Länsförsäkringar as the best in sustainability in the insurance industry according to the Sustainable Brand Index.

### New Agria-appen

Agria-appen was launched in 2024, bringing together the functionality of Agria's two older apps in one place. With Agria-appen, customers have access to insurance information, claims and advice.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

- Non-life
- Bank
- Pension
- Life

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Bank

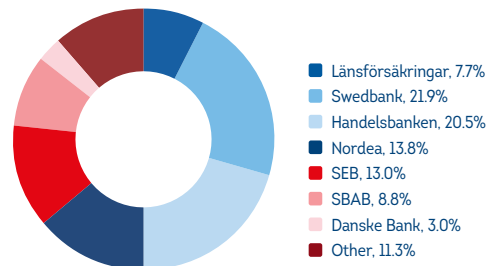
Länsförsäkringar Bank's offering helps customers create financial security and balance in their private finances, based on their individual needs. The personal meeting combined with a strong digital offering jointly present a full-service customer offering in both banking and insurance.

Länsförsäkringar Bank offers banking services to private individuals, agricultural customers and small businesses. Sales and service take place through the regional insurance companies, via physical or digital meetings. Deposits and certain lending operations are conducted in Länsförsäkringar Bank, while most of the lending and funding operations are conducted through the subsidiary Länsförsäkringar Hypotek. The subsidiary Länsförsäkringar Fondförvaltning offers mutual funds. The subsidiary Wasa Kredit (under name change to Länsförsäkringar Finans AB) offers financing services to corporate customers and private individuals – primarily leasing and hire purchase. Länsförsäkringar Bank is the fifth largest retail bank in Sweden.

### Earnings 2024

Profit before tax for the banking operations increased to SEK 2,291 M (2,168). The investment margin amounted to 1.34% (1.47). Return on equity amounted to 8.1% (8.1).

### MARKET SHARES, HOUSEHOLD MORTGAGES



Source: SCB



### PROFIT BEFORE TAX

SEK 2,291 M

### BUSINESS VOLUMES

SEK 1,034 M

## Sustainable banking offering

### Green loan offering

The volume of green mortgages doubled in 2024. The mortgage offering for single-family homes, launched in 2022, together with an energy efficiency loan, benefits customers who have low-energy homes by providing interest-rate discounts. Energy efficiency loans have a lower interest rate and are targeted to customers who want to transition to a better energy class, for example, by installing solar panels, or by remodelling or renovating. Länsförsäkringar Bank's volume of the sustainability-focused asset register increased to SEK 19 billion in 2024.

### Strengthening customer protection against fraud

Länsförsäkringar Bank has introduced several measures to enhance security for its bank customers. General blocks for foreign payments were introduced in 2024 and the limits for money transfers were lowered. Länsförsäkringar Bank participates in initiatives and collaborations with other actors to counteract fraud, raise awareness and know-how, and provide advice to customers on how to protect themselves and their relatives against fraud.

### Länsförsäkringar Bank top ranked for sustainability

Länsförsäkringar Bank won silver place in the retail segment of the 2024 sustainability index from the Swedish Quality Index, which surveys bank customers' perception of sustainability in the banking industry.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

- Non-life
- Bank
- Pension
- Life

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

### OTHER INFORMATION



# Pension

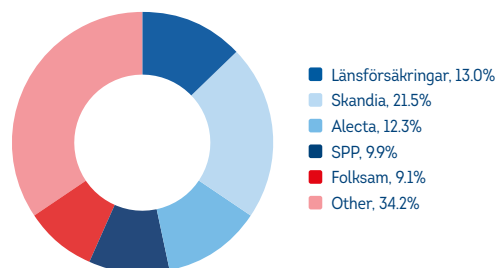
Länsförsäkringar offers pension savings, primarily occupational pensions. Pension savings with fund and guarantee management and personal risk insurance are offered through Länsförsäkringar Fondliv.

A central part of Länsförsäkringar's pension offering is a high-quality, attractive and responsible fund range that generates healthy, long-term returns on customers' pension capital. LF makes it easy for customers to invest their pension sustainably by incorporating sustainability throughout its operations. Länsförsäkringar Fondliv is one of the leading companies in the non-collectively agreed occupational pension market. Länsförsäkringar became an ITP pension manager from October 2023 and offers customers the option of supplementing their own pension savings, for example, in an ISA or endowment insurance.

## Earnings 2024

Profit before tax for Länsförsäkringar Fondliv amounted to SEK 1,450 M (1,040). Managed assets increased 21% during the year to SEK 277 billion on 31 December 2024 due to positive returns from stock-market upturns and strong growth in the underlying business. The total premium income grew strongly during the year, up 42% to SEK 29,193 M (20,499).

## MARKET SHARES, NON-COLLECTIVELY AGREED OCCUPATIONAL PENSIONS



Market shares based on premiums paid. Source: Insurance Sweden



PROFIT BEFORE TAX

SEK 1,450 M

MANAGED ASSETS

SEK 277 bn

## Sustainable pension offering

### Attractive fund range

Länsförsäkringar's fund range must be attractive and of high-quality that generates healthy, long-term returns on customers' pension capital. All funds are carefully analysed and assessed based on criteria including management organisation, return and sustainability. 11 new funds were launched in the unit-linked insurance range in 2024, and 11 funds were replaced by funds with higher sustainability levels or return potential. At the end of 2024, 97% of the funds in the unit-linked insurance range were light or dark-green and 99.7% of customer capital was invested in these funds.

### Responsible investment strategy

Sustainability analyses are regularly performed for funds and investment portfolios and are combined with the three investment strategies: include, exclude and engage. The investment strategies promote companies whose activities support the transition to a sustainable society, while at the same time reducing exposure to companies that are unwilling to transition their operations. The engagement strategy includes both proactive and reactive elements.

### Best fund selectors of the year

Länsförsäkringar was named Sweden's best fund selection team at the Nordic Fund Selection Awards 2024, for the second year in a row.

### Life-assurance company of the year 2025

Länsförsäkringar Fondliv was named Life Insurance Company of the Year in the Söderberg & Partners 2025 traffic light report for the guaranteed management savings form, which was based on its financial strength, well-diversified portfolio and good returns to customers.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

- Non-life
- Bank
- Pension
- Life

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Management of traditional life assurance

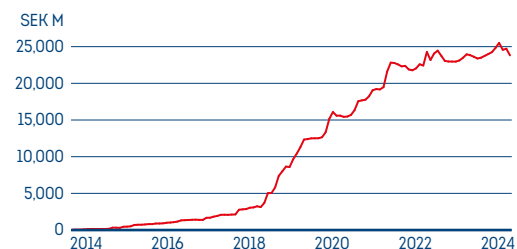
Länsförsäkringar Liv manages traditional life assurance taken out before September 2011 when the company closed for new business.

Länsförsäkringar Liv conducts traditional life assurance for its customers divided into three management forms: New Trad, Old Trad and New World. Customers with insurance policies under Old Trad have had the opportunity to transition their existing insurance to New Trad since 2013. Customers with New World have also been offered the opportunity to transition to New Trad since 2018. Sustainability is an integral part of Länsförsäkringar Liv's portfolios with just under one quarter of managed assets in sustainability-focused investments.

## Earnings 2024

Länsförsäkringar Liv's profit increased to SEK 7,200 M (5,122) as a result of rising stock markets, which contributed to higher investment income of SEK 9,482 M (9,430). The return on Länsförsäkringar Liv's portfolios amounted to 11.4% in New Trad, 7.7% in Old Trad and 16.2% in New World. The bonus rate on 31 December 2024 was 9% (5) for New Trad and 8% (4) for Old Trad. Länsförsäkringar Liv is operated according to mutual principles and is not consolidated in the Länsförsäkringar AB Group.

## SUSTAINABILITY-FOCUSED BONDS IN LÄNSFÖRSÄKRINGAR LIV'S PORTFOLIOS



Exposure development (market value).



EARNINGS

SEK 7,200 M

MANAGED ASSETS

SEK 108 bn

## Sustainable management of traditional life assurance

### Sustainability-focused investments

Sustainability is an integral part of Länsförsäkringar Liv's portfolios. On 31 December 2024, 24% of managed assets was invested in sustainability-focused investments, which exceeded the target of 23%.

### Reduced climate impact

Länsförsäkringar Liv has the target of halving the carbon footprint from its management portfolios by 2027 compared with 2019. The decline on 31 December 2024 was 63%.

### Investments in portfolio companies with science-based climate targets

Länsförsäkringar Liv's share of investments in portfolio companies with science-based climate targets was 54% and exceeded the target of at least 47%.

### Life-assurance company of the year 2024

Länsförsäkringar Liv was named Life Insurance Company of the Year in the Söderberg & Partners 2024 traffic light report for the New Trad traditional savings form, which was based on its green sustainability rating, financial strength and high risk-adjusted returns on assets.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

- Non-life
- Bank
- Pension
- Life

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# 04

## Board of Directors' Report

Introduction	25
Business operations	29
Other information	38
Sustainability Report	39
Corporate Governance Report	136



# Board of Directors' Report

The Board of Directors and the President and CEO of Länsförsäkringar AB (publ), Corporate Registration Number 502010-9681, hereby submit the Annual Report and consolidated financial statements for the 2024 fiscal year.

## Ownership and Group structure

Länsförsäkringar AB is wholly owned by the 23 regional insurance companies and 14 local insurance companies. Länsförsäkringar AB is the Parent Company of Länsförsäkringar Bank AB (Länsförsäkringar Bank) and its subsidiaries, Försäkringsaktiebolaget Agria (Agria Djurförsäkring or Agria) and its subsidiaries, Länsförsäkringar Fondliv Försäkrings AB (Länsförsäkringar Fondliv), Länsförsäkringar Grupp-

livförsäkrings AB (Länsförsäkringar Gruppliv), Länsförsäkringar Sak Fastighets AB and Länsförsäkringar Hälsotjänster AB (LF Hälsotjänster). Länsförsäkringar Liv Försäkrings AB (Länsförsäkringar Liv) is wholly owned by Länsförsäkringar AB but is not consolidated in the consolidated financial statements since the company is operated in accordance with mutual principles and its surplus accrues to the policyholders.

## Focus of operations

Länsförsäkringar AB has three primary tasks: to conduct business activities in banking, non-life insurance and pensions; to provide business service to the regional insurance companies in the areas that generate economies of scale and efficiency, and to conduct Länsförsäkringar's joint strategic development activities.

The business activities are carried out in the Non-life Insurance, Bank, Life Assurance and Agria business units, whose task is to conduct business and assume responsibility for direct product-related support for the regional insurance companies. Financial governance is primarily based on the owners' requirements for effective capital use and a balanced and market-based return on equity according to each subsidiary's operations and risk. Business service and Länsförsäkringar's joint development activities for non-life insurance are conducted in the Non-life Insurance business unit.

The Strategy and Communication unit is responsible for preparing and facilitating federal matters that affect the Länsförsäkringar Alliance as a whole. The accounting, capital planning and Group controller functions are part of the Economy and Finance unit. The Digital and IT unit is responsible for ensuring that the regional insurance companies have the prerequisites for delivering high-quality digital and physical customer meetings, and for the Länsförsäkringar AB Group's IT operations. The Group also includes the Legal Affairs, People & Culture unit and the central functions of Internal Audit, Compliance, Risk Management and the Actuarial function.

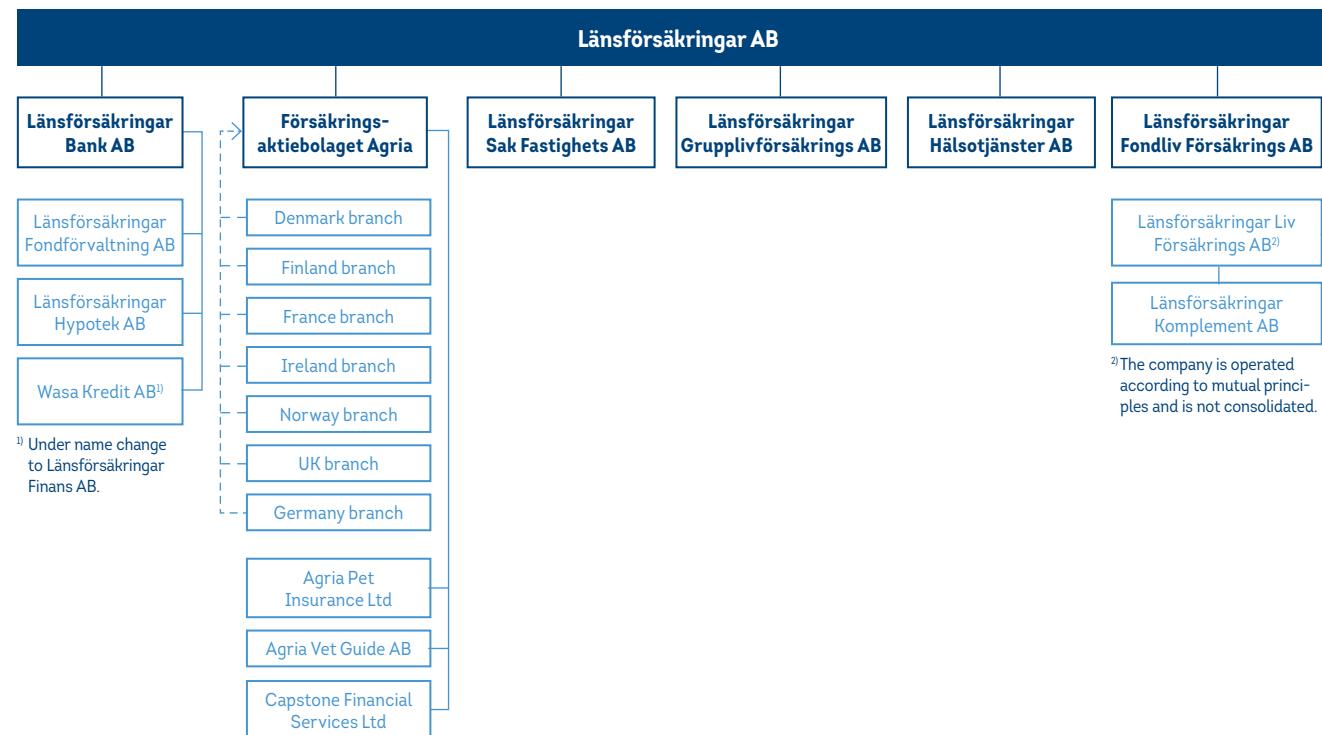
## Significant events during the year

The Länsförsäkringar AB Group reorganised its Asset Management department as per 1 April 2024, from Länsförsäkringar Liv to the relevant units in the Group with the aim of enhancing efficiency.

On 1 October 2024, David Haak took office as the President of Agria. Agnes Fabricius left her role as President of Agria to become the President of LF Skåne.

In 2024, LF Hälsotjänster was founded as a subsidiary to Länsförsäkringar AB. LF Hälsotjänster will initially focus on health care

## LÄNSFÖRSÄKRINGAR AB's GROUP STRUCTURE, 31 DECEMBER 2024



## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



agency services, but in the future the company will also develop health services.

### Reprimand from the IMY

In June 2021, Länsförsäkringar reported itself to the Swedish Authority for Privacy Protection (IMY) since it may have breached the General Data Protection Regulation. Länsförsäkringar AB, Länsförsäkringar Bank, Länsförsäkringar Hypotek, Länsförsäkringar Fondliv, Länsförsäkringar Gruppliv and the 23 regional insurance companies received only a reprimand from IMY in December 2024 since this breach was only considered to be a minor violation.

### Events after year-end

From 1 January 2025, the bonus rate for New Trad was raised from 9% to 10% and for Old Trad from 8% to 9%, due to strong key figures and healthy returns on investment assets.

The merger between the insurance intermediary Capstone Financial Services Ltd and Agria, which was decided in 2024, was completed as of 28 February 2025.

### Expectations regarding future development

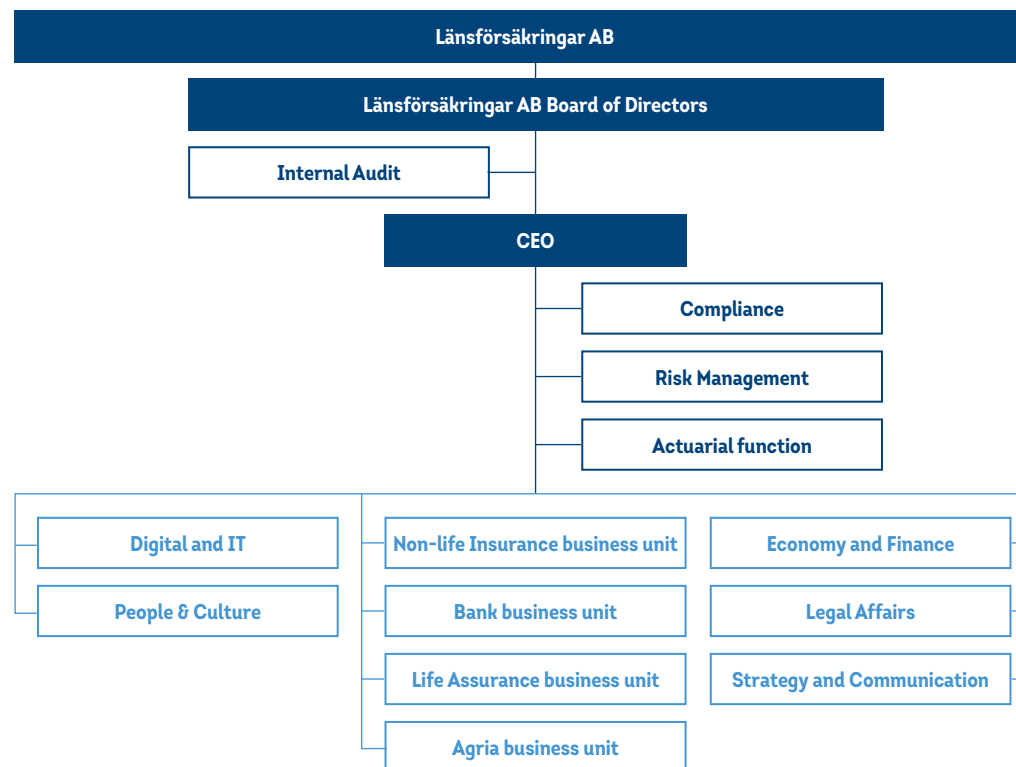
Rapid technological advances are creating new conditions, while at the same time significant changes and innovation are needed to leverage the opportunities that are emerging. Expertise and the technical environment must be adapted to support rapid development so as to meet customers' evolving needs.

Customers demand relevance, flexibility and availability. Accordingly, developments are best driven forward with a high level of customer involvement. As digitisation increases so do opportunities for packaging the right products and services for customers – understanding the customer's situation and lifestyle choices, and offering solutions that cater to these needs are, therefore, essential for maintaining customer trust and loyalty. For this reason, Länsförsäkringar is pursuing its activities towards achieving the target of being the industry leader in digital services.

Länsförsäkringar is well-positioned for healthy growth in personal risk insurance given the market's need for supplementary, private security solutions, its satisfied customers and a large market share.

The competitiveness of the health care offering is evolving gradually, with a focus on digital customer journeys and better support for employees in the form of digital self-service tools. The newly formed company LF Hälsotjänster makes it possible to offer complementary health services to both health care insurance and other products. Länsförsäkringar's own health care agency services also provides better opportunities to control access, costs and developments – by

## LÄNSFÖRSÄKRINGAR AB ORGANISATIONAL STRUCTURE, 31 DECEMBER 2024



establishing networks in different types of care or developing new models for procuring care under health care insurance.

Länsförsäkringar AB is continuing to develop new and further develop existing insurance solutions to supplement the regional insurance companies' range of commercial insurance. In 2025, rent guarantee insurance will be expanded towards a broader customer base through the local regional insurance companies, which presents opportunities for additional growth.

Cyber insurance is deemed to have great potential. The market for cyber insurance is relatively new and the company's aim is to further develop insurance products and claims-prevention services for small and medium-sized businesses. The aim is to meet new customer needs arising from an increasingly digitised world.

The Länsförsäkringar Alliance has a strong position in motor insurance, with the local regional insurance companies underwriting most of the motor insurance business. The brand insurance portfolio is

being expanded for 2025 with another partnership, with Suzuki, which includes both brand and vehicle-damage guarantee insurance. This creates greater potential for Länsförsäkringar to strengthen its position in the Swedish motor insurance market.

The company's assumed international reinsurance business performed strongly during the year. The natural catastrophes that affected the market had a low impact on the portfolio. New conditions with improved terms and premium levels enable future growth in the assumed international reinsurance segment.

Agria's ambition is to continue to grow in Europe. Despite global uncertainty, there is continued interest in owning a pet and having access to reliable pet insurance. As a leading player in the market, Agria wants to exceed customer expectations and be at the forefront of products, service and offerings. Since more animal owners are choosing the new extra products – which, besides insurance, offer advice and health-promotion services – more animal owners are

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



getting help to receive the right care, at the right time and at the right cost for their animals.

In 2024, Agria launched "Agria's initiative for sustainable veterinary care" due to escalating costs for veterinary care. The aim is to shape public opinion and raise awareness of creating long-term change that involves sustainable prices and availability, while maintaining a high standard of veterinary care in Sweden.

Länsförsäkringar strives to offer comprehensible pensions that simplify everyday life for customers and contribute to a secure future. The offering is mainly directed to small and medium-sized businesses for which the majority of new business is expected to continue to be pension solutions for companies that do not have collective agreements. Since Länsförsäkringar is now a pension manager in all four major collective agreement areas from 2023, the offering has been improved for employees in companies that have collective agreements. Länsförsäkringar Fondliv will continue to offer unit-linked insurance through Länsförsäkringar's fund platform for pension savings. Guarantee management, which provides an explicit guarantee on future payments, is also offered as a supplement to unit-linked insurance. Länsförsäkringar Fondliv will also continue to offer health, survivor's and accident insurance.

Länsförsäkringar Fondliv operates in a market undergoing radical change, driven by rising customer demands, new regulations and, in

particular, digitisation, with the latter two creating brand new market conditions. Länsförsäkringar Fondliv sees a growing need to differentiate its customer offering in terms of price, service distribution and packaging of products and offerings. Länsförsäkringar Fondliv's strategy is to continue its efforts to future-proof the company to be a market leading unit-linked insurance company, supported by the introduction of a new IT platform.

The banking operations intend to follow the strategic direction of profitable growth with high credit quality, by further refining existing products and on the basis of maintaining a favourable level of capitalisation. Growth in lending will take place by paying close attention to changes in the business environment, the financial situation and the prevailing circumstances in the capital market. Strong liquidity will be maintained. The continued market strategy is to conduct sales and customer marketing activities targeting the regional insurance companies' customers.

Sustainability is a fundamental element of future developments, and has played a part in Länsförsäkringar's operations since the very beginning when the first regional insurance company was founded more than 200 years ago. Länsförsäkringar's products and services must not only strengthen the business but must also contribute to the sustainable development of society. Länsförsäkringar

AB will continue to pursue its climate-smart vision with the ambition for the operations to become climate neutral by 2045.

## Earnings and financial position

### Group earnings

The Länsförsäkringar AB Group's profit before tax increased to SEK 4,050 M (3,240). Return on equity amounted to 7% (8).

Profit before tax for the Group's total non-life insurance business amounted to SEK 527 M (515). Premiums earned after ceded reinsurance rose 8% to SEK 9,642 M (8,946). The combined ratio amounted to 95.5% (95.9).

Profit before tax for the banking operations, according to Länsförsäkringar AB's consolidated accounting policies, increased to SEK 2,291 M (2,168). The investment margin amounted to 1.34% (1.47). Return on equity amounted to 8.1% (8.1). Net interest income, according to Länsförsäkringar AB's consolidated accounting policies, declined 6% to SEK 6,054 M (6,438) due to a slightly lower investment margin.

Länsförsäkringar Fondliv's profit before tax increased to SEK 1,450 M (1,040). Managed assets increased 21% during the year to SEK 277 billion on 31 December 2024 due to solid returns from stock-market upturns and strong growth in the underlying business. The total premium income grew strongly during the year with an increase of 42% to SEK 29,193 M (20,499).

The Länsförsäkringar AB Group's investment return attributable to the insurance operations' and Parent Company's assets increased to 7.5% (5.8) due to a positive market trend. Equities contributed 4.2 percentage points (3.5) due to rising stock markets during the year. The fixed-income portfolio contributed 1.9 of a percentage point (2.7). Alternative investments contributed 0.9 of a percentage point (0.4), with the largest contribution from private equity and forestry. Properties contributed of 0.5 of a percentage point (-0.7).

### The Group's capital position

The Länsförsäkringar AB Group's equity increased SEK 1,843 M during the year to SEK 38,041 M. Equity increased mainly due to earnings for the period and the issue of Tier 1 capital in the banking operations.

The Länsförsäkringar AB Group is a financial conglomerate in which the Group conducts insurance and banking operations. The Group's companies are encompassed by group solvency regulations in accordance with legislation on financial conglomerates and legislation on insurance operations, with Länsförsäkringar Liv included in accordance with the deduction and aggregation method. The bank companies are subject to the capital adequacy rules at group level. In



## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



addition, the insurance and bank companies are subject to the solvency and capital adequacy rules, respectively, at individual level.

On 31 December 2024, surplus capital for the Länsförsäkringar AB Group under the insurance rules and the rules on financial conglomerates was SEK 17.4 billion, up SEK 0.8 billion for the year. This was mainly due to earnings for the period, rising stock markets and the issue of Tier 1 capital in the banking operations. Own funds amounted to SEK 66.8 billion and the capital requirement to SEK 49.4 billion.

Länsförsäkringar AB paid dividends of SEK 698 M for the 2023 financial year to its owners in 2024. Länsförsäkringar AB also received dividends and Group contributions from subsidiaries of a total of SEK 1,211 M.

The Board of Länsförsäkringar AB proposes that the General Meeting resolve to pay a dividend of SEK 698 M for the 2024 financial year, to be paid in 2025.

#### Parent Company earnings

Länsförsäkringar AB Group's Parent Company consists of the Non-life Insurance business unit excluding Länsförsäkringar Gruppliv, as well

as units within Support and Service. Support and Service is responsible for business service, both within the Group and for the regional insurance companies, and conducts Länsförsäkringar's joint IT and strategic development operations.

The Parent Company's non-life insurance business reported premiums earned after ceded reinsurance of SEK 2,771 M (2,613), driven by strong sales and premium adjustments, mainly in personal risk insurance. Claims payments after ceded reinsurance amounted to SEK 1,860 M (1,890). The technical result amounted to SEK 504 M (288). Non-technical income and expenses from the Parent Company's Support and Service operations amounted to SEK -518 M (-602). The Parent Company's profit before tax increased to SEK 1,580 M (661), strengthened by healthy investment income from rising stock markets in the year.

#### Parent Company's capital position

Länsförsäkringar AB's solvency ratio on 31 December 2024 was 198% (211). Own funds were positively affected by profit for the period, but were charged with proposed dividends to owners of SEK 698 M. The

capital requirement increased during the year, mainly due to rising stock markets.

#### Proposed appropriation of profit and statement by the Board

According to the statement of financial position for Länsförsäkringar AB, non-restricted equity totalling SEK 20,140,102,046 is at the disposal of the Annual General Meeting.

The Parent Company's non-restricted equity comprises	SEK
Fair value reserve	-472,024,950
Retained earnings	19,140,362,139
Net profit for the year	1,471,764,857
Non-restricted equity, 31 December 2024	20,140,102,046
The Board of Directors proposes that SEK 67 per share of the unappropriated earnings in the Parent Company be paid to the shareholders	698,446,994
To be carried forward	19,441,655,052
Total	20,140,102,046

The dividend is calculated on 10,424,582 shares.

The dividend from Länsförsäkringar AB's equity has been proposed after considering the rules on solvency capital requirement under the Swedish Insurance Business Act and the prudence rule of Chapter 17, Section 3 of the Swedish Companies Act. Länsförsäkringar AB's solvency ratio under Solvency II after the proposed appropriation of profit amounts to 198% (211). The corresponding solvency ratio for the Länsförsäkringar AB Group under the insurance rules amounts to 135% (136) after the proposed appropriation of profit. It is the Board's assessment that the proposed dividend will not prevent the company and other companies included in the Group from fulfilling their short or long-term commitments and is also not deemed to restrict the company's planned investments or expected liquidity requirements. Accordingly, the Board's overall assessment is that the proposed dividend is justified taking into consideration the demands on the amount of equity in the company and the Group imposed by the nature, scope and risks associated with the operations, and the company's and the Group's solvency requirements, liquidity and financial position. Of the Parent Company's total equity, SEK 1,777 M (1,621) is attributable to assets and liabilities being measured at fair value according to Chapter 4, Section 14a of the Swedish Annual Accounts Act (1995:1554).



## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION

# Non-life insurance business operation

The Länsförsäkringar AB Group's non-life insurance business is divided into two business units: Non-life and Agria. The Non-life Insurance business unit is responsible for development and service of the Länsförsäkringar Alliance's non-life insurance business and conducting non-life insurance business in development areas to supplement the regional insurance companies' offering or to achieve economies of scale. Agria is the Länsförsäkringar Alliance's specialist company for pet and crop insurance.

Länsförsäkringar AB's role within non-life insurance is to support and complement the regional insurance companies' offering with specialist products to meet customer needs, to start new business that can be channelled through the regional insurance companies and to manage the Länsförsäkringar Alliance's joint reinsurance cover.

The Non-life Insurance business unit conducts mainly personal risk insurance, some motor, cargo, liability and property insurance as well as underwrites a well-diversified portfolio in internationally assumed reinsurance. The Non-life Insurance business unit also conducts annuities operations and manages the Länsförsäkringar Alliance's joint reinsurance cover. Länsförsäkringar AB's subsidiary Länsförsäkringar Gruppliv underwrites group life assurance and occupational group life assurance, which is also part of the Non-life Insurance business unit.

The subsidiary Agria is specialised in pet and crop insurance. This specialisation involves a streamlined focus on and involvement with animals and their owners. Agria's international operations are conducted in branches in Denmark, Finland, France, Ireland, Norway, the UK and Germany and in an administration company in the UK, Agria Pet Insurance Ltd and Irish company Capstone Financial Services Ltd. Agria's digital vet consultations are conducted in the subsidiary Agria Vet Guide AB.



## Earnings and financial position

Profit before tax for the Länsförsäkringar AB Group's total non-life insurance business amounted to SEK 527 M (515). Premiums earned after ceded reinsurance rose 8% to SEK 9,642 M (8,946). The combined ratio amounted to 95.5% (95.9).

## Non-life Insurance

The technical result for the Non-life Insurance business unit's operation increased to SEK 577 M (355) and the combined ratio fell to 86.3% (91.8), mainly due to improved earnings in health care insurance, lower claims costs in the Länsförsäkringar Alliance's internal reinsurance and run-off gains on prior years' claims reserves.

Premiums earned after ceded reinsurance rose 6% to SEK 3,158 M (2,975), driven by strong sales and premium adjustments, mainly in personal risk insurance.

Claims payments after ceded reinsurance were relatively stable at SEK 2,111 M (2,116), which combined with strong growth resulted in a claims ratio of 66.8% (71.1). The expense ratio fell to 19.5% (20.7), due to relatively unchanged costs despite premium growth.

Profit before tax amounted to SEK 397 M (215).

## Personal risk

Premiums earned after ceded reinsurance for Personal risk rose 9% to SEK 1,881 M (1,729). Premiums earned for health care insurance continued to increase in 2024, due both high sales and premium adjustments. Sales of the Bo Kvar product, which comprises an important part of Länsförsäkringar Bank's offering, have also grown steadily. This policy provides financial protection in the event of death, illness or unemployment, and provides financial security to customers.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

– Business operations

Other information

Sustainability Report

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



The technical result for Personal risk amounted to SEK 250 M (131). Profit for health insurance, accident insurance and group life assurance improved as a result of lower claims costs in 2024. Earnings for health care insurance also improved yet remained negative. Claims costs for health care insurance have risen since 2023 related to operations and medical care since the use of health care insurance has increased. Changes were made to the offering in 2024 – compensation is paid for some chronic diagnoses only until a diagnosis has been established and certain specified methods of treatment have been excluded. These changes are in line with the purpose of the health care insurance of helping the customer return to work by providing rapid access to specialist care.

Länsförsäkringar AB can contribute to a more sustainable society through health-promotion services and claims prevention. The digital offering in health care insurance was further developed during the year, for example, with new preventive services and more and easier to use self-help programmes. It is now easier to find the most important services, such as compensation handling and chat with claims processors, in the Hälsa och vård app.

In 2024, LF Hälsotjänster was founded as a subsidiary of Länsförsäkringar AB. LF Hälsotjänster will initially focus on conducting health care agency services in health care insurance, but in the future the company will also develop health services.

Regular customer satisfaction surveys of incoming calls to the Customer Service Centre and claims adjustment departments remain at high levels.

#### *Motor, Commercial and Reinsurance*

Premiums earned after ceded reinsurance for Motor, Commercial and Reinsurance increased 3% to SEK 1,277 M (1,246). Business volumes for commercial insurance and international assumed reinsurance grew strongly during the year. In cargo and liability insurance, a competitively strong offering contributed to healthy volume growth. The business volume in seller liability insurance, which provides cover to sellers of single-family homes for the ten years of liability for hidden faults, showed higher growth than in previous years despite the current economic downturn. Demand in cyber insurance increased since geopolitical turmoil has resulted in higher contingency planning and a focus on IT security among corporate customers. The offering was expanded in prior years, which increased the number of customers and contributed to growing premium volumes in 2024.

During the year, the new rent guarantee insurance product, designed to meet the needs of commercial property owners and landlords, was launched and reported positive results.

The business volume for motor insurance declined due to lower new business and a changed offering for Länsförsäkringar AB's part of brand insurance with Toyota and Lexus. Länsförsäkringar established a partnership with Toyota and Lexus for vehicle-damage guarantee and brand insurance in 2019. The collaboration has performed strongly and today just over seven of ten Toyota customers who buy a car via an authorised dealer have brand insurance with Länsförsäkringar. A small portion is underwritten in Länsförsäkringar AB and the remainder in the 23 regional insurance companies.

The technical result for Motor, Commercial and Reinsurance rose to SEK 326 M (218). Earnings benefited from few major claims in the Länsförsäkringar Alliance's internal reinsurance, to which Länsförsäkringar AB contributes a 15% share of assumed reinsurance. Earnings for cargo insurance also improved year-on-year. Earnings in international assumed reinsurance were positively affected by low claims costs, but were weaker than the preceding year due to last year's

higher run-off gains on prior years' claims reserves. Earnings for motor insurance improved yet remained negative.

The Non-life Insurance business unit also includes annuities operations and run-off business, which reported profit of SEK 2 M (7).

#### *Agria*

Agria's technical result fell to SEK 121 M (205) since the cost trend was higher than premium growth. Economic conditions were challenging in Europe in 2024, with fewer people choosing to have a pet. Registrations of new puppies continued to fall during the year, while claims costs increased. The combined ratio amounted to 100.0% (97.9).

Despite the economic climate, growth was healthy and premiums earned after ceded reinsurance increased 9% to SEK 6,484 M (5,972) attributable both to premium increases and portfolio growth. The largest growth was in the international operations.



## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

– Business operations

Other information

Sustainability Report

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



Claims payments after ceded reinsurance amounted to SEK 4,720 M (4,326). The claims ratio including claims adjustment costs increased to 72.8% (72.4), with higher costs in veterinary care negatively impacting the claims-cost trend. Despite higher claims costs, pet insurance in Sweden reported solid results. Earnings for horse and agricultural insurance were weaker, driven by the negative claims-cost trend, while earnings for crop insurance strengthened following a year of fewer claims. In the international business, the operations in Norway and the UK were the main contributors of strong earnings.

Operating expenses amounted to SEK 1,762 M (1,520) and the expense ratio rose to 27.2% (25.5), primarily due to investments in Agria's international expansion and the continued digitisation of the operations to enhance efficiency and improve long-term profitability. Profit before tax amounted to SEK 130 M (300).

Agria offers medical advice around the clock and refers customers to the right care, at the right time and at the right cost. Animal owners are also offered tips to promote animal health and digital courses to raise their knowledge about their animals.

In April, Agria's two apps – Agria Vårdguide and Mina Djur – merged into a single Agria app. Customers thus have access to insurance information, claims and advice in one place.

Agria launched the "Big Research Prize in Veterinary Medicine" in collaboration with the Swedish University of Agricultural Sciences.

The prize is intended to spotlight research for the benefit of animals, and veterinary researchers in the Nordic countries can be nominated. The first prize will be awarded in 2025.

#### Capital position

Länsförsäkringar AB and its insurance subsidiaries have permission from the Swedish FSA to calculate the capital requirement for insurance operations using a partial internal model. Capital requirements for most market risks and non-life insurance risks are calculated using an internal model, whereas other types of risk are calculated by applying the Solvency II standard formula. Agria's solvency ratio on 31 December 2024 was 167% (152). Own funds increased SEK 61 M during the year to SEK 1,709 M. Own funds were strengthened by net profit for the year, but the effect was counteracted by the planned dividend of SEK 130 M and lower revaluation effect of technical provisions. The capital requirement declined SEK 61 M to SEK 1,022 M due to a changed calculation model for aggregating non-life insurance risks.

#### Market

The non-life insurance market is mature but growing steadily and premium income increased just over 5% in 2024 according to statistics from Insurance Sweden.

The economic situation stabilised in 2024, but several years of high inflation and interest rates are still affecting the financial situation of households and businesses. This has highlighted personal risk insurance as an important supplement to public social security for increasing financial security. Many employers are eager to prevent illness and sickness absence to ensure the company's profitability and ability to deliver. Health care insurance thus fulfils an important role as a means for promoting a positive work environment and good health so as to reduce the vulnerability of illness or injury, and also helps companies to assume their responsibility as an employer.

A rising health care backlog and long waiting lists have led to an increase in the use of personal risk insurance, which has resulted in higher costs mainly in health care insurance. Changes in the price base amount in recent years have affected the profitability of some personal risk insurance policies where the insurance amount is linked to the price base amount.

The motor vehicle market has been subject to upheaval and challenges in recent years. Moves towards electric and hybrid vehicles have been underway for some time, but the recession has slowed sales of new cars. The corporate market is driving sales of electrified vehicles. In 2024, sales of electric cars declined, while sales of hybrid vehicles increased. A rising number of cars in the Swedish market are sold through car dealerships rather than between private individuals, strongly driven by technological advances and electrification.

Competition remains fierce in cargo insurance and the share of business that is managed by insurance brokers is continuing to grow. In liability insurance, premium income in the market has risen in recent years, partly driven by higher reinsurance costs.

Conditions in the international reinsurance market have stabilised after several years of poor profitability. Prices and terms have been adjusted and reinsurers are reporting strong earnings and a higher risk appetite. There is thus a better balance in the market and prices are expected to be relatively stable in 2025.

The pet insurance market is growing mainly in Europe where an increasing number of animal owners are becoming aware of the importance of reliable pet insurance, driven by the role of a pet as a member of the family combined with developments in the veterinarian industry with new technology and new treatment methods. Agria has a strong concept with clear strategy of growing internationally. The geographically diverse operations generate economies of scale, increase risk diversification and provide access to international knowledge and experience that strengthens the business.



## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

– Business operations

Other information

Sustainability Report

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Bank business operation

The Bank Group consists of the Parent Company Länsförsäkringar Bank, and the wholly owned subsidiaries Länsförsäkringar Hypotek, Länsförsäkringar Fondförvaltning and Wasa Kredit (under name change to Länsförsäkringar Finans AB). Länsförsäkringar Bank is the fifth largest retail bank in Sweden with business volumes of SEK 1,034 billion.

The banking operations are conducted only in Sweden and the market position is continuing to steadily strengthen. The strategy is to offer banking services to the Länsförsäkringar Alliance's customers and leverage Länsförsäkringar's strong brand and local presence. The banking operations have a large potential customer base with the Länsförsäkringar Alliance's 4 million customers. One target group is the 3.2 million retail customers, of whom 2.2 million are home-insurance customers. Another target group is agricultural customers and small businesses. The aim is, based on low risk, to maintain healthy growth in volumes and profitability, have the most satisfied customers and more customers who have both banking and insurance with Länsförsäkringar.

According to the 2024 Swedish Quality Index customer satisfaction survey, Länsförsäkringar Bank had the highest customer satisfaction in consumer loans and the second highest in mortgages and banking for retail customers. Länsförsäkringar Bank also has a high sustainability ranking among retail customers. The high customer satisfaction is confirmation of Länsförsäkringar's clear customer focus and high quality. With a comprehensive offering in banking, insurance and real-estate brokerage, customers receive a complete solution that creates security and added value.

## Earnings

The consolidated accounting policies in accordance with Chapter 7, Sections 1–4 of the ÅRFL and FFFS 2019:23 are applied from 1 January 2023 for the Länsförsäkringar AB Group, which includes the banking



operations. IFRS as endorsed by the EU are applied in the Länsförsäkringar Bank Group's reporting. The difference between the accounting policies applied in the reporting is presented in the Group's note 3.

Profit before tax for the banking operations, according to Länsförsäkringar AB's consolidated accounting policies, increased to SEK 2,291 M (2,168). Profit before credit losses and fees levied increased 7% to SEK 2,869 M (2,673). The investment margin amounted to 1.34% (1.47). Return on equity amounted to 8.1% (8.1).

Net interest income, according to Länsförsäkringar AB's consolidated accounting policies, declined 6% to SEK 6,054 M (6,438). Underlying net commission income, excluding remuneration to the regional insurance companies, increased 23% to SEK 1,723 M (1,405). The recognised net commission income including remuneration to the regional insurance companies amounted to SEK -1,095 M (-1,511). Net gains from financial items amounted to SEK 28 M (1). Total operating income increased 2% to SEK 5,653 M (5,542), driven by improved net commission income.

## Expenses

Operating expenses declined 3% to SEK 2,784 M (2,869). Expenses were impacted by other administration expenses declining SEK 176 M in the second quarter due to the Swedish Tax Agency approving Wasa Kredit's request for a review of input VAT for the 2017–2023 fiscal years based on a ruling by the Supreme Administrative Court.

Excluding this recovered VAT and a non-recurring impairment in the fourth quarter of 2023, total operating expenses increased 9%. The underlying increase in expenses continued to be impacted by a high rate of IT development combined with a larger share of such IT development being expensed. Inflation also impacted expenses. Underlying depreciation increased during the year, partly due to higher volumes of operating leases in Wasa Kredit.

The cost/income ratio before credit losses and fees levied amounted to 0.49 (0.52). The cost/income ratio excluding recovered VAT was 0.52. The cost/income ratio after credit losses and fees levied amounted to 0.59 (0.61).

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

– Business operations

Other information

Sustainability Report

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



### Credit losses

The credit quality of the loan portfolio remained very high and credit losses in the Bank Group are low. Customers demonstrated high resilience to increased interest rates and higher costs. The share of customers making late payments remains very low.

Credit losses for 2024 amounted to SEK 181 M (114), of which SEK 177 M (106) derived from Wasa Kredit. This corresponded to a credit loss level of 0.04% (0.03). Credit losses last year were positively impacted by a divestment of credit-impaired loan receivables at Wasa Kredit.

To date, the impact of macroeconomic developments on credit quality and loss allowances has been limited. In total, loss allowances increased SEK 54 M in 2024.

Credit-impaired loan receivables (stage 3) before provisions amounted to SEK 1,166 M (1,147), corresponding to a share of credit-impaired loan receivables of 0.27% (0.29) gross and net after provisions to 0.19% (0.21). Credit-impaired loan receivables declined 10% in the fourth quarter. The loss allowance for credit-impaired loan receivables was SEK 339 M (321). The reserve ratio for credit-impaired loan receivables amounted to 29.0%. In addition, SEK 97 M of the remuneration to the regional insurance companies regarding credit-impaired loan receivables<sup>1)</sup> is withheld. Including the withheld remuneration to the regional insurance companies, the loss allowance for credit-impaired loan receivables totalled SEK 435 M (391). The reserve ratio for credit-impaired loan receivables, including withheld remuneration to the regional insurance companies, amounted to 37.3%.

Loan receivables (stage 2) before provisions amounted to SEK 7,931 M (6,528). The share of loan receivables (stage 2) remained at a low level. The increase in loan receivables (stage 2) was due to a small underlying decline in credit quality, which resulted in a slight shift between stages. The loss allowance for loan receivables (stage 2) was SEK 129 M (114) excluding and SEK 165 M (147) including withheld remuneration to the regional insurance companies.

The total recognised loss allowance was SEK 676 M, of which SEK 149 M pertained to withheld remuneration to the regional insurance companies<sup>1)</sup>.

### Business volumes

Business volumes increased 15% to SEK 1,034 billion (901), driven by higher fund volumes and mortgage volumes. Total lending improved 5% to SEK 403 billion (382) with continued high credit quality. Lending excludes deposits with the Swedish National Debt Office and similar

<sup>1)</sup>In accordance with the settlement model for the regional insurance companies' credit-risk commitments for generated business.



items of SEK 22 billion (13). Lending in Länsförsäkringar Hypotek increased 7% to SEK 336 billion (314). Lending in Wasa Kredit rose 1% to SEK 26.0 billion (25.9). Deposits increased 3% to SEK 155 billion (151). The fund volume increased 29% to SEK 475 billion (368) due to a continuing very strong net inflow and favourable trends in market values.

### Customers

The number of customers with Länsförsäkringar as their primary bank rose 4% to 661,000 (634,000). Some 90% of those customers who have the bank as their primary bank are also existing Länsförsäkringar insurance customers. The number of bank cards issued by Länsförsäkringar Bank rose 4% to approximately 852,000 (821,000).

### Deposits and savings

Deposits from the public increased 3% to SEK 155 billion (151). Deposits from corporates amounted to SEK 14.4 billion (13.4). The total number of deposit accounts increased 4%. On 31 December 2024, the market share of household deposits remained at 5.0% (5.0) according

to Statistics Sweden. The fund volume increased 29% to SEK 475 billion (368) due to continuing very strong net inflows in the fund business and favourable trends in market values.

### Loans

All loans are granted in Sweden, in SEK and have a well-diversified geographic distribution. Loans to the public improved 5% to SEK 403 billion (382) with continued high credit quality. Lending excludes deposits with the Swedish National Debt Office and similar items of SEK 22 billion (13). Lending in Länsförsäkringar Hypotek increased 7% to SEK 336 billion (314). The percentage of household mortgages in relation to the total loan portfolio was at 79.9%. The weighted average loan-to-value ratio (LTV) of the mortgage portfolio amounted to 63% (62). As of 31 December 2024, the market share of household mortgages had increased to 7.7% (7.4) according to Statistics Sweden. Agricultural lending declined slightly to SEK 34.0 billion (34.1). Agricultural lending primarily comprises first-lien mortgages to family-owned agricultural operations, and the average loan commitment was low at SEK 2.5 M (2.4). First-lien mortgages for agricultural properties

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



fell slightly to SEK 33.3 billion (33.4), corresponding to 98% (98) of agricultural lending. Lending in Wasa Kredit rose 1% to SEK 26.0 billion (25.9).

### Funding

The Bank Group has a low refinancing risk and the maturity profile is well diversified. The volume of debt securities in issue outstanding increased 4% to a nominal SEK 292 billion (281), of which covered bonds amounted to SEK 238 billion (231), senior long-term funding to SEK 54 billion (49) and short-term funding to SEK 1.0 billion (0.6). The average remaining term for long-term funding was 3.0 years (3.2) on 31 December 2024.

Covered bonds were issued in 2024 at a volume of a nominal SEK 41.6 billion (51.9). Repurchases of covered bonds amounted to a nominal SEK 14.8 billion (9.8) and matured covered bonds to a nominal SEK 23.3 billion (28.7). Länsförsäkringar Bank issued senior unsecured bonds corresponding to a nominal SEK 12.2 billion (17.3) in 2024, while maturities amounted to a nominal SEK 7.9 billion (11.5). The total vol-

ume of senior non-preferred bonds outstanding, which also qualify as MREL, amounted to SEK 10.9 billion (11.0) on 31 December 2024.

In 2024, Länsförsäkringar issued a new seven-year covered benchmark bond in SEK and a six-year Euro benchmark covered bond at a nominal amount of EUR 500 M in Länsförsäkringar Hypotek.

### Liquidity

On 31 December 2024, the liquidity reserve totalled SEK 74 billion (75). About 29% of the liquidity reserve is invested in short-term deposits with the Riksbank and the Swedish National Debt Office, and the remainder is invested in securities with very high credit quality that are eligible for transactions with the Riksbank and, where appropriate, with the ECB. By utilising the liquidity reserve, contractual undertakings can be met for about two years without needing to secure new funding in the capital market. The Liquidity Coverage Ratio (LCR) for the consolidated situation on 31 December

2024 amounted to 299% (337). The Net Stable Funding Ratio (NSFR) for the consolidated situation on 31 December 2024 was 123% (128).

### Capital adequacy for consolidated situation

Länsförsäkringar Bank AB's consolidated situation encompasses Länsförsäkringar Bank AB and its subsidiaries, the Bank Group.

### Capital adequacy

Consolidated situation (SEK M)	31 Dec 2024	31 Dec 2023
IRB Approach	39,166	39,691
retail exposures	22,279	23,914
exposures to corporates	16,784	15,758
Standardised Approach	9,572	9,000
CVA	356	662
Operational risk (standardised)	7,928	6,972
Additional requirements (risk weight floor, Article 458 CRR)	77,041	71,384
<b>Total REA</b>	<b>134,063</b>	<b>127,710</b>
Common Equity Tier 1 capital	20,503	19,229
Tier 1 capital	23,053	21,429
Total capital	26,143	24,519
Common Equity Tier 1 capital ratio, %	15.3	15.1
Tier 1 ratio, %	17.2	16.8
Total capital ratio, %	19.5	19.2



## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION

# Life assurance and pension insurance business operations

Länsförsäkringar offers pension savings, primarily occupational pensions. Fund management, guarantee management and personal risk insurance are offered through Länsförsäkringar Fondliv. No new policies are underwritten in Länsförsäkringar Liv, but the company manages traditional life assurance that was taken out before September 2011. Länsförsäkringar Liv is operated according to mutual principles and is not consolidated in the Länsförsäkringar AB Group.

Länsförsäkringar Fondliv is one of the leading companies in the non-collectively agreed occupational pension market, commanding a market share of 13%. Länsförsäkringar Liv, which is closed for new business, conducts traditional life assurance for its customers.

## Market and business volumes

Länsförsäkringar strives to offer comprehensible pensions that are considered to be secure and personal. The offering is mainly directed to small and medium-sized businesses and is distributed via the regional insurance companies and insurance brokers.

The largest portion of Länsförsäkringar's premium income for life assurance and pension savings is for pension solutions for companies that do not have collective agreements. This is a market with a widespread need for individual advice. A pension analysis is performed based on individual customer needs, after which the customer receives an offer normally comprising both pension savings and various insurance solutions that the customer needs to lead a financially secure life.



## The life-assurance market

Premiums paid in the total life-assurance market (competitive pension and life assurance) increased by 24% to SEK 413 billion (333) in 2024. The strong trend was primarily due to strong sales in private endowment insurance, which benefited from positive stock markets in 2024. Länsförsäkringar Fondliv's market share of the total life-assurance market is 3.6% (3.7).

## Occupational pensions - the largest market

The occupational pension market is the largest sub-market, comprising 54% (56) of the total life-assurance market measured in premiums paid. The market increased 19% to SEK 223 billion (187) in 2024. Läns-

försäkringar Fondliv holds a market share of 5.8% (5.8), making the company the fifth largest.

## Non-collectively agreed occupational pensions

The occupational pension market can be divided into two different sub-markets: the collectively agreed and the non-collectively agreed occupational pension markets. The non-collectively agreed occupational pension market is Länsförsäkringar's primary market. Länsförsäkringar Fondliv is one of the leading companies in this area with a market share of 13.0% (12.8), measured in premiums paid.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

– Business operations

Other information

Sustainability Report

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



### Transfer market

Mobility in the total transfer market remained high, increasing 45% to SEK 104 billion (72) in 2024. Länsförsäkringar Fondliv reported a net transfer of SEK 2.6 billion (-0.4) in 2024, with capital transferred to the company increasing 69% and capital transferred from the company increasing 34%. Again in 2024, net inflow was impacted by higher outward transfers due to expanded transfer rights that were introduced on 1 July 2022. However, the volume of capital transferred in was positively impacted by Länsförsäkringar becoming an ITP pension manager from October 2023.

### Unit-linked insurance

The financial markets saw stock markets rally in 2024. This trend was also reflected in Länsförsäkringar's fund range. Of a total of 156 funds, 97% generated a positive return in 2024, with an average return of 17.9% for customers. The categories of funds that performed the strongest included US equities, technology, finance and global funds, while funds targeting Latin America, properties and energy, for example, performed negatively.

A high-quality, attractive fund range that generates healthy, long-term returns on customers' pension capital is a central part of the



Länsförsäkringar offering. All funds are carefully analysed and assessed based on criteria including management organisation, return and sustainability. 11 new funds in different categories were launched during the year, and 11 funds were replaced by funds with higher sustainability levels and return potential. 99.7% of customer savings is invested in funds that promote sustainability or have sustainable investment as their objective according to the EU Sustainable Finance Disclosure Regulation.

### Guarantee management

Länsförsäkringar offers traditional management with a guarantee for customers who want the lowest level on their future payments. Länsförsäkringar guarantees a portion of the customer's paid-in insurance capital with the possibility of additional returns.

The investments as per 31 December 2024 comprised mainly of equities and interest-bearing assets, followed by alternative investments and properties. 32% of managed assets was invested in sustainability-focused investments.

Guarantee management's managed assets increased to SEK 7.1 billion (6.3). The total return was 12.0% (10.9). The average return for the past five years is 6.9% per year.

### Traditional life assurance

Länsförsäkringar Liv, which is closed for new business, conducts traditional life assurance for its customers divided into three management forms: New Trad, Old Trad and New World.

Total managed assets rose to SEK 108 billion (106) on 31 December 2024, primarily as a result of stock-market upturns. All classes of asset contributed positively to returns.

Sustainability is an integral part of Länsförsäkringar Liv's portfolios. On 31 December 2024, 24% (24) of managed assets was invested in sustainability-focused investments, which was higher than the target of at least 23%. Länsförsäkringar Liv also has the target of halving the carbon footprint from its management portfolios by 2027 compared with 2019. The decline on 31 December 2024 was 63%. The share of portfolio companies with science-based climate targets was 54%, which was higher than the target of at least 47%.

Länsförsäkringar Liv is working actively to strengthen the company's capital position in order to improve the conditions for maintaining its long-term investment strategy with the allocation of risk assets held at a balanced and sustainable level over time. As a result of this strategy and the favourable trend in the financial markets, Länsförsäkringar Liv raised its bonus rate for the New Trad and Old Trad management forms three times in 2024. The bonus rate for New Trad



was increased from 5% to 9% and for Old Trad from 4% to 8% before tax and fees.

### New Trad

Managed assets in New Trad amounted to SEK 30 billion (28). New Trad is a management form that existing customers can choose to transition to. The new terms and conditions entail a lower guaranteed rate. Länsförsäkringar Liv can thus invest the capital in assets with a higher expected return, which over time increases the possibility of higher bonuses.

Investments as of 31 December 2024 comprised 40% equities, 38% interest-bearing, 16% alternative investments and 6% properties. The share of interest-bearing investments increased in 2024, while the share of properties declined. The share of equities and alternative investments remained the same.

Investment return amounted to 11.4% (12.0). The average return for the past ten years is 5.9% per year. The bonus rate on 31 December 2024 was 9% (5). The average bonus rate for the past ten years is 6.7% per year.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



### Old Trad

Managed assets in Old Trad amounted to SEK 70 billion (70). The primary aim of risk-taking in the Old Trad investment portfolio is to ensure that the guaranteed commitments can also be realised in the event of a negative market trend. At the same time, balanced risk-taking is applied to facilitate a reasonable return on customers' savings.

Investments as of 31 December 2024 comprised 59% interest-bearing, 24% equities, 11% alternative investments and 6% properties. The share of equities increased in 2024, while the share of interest-bearing and properties declined. The share of alternative investments remained the same.

Investment return amounted to 7.7% (7.8). The average return for the past ten years is 3.5% per year. The bonus rate on 31 December 2024 was 8% (4). The average bonus rate for the past ten years is 6.7% per year.

### New World

Managed assets in New World amounted to SEK 9 billion (8). New World is a traditional insurance policy whereby customers benefit from changes in value in the equities market, while at the same time are guaranteed to recoup over time at least the premiums paid, after deductions for expenses and yield tax.

Investments as of 31 December 2024 comprised 70% equities and 30% interest-bearing.

Investment return amounted to 16.2% (17.5).

### Earnings for Länsförsäkringar Fondliv

Profit before tax for Länsförsäkringar Fondliv increased to SEK 1,450 M (1,040). Excluding the reimbursement for yield tax that is included in other technical revenue, profit before tax amounted to SEK 527 M (555). Earnings were impacted by increased operating expenses that amounted to SEK 1,946 M (1,699), mainly driven by higher acquisition costs due to the strong growth in the underlying business. Administration expenses increased 5% compared with last year.

Managed assets increased 21% during the year to SEK 277 billion (228) on 31 December 2024 due to solid returns from stock-market upturns and strong growth in the underlying business. Net inflow of premiums and capital from existing and new customers increased to SEK 8,318 M (3,997). The total premium income grew strongly during the year with an increase of 42% to SEK 29,193 M (20,499), with premiums paid increasing 21% to SEK 13,696 M (11,310) and transferred in business volumes increasing 69% to SEK 15,497 M (9,189). Transferred in business volumes rose significantly in the large collectively agreed pension areas, partly driven by Länsförsäkringar becoming an ITP pension manager from October 2023.



Premium income after ceded reinsurance for insurance risk amounted to SEK 286 M (270). Commission and fee income increased to SEK 2,248 M (2,045) due to higher volumes of managed assets.

The total profit for Länsförsäkringar Fondliv and the life assurance operations in the 23 regional insurance companies amounted to SEK 751 M (660). Länsförsäkringar Fondliv has had an earnings-based remuneration model for the regional insurance companies since 2021 in order to finance and drive long-term organic growth for the Länsförsäkringar Alliance.

### Capital position

Länsförsäkringar Fondliv's solvency ratio on 31 December 2024 was 147% (156). Own funds increased due to the positive stock markets performance and a significant inflow of new insurance policies due to Länsförsäkringar becoming an ITP pension manager in October 2023, but was hampered by outward transfers and generally lower margins. The capital requirement increased as a result of the strong performance in unit-linked insurance capital. Länsförsäkringar Fondliv has a strong capital position and is considered highly able to manage any future negative market fluctuations.

### Earnings for Länsförsäkringar Liv

Profit for Länsförsäkringar Liv increased to SEK 7,200 M (5,122) as a result of rising stock markets, which contributed to strong investment

income of SEK 9,482 M (9,430). Earnings were also positively impacted by changes in technical provisions, driven by a negative cash flow and higher market interest rates. Changes in market interest rates affect Länsförsäkringar Liv's earnings since future commitments are discounted with the market interest rate. However, the company can largely protect itself from the impact of fluctuations in market interest rates on earnings by matching assets against liabilities.

Operating expenses rose to SEK 430 M (341) primarily due to higher IT development costs, while underlying administration expenses declined. Länsförsäkringar Liv endeavours to enhance the efficiency of its operations, with the long-term objective of reducing operating expenses over time, which benefits customers through lower fees.

### Capital position

Länsförsäkringar Liv's solvency ratio on 31 December 2024 was 224% (208). The higher solvency ratio was due to own funds increasing more than the capital requirement, mainly as a result of the increase in the value of investment assets. Länsförsäkringar Liv has a strong capital position and is considered highly able to manage any future negative market fluctuations. Collective consolidation amounted to 119% (113) in New Trad and 119% (113) in Old Trad. The surplus in New World is primarily distributed directly between customers' insurance, which means that the collective consolidation is always 100%.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

– Business operations

Other information

Sustainability Report

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Other information

## Risks and uncertainty factors of the operations

2024 was marked by intensified geopolitical turmoil and heightened global polarisation and protectionism, affecting trade flows, energy supply and economic stability. These factors increase the risk of market volatility that could affect the performance of the Länsförsäkringar AB Group's investment portfolios.

Climate change has become increasingly evident with extreme weather events such as the torrential rains near Valencia and Hurricane Milton in the Gulf of Mexico in 2024. These events have caused extensive damage to communities and infrastructure. Such developments in climate change affect insurance risks by increasing claims costs.

Technological advances, especially in AI, have created new opportunities but also increased cyber threats. Disinformation and misinformation have been highlighted as one of the biggest global risks in 2024, presenting new challenges for maintaining customer confidence and brand reputation. This could lead to greater operational risks and affect the Group's ability to attract and retain customers.

In light of this, the Länsförsäkringar AB Group is working continuously to identify, assess and manage the risks and uncertainties that could impact its operations. The main risks and uncertainties faced by the Group are described below.

In the unit-linked insurance operations, the policyholders primarily bear the market risks, but since the managed assets trend affects earnings, Länsförsäkringar Fondliv is also exposed to market risk. Earnings may also be negatively affected if customers move their

insurance to paid-up policies or transfer them to another insurance company, since this leads to lower future fee income.

Credit risks in the banking operations are primarily affected by the economic situation in Sweden since all loans are granted locally. Low loan-to-value (LTV) ratios, combined with a well-diversified geographic spread and local presence, are the core pillars in efforts to ensure that the loan portfolio maintains high credit quality. Credit losses remained low during the period.

The Group's non-life insurance operations are highly diverse, ranging from cargo insurance and reinsurance to pet insurance. Non-life insurance is reinsured, where deemed appropriate, and extensive reinsurance operations are conducted on behalf of the Länsförsäkringar Alliance.

The day-to-day operations include a variety of process risks and the Group's products and services may be associated with different types of product risks. Security risks, for example, external crime and internal fraud cannot be completely avoided. Heightened geopolitical tensions and new forms of financial crime combined with increasingly digitised operations present increased security and information security risks. Länsförsäkringar AB works actively to strengthen its digital operating resilience, meaning its ability to resist, recover from and adapt to all type of IT disruptions by, for example, setting high requirements for IT security, incident reporting, and testing of critical applications and suppliers.

The risk of the life-assurance and banking operations being used to launder money and finance terrorism or fraud is reduced through

a systematic process of risk assessments and active monitoring of ongoing business relationships and deviating activities or transactions. Suspicious activity and transactions are reported directly to the Financial Intelligence Unit of the police. The head of Financial Crime Prevention is a member of the bank's management team and reports directly to the bank's President.

Extreme weather and climate risks have increasingly come to the fore and the companies in the Group work proactively to reduce both the climate impact of their own operations and the climate risks to which the operations are exposed. The Länsförsäkringar AB Group's ambition is to be climate neutral by 2045.

The operations in the Parent Company Länsförsäkringar AB also present risks related to the company's investments in liquidity and the business-support operations conducted on behalf of the subsidiaries and the regional insurance companies.

Despite uncertainty in the world, the Länsförsäkringar AB Group's capital position remains stable.

A more detailed description of the risks to which the Group is exposed, and how they are managed, is presented in the Group's note 2 Risk and capital management.

---

*The results of the year's operations and the financial position of the Länsförsäkringar AB Group and the Parent Company on 31 December 2024 are presented in the following financial statements with accompanying notes for the Group and Parent Company.*

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report

## FINANCIAL STATEMENTS

---

## OTHER INFORMATION

---



# Sustainability Report

Sustainability is to be an integral part of the Länsförsäkringar AB Group's governance, strategy, business plan and operations. The Group will pursue a shared approach to sustainability consisting of the following elements:

Responsible business conduct, responsible and sustainability-focused offering and transition and social responsibility.

## General information

General disclosures (ESRS 2)

## G Responsible business conduct

Business conduct (G1)

## S Social information

Own workforce (S1)  
Workers in the value chain (S2)

## E Climate change

Climate change (E1)  
Taxonomy disclosures



# General information

The Sustainability Report describes how the Länsförsäkringar AB Group works with the most material sustainability matters and the impact of the operations on society, people and the environment as well as work on sustainability risks and how sustainability is integrated into the business model.

## General information

General disclosures (ESRS 2)

### **G** Responsible business conduct

Business conduct (G1)

### **S** Social information

Own workforce (S1)  
Workers in the value chain (S2)

### **E** Climate change

Climate change (E1)  
Taxonomy disclosures

**BASIS FOR PREPARATION**

**BP-1 General basis for preparation of sustainability report**

The Sustainability Report describes how the Länsförsäkringar AB Group works with the most material sustainability matters and the impact of the operations on society, people and the environment. The Report also describes how the Group works with sustainability risks and how sustainability is integrated into the business model.

The Sustainability Report is Länsförsäkringar AB's statutory sustainability report in accordance with the Swedish Annual Accounts Act. Länsförsäkringar AB has chosen to apply the updated requirements of the Annual Accounts Act in advance and has prepared its Sustainability Report in accordance with the European Sustainability Reporting Standards (ESRS) and the Taxonomy Regulation. The Sustainability Report also meets the requirements of the older wording of the Annual Accounts Act that applied before 1 July 2024. Information and data applies to the period from 1 January to 31 December 2024. Last year's Sustainability Report was prepared in accordance with the GRI Standards 2021 and the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations for climate-related information. Comparative information is not provided for all key performance indicators to be disclosed under ESRS, but only for the disclosure requirements that were also reported under the GRI/TCFD.

The Sustainability Report is prepared on a consolidated basis. In addition to the Parent Company Länsförsäkringar AB, Länsförsäkringar AB's Sustainability Report for the Group includes the Group companies Länsförsäkringar Bank, Länsförsäkringar Hypotek, Wasa Kredit, Länsförsäkringar Fondförvaltning, Agria Djurförsäkring, Länsförsäkringar Fondliv, Länsförsäkringar Gruppliv, LF Sak Fastighet and Länsförsäkringar Liv. Länsförsäkringar Liv is not included in the financial statements for the Group since its activities are operated according to mutual principles. However, Länsförsäkringar Liv is included in the Group's Sustainability Report since the company is subject to the Swedish Insurance Business Act's solvency rules on group supervision. "Länsförsäkringar AB Group" is used in the Sustainability Report as a collective term for all companies included under the Insurance Business Act's concept of group. Those parts of the Sustainability Report that address financial information for the Group are supplemented with disclosures from Länsförsäkringar Liv's financial statements (refer to page 36-37).

The Länsförsäkringar AB Group previously reported in accordance with the TCFD's recommendations for the reporting of climate-re-

lated information. This year's reporting follows the ESRS instead. The Sustainability Report encompasses the Länsförsäkringar AB Group's value chain. For further information, see the section SBM-1 Strategy, business model and value chain and SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model. No material confidential or sensitive information, information on know-how or intellectual property rights relating to material sustainability topics has been omitted.

**BP-2 Disclosures in relation to specific circumstances**

There are no deviation in the regulations from the stated time horizons in this year's reporting. Value chain information has been assessed based on both direct and indirect sources. These are described in more detail in the following sections on each sustainability matter and in connection with the presented key performance indicators. Where quantitative metrics and monetary amounts are subject to a high level of measurement uncertainty, this is stated for each datapoint. This also applies to forward-looking information, which generally contains some uncertainty due to differences in outcomes compared with scenarios, economic fluctuations and the geopolitical security situation. The Länsförsäkringar AB Group's finance market companies Länsförsäkringar Fondliv, Länsförsäkringar Liv and Länsförsäkringar Fondförvaltning have made publicly available the *Statement on principal adverse impacts of investment decisions on sustainability factors*, in accordance with the Sustainable Finance Disclosure Regulation (SFDR) and the Disclosure Regulation 2019/2088 and Commission Delegated Regulation 2019/1288. This information relates to the impact on sustainability factors of each financial player's investment decisions and thus does not represent the Group as a whole.

**GOVERNANCE**

**GOV-1 The role of the Board**

**Group governance of sustainability**

Based on the Corporate Governance Policy adopted by the Board, sustainability is a so-called Group governance area. This corporate governance system is used by Länsförsäkringar AB as the Parent Company of the Group for establishing Group-wide regulations for selected areas. The purpose of the Group rules is to improve governance, control, reporting and risk and resource management. Making sustainability a Group governance area means that all subsidiaries of

the Group are to adopt corresponding policies, but adapted to their specific operations. In addition, sustainability is an overarching principle for the ten or so components of the corporate governance system, instead of being a single component. The aim of this is to make sustainability an integral part of each component, such as internal control, business governance, asset management and risk management. As a result of this system, there are elements of sustainability in many of the Group's various governance documents.

**Sustainability policies**

The policies that primarily govern sustainability at the Länsförsäkringar AB Group are the Sustainability Policy, the Policy on Responsible Investments and Corporate Governance, and the Risk Policy.

- The Sustainability Policy generally stipulates that sustainability activities are to be based on the strategic materiality assessment to order to identify and manage the Group's sustainability-related impacts, risks and opportunities. Furthermore, the policy encompasses the direction of the sustainability activities and the global sustainability initiatives and agreements that are to both provide guidance for the Group and that the Group is to contribute to.
- The Policy on Responsible Investments and Corporate Governance provides a general outline of the way in which responsible investments and corporate governance are to be conducted in relation to the Group's investing activities and savings offering. The policy also sets out expectations for the investee's work on sustainable and responsible business conduct.
- The Risk Policy regulates the management of various risks, including sustainability-related and specific climate risks. Negative impacts on the Group from a sustainability-related risk materialise as, for example, insurance risk, market risk, credit risk, reputation risk or operational risk and are all to be equally integrated into risk management. The assessment of negative impacts is based on the Risk Policy.

The Länsförsäkringar AB Group has also signed the UN Principles for Responsible Investment (PRI), Sustainable Insurance (PSI) and Responsible Banking (PRB), which form the basis for the Group's activities in each sustainability topic and for the various codes of conduct.

In addition, there are further governance documents for work in individual sustainability topics and/or related to part of the offering. Refer to the next page for a complete list.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## ESRS 2 – GENERAL DISCLOSURES

### GOVERNANCE DOCUMENTS

Policy	Guideline/action plan	Instructions	Owner	Sustainability topics		
				Environment and climate	Human rights and working conditions	Business conduct
Remuneration Policy			Head of People & Culture		X	
Insurance Policy	Guidelines for underwriting and selling insurance		Non-life Insurance business unit/ Head of Non-life Insurance business unit	X	X	X
Sustainability Policy			Head of Strategy and Communication	X	X	X
Purchasing and Procurement Policy			Head of Purchasing	X	X	X
	Diversity and Equality Plan		Head of People & Culture		X	
Credit policy		Credit instructions	Head of Credit	X	X	X
Personnel Policy	Guidelines for company cars and business travel procedures		Head of People & Culture	X	X	
Corporate Governance Policy			Head of Legal Affairs	X	X	X
Policy on Responsible Investments and Corporate Governance			Head of Strategy and Communication	X	X	X
Policy on Periodic Financial Reporting	Guidelines on Periodic Financial Reporting		Chief Financial Officer			
Policy on Anti-Money Laundering and Financing of Terrorism			Head of Anti-Money Laundering Bank			X
Policy on Improper Benefits			Head of Compliance			X
Own Risk and Solvency Assessment Policy			Chief Financial Officer	X		
Risk Policy			Head of Risk Management	X	X	X
Tax Policy			Chief Financial Officer			X
	Code of Conduct for Suppliers		Head of Strategy and Communication	X	X	X
	Code of Conduct for Other Business Partners		Head of Strategy and Communication		X	X
Code of Conduct for Employees			Head of People & Culture	X	X	X
	Guidelines on identifying and managing conflicts of interest		Head of Compliance			X
	Guidelines on managing whistleblowing cases		Head of Compliance			X
	Guidelines on due diligence regarding respect for human rights, and combating corruption and bribery		Head of Strategy and Communication	X	X	X

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

### FINANCIAL STATEMENTS

### OTHER INFORMATION



## ESRS 2 – GENERAL DISCLOSURES

### Direction of sustainability activities set by the Board

Sustainability is to be an integral part of the Länsförsäkringar AB Group's governance, strategy, business plan and operations. Based on the Sustainability Policy adopted by the Board, the Länsförsäkringar AB Group will pursue a shared approach to sustainability based on the following:

- **Responsible business conduct:** refers to responsible conduct in own operations and in the value chain related to the environment, human rights, labour, business conduct and corporate governance.
- **Responsible and sustainability-focused offering:** refers to the Group's complete offering in savings, loans and insurance (non-life and pet insurance); and
- **Transition and social responsibility:** aims to contribute to the transition and future-proof societies through investment, financing, engagement and collaboration with various stakeholders in selected areas of sustainability.

### Structure for sustainability governance

Länsförsäkringar AB has the following structures and roles to govern and monitor its sustainability efforts:

- **Board of Directors:** Decides on material sustainability topics, sustainability-related targets and advances in the business plan, as well as the policies that underpin this work. Through regular reporting, the Board, and the relevant committees of the Board, monitor progress towards sustainability targets and action plans.
- **Corporate management and units:** Corporate management and the Chief Sustainability Officer (CSO) are responsible for recommending material sustainability topics, targets and action plans to the Board for a decision. Furthermore, corporate management is to establish a transition plan for climate work in order to specify and, over time, contribute to achieving the climate ambition. The CEO and business unit and unit managers are responsible for integrating established sustainability targets from the business plan and action and transition plans into the operations. Each unit is responsible for

regularly following up the sustainability activities with each unit's management and CSO. Based on this summary, the CSO reports the aggregated progress of the Group's sustainability activities to corporate management and the Board. Management also monitors sustainability through established governance processes and controls.

- **Chief Sustainability Officer (CSO) and the sustainability team:** The CSO is responsible for the governance, strategy and development of the Group's sustainability activities as well as work with responsible investments. The CSO leads the sustainability team, whose task is to provide the Group with expertise in sustainability. The sustainability team is involved in business development and planning, regulatory management, business intelligence and communication, and coordinates and monitors the Group's sustainability activities, supported by the Sustainability Committee and various sustainability forums. The CSO reports to management and the Board and reports identified sustainability risks and control deviations to the Risk Management and Compliance function. The CSO is also responsible for approving the Sustainability Report in its entirety and authorising the Sustainability Report prior to review by the Audit Committee and assurance by the Board.

The sustainability team coordinates and monitors the Group's sustainability activities, supported by the Sustainability Committee, various sustainability forums and, if necessary, in project form.

- **Sustainability Committee:** The Sustainability Committee prepares and addresses sustainability topics of a Group-wide and strategic nature, including the results of the materiality assessment and follow-up of material topics. The CSO is the Chairman of the Committee and its members are appointed by the CEO.
- **Sustainability forum:** Various sustainability forums are to ensure operational progress and consistent handling of material sustainability topics within the Group. The forums are also to follow up sustainability activities based on the objectives and action plans of the business plan. Data provided by these forums is used by the sustainability team to report to management and the Board.
- **Project:** The sustainability team can, based on identified needs for progress in specific sustainability topics, establish temporary "incubator" projects with cross-functional representation from different units. The projects end when a number of criteria have been met.

BUSINESS UNITS IN THE LÄNSFÖRSÄKRINGAR AB GROUP				
	LIFE	BANK	NON-LIFE	AGRIA
THE THREE PARTS OF THE RESPONSIBLE OFFERING	<b>Responsible lending offering</b> Includes transition and sustainability-focused lending to companies and private individuals, including green mortgages and energy loans, and related advisory services.	Länsförsäkringar Bank's, Länsförsäkringar Hypotek's and Wasa Kredit's <b>lending</b> contributes to the <b>responsible lending offering</b> .		
	<b>Responsible insurance offering</b> Includes claims-prevention measures, digital health care appointments, sustainable repairs and reuse, reinsurance, climate risk management.		The Non-life Insurance business unit's <b>insurance operations</b> are part of the <b>responsible insurance offering</b> .	The Agria business unit's <b>insurance operations</b> for pets, farm animals and crops is part of the <b>responsible insurance offering</b> .
	<b>Responsible savings offering and investments</b> Includes sustainability-focused investments and savings products, engagement with investees, selection and ongoing evaluation of the sustainability activities of external fund managers.	Länsförsäkringar Liv's and Länsförsäkringar Fondliv's pension insurance are part of the <b>responsible savings offering</b> .	<b>The fund range offered</b> by Länsförsäkringar Fondförvaltning is part of the <b>responsible savings offering</b> .	The Non-life Insurance business unit's <b>premiums</b> are managed according to the principles for <b>responsible investment</b> .

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## ESRS 2 – GENERAL DISCLOSURES

Board of Directors
Corporate management
CSO sustainability team
Sustainability Committee
Sustainability forum

The Chief Financial Officer (CFO) and the Economy and Finance unit are responsible for preparing the Sustainability Report as well as for interpreting sustainability reporting regulations and ensuring that the principles of the Sustainability Report comply with these regulations. The unit is also responsible for managing the sustainability information reporting system. The CFO is also responsible for approving the Annual Report in its entirety and authorising it prior to review by the Audit Committee and assurance by the Board.

The Head of People & Culture is responsible for managing employee-related matters in accordance with policies and the Länsförsäkringar AB Group's code of culture. This responsibility applies to Länsförsäkringar's own workforce and covers all operations and geographical areas where the Group operates. The Head of Compliance is responsible for managing whistleblowing cases within the Group.

### Composition of the Board

The Board currently comprises twelve regular members and two deputies. Nine of the members were elected by the Annual General Meeting. Three members and two deputies were appointed by the trade unions. Seven of the twelve regular members are women (58%) and five are men (42%). More information on the composition and diversity of the Board, as well as its roles and responsibilities as a whole, is available in the Corporate Governance Report on pages 136–148.

### Responsibilities and expertise of the Board

The Board is responsible for the organisation and administration of Länsförsäkringar AB and decisions on issues of material significance and of an overall nature relating to Länsförsäkringar AB's operations, including the direction and targets for sustainability and material sustainability topics. The Board establishes policies for the company and

the Group at least once a year. These policies are prepared by the Audit Committee, Risk and Capital Committee, and Remuneration Committee prior to approval by the Board.

The Nomination Committee is to assess whether the Board is appropriately composed, with respect to the company's operations, stage of development and other circumstances, so that the overall competencies and experience necessary for the company are in place, characterised by diversity in terms of, for example, age, gender and ethnic origin, and educational and professional background that promotes independent opinions and critical questioning within the Board. Proposals on the composition of the Board also take into consideration the skills of the Board members in sustainability.

Board members are assessed on the basis of, inter alia, material received from the person to whom the fit and proper assessment pertains and excerpts from government registers. Based on Länsförsäkringar AB's operations, stage of development and other circumstances, the assessment also considers relevant training and experience, professional experience in senior positions and knowledge of conducting responsible business. In addition to the qualifications, knowledge and experience of individual members, the Board is assessed in its entirety to ensure that it possesses the competence required for leading and managing the company.

The Board underwent several training courses during the year. These courses covered such subjects as applicable and future regulations on sustainability and opportunities for the Group's operations. The training courses also addressed lessons from work on sustainability regulations and further developing the Group's sustainability organisation following the reorganisation in 2023. In addition, the Board has access to sustainability expertise through the Group's CSO and their organisation.

For more information on the skills of Board members, see the presentation of the Board on pages 145–146.

### GOV-2 Sustainability matters addressed by the Board

Sustainability-related targets, KPIs and priority advances are discussed between corporate management and the sustainability team in connection with the annual business planning process. This process is based on materiality assessments and business intelligence, as well as the joint Market Plan and the regional insurance companies' owner directives to the Länsförsäkringar AB Group. The sustainability team, in turn, prepares proposals for sustainability targets in the business plan with representatives from the various units within the Group via

the Sustainability Committee. The Group-wide sustainability targets and advances are to be specified by each unit. The materiality assessment and progress towards the sustainability targets of the business plan are regularly followed up by the Sustainability Committee and the entity-specific sustainability forums. The matters discussed depend on the level of detail, with the more strategically overarching matters addressed by the Sustainability Committee and the more entity-specific and operational matters in the relevant sustainability forum. The sustainability team then presents an aggregated report to corporate management and the Board.

The focus of the dialogue and sustainability information shared between the CSO and management and the Board was primarily the four agreed sustainability initiatives for 2024:

- CO<sub>2</sub> inventory and measurement for a significant part of operations, including indirect emissions (Scope 3).
- Based on CO<sub>2</sub> measurement data, develop an initial climate transition plan and further develop objectives for climate work.
- More detailed ambition for sustainability, including targets and activities, in the forthcoming business plan for 2025 and beyond.
- Evaluation of joining an external climate initiative.

In addition to these four specific areas, many dialogues centred on the common approach to sustainability within the Länsförsäkringar Alliance. Dialogues concerned the level of ambition, the areas that form a common basis and the form of collaboration on sustainability activities between the regional insurance companies and the Länsförsäkringar AB Group.

Furthermore, each investment committee, Risk and Capital Committee and Board responsible for investment portfolios were continuously informed of the status of the sustainability targets for the individual investment portfolio(s). This data on the progress towards sustainability targets was also presented in Board reports, including detailed information provided in half-year and full-year reports.

Internal Audit conducts regular audits of sustainability activities. The audit plan is decided by the Board and final audit reports are submitted to the CEO. Sustainability in the business planning process was reviewed in 2024. The observations from the audit concerned the development of a Group-wide framework for sustainability activities, clarifying responsibilities between the CSO and the CFO, and evaluating external commitments in the sustainability area based on resource consumption and whether these initiatives are in line with the Group's sustainability direction.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## ESRS 2 – GENERAL DISCLOSURES

The Risk Policy includes a category for sustainability-related risks, and forms part of the decision-making basis throughout the operations that all units must consider.

### GOV-3 Integration of sustainability-related performance in incentive schemes

The Länsförsäkringar AB Group does not apply any incentive programmes for Board members or other employees. Board members have fixed fees and climate-related factors are not taken into account with regard to remuneration. The Remuneration Policy sets out the overall remuneration model for the Group.

### GOV-4 Statement on due diligence

Due diligence refers to a process through which a company can actively identify, prevent, mitigate and account for its actual and potential adverse impacts on human rights, labour, bribery and corruption or the environment, both in its own operations and in the value chain.

The Länsförsäkringar AB Group has undertaken to comply with international guidelines and standards for responsible business conduct. These include the Ten Principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

The Länsförsäkringar AB Group has three Codes of Conduct: One for employees, one for suppliers and one for other business partners. All of the Codes are established by the CEO. The Code of Conduct for Employees encompasses all employees, consultants and Board members in the Group, and contains guidelines on business ethics and applicable principles for corporate culture at the Länsförsäkringar AB Group. The Group also has governance documents that regulate expectations and demands on other companies relating to investments, lending, purchasing, procurements and partnerships.

The aim of this is to protect workers in the value chain from exposure to violations of human rights, labour law, environmental and health risks and to combat corruption and bribery. The internal governance documents describe how material impacts, risks and opportunities related to workers in the value chain are to be managed. For employees, suppliers and business partners, the Länsförsäkringar AB Group has adopted Codes of Conduct, and a Policy on Responsible Investments

and Corporate Governance has been adopted for investments. The governance documents are published on Länsförsäkringar AB's website<sup>1)</sup>.

Additional information about how the Länsförsäkringar AB Group works with due diligence is presented below and in the following parts of the Sustainability Report:

Embedding due diligence in governance, strategy and business model	GOV-2, GOV-3, SBM-3
Engaging with affected stakeholders in all key steps of the due diligence	GOV-2, SBM-2, IRO-1
Identifying and assessing adverse impacts	SBM-1, G1-1, S2-1, S2-2, E1-1
Taking actions to address those adverse impacts	SBM-1, G1-1, S2-2, S2-3, E1-1
Tracking the effectiveness of these efforts and communicating	S2-4, S2-5

### GOV-5 Risk management and internal controls over sustainability reporting

The Sustainability Report has been prepared in accordance with the Policy on Periodic Financial Reporting with underlying instructions and methodology documents. Process documentation and instructions were prepared during the year and responsibilities for the different parts of the report were clarified.

Internal controls ensure that sustainability data is correct and reliable. Controls can also show the coverage rate and the proportion of primary data. Risks that could lead to material misstatements in the report are identified by applying the internal control over financial reporting (ICFR) methodology, refer to page 144. Key controls are designed and implemented for such risks. Otherwise, self-assessments are applied to ensure completeness, integrity and data quality. The ICFR framework is introduced in the context of the preparation of the 2024 Sustainability Report and will be fully implemented in 2025.

### Embedding with the Board, Audit Committee and management

The results of risk assessments, internal controls and audits are regularly reported to Länsförsäkringar AB's Board using a structured and integrated reporting process. Training and communication on sustainability matters are continuously carried out to keep all relevant parties informed and engaged. Furthermore, sustainability data is com-

puted and presented to ensure that sustainability aspects are considered in strategic decisions.

### Internal and external audits

The Group complies with international standards and regulations to ensure a high level of transparency in its Sustainability Report, which is also subject to a limited assurance review by Länsförsäkringar AB's external auditors. The sustainability reporting process is examined by both internal checks and audits. Through these measures, the Länsförsäkringar AB Group ensures that its sustainability activities are efficient and transparent, and that the results are regularly reported to all relevant internal and external bodies.

## STRATEGY

### SBM-1 Strategy, business model and value chain

The Länsförsäkringar AB Group conducts banking, life assurance, pension insurance as well as some non-life insurance business on behalf of the regional insurance companies. Customers comprise both private individuals and companies. Certain products and services are sold directly to customers, while others are sold via the regional insurance companies or other brokers.

The Länsförsäkringar AB Group has employees in Sweden, Denmark, Finland, France, Ireland, Norway, the UK and Germany.

TABLE 1 – Employee head count per geographic area

Country	Average number of employees <sup>1)</sup>		
	2024	2023	2022
Sweden	2,882	2,640	2,302
Denmark	36	39	36
Finland	18	16	13
France	12	11	9
Ireland	20	19	25
Norway	68	67	66
UK	170	143	126
Germany	8	7	6
<b>Total average number of employees</b>	<b>3,214</b>	<b>2,942</b>	<b>2,583</b>

<sup>1)</sup> Average number of employees during the year

<sup>1)</sup> <https://www.lansforsakringar.se/stockholm/privat/om-oss/hallbarhet--forskning/hallbarhet-inom-lansforsakringar-ab/>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



**Sustainability an integral part of our strategy and offering**

The Länsförsäkringar AB Group intends to help future-proof societies and promote the green transition while creating business value for its customers and owners. During the year, long-term ownership strategy objectives for 2033 were adopted for the entire Länsförsäkringar Alliance, which include sustainability and social commitment as strategic positions. These objectives started to be integrated into strategic documents during the year, such as the Marketing and IT Strategy and the Market Plan, which form the basis for efforts including initiatives aimed at priority arenas and customer groups. These longer-term strategic documents serve as one of the starting points for the work on the annual business plans. From having been an “in-depth area” in the 2024 business plan, the foundation was established during the year to make it a “change area” in the 2025 business plan. These areas are the main focus of the business plan and are to help ensure major progress and deliveries.

The Group’s offerings and services are to be relevant to customer needs and guide customers in making sustainable choices, which thus needs to be reflected in its strategy, product development and advice. The Länsförsäkringar AB Group has a responsible and sustainability-focused offering that is continuously being developed in:

- **Responsible savings offering and investments** – focus on responsible and sustainable investments in the management of funds, pension and non-life insurance assets, including unit-linked insurance;
- **Responsible lending offering** – focus on green mortgages, energy efficiency loans and transition finance for customers;
- **Responsible insurance offering** – focus on claims-prevention measures and repairs that promote the repurposing of materials and reduced climate impact.

**Targeted efforts generate focus**

Sustainability is a prerequisite for a long-term profitable business, although the Länsförsäkringar AB Group cannot contribute to sustainability without a profitable business. Accordingly, the Group endeavours to set sustainable business targets for material sustainability topics. This has been requested both by the regional insurance companies and by the Group’s Board. The targets for the topic must be an integral part of the companies’ business strategies, risk activities and regulatory management in order to create value for their owners, customers and society as a whole. Measurable progress will be identified in the sustainability topic, which also includes financial impacts and impact on customer satisfaction.

The Länsförsäkringar AB Group has had sustainability targets related to the offering in responsible savings, loans and insurance for several years. The aim of these targets is to further develop the offering and services that support the green transition and help customers. The target formulations and outcomes compared with the 2024 targets are presented in the overview below. In addition, corporate management has decided on priority sustainability initiatives for 2024.

**Further developed climate ambition**

During the year, the previous climate-smart vision, which primarily applied to the Group’s savings offering and investment operations since 2019, was expanded into an ambition of climate neutrality by 2045 for the entire Group. This change was also based on the owner directive for the Group for 2024, which called for a more concrete definition of carbon-neutral operations by 2045, including a plan and metrics. The climate neutrality target is currently based on the intensity measure of “GHG intensity per net revenue” and not an absolute metric of emission reductions.

**First climate transition plan**

Develop a first version of the climate transition plan that specifies existing and planned actions to help mitigate climate change and adapt society to climate change. The transition plan version 1.0 was adopted by corporate management at the end of the year and applies to investments, the offering and own operations.

**Evaluate external climate initiatives**

The aim of evaluating the possibility of joining an external climate initiative was to gain support on methodologies and become involved in developing a methodology for material CO<sub>2</sub>eq emissions linked to lending, investments and insurance activities. The decision was made that the Länsförsäkringar AB Group would join the Partnership for Carbon Accounting Financials (PCAF).

**Setting requirements for suppliers and business partners**

The Länsförsäkringar AB Group works together with several thousands of suppliers and other business partners. A new methodology was developed in 2024 to screen, through a risk-based approach, suppliers and business partners based on criteria for responsible business conduct and compliance with the Group’s codes of conduct. A sample of corporate customers was also screened during the year. The screening was carried out using a risk assessment tool developed by the Group during the year. The tool evaluates the risk level of the

supplier or business partner based on the country and sector in which it operates, the volume of the contract in question, and on registers from data providers that list companies that have violated or risk violating international conventions.

In cases where a higher risk is identified and/or where the annual contract volume exceeds a certain limit, the supplier or business partner must respond to Länsförsäkringar AB’s questionnaire. Its contains questions about the company’s work on sustainable and responsible business conduct. Based on the responses to the questionnaire, the supplier or business partner may be required to prepare an action plan to remediate identified non-compliance. If the supplier or business partner is identified as being involved in violations, engagement is initiated and the supplier or business partner must then demonstrate their progress on the relevant issue. If no progress is made, Länsförsäkringar may terminate the business relationship. Preventative action also plays a key role and includes responsible contracting requiring compliance with the Code of Conduct.

In order to implement the new supplier and business partner screening methodology, three training sessions were held in 2024 for Group employees who work with supplier and/or business partner management. The training sessions focused on the background as to why responsible business conduct is a central and important part of the assessment of the Group’s suppliers and business partners, and how the new methodology works in practice. This methodology and tool will be further developed in 2025.

**SUPPLIERS AND BUSINESS PARTNERS**

Metric/activity	Outcome 2024	Comment
Number of material <sup>1)</sup> suppliers and business partners that were screened	555	New key performance indicator for 2024
Number of material suppliers and business partners with elevated risk based on screening results	128	New key performance indicator for 2024
Of which, share of respondents to Länsförsäkringar’s questionnaire on business conduct	67%	New key performance indicator for 2024

<sup>1)</sup> Suppliers are classified as material based on contract volume. A business partner is considered material if it has been identified as strategically important to the responsible entity within the Group.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS’ REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**RESPONSIBLE SAVINGS OFFERING AND INVESTMENTS**

The overview below presents sustainability-related targets linked to the responsible savings offering and investments for 2024, including outcomes and commentary on the outcomes.

Target 2024	Outcome 2024	Comment
<b>Länsförsäkringar AB's asset management portfolios (life assurance and non-life portfolios)</b>		
Reduce GHG intensity (tCO <sub>2</sub> eq/revenue in SEK M) of listed shareholdings in Länsförsäkringar AB's asset management portfolios	4.4 tCO <sub>2</sub> eq/SEK M revenue	GHG intensity for listed shareholdings reduced from 5.6 tCO <sub>2</sub> eq/SEK M in 2023.
Reduce carbon footprint (tCO <sub>2</sub> eq/market value invested in SEK M) of measurable <sup>1)</sup> shareholdings in Länsförsäkringar AB's asset management portfolios	21.8 tCO <sub>2</sub> eq/SEK M invested	Carbon footprint reduced from 24.2 tCO <sub>2</sub> eq/SEK M invested in 2023.
The share of sustainable investments of the overall total market value of Länsförsäkringar AB's asset management portfolios is to be at least 23% or more	23.7%	The share of sustainable investments declined slightly from 23.8% in 2023 but met the target of at least 23%.
Increase the share of listed shareholdings (market value) in Länsförsäkringar AB's asset management portfolios with verified science-based targets	53.7%	Share of listed equity holdings with verified science-based climate targets increased from 47% in 2023.
<b>Länsförsäkringar Fondliv – Unit-linked insurance</b>		
The share of unit-linked insurance managers with climate targets	65.8%	Reduced from 69% in 2023
Number of sustainability-focused funds (based on Länsförsäkringar's definition) in the total range of unit-linked insurance	29	Reduced from 31 in 2023
<b>Länsförsäkringar Fondförvaltning</b>		
Increase the share of companies (market value) in Länsförsäkringar Fondförvaltning's funds with verified climate targets	53.9%	Monitoring of the target started after the first quarter. The share increased from 42.1% from March to December

<sup>1)</sup> Listed shares and properties

**Continued efforts for a sustainable transition**

The aim of responsible investments is to create value for customers and promote the transition to a more sustainable society. This includes funds in the savings offering, the management of pension and non-life insurance portfolios and unit-linked insurance. Länsförsäkringar AB's Policy on Responsible Investments and Corporate Governance defines the direction, general objectives and application of various responsible investment strategies. Sustainability-related risks and opportunities are to be integrated into management. A combination of the investment strategies of include, exclude and engage are used to take sustainability factors into consideration and integrate them into the management of own funds and investment portfolios. A sustainability screening forms the basis of applying these three investment strategies.

**Sustainability screening of investments**

Sustainability factors are integrated both in the analysis ahead of an investment decision and when following up existing investments. Funds and investment portfolios are regularly screen against a variety of sustainability factors, including:

- The Länsförsäkringar AB Group's current sustainability-related exclusion and transition criteria for companies and governments
- Violation of the UN Global Compact's principles for responsible business conduct and the OECD Guidelines for Multinational Enterprises
- GHG intensity (current status)
- Science based targets
- Indicators of principal adverse impacts (PAIs) for sustainability factors

**EXCLUSION CRITERIA ON 31 DECEMBER 2024**

- Companies involved in prospecting and conventional extraction of oil and gas with sales exceeding 5%<sup>1)</sup>.
- Companies involved in unconventional prospecting and extraction of oil and gas (such as oil sand, fracking and extracting gas from carbon) with sales exceeding 5%.
- Mining companies deriving more than 5% of their sales from thermal coal.
- Power companies that have more than 5% of their sales from thermal coal.<sup>1)</sup>
- Manufacturers of tobacco products with sales exceeding 5%.
- Commercial online gambling companies with sales exceeding 5%.
- Commercial gambling companies with land-based casinos or equivalent with sales exceeding 5%.
- Companies generating turnover from the production of pornographic material.
- Controversial weapons including nuclear weapons (investments are permitted in conventional weapons and defence materiel).
- Companies with serious violations of international agreements on responsible business conduct and where dialogue does not have the desired results.
- Government bonds issued by countries that overall are not considered to meet fundamental criteria on human rights, democracy and anti-corruption.
- Government bonds issued by countries that are deemed to be non-cooperative jurisdictions and that do not follow basic standards regarding tax.
- State-controlled listed Russian companies and companies controlled by Russian oligarchs.

<sup>1)</sup> Selected companies that can demonstrate that they are transitioning from fossil to renewable energy or have set emissions targets in line with the Paris Agreement can be kept in the investment universe.

**TRANSITION CRITERIA**

Transition criteria are applied to selected power and energy companies. The purpose of the transition criteria is to identify and support companies who have made climate commitments and are in the process of transitioning. An up-to-date list of transition companies is available on LF.se.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## ESRS 2 – GENERAL DISCLOSURES

### Inclusion

The sustainability analysis is integrated with the financial analysis and is central to the investments made. Funds or investment portfolios can invest in companies or bond issuers based on:

- Sustainability topics such as renewable energy and water infrastructure.
- Products or services that contribute to environmental and/or social objectives.
- Whether the company is in a transition phase, such as from fossil fuel to a more renewable energy mix.

The Länsförsäkringar AB Group evaluates investees to determine whether they can be classified as a sustainable investment according to the test criteria of the Sustainable Finance Disclosure Regulation (SFDR). These tests aim to ensure that the company does not cause significant harm to any of the EU's environmental and/or social objectives, is not involved in serious violations of international conventions and guidelines, and that the company makes a contribution to the EU's environmental and/or social objectives. To assess adverse impacts for sustainability factors, the Länsförsäkringar AB Group compares the PAI indicator of every investment with peer companies in the same sector. If data is lacking, cooperation takes place with third-party providers, external managers and/or in direct dialogue with the investees to ensure access to the necessary information.

The Länsförsäkringar AB Group's efforts related to setting requirements and clearly specifying assessment criteria for sustainable investment has helped the relevant companies and issuers to increase their understanding of what forms the basis for the assessment and what improvements they can make.

The investees that are currently assessed according to sustainable investment criteria are sustainable bonds, and forestry and property companies.

- At the end of 2024, the share of sustainable investments in the Group's investment portfolios amounted to more than 23% of managed assets, corresponding to approximately SEK 29 billion.
- Of this figure, sustainable bonds in the investment portfolios accounted for just under 22%, corresponding to approximately SEK 27 billion.

The Länsförsäkringar AB Group's sustainable bond investments are made in projects with positive environmental and/or social impacts that also generate returns for customers. The Group took action

during the year to ensure more accurate and reliable data collection in order to improve the transparency and credibility of reporting on the impacts of sustainable bond holdings. Confirmation of datapoints for each issuer's impact KPIs was collected through direct dialogue with the issuers. This data was previously obtained from a third-party provider, but it was deemed insufficient in terms of data quality and coverage. The new approach has helped not only to improve internal data quality, but also to strengthen the confidence of issuers and other stakeholders in the Länsförsäkringar AB Group's processes.

### Exclusion

Criteria are applied to exclude companies and countries (government bonds) for various sustainability reasons, such as climate risk. Exceptions can be made if the company adapts its operations based on established transition criteria. Exclusion criteria are applied when other responsible investment strategies have been tested or when engagement with the company in question do not lead to the expected results.

To reduce the negative impact of the Group's investments, the Länsförsäkringar AB Group excludes companies either on the basis that sales from certain types of operations or products exceed 5% or on the basis that no sales are permitted at all. The Group also avoids investments in companies with serious violations of international responsible business conduct agreements, as well as government bonds from countries that do not meet fundamental human rights, democracy and anti-corruption criteria. A full list of the applicable exclusion criteria can be found in the table. To ensure compliance with these criteria, all funds, investment portfolios and unit-linked insurance funds are screened twice a year in relation to the applicable exclusion list. In 2024, 6% of the total number of companies in the global reference index were excluded.

### Engagement

The engagement strategy includes voting at general meetings, participating in nomination committees, dialogues with boards and management as well as reactive and proactive engagement regarding various sustainability factors. Engagement is conducted internally, together with other investors or through providers of engagement services. The aim of reactive engagement is to guide the company away from violating international conventions and guidelines related to responsible business conduct, and towards taking preventative measures. Proactive engagement is intended to encourage companies

and sectors to work preventively on key sustainability risks and opportunities.

The Länsförsäkringar AB Group is involved in engagement with individual companies through investor-led initiatives. Engagement conducted by Länsförsäkringar itself primarily focus on strategic and directly owned holdings. The Länsförsäkringar AB Group participated in the following engagement activities carried out via various investor-led initiatives during the year:

- Investor Initiative on Hazardous Chemicals (IIHC)
- Nature Action 100
- PRI Spring
- FAIRR

Investor-led initiatives related to topics associated with material standards are described in more detail in E1-1, G1-1 and S2-4. Voting and participation on nomination committees are presented in G1-1.

### ENGAGEMENT INVESTEEES

Metric/activity	Outcome 2024	Outcome 2023
<b>Preventive engagement</b>		
Number of investees <sup>1)</sup> subject to investor-led initiatives supported by the Länsförsäkringar AB Group	358	361 <sup>2)</sup>
Number of investees subject to preventive engagement with the Länsförsäkringar AB Group's participation	38	19
<b>Reactive engagement</b>		
Number of investees subject to reactive engagement via partners retained by the Länsförsäkringar AB Group to pursue engagement	9	60 <sup>3)</sup>
Number of investee subject to reactive engagement with the Länsförsäkringar AB Group's participation	9	New key performance indicator for 2024

<sup>1)</sup> Investees are companies and issuers

<sup>2)</sup> The calculation of the KPI for 2024 refers to companies under the initiatives supported by the Länsförsäkringar AB Group where active engagement is pursued. Companies under more than one initiative have only been counted once

<sup>3)</sup> As of 2024, investees subject to reactive engagement through partners have been reported separately. In 2024, the Länsförsäkringar AB Group changed its stewardship service provider and began phasing them into the process during the year. Länsförsäkringar Fondförvaltning has a separate agreement

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## ESRS 2 – GENERAL DISCLOSURES

### RESPONSIBLE LENDING OFFERING

The overview below presents sustainability-related targets linked to the responsible lending offering for 2024, including outcomes and commentary on the outcomes.

Target 2024	Outcome 2024	Comment
<b>Länsförsäkringar Bank</b>		
Measure financed GHG emissions from the credit portfolio and set emissions reduction targets	Financed emissions are measured for the entire credit portfolio. Emissions reduction targets have been set for the Bank Group and a transition plan has been developed for the mortgage operations	In 2025, transition plans will be prepared for the remaining material areas of the credit portfolio
Increase the volume of the sustainability-focused asset register as a basis for sustainability-focused bonds	The volume of the sustainability-focused asset register has increased to SEK 19 billion (15)	
Further develop the sustainability-focused financing products and increase the volume of green mortgages	The volume of green mortgages more than doubled in 2024 to SEK 4.9 billion at year-end	Sustainability-focused financing products are continuously being developed
<b>Wasa Kredit</b>		
Further develop the concept of transition finance, which helps SMEs transition their business towards the 2030 Agenda	5.37% of new business was transition finance <sup>1)</sup>	The number of transition finance transactions has increased, but there is still no way to measure emissions for all objects in the credit portfolio. It is hoped that a national machine register will be launched in 2025, which will enable more accurate follow-ups

<sup>1)</sup> Leasing and hire purchase financing for companies including electric mopeds/motorcycles, electric trucks with WLTP of 0–49 grams of CO<sub>2</sub>/km.

#### Healthy lending with continued focus on green mortgages

Long-term respect for customers' security and finances is fundamental to the Länsförsäkringar AB Group. Local customer knowledge contributes to low credit risk. The offering of loans and bonds to support customers in their transition was expanded during the year. Most of Länsförsäkringar Bank's lending takes place using property as collateral. Through its lending, the bank also finances small businesses and agriculture which may involve social and environmental risks, meaning that the bank has an indirect exposure to such risks. Climate change could probably affect the market value of certain properties and other assets. Länsförsäkringar Bank manages these risks by attaching great importance to customers' repayment capacity in its lending and by including assessments of potential climate change impacts in the credit assessment.

Länsförsäkringar Bank's largest lending product is mortgages. Lending to companies mainly comprises small businesses that are deemed to have limited environmental and social risks. There are no customers in energy- or emissions-intensive sectors such as large-scale manufacturing, mining operations or fossil fuel extraction and energy production. The green mortgage offering with lower interest rates for single-family homes and tenant-owned apartments with low energy consumption and an energy efficiency loan with lower interest rates that supports customers who want to install solar panels, for example, was expanded and improved in 2024.

Länsförsäkringar Bank's main financing sources are deposits and funding through covered bonds. The aim of the company's green bond framework for issuing sustainability-focused bonds is to direct capital towards sustainable purposes such as low carbon consumption,

#### Länsförsäkringar Bank does not offer loans or financing to the following sectors:

- Extraction and prospecting of fossil fuels (oil, coal and gas)
- Energy production from thermal coal
- Production of tobacco products
- Gambling for money (commercial online gambling and gambling companies with land-based casinos)
- Manufacturing of controversial weapons
- Production of pornographic material

climate resilience and contributing to an environmentally sustainable society.

With the 23 regional insurance companies, the Länsförsäkringar AB Group's customers have access to branches across Sweden as well as telephone and digital banking services. Digitisation is an important step for streamlining and improving the customer experience, which leads to, for example, a lower environmental impact by reducing paper consumption, postal services and the need for customers to travel.

The Wasa Kredit subsidiary offers lease and hire purchase financing to companies, and loans and credit card loans to private individuals. The offering is distributed via partners or directly to customers. Transition finance concepts support companies that want to fulfil the 2030 Agenda. The offering includes, for example, solar panels, battery storage and heat pumps.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

### FINANCIAL STATEMENTS

### OTHER INFORMATION



## ESRS 2 – GENERAL DISCLOSURES

### RESPONSIBLE INSURANCE OFFERING

The overview below presents sustainability-related targets linked to the responsible insurance offering for 2024, including outcomes and commentary on the outcomes.

Target 2024	Outcome 2024	Comment
<b>Non-life</b>		
Increase the number of certified marine workshops	In 2024, there were 19 marine workshops certified in accordance with Sweboat's standard.	Marine workshops that are members of Sweboat, the Swedish Marine Industries Federation, can join Approved Marine Workshop and start the process of becoming certified. To achieve certification, the workshops must meet the quality requirements and demonstrate improvements. The certification and annual audits are carried out by an external audit body, Qvalify, to ensure objectivity.
Increase the number of areas in which the climate impact of insurance transactions is measured	The number of areas in which the climate impact of the insurance business is measured was expanded to five in 2024.	These increases are: 1) Repair-based carbon footprint for passenger car claims adjustment, 2) Operations-based carbon footprint related to passenger car claims adjustment, 3) Insured carbon footprint for passenger cars, 4) Transportation-based carbon footprint when traveling to health care providers and 5) Health care providers' operations-based carbon footprint.
Develop the insurance offering with a focus on a circular economy in non-life insurance business	An insurance offering was developed in 2024 to protect against loss of and damage to customers' property in transit when trading through platforms that support circular consumption and the sharing economy.	The development of insurance offerings that support circular consumption and the sharing economy are continuing in 2025.
For the outcome of the Non-life Insurance business unit's asset management portfolio, see responsible savings offering		
<b>Agria</b>		
Increase participation in Agria's training courses under the extra concept <sup>1)</sup> for dogs, cats and horses	Attendance at these courses in 2024 was 13%	Agria has the target of increasing participation to 18% for 2025.

For the outcome of the Agria business unit's asset management portfolio, see responsible savings offering

<sup>1)</sup> With its extra concept, Agria offers customers free medical advice around the clock, digital health check-ups, courses in claims prevention with the opportunity to change their insurance premium.

Reducing the risk of claims helps create security for Länsförsäkringar AB's customers. For this reason, claims prevention is of major importance since every claim that can be avoided is a gain for the environment, the individual and society at large. In the event of a claim, the knowledge of climate impact is crucial together with high requirements for sustainable repairs. Länsförsäkringar AB supplements the regional insurance companies' offering with specialist products to meet customer needs and initiates new business that can be channelled through the Länsförsäkringar Alliance's total reinsurance cover.

Claims-prevention activities and methods to repair damage sustainably are developed jointly with the regional insurance companies. This process is conducted in the Non-life Insurance and Agria business units. To reduce the risk of higher claims costs that are based on weather-related insurance claims, risk management in the non-life insurance operations focuses on predicting and preventing claims. Risk areas can be identified with statistics and climate scenarios from Länsförsäkringar. Länsförsäkringar AB develops geographic information systems to identify risk exposure to various natural catastrophes.

In turn, insurance companies also need to protect their operations from costs for large individual claims and natural catastrophes and often turn to specialist reinsurance companies in the international market to insure some of their risks. Länsförsäkringar AB reinsures external insurance companies in the international market and therefore has some risk exposure to extreme weather events and climate change, also globally.

The Länsförsäkringar AB can help customers reduce the risk of a claim occurring by providing information and working with claims prevention initiatives. Effective claims-prevention activities contribute to lower insurance claims risk and lower claims costs, which benefits policyholders. One example of claims prevention is Länsförsäkringar AB's active efforts to increase the use of bicycle helmets to reduce the number of cycling accidents. Claims-prevention activities include collaboration with other companies, trade and civil society organisations in Sweden and internationally. This can include climate change adaptation actions, environmentally friendly lifestyle changes and increased demands for sustainable construction.

Natural-catastrophe claims, water and fire damage claims, and motor insurance claims are the focus areas in claims-prevention activities that have the greatest impact on the environment. The Group's insurance operations need to protect themselves from the costs arising from both a higher frequency and larger scale of natural catastrophes, and the subsequent damage claims. To accomplish this, the company turns to reinsurance companies in the international market to insure some of their risks. In addition, the Länsförsäkringar Alliance has an internal reinsurance pool that shares risks between the regional insurance companies.

Länsförsäkringar AB sets high sustainability requirements for repairs in the event of building damage and for marine workshops. The company is also one of Sweden's leading players in health and health care insurance with the mission of creating a healthier Sweden by contributing to a sustainable lifestyle, working life and society. Agria develops insurance products in close collaboration with animal-owner organisations. The Agria Vet Guide app offers customers cost-free consultations with a vet, which has become increasingly important due to a vet shortage. Agria's Research Fund supports research into animal health and the relationship between animals and people. This contributes to a sustainable lifestyle for animals and animal owners and helps to advance veterinary care. Research results are then shared through digital research seminars, lectures and clinics.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

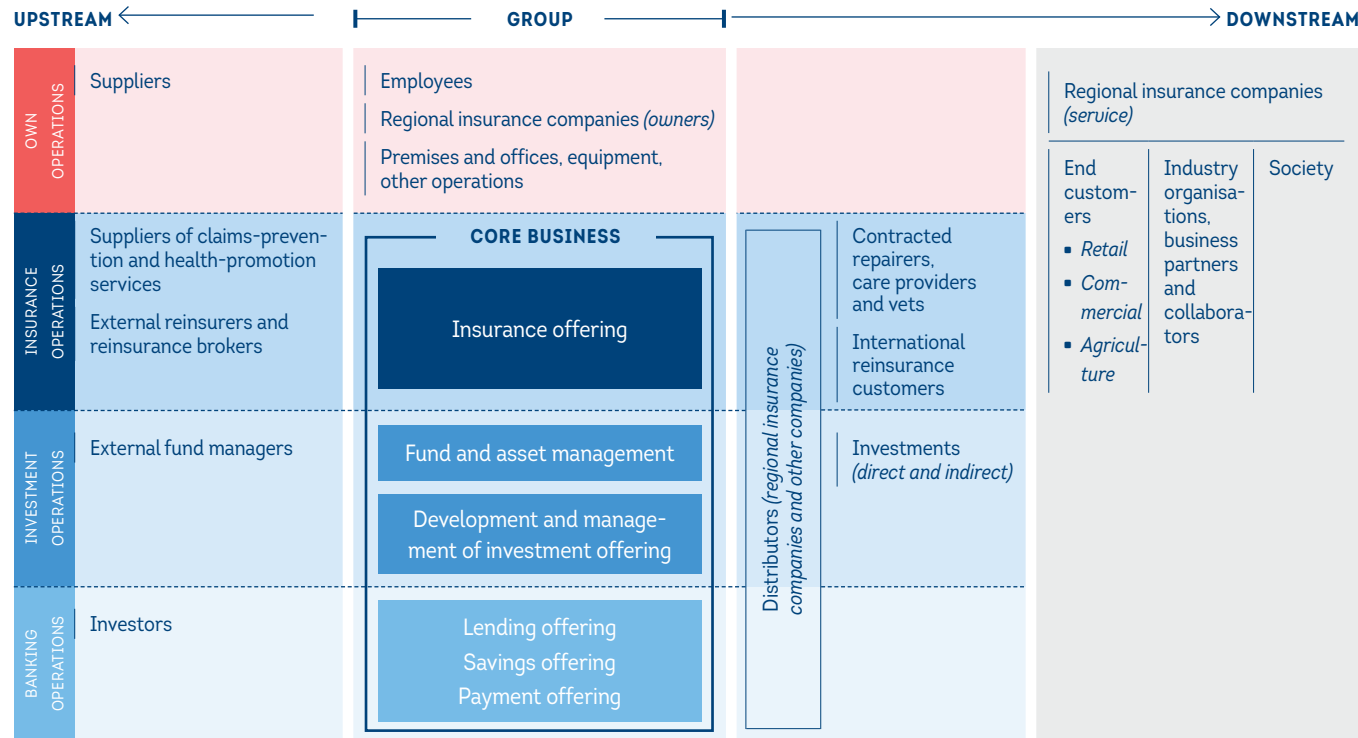
## OTHER INFORMATION



**THE VALUE CHAIN, A HOLISTIC APPROACH TO SUSTAINABILITY**

Länsförsäkringar AB Group conducts active sustainability work. The goal is to minimise both the negative upstream and downstream impact in the value chain, while also making a proactive contribution to sustainable development for various stakeholders. The Group is aware that impacts extend far beyond the boundaries of its own operations, which is why the Group work actively to ensure that suppliers and business partners share the same vision of a sustainable future.

**VALUE CHAIN**



**Suppliers of specific products and services**

The Länsförsäkringar AB Group's supply chain primarily includes service providers of information and data to perform credit assessments, investment analyses and to calculate insurance risks. Suppliers also comprise external fund and asset managers, IT and telecom service providers as well as suppliers of products and consultancy services required for conducting the operations. Agreements vary from one-off purchases to one- or multi-year contracts.

**Suppliers of claims-prevention and health-promotion services**

The Länsförsäkringar AB Group engages suppliers to prevent claims such as water damage, burglary and vermin, and to provide health-promoting health and veterinary services.

**Investors and rating agencies**

Länsförsäkringar Bank and Länsförsäkringar Hypotek issues bonds that are handled by institutional investors. At the end of 2024, hun-

dreds of institutional investors had invested in these bonds, which account for about 70% of the banking operations' financing. Rating agencies assess the Länsförsäkringar AB Group's credit rating, including its sustainability performance.

**Länsförsäkringar AB Group**

By jointly developing bank, pension, life-assurance and non-life insurance products and services in areas that generate economies of scale and efficiency for the owner companies. Through its distinct role in the Länsförsäkringar Alliance's value chain, the Länsförsäkringar AB Group's 3,800 employees contribute to increasing competitiveness and reducing costs for joint development within the Länsförsäkringar Alliance. Länsförsäkringar AB sells tailored insurance products and special products to companies. Agria's products are sold to private individuals and agricultural operations. Länsförsäkringar AB manages the Group's reinsurance cover and assumed international reinsurance. The Länsförsäkringar Bank Group also offers loans, leases and hire purchase financing to retail and corporate customers.

**Regional insurance companies**

The 23 regional insurance companies jointly own Länsförsäkringar AB and they have the primary contact with the Group's customers and offer banking, non-life insurance, pension and life-assurance products for private individuals and companies. Customer meetings take place both digitally and in person, and there are 117 branches throughout Sweden.

**Business partners for distributing products and services**

About 40% of sales of occupational pension insurance and 36% of non-life insurance take place via the regional insurance companies or brokers. The Länsförsäkringar AB Group offers lease and hire purchase financing through 4,500 partners in such industries as construction, energy transition and transportation.

**Contracted repairers, care providers and vets**

Länsförsäkringar AB engages suppliers to repair insurance damage and to care for people and animals. The Research Foundation finances studies on sustainable repair methods and a large number of car, boat and vehicle recovery companies are controlled according to Länsförsäkringar AB's requirements and conditions.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## ESRS 2 – GENERAL DISCLOSURES

### Reinsurance

Länsförsäkringar AB, together with the regional insurance companies, is included in the reinsurance solution, which consists of an internal part and an external part. Länsförsäkringar AB can therefore both assume and cede reinsurance. This means that the companies in the Group are dependent on the reinsurance market. Through international reinsurers, the companies can diversify their risks and capture the current pricing landscape for climate-related perils. Reinsurers offer expertise and support for the development of new insurance products, which increases competitiveness and innovative capacity. They serve as an enabler for creating the right insurance offering, and help customers feel reassured.

### Customers

Customers comprise both private individuals and companies. The Länsförsäkringar AB Group sells certain products and services directly to customers, while others are sold via distributors. Customers set requirements for the sustainability performance and are increasingly demanding sustainability-focused funds and pension solutions, green loans and insurance that covers sustainability risks.

### Industry organisations, business partners and collaborators

The Länsförsäkringar AB Group is able to offer its know-how, insights, commitment and data to support and learn from the initiatives and knowledge of other players. This takes place via industry organisations such as Insurance Sweden, the Swedish Bankers' Association and authorities such as the Swedish Financial Supervisory Authority as well as business partners and collaborators. Examples of business partners include insurance distributors, reinsurers, sponsors and partners, as well as other players that are strategically important for the operations.

### Community

There is a local presence through the regional insurance companies, that is Länsförsäkringar AB's owners, which means that contributions can be made to the local community. In 2024, Länsförsäkringar AB granted funding of SEK 51 M (47) for research into social challenges, safety in society and animal health.

### **SBM-2** Interests and views of stakeholders

The Länsförsäkringar AB Group affects millions of people through its operations. Given the 4 million customers in the Länsförsäkringar

Alliance, 2,500 suppliers and 9,500 employees in the Group, there are many different expectations. Examples of stakeholders are customers, employees, society and the regional insurance companies (owners). Customers expect availability, service and quality, environmental and social responsibility integrated into the customer offering, claims-prevention measures, transparency and tools to select sustainable products. Employees expect an attractive work environment, good health, opportunities for career progression, gender equality and an inclusive culture that values diversity.

Society expects the management of social challenges and sustainability risks such as climate change, responsible offering of products and services, transparency and claims-prevention initiatives. The regional insurance companies (the owners) expect development of operational assignments, product development, a sustainable offering and digitisation. Stakeholder dialogue provides an opportunity for the Länsförsäkringar AB Group to discuss, identify and act on these expectations which, in turn, affect the activities performed and ultimately the products that are developed.

## STAKEHOLDER DIALOGUE

Priority stakeholders	Communication channels	Priority areas
<b>Owners</b>	Reporting, training, Board meetings, various forums, consulting bodies and general meetings of shareholders	Mission of operations, product development, policies, guidelines, risks, training and long-term objectives
<b>Customers</b>	Customer surveys, customer meetings, seminars, customer communication, website, podcasts and films	Availability, service and quality, responsible product offering for savings, banking and insurance, environmental and social responsibility, transparency and tools to select sustainable products. Promote sustainable breeding and spread knowledge about animal health. Digitisation. Be able to affect prices and premiums through preventive measures. Fraud prevention, claims prevention and health-promotion measures.
<b>Employees</b>	Employee surveys, employee appraisals, meetings with trade union representatives and training courses	Work environment and health, career opportunities, performance and skills development, diversity, inclusion and gender equality
<b>Suppliers</b>	Procurement, audits and meetings	Environmental and social responsibility, sustainability risks in the supply chain, enhanced supplier monitoring
<b>Society (business and collaborative partners, trade organisations and civil society organisations)</b>	Partnerships, meetings, questionnaires and exchanging know-how	Industry-wide challenges within environmental and social responsibility, responsible savings offering, responsible lending offering, transparency, climate change, responsible insurance offering and claims prevention. Finance research and make research results accessible. Provide the sustainability database.
<b>Authorities</b>	Reporting and meetings	Responsible offering, transparency, natural catastrophes and climate risks
<b>Investors</b>	Reporting, meetings and responses to questionnaires	Responsible product offering, common social challenges, environmental and social risks, and increased transparency

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



**Dialogue with priority stakeholders**

The Länsförsäkringar AB Group's priority stakeholders are owners, customers, employees, suppliers, society in the form of partners, industry organisations, civil society organisations and authorities as well as investors. Ongoing stakeholder dialogues were held during the year, primarily with owners, customers, employees and investors. The form of dialogue is tailored to each stakeholder group and situation and includes meetings, workshops, collaborations, employee surveys, training, customer surveys and audits.

In conjunction with the double materiality assessment, a survey was carried out with the owners, the 23 local regional insurance companies and the trade unions active at the workplace. One outcome of the dialogue with the owners is the new joint approach to sustainability as adopted by the Presidents' council, comprising all of the Presidents of the regional insurance companies and the CEO of Länsförsäkringar AB, in the second half of 2024. The aim of the approach is to strengthen cooperation on sustainability between all companies within Länsförsäkringar. A decision was also made during the year to adopt the shared ambition of climate neutrality by 2045 and its realisation. Feedback from the owners also led to an additional review of the circular economy sustainability topic. However, the review did not result in any changes to the Länsförsäkringar AB Group's material topics. Continuous dialogue was held with representatives of the regional insurance companies during the year to ensure that the owners understood and agreed on the structure of CSRD reporting.

Stakeholder dialogue with the trade union representatives resulted in some additional matters being added to the materiality assessment. These included the risk of poor leadership, which could lead to unclear governance and employees leaving the organisation. Some clarifications were also made, including that the risks of inadequate procedures for handling complaints, following up reported complaints and not making information available in several languages, at least English, were highlighted as a risk for inclusion efforts.

Employee surveys are conducted twice a year, a shorter version in spring and a more comprehensive version in early autumn. All employees who have been employed for more than three months have the opportunity to give their views on such issues as leadership, engagement, work environment and workload. Both positive and negative feedback is encouraged. The results from the most recent survey showed that an increasing number of employees, albeit a small number, said that they had experienced victimisation or witnessed

colleagues being victimised in one way or another during the year compared with previous surveys.

Actively countering victimisation and sexual harassment is crucial to protecting human rights, promoting mental and physical health, and creating a safe work environment. By taking action against this behaviour, the Group can ensure a fair and inclusive environment where all employees feel respected and safe to perform their duties. Previously established stakeholder dialogues, as conducted by each business unit, were compiled in order to identify the sustainability topics or matters that customers, in particular, considered most material. Market research has shown that customers and other stakeholders are climate conscious but unwilling to pay extra for sustainable solutions. The Länsförsäkringar AB Group has therefore adapted its strategy and business model, concentrating on offering sustainability-focused funds, green loans and insurance policies that cover sustainability risks such as cyber protection and natural catastrophes. Customers also receive support in the form of preventative measures and advice for managing sustainability risks.

Continuously analysing stakeholders' interests and views ensures that the offerings remain relevant and effective in promoting sustainable development. Corporate management and the Board receive information about the results of stakeholder dialogues and their impacts on the Group's work at least once per year. In investment operations, the Group primarily conducts stakeholder dialogues with the directly owned companies in the Länsförsäkringar Alliance.

**SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model**

The Länsförsäkringar AB Group has carried out a comprehensive materiality assessment to identify sustainability matters of high importance for the entire Group. These factors could have a material impact on people and the environment, generate financial risks or present operational opportunities.

**Material sustainability matters**

The double materiality assessment identified four material sustainability topics for the Group: climate change, own workforce, workers in the value chain and business conduct. These sustainability topics are an integral part of the work on responsible business conduct, responsible and sustainability-focused offering, transition activities and social responsibility.

**Impact on climate change**

The Länsförsäkringar AB Group could potentially contribute to negative climate impact through its insurance, savings and lending offerings. The regional insurance companies can help their customers make sustainable choices by offering sustainability-focused offerings and advice. Companies that procure pensions and non-life insurance via brokers are increasingly looking for sustainable occupational pension solutions and sustainable non-life insurance. These requirements are driving the development of sustainable product offerings.

The savings offering and investment operations may have a negative impact on the climate by investing in companies with a high negative climate impact. Länsförsäkringar's funds have the largest negative impact in terms of level of CO<sub>2</sub>eq emissions, followed by the unit-linked insurance offering and, finally, the company's own investment portfolios with life and non-life insurance premiums. The savings offering could have a positive impact by investing in companies and financing solutions that mitigate climate change and/or adapt society to climate change. In addition, engagement can be targeted at large emitters with the aim of encouraging them to transition their operations and thus reduce negative impacts on the climate.

In the non-life insurance business, the use of repairers that generate high emissions could result in a negative impact on the climate. Insuring operations or buildings with high GHG emissions can also lead to an indirect negative impact on the climate. The risk of damages occurring can be minimised by working actively with claims-prevention measures and health-promotion services. Every prevented claim has a significantly positive effect by reducing impact on the climate and resource consumption. Part repairs and using repurposed materials in repairs reduces the impact on the climate and environment. By offering virtual meetings, the Länsförsäkringar AB Group can also help reduce emissions related to travel to and from health care providers and vets.

The responsible lending offering can contribute to a negative climate impact by financing properties with a lower energy class. However, there is currently insufficient data in this area, which limits the ability to take action until the EU Energy Performance of Buildings Directive (EPBD) comes into force and is incorporated into Swedish law in 2026. The Länsförsäkringar AB Group can contribute to a positive impact on the climate by offering financing solutions for the climate transition. Länsförsäkringar Bank and Länsförsäkringar Hypotek issue green bonds that can attract new and retain existing investors who want to make sustainable investments. The focus of the green

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## ESRS 2 – GENERAL DISCLOSURES

### MATERIAL SUSTAINABILITY TOPICS

RESPONSIBLE BUSINESS CONDUCT				
<b>Business ethics, corruption and bribery</b>	Negative impact, potential	Upstream, Downstream	Short to long term	Codes of Conduct expectations of suppliers and business partners, Confidence in the financial system
	Risk	Own operations	Short term	Licensable operations, Brand risk
<b>Protection of whistle-blowers</b>	Negative impact, potential	Downstream, Own operations	Short to medium term	Management of confidential information
	Risk	Own operations		Licensable operations, Brand risk
<b>Combating financial crime</b>	Negative impact, potential Risk	Upstream, Downstream Own operations	Short term	Money laundering and financing of terrorism, Fraud, Cyber attack
<b>Information security</b>	Negative impact, potential	Downstream	Short to medium term	Lack of data protection
	Risk	Own operations	Short to long term	Licensable operations, Brand risk
OWN WORKFORCE				
<b>Working conditions and equal treatment</b>	Negative impact, potential Risk	Own operations	Short to medium term	Work environment and work load, Working conditions
	Positive impact, potential	Own operations	Medium to long term	Health promotion, Collective agreements and other benefits, Skills development
<b>Equal treatment and opportunities for all</b>	Risk	Own operations	Short to medium term	Promote diversity and equality
WORKERS IN THE VALUE CHAIN				
<b>Working conditions</b>	Negative impact, potential	Upstream, Downstream	Short to medium term	Working conditions and human rights, based on Codes of Conduct expectations of suppliers and other business partners
CLIMATE CHANGE				
<b>Climate change adaptation</b>	Positive impact, potential	Upstream, Downstream	Long term	Sustainability-focused offering and advisory services, Green mortgages and transition finance, Taxonomy-aligned products, Claims prevention
<b>Climate change mitigation</b>	Negative impact, potential	Upstream, Downstream	Medium to long term	Investment in and business relationships with companies with negative climate impacts, Claims adjustment process and supplier selection
	Risk	Downstream Own operations	Short to medium term	Return on investments, Credit losses, Higher claims costs, Reinsurance market, Lack of reliable data

bonds is underlying loans with energy-efficient residential properties, sustainable forestry and agriculture, renewable energy production and transportation with a low carbon footprint.

#### Impact on own workforce

The Länsförsäkringar AB Group has identified that inadequate strategies to ensure a good organisational and social work environment could result in negative effects for its own employees. Factors such as inadequate skills requirements, unclear targets and expectations, high workload, stress, overtime as well as the occurrence of victimisation, threats and violence could lead to illness and low commitment among both employees and consultants. In addition, a lack of action

taken against discrimination could lead to the systematic exclusion of certain groups. The Länsförsäkringar AB Group has also identified a positive impact on its own workforce in Sweden. The Group works to promote health by offering a gym, an hour of fitness activities, health promotion lectures and health care insurance. The social safety net from the Swedish state is also supplemented with collective agreements that provide financial security during illness and parental leave.

#### Impact on workers in the value chain

Regarding the impact on workers in the value chain, the Länsförsäkringar AB Group has identified that investments in companies that violate international labour law standards and conventions, such as

from the ILO, could have a negative impact on workers in the value chain. The Länsförsäkringar AB Group has also identified that by collaborating with suppliers and other business partners on inadequate working conditions, Länsförsäkringar can have a negative impact on workers in the value chain.

#### Impact on responsible business conduct

Non-ethical business behaviour, money laundering and financing of terrorism are international problems that pose serious threats to the financial system and national safety. Corruption risk, such as bribery, conflicts of interest and abuse of power, is a risk found in all companies regardless of industry and country. Confidence in the financial

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



system is quickly tarnished if financial institutions are associated with non-ethical business behaviour, illegal assets and money laundering or if the institutions are used to finance terrorism.

**Risks and opportunities regarding climate change**

The material risks identified include risks related to climate change. The consequences of extensive climate change are difficult to address in the medium term. However, there is an expectation that these consequences can be managed in the longer term and followed up by taking active measures. Material climate change impacts are largely linked to investments and business relationships, such as bank and insurance customers, where the offering may be associated with significant emissions. Own operations, such as purchasing and business travel, have a limited impact on the climate.

There is a risk for the insurance operations that a higher frequency of climate-related events, such as torrential rain, storms, forest fires and drought, could result in increased claims costs. In addition, there is a risk of reduced capacity in the reinsurance market, as changes in risk appetite could lead to reinsurance companies becoming unwilling to take certain risks and excluding them. The risk of natural catastrophes requires claims-prevention activities to transition and adapt to a changed climate. Claims-prevention activities are vital for reducing the risk of high claims costs. Länsförsäkringar AB also contributes to research through its Research Foundation which provides grants for research into climate adaptation.

Finally, risk assessments run the risk of being based on historical data that is not representative of future climate-related events due to insufficient reliable data. Länsförsäkringar AB spreads its risk through collaboration between various regional insurance companies, and reinsurance cover that reduces the financial impact. There is also a risk of a negative impact on the climate by not setting environmental and climate requirements for suppliers. This risk increases in a five to ten-year perspective since it is more difficult for suppliers to transition as time passes.

For the banking operations, physical and transition-related climate risks are expected to affect customers' repayment capacity and the value of the collateral that the bank lends money on. Physical risks include extreme weather events such as floods, storms and heat waves, which could lead to damage to property and affect the productivity of agriculture and forestry. Chronic changes, such as rising average temperatures and changing precipitation patterns, could lead to reduced soil fertility, lower yields and higher risk of pests and dis-

eases in agriculture and forestry. Agriculture and forestry may experience increased costs linked to requirements for emission reductions and sustainable production methods. The property sector faces risks related to energy efficiency requirements and the rising costs of meeting future environmental standards, which could affect property values and demand for housing.

There is a risk that investments risk could have secondary effects in the form of price increases for raw materials or components in production and supply chains due to acute or chronic climate change. The Länsförsäkringar AB Group's forest investments risk declining in value due to pests or weather events such as storms with a major impact on forestland. Investees also risk incurring high costs as the cost of CO<sub>2</sub> emissions increases. This may affect and lead to stranded assets in such sectors as transport, textiles and industry. There is also a risk that a targeted focus on exclusion will disadvantage investees that are transitioning their operations.

**Risks and opportunities regarding own workforce**

For Länsförsäkringar's own workforce, the material impacts are mainly related to internal organisational matters. These include such factors as work environment, workload and other organisational aspects that impact employee well-being and commitment.

**Risks and opportunities regarding workers in the value chain**

The risk for the Länsförsäkringar AB Group related to workers in the value chain is that the brand could be negatively impacted or the savings products not chosen if suppliers, business partners and investments are not monitored or subject to requirements. This risk is mainly associated with information and IT providers, product suppliers and consultants and their compliance with human rights and labour rights factors in relation to the Group's Code of Conduct.

**Risks and opportunities regarding responsible business conduct**

The Länsförsäkringar AB Group has identified that inadequate control systems risk making the operations more vulnerable to money laundering and financing of terrorism, as well as making customers more vulnerable to fraud.

Furthermore, the Group has identified that there is a risk in the investment operations that companies will fail in their processes linked to bribery and corruption, which could lead to investments in companies that commit such violations and thereby have a negative

impact on the external world. In addition, specific risks have been identified for various purchasing categories.

Fraud in various sectors, such as health care and workshops, affects claims provisions and thus the outcome of claims costs. These cases of fraud could lead to increased costs and negatively affect the financial stability of the Group. Shortcomings in data protection could entail the risk of the Group incorrectly processing the personal data of customers, employees and other parties registered, which negatively affects privacy.

**Resilience analysis and risk management strategies**

Climate scenario analyses are carried out every year under the framework of the Own Risk and Solvency Assessment (ORSA). The purpose of the assessment is to illustrate how various potential scenarios for climate change could impact the stability and resilience of the operations over time, see the outcome for 2024 in section E1 on page 80. A more complete resilience analysis is planned based on the Group's risk-management system and materiality assessment.

The Länsförsäkringar AB Group has implemented a comprehensive risk-management system that integrates strategies, processes and checks to identify, measure and manage risks. The Board of Länsförsäkringar AB is responsible for ensuring an effective system by having a risk policy that defines and governs risk management. The risk strategy is part of the business strategy and addresses insurance, credit, market and climate risks. Internal rules and policies are developed to protect employees and promote a healthy work environment. Regular reporting to the Board ensures a comprehensive understanding of risks and incidents, which aids in achieving the company's targets of high safety and efficiency.

**IMPACT, RISK AND OPPORTUNITY MANAGEMENT**

**IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities**

The Länsförsäkringar AB Group conducts an annual materiality assessment to identify sustainability matters with material impacts, risks and opportunities based on the Group's own operations or main value chains. A new process and methodology based on the double materiality assessment under the CSRD and ESRS were introduced in 2023. This assessment was completed in 2024 in line with know-how on sustainability reporting regulations expanding. The Länsförsäkringar AB Group's strategy is to integrate sustainability into the busi-

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



ness operations based on the content of the Responsible savings offering and investments, Responsible insurance offering and Responsible lending offering. To obtain a relevant and accurate outcome, the materiality assessment was conducted based on the circumstances of each business operation and for their respective value chains. The materiality assessment process is described below and more specifically in section E1 in terms of the assessment of climate-related impacts, risks and opportunities.

Responsible business conduct is a material sustainability topic for the finance industry and the Länsförsäkringar AB Group. The Group is subject to regulations that seek to prevent and counteract financial crime and strengthen information security. The Group works on these issues on a daily basis to help ensure to a stable financial system. Such factors were given special consideration in the materiality assessment, as described in section G1. Own operations are primarily conducted in Sweden with several centralised functions. Accordingly, the materiality assessment of impacts on the Group's own operations was carried out centrally.

**The process of conducting the materiality assessment**

**1. Understanding the context and definition of stakeholder dialogue**

The key activities of the operations were mapped at an overall level based on the business unit's primary economic activities, business relationships and stakeholders in its value chains. The mapping was supplemented with megatrends from Our business environment, see page 10), with industry and competition analysis regarding sustainability matters, and with the outcome of completed stakeholder dialogues. Stakeholder dialogues were conducted with two trade unions to include the owner perspective. These dialogues were carried out to embed the assessment that had been performed by Länsförsäkringar AB's Group staff functions and HR. The results of the stakeholder dialogues were compared against the materiality assessment to map differences and similarities.

**2. Identification of potential impacts, risks and opportunities of material sustainability matters**

Sustainability matters were identified based on topics and sub-topics found in the topical standards in ESRS (Environmental, Social and Governance standards), and complemented with topics of par-

ticular importance to the finance industry and matters reported by other companies in the financial sector. After eliminating areas with no clear link to the Länsförsäkringar AB Group's own operations or value chain, the remaining topics and matters were analysed in detail to identify actual and potential negative and positive impacts as well as actual and potential risks and opportunities.

Sustainability risks are included in the Group's risk-management system, and this process also identifies sustainability-related risk factors with impacts on insurance, credit, market and non-financial risks. Länsförsäkringar also continuously conducts a risk-based impact analysis under due diligence to identify where in the value chain potential and actual impacts on people and the environment occur. The overall mapping resulted in a list of potentially material sustainability matters per business unit and for the Group's support functions.

**3. Determination of material matters based on the mapping and identified material impacts, risks and opportunities**

To determine the Länsförsäkringar AB Group's material sustainability topics based on the identified potential topics and matter identified, the Group's Chief Sustainability Officer facilitated workshops with experts from the business operations as well as experts in the sustainability topics, risks and regulations.

A sustainability matter was assessed as material based on either impact materiality or financial materiality, or both. The assessment was performed by illustrating the most material matters of the business units in heat maps with severity and likelihood on each axis. Setting the boundaries for the matters to be included in the basis for impact materiality were those matters with a score of 8 or higher, which according to EFRAG's scale are matters that are considered important, significant or critical.

Negative impacts were assessed based on a severity with three factors: scale, scope and irremediable character. The severity of positive impacts is assessed based on scale and scope. Regarding potential impacts, the likelihood of the impact occurring was also considered. When assessing downstream impacts in the value chain, which concern customers and end-users, the value chain is delimited to the first customer or investment.

The materiality of risks and opportunities was assessed based on a combination of the potential scope of the financial impacts and the likelihood that a sustainability matter, such as climate change, could trigger a financial impact on the company. The financial materiality corresponds to the size of its associated financial impacts. Sustainability-related risk factors are evaluated using numerical scales in the Länsförsäkringar AB Group's risk-management system. Outcomes exceeding the threshold are then validated based on a qualitative assessment by the appointed committee. The qualitative assessment is embedded with the management teams of the business units before being referred to corporate management.

**4. Reporting**

The consolidated results were reviewed and approved by Group management and the Board's Audit Committee. The results of the materiality assessment are presented in SBM-3 above. The overview on page 54 demonstrates where in the value chain that material impacts occur, or may occur, and not where actions to manage the impact take place, which in most cases would be by the Länsförsäkringar AB Group in its own operations. The assessment covered risks and opportunities, but these need to be further analysed and included in other business processes in the future to ensure that they are treated in the same way as other risk factors and to achieve a more refined assessment of their potential economic impacts. More detailed descriptions of the impacts, risks and opportunities identified, as well as information on the Group's policies and actions to address them, can be found in the topic-specific sections.

**External data in the assessment of material sustainability matters**

Different types of data are licensed from commercial and non-commercial sources in order to identify impacts, risks and opportunities in the operations. Primary data, publicly available information or information processed by third parties are mainly used. A list of data providers and actors whose data was used in different parts of the Group during the year is provided below. Data from individual companies (for example, repairers) is not listed but was used in the work.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## ESRS 2 – GENERAL DISCLOSURES

The Länsförsäkringar AB Group used data from the following suppliers and actors in 2024 for its work with the savings offering and investments:

- Clarity AI
- Morningstar/Sustainalytics
- S&P Trucost • Bloomberg
- Nasdaq (Sustainable Bond Network)
- CDP
- Transition Pathway Initiative
- Science Based Target initiative
- Freedom House
- Climate Action 100+
- FAIRR
- PCAF
- Economist Intelligence Unit (Democracy Index)
- Transparency International
- European Commission
- OECD (Tax database)
- Tax Foundation
- The Swedish Ministry for Foreign Affairs (country reports on human rights, democracy and the principles of the rule of law)
- Hermes EOSi
- The sustainability reports of external managers of liquid and illiquid assets

The work with suppliers and business partners in 2024 used data from:

- Clarity AI
- Global Rights Index
- Hermes EOSi
- Human Rights Index
- Corruption Perceptions Index
- Labour Rights Index
- Corporate Human Rights Benchmark

Länsförsäkringar Bank collected data from the following sources in 2024:

- Metria
- Swedish National Board of Housing, Building and Planning
- Swedish Meteorological and Hydrological Institute
- CIT Energy Management
- Swedish Civil Contingencies Agency
- Statistics Sweden
- Clarity AI
- Swedish Energy Agency
- PCAF
- Vroom
- IEA
- Transport Analysis

The Non-life Insurance business unit collected data from the following sources in 2024:

- Ecoinvent
- PCAF
- Transport Analysis
- Swedish National Board of Housing, Building and Planning
- Emission factors from Swedish Transport Administration

The Agria business unit collected data from the following sources in 2024:

- Swedish Board of Agriculture
- Eco Action
- Swedish Kennel Club (SKK)
- Statistics Sweden
- SVERAK (Association of Swedish Cat Clubs)
- HIR Skåne and Agricultural Chamber of Kalmar, Kronoberg, Blekinge

### **IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability report**

See page 127 for the table of contents with page numbering of the disclosure requirements, based on the materiality assessment, in the Sustainability Report and datapoints from other EU legislation.

A brief description of the sustainability topics that were not deemed material but that are important for the Länsförsäkringar AB Group to monitor going forward is presented below.

### **S3 – Affected communities**

The Länsförsäkringar Alliance has a great social responsibility aimed at contributing to security in society and strong confidence in the future. With their local social commitment, the regional insurance companies can help to reduce social sustainability risks in society. This commitment includes measures to improve the mental health of children and young people, offer homework help, support sports activities and take preventive action to reduce road accidents, fires, natural catastrophes and water damage. In addition, social commitment is primarily pursued by the regional insurance companies rather than the Länsförsäkringar AB Group, which is why this area was considered to be important but not material. A review of the Group's social commitment was initiated in 2024.

### **S4 – Customers and end-users**

The Group's offering and products have the potential to help customers achieve greater financial security and provide support when claims occur. If the Länsförsäkringar AB Group does not adjust or develop its range of products in a more sustainable direction, then it risks losing customers and missing business opportunities. The Group's companies can offer preventive measures and provide tips and advice on how to protect against sustainability risks. The sustainability factors of corporate and agricultural customers are indirectly impacted by enabling the operations they conduct.

### **E4 – Biodiversity**

Biodiversity is considered to be important for parts of Länsförsäkringar AB's operations, but it is also challenging to fully assess impacts, risks and opportunities given limited practices, indicators and access to data. In 2024, EFRAG and the Taskforce on Nature-related Financial Disclosures (TNFD) published a guidance report on biodiversity for financial undertakings. The guidance will hopefully facilitate the work ahead. Biodiversity was managed through the following activities in 2024:

- Active engagement of individual companies via the Nature Action 100 investor-led initiative
- Analyses of nature-related impacts and dependencies of investees, based on the TNFD recommendations
- Biodiversity has been a standing agenda item in the sustainability-focused stakeholder dialogues with Humlegården, Lansa and HT Skogar, which are all owned by the Länsförsäkringar Alliance
- Some of the funds from the Group's investments in sustainable bonds are allocated to projects that have a direct or indirect positive impact on biodiversity. Among others, the impact KPIs of annual water savings in m<sup>3</sup> and area of forest land managed according to responsible forestry standards are monitored

### **E5 – Circular economy**

Feedback from the owners led to an additional review of ESRS E5 Circular economy, which the regional insurance companies initially considered a material sustainability topic. Since the Group handles the majority of the Länsförsäkringar Alliance's local claims adjustments, the transition to a circular economy is a significant part of the future business offering. However, the review did not result in any changes to the Länsförsäkringar AB Group's material topics since the primary effect identified as potentially material refers to the impact of climate change.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Responsible business conduct

By combining strict business ethics policies with a strong corporate culture, the Länsförsäkringar AB Group ensures that all employees act in accordance with the Group's high ethical standards. Strict requirements are also set for suppliers and other business partners.

## General information

General disclosures (ESRS 2)

## G Responsible business conduct

Business conduct (G1)

## S Social information

Own workforce (S1)  
Workers in the value chain (S2)

## E Climate change

Climate change (E1)  
Taxonomy disclosures

**STRATEGY**

**SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model**

A materiality assessment was carried out to identify impacts, risks and opportunities for workers in responsible business conduct according to the process described in IRO-1 under General disclosures on page 55.

Responsible business conduct is about how the Länsförsäkringar AB Group is to act so that sustainability is integrated both into its own operations and into the value chain related to the environment, human rights, labour, business conduct and corporate governance. This means that sustainability requirements are to be set for suppliers and business partners, that good business ethics must be incorporated into the entire operations, that the Group must be a responsible and attractive employer and that the environmental impact of its own operations must be reduced.

Non-ethical business behaviour, money laundering and financing of terrorism are international problems that pose serious threats to the financial system and its institutions, and ultimately the real economy and national safety. Confidence in the financial system is quickly tarnished if financial institutions are associated with non-ethical business behaviour, illegal assets and money laundering or if the institutions are used to finance terrorism.

The finance industry is subject to regulations that seek to prevent and counteract the financial system being utilised for money laundering and financing of terrorism. Corruption risk, such as bribery, conflicts of interest and abuse of power, is a risk found in all companies regardless of industry and country. Every day, the Länsförsäkringar AB Group works to prevent this type of behaviour, which is vitally important and a key priority for meeting regulatory requirements, contributing to a stable financial system and for the Group to uphold its good reputation.

The Länsförsäkringar AB Group strives to establish long-term, sustainable partnerships with suppliers. Most supplier relationships last longer than three years, in line with the Group's purchasing strategy. The management of suppliers is based on strategic efforts that also take into account risks linked to sustainability matters. A majority of the Länsförsäkringar AB Group's purchases are made from service providers with a focus on local and certified suppliers primarily based in Sweden. IT purchases are made from suppliers operating both in Sweden and other countries, such as India. Sustainability-related

risks are mainly linked to working conditions. Specific risks were also been identified in different purchasing categories, such as promotional products with the company's logo as well as cleaning services. Despite a low risk of financial crime, fraud in various sectors, such as health care and workshops, affects the claims provisions and thus the outcome of claims costs. These cases of fraud could lead to increased costs and negatively affect the financial stability of the Group.

To ensure that the information security requirements and measures are effective and appropriate, the targets are measured and monitored so that corrective action can be taken if necessary. The companies within the Group shall, as part of a digital operational resilience testing program, test the implemented technical safeguards. The outcome of the test must be measurable so it can be evaluated and corrective action taken within a reasonable time.

The Länsförsäkringar AB Group needs to process and manage large amounts of personal data to meet its commitments to customers, employees and other registered individuals. In some cases, the personal data will need to be stored for a long period of time. This requires systematic and effective data protection initiatives, and adequate technological and organisational measures. Shortcomings in data protection could result in the companies incorrectly handling registered personal data, which negatively affects privacy.

The Länsförsäkringar AB Group needs robust control systems to reduce the risk of its operations being used for financial crime. Inadequate control systems risk making the operations more vulnerable to money laundering and financing of terrorism, as well as making customers more vulnerable to fraud. Financial crime has a negative impact on society and can also damage confidence in the financial system.

In the Länsförsäkringar AB Group's investment operations, there is a risk that companies will fail in their processes linked to bribery and corruption, which could lead to investments in companies that commit such violations and thereby have a negative impact on the external world. To manage this risk, the Group conducts semi-annual screening of all portfolio companies to identify potential violations of the UN Global Compact and OECD guidelines, which address such matters as bribery and corruption. If a violation is identified, engagement is initiated in the first instance to support the company in ceasing such behaviour.

**GOVERNANCE**

**GOV-1 The role of the Board**

See section GOV-1 under General disclosures, page 41.

**IMPACT, RISK AND OPPORTUNITY MANAGEMENT**

**G1-1 Business conduct policies and corporate culture**

The Länsförsäkringar AB Group has established comprehensive policies for business conduct and corporate culture, which are central to the Group's operations and success. These governance documents mainly consist of Codes of Conduct for employees, suppliers and other business partners, the Personnel Policy and the Policy on Improper Benefits, and together they ensure an ethical and inclusive work environment. In addition, the Länsförsäkringar AB Group has an adopted Code of Culture and a Diversity and Equality Plan, which are integrated into these governance documents. The business conduct aspect includes the Group's culture and strict rules for handling gifts, rewards and other benefits. The Policy on Improper Benefits aims to prevent corruption and bribery and to promote high ethical standards.

The governance documents and codes of conduct regulate business conduct and the Group's expectations and demands on both its own workforce and on suppliers and other business partners relating to investments, lending, purchasing, procurements and partnerships. The aim of this is to protect workers in the value chain from exposure to violations of human rights, labour law, environmental and health risks and to combat corruption and bribery.

To ensure compliance with these rules, mandatory online courses are held annually based on the Code of Conduct for employees, which includes information about the Länsförsäkringar AB Group's approach to benefits, corruption, bribery, culture, work environment, employee and leadership, and management of conflicts of interest and irregularities.

The Code of Culture is the foundation of the Länsförsäkringar AB Group's corporate culture and serves as support for how employees are to act and treat others. This is closely linked to the company's business plan and used to discuss and implement healthy behaviours and leadership. The Code of Culture emphasises the importance of an inclusive work environment that benefits from diversity and different perspectives. The Personnel Policy supplements the code of culture by regulating the work environment, gender equality and diversity,

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



and ensuring that all employees are treated fairly and with respect. The policy sets out that all employees have equal rights and opportunities regardless of gender, ethnicity, sexual orientation, religion, age, disability, transgender identity or expression.

To promote corporate culture and ensure compliance with business ethics policies, regular employee surveys and feedback sessions are conducted to collect employees' opinions and identify areas for improvement. The results are used to develop action plans that are integrated into the business plan and followed up with active measures in the Diversity and Equality Plan. Achievement of targets linked to the active measures is monitored annually with the chief safety representative and presented to the Work Environment and Equality Committee. The People & Culture unit management team is also studies the actions and targets. These above-mentioned policies enable the identification, assessment, management and remediation of impacts, risks and opportunities related to responsible business conduct.

By combining strict business ethics policies with a strong corporate culture, the Länsförsäkringar AB Group ensures that all employees act in accordance with the Group's high ethical standards. This contributes to a sustainable and engaging work environment in which the well-being of employees and the success of the Group combine to ensure responsible business conduct.

**INVESTEES**

Metric/activity	Outcome 2024	Comment
Number of investees <sup>1)</sup> subject to engagement regarding business conduct	36	New key performance indicator for 2024 <sup>2)</sup>
Number of general meetings at which votes were cast	121	105 general meetings 2023
Participation in nomination committees	13	18 nomination committees 2023
Percentage of women on the boards of the companies where Länsförsäkringar AB is a member of the nomination committee	43%	37% women 2023 on boards

<sup>1)</sup> Investees are companies and issuers

<sup>2)</sup> In the past, engagement related to business ethics was reported

**Channels to detect crimes and irregularities**

The Länsförsäkringar AB Group has zero tolerance for violations of the law and irregularities that violate the Group's policies and guidelines. Several channels and procedures have been established to quickly detect potential incidents and enable reporting. The Group's risk model includes self-assessments for less extensive risks, and key controls for more extensive risks, linked to various processes, system support and business systems. To ensure awareness in this area, a mandatory training course – the Code of Conduct – has been developed for all employees. The Code of Conduct includes sections on corruption, bribery, crime and the channels to be used in the event that an irregularity is observed. In addition, identified functions, employees in the Länsförsäkringar Bank Group who interact with customers, and are therefore at a higher risk of corruption and bribery, undergo additional training in accordance with table 2.

Reporting can also take place through a digital whistleblowing system accessible to the entire workforce as well as to external stakeholders. The system enables anonymous reporting of suspected irregularities, ensuring that all cases are handled confidentially and professionally. All cases reported through the whistleblowing system are handled following a specific process by authorised staff, while all other forms of reporting follow a process depending on the nature of the case. Senior compliance officers have been appointed to handle and investigate whistleblowing cases. Each person involved in the whistleblowing function has also undergone the customary suitability assessment. The Länsförsäkringar AB Group is responsible for ensuring that the person making a report is protected from negative consequences (reprisals) and must also ensure that no-one under the company's control punishes or discriminates against the person who made a report. There is also an option for external parties to whistleblow or report complaints. See S2-3 for more information.

In addition to the whistleblowing system, an internal reporting system is in place for the own workforce to report irregularities and incidents. There is also a structure of leadership forums, training and practical tools to ensure that leaders at the company have the support they need to receive reports and address the concerns raised by employees about all forms of violation. These methods of reporting then continue following the same handling process as for an internal investigation.

**Employee training**

To ensure compliance and awareness of the Group's policies and procedures in business ethics and corruption, an annual training course on this subject is mandatory for all employees and consultants. The aim is to provide the knowledge and skills needed to recognise, reflect and act on potential irregularities that may occur within the business. The training covers both theoretical and practical aspects of identifying, reporting and managing ethical violations.

In addition to the general training course, investigators and case handlers will receive further training on the whistleblowing system and case management. This course will be held in 2025. The training will include regulations such as the Act on the Protection of Persons Reporting Irregularities. The definition of whistleblowing in the whistleblowing system is stipulated in this Act.

**Engagement activities**

The Länsförsäkringar AB Group's engagement activities include dialogues on business conduct, which covers issues related to bribery and corruption, corporate governance, sustainable business strategy and risk management. Engagement activities on business conduct are carried out both reactively when incidents occur and proactively to prevent them from occurring. Reactive engagement is initiated if an investee is identified as being involved in serious violations of international conventions and guidelines. The Länsförsäkringar AB Group's engagement strategy also includes proactive dialogues on business conduct.

In 2024, investees who were included in this engagement through Länsförsäkringar AB Group's stewardship service provider were covered by such issues such as fair wages, corporate governance and shareholder rights. Proactive engagement conducted by the Group includes voting at general meetings, participating in nomination committees and dialogues with boards and management about sound corporate governance. In 2024, Länsförsäkringar Fondförvaltning participated in 13 nomination committees, through which the Länsförsäkringar AB Group influences corporate governance issues in a number of portfolio companies.

As part of this proactive engagement, the Länsförsäkringar AB Group monitors every year the number of general meetings at which it has voted, its participation on nomination committees and gender distribution on Board and the number of investees subject to engagement on business conduct.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**G1-2 Management of relationships with suppliers**

The Länsförsäkringar AB Group’s Code of Conduct for Suppliers sets sustainability requirements for both new and existing suppliers. The Code is based on the UN Global Compact and defines requirements regarding human rights, labour, environment and anti-corruption, as well as general and IT-specific security guidelines and guidelines for managing conflicts of interest. The Code of Conduct is a requirement when entering into contracts with new suppliers.

**Assessing risks in the supply chain**

The assessment of supplier-related risks is carried out regularly as part of the Group’s procedures to identify, assess and manage sustainability-related risks. This work takes place on the basis of due diligence, with both new and existing suppliers evaluated using a recently implemented risk assessment tool. The risk assessment process also enables the identification and management of vulnerable suppliers exposed to significant economic, environmental and social risks. By offering support and resources, the Länsförsäkringar AB Group helps these suppliers improve their processes and reduce their sustainability-related risks. The Länsförsäkringar AB Group also uses a tool to carry out sanctions checks against EU and UN sanctions lists, which applies to all suppliers.

**Monitoring of suppliers**

The sustainability performance of existing suppliers is monitored by business managers, for example, by holding regular meetings and on-site visits. The follow-up process ensures that suppliers have read the Code of Conduct and are aware of the Länsförsäkringar AB Group’s expectations and requirements, and that identified areas for improvement are addressed. The Länsförsäkringar AB Group works to monitor workers in the value chain, including suppliers, business partners and investments. In 2024, comprehensive efforts were conducted to revise processes, ways of working and procedures related to the evaluation and follow-ups of new and existing suppliers as well as business partners.

The Länsförsäkringar AB Group conducts a screening using a proprietary risk assessment tool to assess the work of suppliers and business partners, and to identify sustainability risks. This tool includes a review of the supplier based on the categories of environment, labour law, human rights and bribery and corruption. A more comprehensive assessment of sustainability activities is carried out when procuring suppliers with a purchase value exceeding SEK 5 M

who are in a risk sector or a risk country, identified via public sources according to IRO-1 or when procuring suppliers with a purchase value exceeding SEK 10 M. The risk assessment aims to identify sustainability risks and enable the selection of sustainable suppliers.

The sustainability performance of existing suppliers will be monitored through an annual screening using the risk assessment tool. These activities aim to ensure that the Länsförsäkringar AB Group only enters into business relationships with suppliers and business partners that meet both legal requirements and international due diligence conventions. Should a supplier or business partner be identified as non-compliant, a more comprehensive assessment is carried out, such as in-depth monitoring and engagement, and these parties are placed on a watch list for continuous follow-up. The Länsförsäkringar AB Group applies exclusion and transition criteria to all investments to ensure that only sustainable and responsible partners are included.

**Maintaining healthy supplier relations**

Late payments can have a significant negative impact on both small and large enterprises. The Länsförsäkringar AB Group strives for the fair treatment of suppliers, which includes ensuring that late payments can be avoided and that payments are made on time. An important prerequisite for upholding this principle is to clearly communicate payment terms and expectations on suppliers, implement an effective invoicing process, maintain open and regular dialogue with suppliers, and have automated payment processes in place to reduce the risk of human error. Should a late payment nevertheless occur, measures are taken to rectify the situation and proactively ensure that it is not repeated. The Länsförsäkringar AB Group’s employees that work in this area also undergo training in handling supplier invoices to increase awareness of the importance of paying supplier invoices on time.

**G1-3 Prevention and detection of corruption and bribery**

The Länsförsäkringar AB Group has a comprehensive system and procedures for preventing, detecting, investigating and taking action in the event of allegations or incidents of corruption and bribery. These systems and procedures are primarily set out in the Code of Conduct, security guidelines and the Guidelines on due diligence regarding respect for human rights, and combating corruption and bribery. Policies are implemented in accordance with the Länsförsäkringar AB Group’s governance model and through publication in Länsman, which

is a document management system that handles governance documents and information on Länet, the Group’s intranet. The Länsförsäkringar AB Group also conducts mandatory training in this field to ensure that all employees are aware of and comply with applicable rules.

To prevent corruption and bribery, the Länsförsäkringar AB Group has implemented a number of internal controls and key controls that follow the risk management model. These controls are integrated into internal system support and business systems and enable early detection of potential irregularities. The detection of a potential incident leads to requirements for incident reporting and independent investigation in accordance with the company’s internal investigation process, which ensures that investigators do not have an existing conflict of interest or self-interest to assess the matter objectively. Depending on the outcome, the relevant function, such as the Work Environment Committee, becomes involved and appropriate feedback is provided to the management team. Individuals are handled in accordance with labour law.

The Länsförsäkringar AB Group’s digital whistleblowing system is available for all employees through internal channels, while external parties can whistleblow through the process outlined on Länsförsäkringar’s website. Both internal and external whistleblowing can be performed anonymously when reporting suspected irregularities, ensuring that all cases are handled confidentially and professionally. All cases reported through the whistleblowing system are handled by trained staff within the Compliance function, which is also authorised to involve the Security Department for more in-depth investigations and the People & Culture unit for HR-related matters. The Head of Compliance is to regularly report to the Chief Sustainability Officer on the number of cases received and the areas to which they relate.

**Mandatory training**

All employees and contracted consultants undergo annual mandatory training in corruption and bribery to ensure compliance and understanding of the company’s policies and procedures in this field. The training covers both theoretical and practical aspects of identifying, reporting and managing corruption-related incidents. Continuous training and skills updates ensure that all employees are well prepared to act in accordance with the Länsförsäkringar AB Group’s high ethical standards.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS’ REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## G1 – BUSINESS CONDUCT

Training in the Code of Conduct and Security is based on the expected responsibilities of workers and to raise awareness of how the field is regulated. The Code of Conduct training focuses on ethical behaviour and zero tolerance, while the Security training covers reporting, accountability and compliance.

### TARGETS AND METRICS

#### G1-4 Confirmed incidents of corruption or bribery

During the reporting period, the Länsförsäkringar AB Group had 0 convictions for violation of anti-corruption and anti-bribery laws.

The Länsförsäkringar AB Group has taken several key actions to counteract corruption and bribery, and is planning to take further action in the future. During the reporting year, the Group updated its policies on the handling of gifts, rewards and other benefits, which is expected to increase awareness and compliance of corruption and bribery rules. All employees have undergone the annual Code of Conduct online course, enhancing their knowledge of improper benefits, corruption and competition rules and the risks in this area. Regular vulnerability assessments are carried out at business level to identify risks of bribery and undue influence, and the reporting on secondary employment and conflicts of interest foster a risk-conscious approach. A previously implemented incident reporting and control structure of the systemic tools can initiate internal investigations with actions. In addition, the Group has developed and digitised the whistleblowing procedure to ensure anonymous reporting of suspected violations, thereby increasing transparency and the ability to report irregularities.

These actions encompass all of the Länsförsäkringar AB Group's operations and affect employees, Board members and partners. The timeframes include continuous policy updates, annual training, regular vulnerability assessments and permanent availability of the incident and whistleblowing procedures. To provide support, the Länsförsäkringar AB Group has implemented training courses and procedures to ensure that employees are aware of the rules on improper benefits.

The Länsförsäkringar AB Group allocates significant resources to complete the action plans against corruption and bribery, including current and future financial resources for training programmes, vulnerability assessments, incident reporting and whistleblowing systems. These resources are integrated into the budget and financial statements, and future resources are planned to ensure long-term

sustainability and efficiency in the implementation of the actions. These actions and resources ensure that corruption and bribery are efficiently and sustainably countered, resulting in an ethical and transparent work environment for all employees and stakeholders.

#### G1-5 Political influence and lobbying activities

As a member of industry organisations such as the Swedish Bankers' Association, Insurance Sweden, and the Swedish Investment Fund Association, Länsförsäkringar AB participates in consultation procedures at the national and EU levels in regulatory areas that have a material impact on the Länsförsäkringar AB Group's operations.

#### G1-6 Payment practices

The average time it takes for companies in the Länsförsäkringar AB Group to pay an invoice is 26–30 days. No legal proceedings took place in 2024 that were related to late payments.

Under the Group's standard contract, the payment terms for indirect suppliers are that payment for services rendered is made within 28–29 days from the date of receipt of the invoice. Indirect suppliers refer to purchases for the Group's operations such as consultants, IT and HR.

For direct suppliers in claims adjustment within the Non-life Insurance business unit, payment for services rendered is made within 26 days from the date of receipt of the invoice in accordance with the payment terms of the standard contract. Other reimbursements to direct suppliers are primarily handled by the policyholders. Direct suppliers refer to expenses within the framework of insurance contracts, such as motor workshops and animal and health clinics.

The share of payments made on time according to agreed payment terms is 74% for the Länsförsäkringar AB Group. The data have been calculated as an average of the payment times applied to smaller suppliers, defined as suppliers with less than 250 employees. Data for suppliers with 250 or more employees could not be obtained for 2024. This will be reviewed in 2025.

### COMPANY-SPECIFIC SUSTAINABILITY MATTERS

The Länsförsäkringar AB Group is part of the welfare system due to the financial security it provides, and locally is an important part of a sustainable society, which the Group supports through its operations. However, the welfare system, and therefore the Länsförsäkringar AB Group, is threatened by a rising trend of criminal activities such as fraud and money laundering. It is therefore of the utmost importance

to maintain strong resilience and continuously develop the ability to both combat and prevent criminal activities to which the Group is exposed.

#### G1-7 Money laundering

Money laundering is important for criminals and criminal profit is the driving factor behind this form of organised crime. The criminal economy is systemic in that it threatens the welfare system and confidence in democracy while distorting competition. The financing of terrorism is a palpable threat and includes handling money with the aim of financing terrorism, providing financial support to persons or organisations committing terrorist offences, or financing a trip abroad for someone who intends to become involved in a terrorist organisation.

#### Governance and activities

Länsförsäkringar AB Group's Policy on Anti-Money Laundering and Financing of Terrorism is the foundation of the Group's regulations in this area. The policy is resolved by Länsförsäkringar AB's Board and sets out the requirements for proactive measures that the Group must take to manage the risk that the licensable companies, which are subject to anti-money laundering regulations, are used for money laundering and the financing of terrorism.

In addition to the policy that governs efforts against money laundering and the financing of terrorism, there are regulations that provide additional specific details of how the work should be performed. The Länsförsäkringar AB Group regularly reviews the content of the policy and continuously develops the Group's guidelines and the subsidiaries' instructions to reduce the risk of the operations being used for money laundering and the financing of terrorism. Agria is subject to local anti-money laundering regulations for its cross-border operations through branches in Norway, Finland and France and needs to therefore comply with local rules in this area.

In this respect, Agria has implemented procedures and processes to prevent the company's operations from being used to launder money and finance terrorism. Agria has also established and resolved on a general risk assessment for the countries concerned. Agria has internal regulations in place in the form of an anti-money laundering policy and guidelines, which were adopted by the Board and President. In addition, the documents are supplemented with a description of procedures for transaction monitoring and instructions for customer

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



risk classification, both of which have been resolved on by the company's specially appointed executive (SAE).

By actively monitoring transactions and activities, systematic work is conducted to maintain good knowledge of customers and their businesses, and to reduce the risk of the banking and life-assurance operations being used for money laundering and the financing of terrorism. Within the Group's licensable companies, which are subject to the anti-money laundering regulations, central function managers are in place to ensure and monitor compliance with Group procedures and guidelines. The Länsförsäkringar AB Group has a system for reporting discrepancies, which aims to detect discrepancies that may indicate suspected money laundering or the financing of terrorism.

To achieve the Group's objectives, Länsförsäkringar Bank has established a programme to combat money laundering. The programme aims to develop more efficient and purpose-driven systems to reduce the risk of the bank being used for money laundering and the financing of terrorism. In addition to the bank's programme, another AML project has been initiated within the Group, which includes Länsförsäkringar Fondliv, Länsförsäkringar Liv, Länsförsäkringar Gruppliv and Agria. The project aims to ensure regulatory compliance and adequate management to address the companies' risks in this area, after which continuous improvements are made.

An annual risk assessment is carried out each year in which relevant subsidiaries perform an analysis of their businesses to assess the risk of being used for money laundering or the financing of terrorism. This assessment is then used as a basis for the daily work to prevent money laundering and the financing of terrorism. The general risk assessment is also updated and reviewed when new products, services or distribution channels are introduced and relevant changes are implemented.

The customer's risk profile is assessed based on customer due diligence data. To detect deviating activities at an early stage, ongoing business relationships and transactions are monitored. If money laundering or the financing of terrorism is suspected, an investigation is conducted. If suspicions remain following the investigation, the matter is promptly reported to the Financial Intelligence Unit of the Police. A decision is made on whether there is a need for risk mitigating measures or if the business relationship should be terminated.

To elevate its ability to counter money laundering and the financing of terrorism, the Länsförsäkringar AB Group is also active in various forms of industry collaboration. Examples include the Swedish Bankers' Association, the Swedish Anti-Money Laundering Institute (SIMPT) and Insurance Sweden.

**Targets and metrics**

The objective of the Länsförsäkringar AB Group is to prevent the subsidiaries that are subject to the anti-money laundering regulations from being used for money laundering and the financing of terrorism. All employees and contractors of these subsidiaries must be very familiar with the companies' governance documents and procedures for combating money laundering and the financing of terrorism, and understand how these are relevant to their work. Each year, these employees undergo mandatory training on anti-money laundering. In addition, continual training is provided in specific areas.

In the autumn, for example, a customised training initiative was carried out for highly relevant individuals at the regional insurance companies, with the aim of strengthening their specialist expertise in the area of financial crime. During the year, bank employees completed in-depth training on the risks of money laundering associated with mortgages.

**G1-8 Fraud**

Fraud remains a major and growing problem in society with strong links to organised crime, resulting in many victims every year.

**Governance and activities**

Länsförsäkringar Bank has developed processes for how preventative fraud alerts are to be handled and communicated to the affected stakeholders. An instruction and procedure is in place resolved on by the Head of Financial Crime Prevention and the Head of Fraud, which aims to ensure that cases of fraud are managed efficiently and appropriately. The procedure describes how the fraud group's tasks are to be carried out based on the areas of responsibility within the unit, while the instruction states the requirements for proactive measures that Länsförsäkringar Bank is to take to protect the bank and its customers from fraudulent activities.

Länsförsäkringar AB has its own operations for combating fraud in the insurance business, which supports the regional insurance companies through investigations, training and analyses of local business, and works with the corresponding areas in Länsförsäkringar AB's operations. These efforts are governed by the Group's Guideline on unclear insured events. The Guideline should be seen as complementary to the Insurance Policy - Guideline on Claims Adjustments, for which the Executive Vice President is responsible. The Group is also developing tools for the automated detection of unclear insured events that may be fraudulent. This initiative supports efforts on more

sustainable claims adjustment and will cover activities related to claims adjustment nationwide. By increasing human resources and developing technologies, the number of stopped claims payments can be increased when unclear insured events are resolved.

Länsförsäkringar Bank is working to reduce the risk of the bank and its customers being exposed to fraud. Länsförsäkringar Bank also participates in the bank-wide initiative "Scamaware!", which is a collaboration between Sweden's banks and the Swedish Bankers' Association to counteract fraud. The aim is to raise awareness and spread knowledge about what to do if a fraudster calls to prevent more people from becoming victims of fraud. In addition, the bank has entered into collaboration with the Police, the Swedish Theft Prevention Association and the Swedish Internet Foundation to form a neutral private-public partnership. The purpose of this partnership is to gather information about ongoing digital crimes and attempted crimes to quickly alert the public and small businesses via warnings on sakershetskollen.se and the media, and to facilitate collaboration on appropriate crime prevention initiatives.

The Länsförsäkringar AB Group's activities include developing new functionality for existing services. For example, the ability to block card payments in a specific country has already been introduced. To reduce the risks and negative impacts of fraud, Länsförsäkringar Bank introduced general blocks for foreign payments and lowered the limits for money transfers during the year. Measures taken and strengthened monitoring capacity combined with other capabilities had a positive impact by reducing customer loss per case of completed fraud. The number of reported and completed fraud cases is lower than last year.

**Targets and metrics**

Employees of Länsförsäkringar Bank undergo mandatory annual training on how the bank can counteract and combat fraud and what warning signs employees should be aware of and how to proceed.

**G1-9 Cybersecurity**

The global security situation is leading to increased threat to information security and a higher risk of cyber attacks. The importance of cybersecurity along with the increased digitisation of financial services. The new EU Digital Operational Resilience Act (DORA), which will come into force in January 2025, aims to further strengthen the resilience of financial organisations to manage various types of disruptions affecting network and information systems.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**Governance and activities**

The companies in Länsförsäkringar AB Group have an IT policy stating that the companies must maintain robust digital operational resilience. This means the capacity to prevent and manage disruptions or threats against network and information systems. This includes resilience throughout the chain of information and transaction flow, including third-party suppliers and other financial entities. The IT policy also indicates the overall goals that the companies' IT operations must maintain robust digital operational resilience, achieve a high level of digital accessibility, good cyber hygiene at all levels and a high level of digital customer protection. This will create clarity on how the IT operations should guide actions to enable the business goals of the operation. The IT policy is adopted by the Board of Directors.

Länsförsäkringar AB's Chief Information Security Officer (CISO) and the Head of Bank Security at Länsförsäkringar Bank lead and coordinate their respective companies' information security efforts, which must be risk-based and systematic with its starting point in the ISO 27000 series information security standard or other established standards. One function supports the CISO in maintaining and developing the company's information security system. The system consists of procedures, internal rules and tools for governing, monitoring, evaluating and continually improving information security initiatives so that information that belongs to the company and its customers is protected.

Apart from the CISO function, the IT security function supports information security initiatives where measures such as security testing of IT systems is a crucial preventive measure. Several types of tests are conducted, including penetration tests of critical and new or modified IT systems. Shortcomings that are identified during testing are analysed and rectified. Greater resources have been set aside for testing in pace with threat scenarios intensifying. Testing is also conducted annually by external auditors and through third-party certification. The company's procedure for continually scanning the IT environment to identify and manage vulnerabilities is also central for preventive information security initiatives. Customers who are impacted by IT incidents and subsequent problems can contact Länsförsäkringar AB regarding their cases.

To maintain a high level of digital resilience, Länsförsäkringar AB conducts recurring activities in the form of scenario-based exercises for corporate management. Technical security capabilities are routinely evaluated and reinforced during the year in order to better equip the company based on the business intelligence threat scenario that exists against the financial sector and society as a whole. As a

step toward increased security awareness, a training program has been developed and is used for employees in the IT operations.

The Länsförsäkringar AB Group routinely cooperates with other Swedish insurance companies and banks as part of Insurance Sweden's Information and Cybersecurity Group stakeholder organisation, as well as relevant groups in the Swedish Bankers' Association. Furthermore, there is cooperation in the field of cybersecurity with other European mutual insurance companies as part of the Eurapco partnership.

**Targets and metrics**

The goal of the Länsförsäkringar AB Group's training programme is to achieve a robust security culture and a high level of security awareness. The training programme is conducted based on a training plan that indicates which training courses are available, the target group and when the courses will be held. A training specification clarifies the underlying external regulatory requirements for training in the field of security. The content of the training programme is adapted for various target groups and covers both teacher-led and Internet-based courses with example exercises.

Employees' completion of the training courses is measured and monitored. Various types of exercises are also conducted, about phishing for example. Efficiency in the phishing exercises is measured through the proportion that did not click on the link in the phishing exercise (security awareness) and through the proportion that reported it as phishing (willingness to report). The procedure is carried out through work on training courses in an annual plan. The training programmes are updated annually for adaptation to regulatory requirements, governance document updates and threat and risk profile.

**G1-10 Privacy**

**Governance and activities**

The Länsförsäkringar AB Group has adopted a policy for the processing of personal data so as to best safeguard the privacy of customers, employees and other registered individuals. The purpose of this policy is to regulate and describe the strategy for data protection, thereby ensuring that personal data is processed in accordance with the requirements in the General Data Protection Regulation (GDPR) and other applicable data protection legislation. The policy was adopted by the Länsförsäkringar AB Board, and has subsequently been adapted to individual companies and adopted by all subsidiaries in the Group.

Procedures stemming from this policy have been established in order to guarantee compliance with the regulatory requirements. The

purposes of these requirements include ensuring that the rights of registered individuals are adequately managed, that registers are kept of personal data processing, that personal data is managed in a transparent and open manner in relation to the registered individuals, and managing and minimising integrity risks through conducting risk and impact assessments. When third parties are engaged to process personal data on behalf of the Länsförsäkringar AB Group, it must be ensured that the provider carries out suitable technological and organisational measures to protect the rights of registered individuals. Furthermore, a personal data processor agreement must be signed that regulates how personal data is to be processed, and the commitments of the respective parties towards one another and the registered individuals.

To strengthen efforts around data protection issues, Länsförsäkringar AB has taken additional organisational measures. These comprise the establishment of the Privacy Office, a support function in Legal Affairs that specialises in data protection. The Privacy Office works on the basis of the strategic objectives for data protection initiatives and to maintain the Group-wide framework that governs how personal data may be processed. The Privacy Office also routinely supports and trains the organisation on issues related to data protection law. All companies in the Länsförsäkringar AB Group that are subject to licence requirements have appointed a Data Protection Officer. The Data Protection Officer provides advice and recommendations in conjunction with developments and changes to the operations and checks, monitors and reports on the company's regulatory compliance. The Data Protection Officer especially monitors integrity risks for customers, employees and other registered individuals. Identified risks, outcomes of audits and other observations are reported to the Presidents and Boards of each company.

Another key component of data protection is information security. These initiatives are pursued in a structured manner, and based on risk in accordance with acknowledged standards. Länsförsäkringar AB's information security function plans, monitors and evaluates security in the Group and prepares governance documents based on Länsförsäkringar AB's Information Security Policy, which was adopted by the company's Board. The Information Security Policy can be adapted to each company and is to be adopted by all companies in the the Group. These documents describe organisational and technological measures that are to be implemented. The policy applies to the Group's entire operations, including sub-suppliers, regardless of where the work or processing is performed, but accounting for the risks associated with how and where the processing is performed.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



In June 2021, Länsförsäkringar AB reported itself to the Swedish Authority for Privacy Protection (IMY) due to a possible violation of the General Data Protection Regulation. On 19 December, Länsförsäkringar AB received a reprimand since the incident was considered a minor violation.

**Targets and metrics**

To ensure that the Länsförsäkringar AB Group’s employees and suppliers process information in accordance with the governance documents, regular mandatory information security training courses and training courses in data protection are held. Data protection training is mandatory for all new employees of the Länsförsäkringar AB Group and must be completed at least every two years by all employees.

Tailored information security training courses and exercises for select target groups are also conducted. The Group has also made it clear that all employees are responsible for the processing of personal data by including fundamental rules into the Code of Conduct. Employees and suppliers assess, manage and report security and personal data breaches in accordance with the established incident management process. The information security function follows up on the outcome of management of security incidents on a regular basis.

The Länsförsäkringar AB Group assigns mandatory training courses based on needs and risks for various employee categories. This strategy means that training requirements in different subjects are adapted to the duties of the target group. To manage risks related to bribery and corruption, Länsförsäkringar AB has introduced a Code of Conduct that applies to all employees and consultants. This is why the course on bribery and corruption encompasses all employees. Similarly, the Group’s security guidelines apply, meaning that cybersecurity and privacy training courses are aimed at all employees. Specific training requirements on anti-money laundering and financing of terrorism apply to Länsförsäkringar Bank, Länsförsäkringar Liv, Länsförsäkringar Fondliv and Länsförsäkringar Gruppliv. Licence holders at Länsförsäkringar Bank undergo additional training in the area of fraud, for example.

Länsförsäkringar AB treats the Board as a representative group and ensures skills in corruption and bribery by having the President complete all training courses. The metrics have not been validated by an external body. In 2023, the former Group-wide Länskompassen e-course, which covered sustainability, the code of conduct for employees and security, was split into three separate courses. The sustainability and security courses were carried out in the fourth

quarter of 2023 and the code of conduct training for employees only became available in the first quarter of 2024. In 2023, 72% of employees completed the basic safety training course, 69% of employees completed the sustainability training course, and just over 500 employees completed the anti-money laundering and financing of terrorism course. Target of 95% annual completion of privacy and financial crime training course.

The Policy on Anti-Money Laundering and Financing of Terrorism aims to ensure that all employees, relevant contractors and others involved in the operations receive regular training and information to prevent the operations being used to launder money or finance terrorism. The Information Security Policy aims to ensure that the company’s information security activities follows the Board’s guidelines and that the measures taken are appropriate, sufficient and effective, including to maintain digital resilience. The purpose of the Personal Data Processing Policy is to regulate and describe the strategy for data protection, thereby ensuring that personal data is processed in accordance with the requirements of the General Data Protection Regulation (GDPR) and other applicable data protection legislation.

To ensure that employees are trained in privacy and financial crime, the internally developed digital courses are distributed to all new employees and to all employees annually for repetition.

The target is that 95% of active employees in the MyFlow employee system will have completed the specified course by the end of the monitoring period. This includes all employees who are not currently on leave of absence, such as parental leave or official leave.

The target is reset annually and is not cumulative. Instead, progress is evaluated and measured from zero at the beginning of each year. The assumptions underlying the target include the fact that the employee base is variable and that practical constraints such as sickness, termination of employment, business travel, workload and a high flow of information affect the ability to set a higher target. The target has been embedded with stakeholders involved in the follow-up process in the organisation, including employees responsible for HR, skills development and regulatory compliance.

**TABLE 2 – MANDATORY TRAINING IN MATERIAL SUSTAINABILITY TOPICS**

Sustainability	Outcome 2024	Targets	Computer-based training	How often training is required
Sustainability at Länsförsäkringar AB	2,994 (88%)	3,227 (95%)	Yes	Every year
<b>Corruption and bribery</b>				
Code of Conduct	3,444 (82%)	3,965 (95%)	Yes	Every year
Code of Conduct (functions exposed to risk)	137 (98%)	133 (95%)	Yes	Every year
<b>Financial crime</b>				
Money laundering and financing of terrorism	1,197 (81%)	1,477 (95%)	Yes	Every year
Anti-money laundering	642 (83%)	734 (95%)	Yes	Every year
Basic security training	3,713 (89%)	3,965 (95%)	Yes	Every year
Phishing	3,422 (82%)	3,965 (95%)	Yes	Every year
Fraud via spoofing	898 (84%)	1,071 (95%)	Yes	Every year
<b>Privacy</b>				
General Data Protection Regulation (GDPR)	3,422 (82%)	3,965 (95%)	Yes	Every two years

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



# Social information

The Länsförsäkringar AB Group's operations affect both employees and those working on behalf of the Group. As an employer, the Group strives to create the conditions to ensure the well-being of employees in both their professional and private lives. The conditions for workers in the value chain are also relevant and regularly monitored.

## General information

General disclosures (ESRS 2)

## G Business conduct

Business conduct (G1)

## S Social information

Own workforce (S1)

Workers in the value chain (S2)

## E Climate change

Climate change (E1)

Taxonomy disclosures

STRATEGY

**SBM-2 Interests and views of stakeholders**

To ensure that the Länsförsäkringar AB Group's policies are aligned with stakeholders' expectations and needs, regular consultations and dialogues are conducted with employees, union representatives and other relevant parties. In addition, the Länsförsäkringar AB Group works strategically with representative forums, such as health and safety representatives who are part of the Work Environment Committee, and employee surveys. Refer also to section SBM-2 under General disclosures, page 52.

**SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model**

A materiality assessment was carried out to identify impacts, risks and opportunities for own workforce according to the process described in IRO-1 under General disclosures on page 55.

The Länsförsäkringar AB Group's commitment and customer base encompass all of society, making it of the utmost importance that diversity is an integral part of the operations to ensure that no customer groups or employees are excluded. This area is actively managed through a variety of processes, for example, by applying skills-based recruitment to prevent both conscious and unconscious bias. Employee surveys are carried out for employee groups, that actively endeavour to seek information about potential cases of discrimination. Furthermore, the Code of Conduct clearly states that discriminatory behaviour is not acceptable. If such behaviour occurs, internal processes are available to regulate and ensure that it ceases.

The main tool for regulating how employees treat each other is the Code of Conduct, which describes acceptable behaviour in the workplace. Mandatory training is in place and targeted measures are taken in specific areas of the operations when needs arise. The Länsförsäkringar AB Group is also keen to identify shortcomings and development requirements in relation to the work environment and culture. Therefore, a number of processes and forums are in place, such as employee surveys, health and safety representatives, business risk analyses, structured performance dialogues between managers and employees, active policy work, and adjustments to strategies and business models based on identified impacts, risks and opportunities. These are important tools for addressing and minimising the risks

associated with employer responsibility in relation to the well-being of employees.

The risks in relation to the work environment identified in these processes and forums are managed by the Work Environment Committee, which was established together with employees and trade unions to continuously evaluate and prevent any work environment risks that may exist in the workplace. In addition to these structural activities, the Group has decided to increase its focus on physical well-being by offering one hour of fitness activities per week for all employees. A fitness subsidy and a gym at the workplace are also offered.

Companies in the Länsförsäkringar AB Group ensure that business practices do not cause or contribute to material negative impacts for their own workforces by implementing and following policies, procedures and working methods that are developed in accordance with collective agreements and co-determination agreements, and through dialogue and understanding with employees. The Code of Conduct and the Personnel Policy regulate business ethics and health and safety, which are integrated into all business processes, including purchasing, sales, consulting and data use. Business planning is performed together with employees, employee representation in decision-making committees and forums as well as strong union representation. By balancing business objectives with employee well-being, negative impacts on employees can be prevented while also accounting for the business needs of the Group.

The Länsförsäkringar AB Group can see a strong link between the results of the operations and the well-being of its workforce, which are two reasons for prioritising a good work environment in all aspects. A high degree of employee involvement in the development of business plans, goals and working methods, creates commitment, understanding and ownership of the business and its priorities throughout the organisation. Employee surveys, trade union collaboration and a well-established and communicated Diversity and Equality Plan enable constructive dialogue and proactive work for a high level of well-being within the organisation.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

**S1-1 Policies related to own workforce**

Länsförsäkringar AB has integrated the principles of the UN Global Compact into the Group's Sustainability Policy, Personnel Policy and

Code of Conduct. These policies aim to ensure an inclusive and fair work environment, promote diversity and gender equality, prevent corruption and bribery, and prevent discrimination and harassment.

**Implementation of policies**

The policies for managing labour-related issues apply to the entire workforce and cover all operations and geographical areas where the Länsförsäkringar AB Group operates. Decisions on policies are ultimately made by the Board of Länsförsäkringar AB. Governance and implementation is then further delegated through Länsförsäkringar AB's President and CEO to the Head of People & Culture and the Head of Compliance (for whistleblowing). The Länsförsäkringar AB Group's policies are available to all potentially affected stakeholders on the Group's intranet, governance documents system and LF.se. Employees and other stakeholders covered by the policies are also informed each year in mandatory courses on the Code of Conduct, sustainability and basic security training, which covers governance and employee relations. Information on content and application is also available on the intranet.

**Respect for human rights**

The Länsförsäkringar AB Group strives to create an inclusive and fair work environment in which the implementation of policies plays a vital role. The Personnel Policy regulates and clarifies the Group's zero tolerance approach to human trafficking, forced labour and child labour. Both the Personnel Policy and the Code of Conduct set out the companies' stance against discrimination and its commitment to diversity. The Länsförsäkringar AB Group has zero tolerance on all forms of discrimination, including harassment and sexual harassment. The personnel policy emphasises the importance of creating an inclusive culture where diversity is utilised and different perspectives are welcomed. Tolerance and openness to diversity are core values that contribute to a safe and inclusive workplace. The governance documents cover everything that makes people different, including the following grounds for discrimination: sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age.

The Group encourages cooperation and commitment among its employees and strives to create a work environment where employees can bring their unique perspectives and skills. The employer brand and code of culture are crucial for creating an inclusive and engaging

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

FINANCIAL STATEMENTS

OTHER INFORMATION



## S1 – OWN WORKFORCE

corporate culture, which in turn strengthens the Group's ability to achieve its business objectives.

The management and remediation of any negative impacts on employees' human rights is based on a structured process that includes regular follow-ups of occupational health and safety and employee well-being. The Länsförsäkringar AB Group also held training courses on inclusive recruitment and interview techniques to ensure a fair and equitable recruitment process.

The Group's Diversity and Equality Plan is regulated by the Code of Conduct and includes active measures to promote diversity and inclusion, and to prevent, reduce and remedy discrimination when it is detected. Specific commitments have been made to promote the inclusion of individuals from groups that are particularly vulnerable based on the seven fundamentals of discrimination legislation. These commitments are clearly set out in the Group's Diversity and Equality Plan, and include implementing positive action in recruitment and ensuring that the physical and technical workplace meets the needs of people with disabilities. Managers have a particular responsibility as role models and bearers of culture and values, and to actively pursue equality and diversity issues. All employees, regardless of their position, have a responsibility to promote diversity and contribute to an inclusive workplace where tolerance and respect are core values.

### Health and safety management system

The Länsförsäkringar AB Group's health and safety management system is based on the Sustainability Policy, Personnel Policy, Code of Conduct and Diversity and Equality Plan, with the aim of creating a safe, inclusive and fair work environment.

### S1-2 Processes for engaging with own workforce and workers' representatives about impacts

The responsibility for continuous contact with employees of the Länsförsäkringar AB Group lies with the People & Culture unit. This unit People & Culture is responsible for having procedures and processes in place to ensure that information that affects employees and their work or work situation is communicated and implemented consistently across all parts of the companies in the Group. This can take place, for example, through training courses related to annual processes or through collaboration with trade unions and under the framework of the co-determination rights that the Länsförsäkringar AB Group has committed to through collective agreements.

The Länsförsäkringar AB Group has established processes and procedures at several levels to identify areas for improvement and give all employees an opportunity to express their views in relation to decisions. All employees have access to representatives at People & Culture where it is possible for employees to express their views and suggestions for improvement outside their own reporting line. In addition, all unionised employees have access to union representatives who can raise and negotiate changes collectively.

The Länsförsäkringar AB Group conducts employee surveys at regular intervals, giving employees an opportunity to make suggestions and highlight opportunities for improvement anonymously. In addition, monthly meetings are held of the Work Environment Committee, as well as monthly discussions between employees and managers. The Group also has an active culture program whereby outcomes are reported back to management to highlight participants' perspectives and enable action. Furthermore, a dialogue is maintained with union representatives and other employee representatives on issues of occupational health and safety, diversity and gender equality. The results of these contacts are used to continuously improve the work environment and to ensure that employees' perspectives are effectively taken into account. The insights and information gathered are integrated into workforce-related policies, instructions and processes as well as the Diversity and Equality Plan.

It is also possible for employees to raise concerns about irregularities through the Länsförsäkringar AB Group's whistleblowing channel. The Compliance unit is responsible for whistleblowing. The ultimate operational responsibility lies with the Head of People & Culture and the Head of Compliance (for whistleblowing).

### S1-3 Processes for grievance mechanisms and whistleblowing channels

The Länsförsäkringar AB Group has an integrated approach to the procedures for handling irregularities within the operations. Action is taken to remediate and counteract negative impacts affecting people in the workforce. The assessment of negative impacts on the own workforce, as well as efforts to ensure that incidents do not recur and that adequate consequences are taken against the guilty party, are based on the Länsförsäkringar AB Group's Code of Conduct and Personnel Policy, together with collective agreements and union agreements.

All workers have access to a digital whistleblowing system and an internal reporting system to raise concerns and have them investi-

gated. There is also a structure of leadership forums, training and practical tools to ensure that leaders in the operations have the support they need to present the reports they receive about incidents to their immediate manager. These channels, developed by the Länsförsäkringar AB Group, ensure that all reported cases are handled confidentially and professionally. The Group's complaints management covers the entire workforce and to ensure access to and understanding for these channels, all employees are informed via the intranet and through annual, mandatory training courses.

The follow-up of reported issues is categorised and documented to identify any structural problems. If the risk of negative impacts on employees is deemed recurrent or may occur in more places across the organisation, measures are taken to prevent a recurrence of the problem.

This work is always done together with relevant stakeholders, including trade union and employee representatives, to ensure that channels work well. For information on protecting whistleblowers from reprisals, refer to G1-1 on page 59.

### S1-4 Taking action and approaches related to own workforce

The Länsförsäkringar AB Group has implemented internal controls, key controls and a risk model for detecting potential irregularities. For notifications and reporting, there are a digital whistleblowing system and an internal reporting system, as well as manager support, by which employees can report incidents to their immediate supervisor, who in turn receives support by the People Business Partner (BP) in charge. Depending on relevance, these reporting channels lead into the same management process. Investigation of the case is handled by the Security and People & Culture units, or the Regulatory Compliance function. Mandatory training in business conduct, corruption and work environment ensures awareness and compliance.

In the event of major changes, such as acquisitions or termination of business relationships, the Group's companies always conduct risk and impact assessments to identify risks of negative impacts on the workforce and to determine mitigation measures. To safeguard the relevance of the Diversity and Equality Plan, include employee perspectives, and then create targeted activities, regular investigations are conducted to identify risks of discrimination, irregularities or other obstacles to equal rights and opportunities. This includes analyses of employee surveys, employee representatives, health and safety representatives, representative groupings of the workforce, staff statistics and reported incidents.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



After identification, the causes of the impact detected for own workforce are analysed. The analysis focuses on determining whether procedures are applied correctly, whether they are designed to be non-discriminatory, and whether further proactive measures should be taken in the identified area. This also includes assessing managers' know-how and awareness of factors that could lead to discrimination and unequal conditions. Based on the investigation and analysis, specific actions are defined to minimise the risk of impacts from an efficiency perspective, including the determination of resources and targets for the actions. The actions are implemented in collaboration between employers and workers and then evaluated in relation to the set objective to ensure the outcome.

**Ongoing and planned actions**

People & Culture is responsible for preparing actions and staffing the operations through the divisions of Talent Acquisition (TA), Learning & Development (LD) and People (BP), with support as needed from other relevant units. Monitoring and evaluation are performed on a yearly basis to ensure that the targets are being achieved and that the actions are effective.

A description of the Länsförsäkringar AB Group's primary actions is provided below. All actions are planned to be completed over the next three years, and resources have been allocated at activity level through either internal priorities or external resources.

**Risk of high workload among employees, which increases the risk of sick leave and burnout:**

To mitigate the risk of high workload, monthly employee appraisals are held to identify any tendencies of this. In addition, employee surveys are used to detect workload imbalances. Sick leave statistics are carefully reviewed to identify deviations. Actions that can be taken include extra resources, training and manager support. Routine investigations and analyses are conducted to identify risk factors, and thereby manage and reduce stress. Furthermore, recurring activities in the area of mental health have been included in the Diversity and Equality Plan in order to promote well-being in the workplace. This involves mandatory training to counteract victimisation and harassment, as well as established procedures and reporting channels for incidents related to the work environment.

The Länsförsäkringar AB Group also offers support for employee mental health through access to occupational health care services, counselling and routine medical check-ups. The Group works actively

to create a work environment characterised by openness and respect, where all employees are able to grow and develop based on their own circumstances.

Benefits such as health care insurance, subsidised group medical insurance and discounted insurance products reduce financial stress and make it possible for employees to focus on their recovery without needing to worry about their finances. Physical fitness benefits and flexible working are also offered to support employee efficiency and sustainability.

**Risk of being unable to retain and recruit people with key skills:**

The Länsförsäkringar AB Group works actively to maintain its good reputation as an employer through activities in external channels and internal initiatives to make the company visible as an employer. The purpose of these activities is to ensure the supply of skills over time. Career development and internal mobility are promoted to create opportunities for self-sufficiency in skills development.

The Länsförsäkringar AB Group supplements the social safety net from the Swedish state with collective agreements that provide employees with financial security during illness and parental leave. Moreover, the Group offers financial support during parental leave by supplementing benefits from the Swedish Social Insurance Agency so that total compensation amounts to 90% of salary, thus making it easier for employees to balance work and family life and contributing to a more gender equality in the workplace.

**Risk of not recruiting from a diversity perspective or not harnessing diversity among existing personnel, which could lead to losing perspectives and business opportunities:**

The Länsförsäkringar AB Group works actively to ensure an equal staffing plan and balanced teams within the operations. This is followed up with statistical monitoring, and actions are available if there is any major discrepancy in any area of the operations compared with the objective. Examples of such actions include balanced selection criteria in recruitment processes. The Länsförsäkringar AB Group treats everyone equally and does not distinguish between any target groups owing to their demographic affiliation. The Group has implemented a Diversity and Equality Plan for 2025–2027 that includes active measures and action plans, which are monitored annually.

The EU Diversity Month was held in 2024 to increase awareness of diversity and inclusion, as well as to spur engagement and participation among employees. The Länsförsäkringar AB Group also held

training courses on inclusive recruitment and interview techniques to ensure a fair and equal recruitment process. To safeguard accessibility and inclusion, the Group initiated activities to make its workplaces even more accessible for everyone and to promote an inclusive dialogue and transparency externally.

Diversity and equitable conditions are promoted through guidelines for religious ceremonies, support for LGBTQIA+ initiatives, and development of SFI offerings. Additionally, the availability of all mandatory training in English is ensured, as is the development of an equitable onboarding procedure for all employees. Efforts are also ongoing to counteract victimisation and harassment by developing training courses and procedures. In the event of confirmed irregularities or violations of internal guidelines, action will be taken to ensure that it does not happen again for the individual affected, or for anyone else in the operation. This could involve an internal transfer or dismissal of the employee who violated the company's policies and guidelines. Implementation of the Diversity and Equality Plan is usually managed by existing personnel, but in conjunction with more comprehensive actions and/or projects both the budget and staffing are expanded.

**Risk of not working on continuous skills development to ensure the right skills internally:**

The Länsförsäkringar AB Group works continuously on skills development. High internal mobility is promoted to create conditions for an internal supply of skills and skills development. Training programmes, career development reviews and individual development goals are important tools used to reduce the risk of a skills shortage. To meet future needs and deliver on the marketing and business plan, the Länsförsäkringar AB Group works continuously with skills development. This includes broader access to training courses, digital learning platforms, and a learning calendar with webinars in priority skills areas.

Strategic skills supply entails the preparation of action plans to cover any skill gaps, which gives all employees an opportunity to grow together with the company. The Länsförsäkringar AB Group carries out health promotion measures to improve employee health and well-being. These include access to a gym for employees at the office on Tegelluddsvägen, an hour of fitness activities, health-promotion lectures and support for club activities, all of which create a work environment that promotes physical and mental health.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**Evaluation of actions**

The Länsförsäkringar AB Group applies an established procedure for assessing suitable actions. This process involves regular investigations to identify risks of discrimination, irregularities or other obstacles to equal rights and opportunities. Once identified, the causes of the risks detected are analysed. The analysis focuses on determining whether procedures are applied correctly, whether they are designed to be non-discriminatory, and whether further proactive measures are required. Based on the investigation and analysis, specific actions are defined to minimise risks from an efficiency perspective, including the determination of resources and targets for the actions.

The actions are implemented in collaboration between employers and workers and then evaluated in relation to the set objective to ensure the outcome. Initiatives with active measures are monitored and evaluated on a regular basis, at least once yearly. Monitoring comprises a review of all activities in the action plan, taking action where discrepancies occur and comparisons against key metrics such as gender distribution, absence due to sickness, employee turnover and the results of employee surveys.

**TARGETS AND METRICS**

**S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

Compliance with policies is monitored through an integrated approach, with staff-related actions and procedures as a natural part of the Group's business, target and cultural initiatives. Employee surveys and feedback sessions are part of this regular monitoring process. Incidents and violations are managed through an internal reporting system and assigned work environment responsibility with leadership that detects and manages irregularities.

The Länsförsäkringar AB Group has a comprehensive business planning process that includes targets for both business and sustainability. The companies in the Group have overall sustainability targets in their business plans, which apply to 2024-2027. Each unit has also formulated sustainability targets for the same period based on their area of operations.

Development of the targets is mainly aimed at creating clarity and a structure in which the broken down targets can be followed at an overall level (the business plan). This facilitates internal monitoring,

clarifies our high level of ambition and simplifies integration into the business planning process. The more general targets will be set every year and regularly monitored during the year, following the same process as for business-related targets.

The Länsförsäkringar AB Group safeguards knowledge about its Code of Conduct, Personnel Policy, Security Policy and Sustainability Policy through several mandatory training courses. Moreover, regular employee surveys and feedback sessions, dialogue with trade union representatives, safety officers and Work Environment Committees, and monthly meetings with employees are held to hear their perspectives and follow up the management and actions taken – which also helps to drive progress.

The strategic sustainability targets for 2024 included introducing digital rehabilitation training by 2027, the share of equal working groups (37% by 2027) and implementing mandatory training courses. The share of equal working groups in 2024 was 28%.

The rate of completion for mandatory training courses was 89% for security training, 88% for sustainability training and 82% for Code of Conduct training in 2024, compared with the target of 95%. See also table 2 in G1 on page 65.

The Länsförsäkringar AB Group also monitors the results of the index in the annual employee survey, with the aim of reaching at least the High-performing Benchmark of Brilliant's top 10% performing organisations and companies.

	Outcome 2024	Outcome 2023	Targets
Commitment	85	85	89
Leadership	86	86	89
eNPS <sup>1)</sup>	43	37	53

<sup>1)</sup> eNPS – Employee Net Promoter Score, whether employees would recommend Länsförsäkringar AB as an employer to a friend or acquaintance.

**S1-6 Characteristics of the undertaking's employees**

The number of employees in Länsförsäkringar AB Group at year-end is reported in this section. The figure differs from the note on personnel (note 11) since employees of Länsförsäkringar Liv are not included in this note. The details in the personnel note are based on full-time equivalents (FTEs) calculated on the basis of actual hours worked during the year. The details in S1 are based on the number of physical persons on 31 December. This is because it is not possible to calculate all quantitative requirements on the basis of an average over the financial year.

The Länsförsäkringar AB Group has about 2,000 individuals who have double employment at Länsförsäkringar Bank and the regional insurance companies. Their employment relationship, such as work environment and labour law conditions, are fully regulated by each regional insurance company. These employees are not included in the disclosures in this Report.

**TABLE 3**

Gender	Number of employees		
	2024	2023	2022
Male	1,594	1,387	1,253
Female	2,163	1,903	1,753
Other	-	-	-
Not reported	-	-	-
<b>Total employees</b>	<b>3,757</b>	<b>3,290</b>	<b>3,006</b>

Table 3 shows the total number of employees in the Länsförsäkringar AB Group on 31 December 2024. This metric is used to provide insight into the Group's size and workforce resources, which is a material aspect of sustainability reporting in relation to working conditions and social responsibility. The metric is based on the total workforce employed by the company, regardless of the type of employment. Data is based on reported employee status on 31 December 2024, and the metric may vary slightly depending on employment changes during the year. The metric was not validated by an external body and instead data was collected through internal processes. The metric of "number of employees" does not include consultants.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
- Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



TABLE 4

Country	Number of employees		
	2024	2023	2022
Sweden	3,414	2,993	2,743
Other countries <sup>1)</sup>	343	297	263
<b>Total employees</b>	<b>3,757</b>	<b>3,290</b>	<b>3,006</b>

<sup>1)</sup> For data on the average number of employees per country, refer to SBM-1 Strategy, business model and value chain on page 45.

Table 4 shows the total number of employees in the Länsförsäkringar AB Group specified by Sweden and other countries on 31 December 2024. This metric is used to provide a better understanding of the Group's geographical workforce structure, which is relevant for sustainability reporting in relation to global operations and working conditions. For Sweden, it includes all employees stationed in Sweden, while other countries include all employees outside Sweden. The number of employees was determined by the internal personnel register and geographical classification. Only Sweden is presented in the table because no other countries account for at least 10% of total personnel. Data is based on reported employee status on 31 December 2024, and the metric may vary slightly depending on circumstances relating to geographical changes during the year. The metric was not validated by an external body and instead data was collected through internal processes. The metric of "number of employees" does not include consultants.

TABLE 5

	2024					2023					2022				
	Male	Female	Other	Not re-ported	Total	Male	Female	Other	Not re-ported	Total	Male	Female	Other	Not re-ported	Total
Number of employees	1,594	2,163	-	-	3,757	1,387	1,903	-	-	3,290	1,253	1,753	-	-	3,006
Number of permanent employees	1,526	2,021	-	-	3,547	1,337	1,804	-	-	3,141	1,208	1,620	-	-	2,828
Number of temporary employees	17	52	-	-	69	16	28	-	-	44	14	31	-	-	45
Number of non-guaranteed hours employees	51	90	-	-	141	34	71	-	-	105	31	102	-	-	133

Table 5 shows the total number of employees in the Länsförsäkringar AB Group specified by type of employment on 31 December 2024. This metric is used to provide a detailed overview of the Group's workforce structure and provides insight into how types of employment are distributed within the organisation, which may be of significance for sustainability work related to working conditions and social responsibility. The metric is presented by type of employment and is based on internal personnel register and covers all employees during the current reporting period. The type of employment as based on

each individual's contract, with permanent, temporary and non-guaranteed hours employees defined according to internal guidelines. The metric is based on reported type of employment on 31 December 2024. If an employee has changed their form of employment during the year, they are classified according to the employment type that the employee had on 31 December 2024. The table does not show any genders other than those recognised by Swedish law. The metric does not include consultants. The metric was not validated by an external body and instead data was collected through internal processes.

TABLE 6

	Sweden and other countries		
	2024	2023	2022
Total number of employees who have left the company during the reporting period	268	242	329
Rate of employee turnover % in the reporting period	8.0	7.4	10.9

Table 6 shows the total number of people who left the Länsförsäkringar AB Group during the reported period, with reasons such as own request, retirement, internal transfer to a regional insurance company, trial employment ending, separate agreement and deceased. The table also includes the employee turnover rate as a percentage. This metric is used to provide an overview of the Group's workforce dynamics and to provide insights into the frequency at which employees leave companies within the Group, which can provide information on work climate, commitment and human resources

management. The data is based on the reported employee status of all employees who left the Group during the period. Employee turnover is calculated by dividing the total number of ended employment by the total number of employees on 1 January and 31 December 2024. The metric does not include consultants, non-guaranteed hours employees or temporary employees. The metric was not validated by an external body and instead data was collected through internal processes.

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

FINANCIAL STATEMENTS

OTHER INFORMATION



## S1 - OWN WORKFORCE

### S1-7 Characteristics of non-employees

The definition of non-employees in own workforce is based on those who are managed by the Länsförsäkringar AB Group and hold line positions in the operations. Other procured services are covered by S2.

TABLE 7

Non-employees	2024
Number of consultants via consulting companies	477
Number of self-employed consultants <sup>1)</sup>	216
<b>Total number of consultants<sup>2)</sup></b>	<b>693</b>

<sup>1)</sup> Consultants who have their own consulting company.

<sup>2)</sup> Länsförsäkringar AB has three consultant categories: resource consultant, specialist consultant and consultants procured for a specific function. The categories included in own workforce and thus in ESRS S1 are resource and specialist consultants, while consultants procured for a specific function are defined as purchased services and are therefore included in ESRS S2.

Table 7 shows the total number of employees who work in the Länsförsäkringar AB Group on 31 December 2024, by consultants who invoice via their own company and those who invoice through a consulting company. This specification provides an overview of the Group's use of external resources and contributes to insights into the external workforce structure. In order to provide an accurate specification, all consultants procured by function were excluded from the data, meaning that consultants engaged to provide specific services under long-term framework contracts were not included in this table. The metric is based on consultants who had an active contract on 31 December 2024, regardless of whether they have worked on short or long-term assignments. The metric was not validated by an external body and instead data was collected through internal processes.

### S1-8 Collective bargaining coverage and social dialogue

The Länsförsäkringar AB Group complies with the laws, agreements and regulations that govern how the companies act under the Employment Protection Act, Discrimination Act, Work Environment Act and collective and co-determination agreements. These apply to all employees, including Group management teams, in Sweden. 100% of all permanent employees in Sweden are covered by the national insurance scheme and collective agreements on remuneration for sick leave, termination of employment, work accidents, parental leave and pensions. Agria's international operations comply with the laws and applicable regulations in each country.

TABLE 8 Collective bargaining coverage

Coverage rate	Employees - EEA (for countries with >50 empl. representing >10% total empl.)
0-19%	
20-39%	
40-59%	
60-79%	
80-100%	Sweden

Table 8 shows the percentage of employees covered by the Länsförsäkringar AB Group's collective bargaining agreements, for those who have been employed for more than six months on 31 December 2024. This metric provides an overview of the extent of collective bargaining coverage and reflects the Group's commitment to ensuring that employees receive the benefits and rights offered by the collective bargaining agreement. In order to meet the definition of collective bargaining "coverage", the length of service and the rules of the collective bargaining agreement were taken into account to identify who is eligible for contractual benefits. The period counted for employment is the time that the individual has been employed at the company and does not include short-term temporary or casual employment that does not reach the six-month limit. Only Sweden is presented in the table because no other countries account for at least 10% of total personnel. The metric was not validated by an external body and instead data was collected through internal processes.

### S1-9 Diversity metrics

TABLE 9

Gender distribution at top management (head count and %)	2024		2023		2022	
	Female	Male	Female	Male	Female	Male
Number	4	6	5	5	5	4
Share in %	40	60	50	50	56	44

Table 9 shows the gender distribution among the Länsförsäkringar AB Group's corporate management on 31 December 2024. This metric is used to provide insight into the Group's work on gender equality and diversity at the highest level of the organisation and to show the

gender representation in the decision-making bodies. The metric was calculated by counting the number of people in corporate management, which is defined as the CEO and senior management, by gender. The table does not show any genders other than those recognised by Swedish law. The metric was not validated by an external body and instead data was collected through internal processes.

TABLE 10

#### Distribution of employees by age group

Number	2024	2023	2022
Under 30 years old	511	309	283
aged 30-50	2,020	1,757	1,578
Over 50 years old	1,226	1,075	967

Table 10 shows the distribution among the Länsförsäkringar AB Group's employees in various age groups on 31 December 2024. The metric is used to monitor and assess the diversity of the workforce and identify any age-related risks or opportunities. This metric is relevant to ensure a balanced age structure and to promote an inclusive work environment. The calculated data is based on reported age status on 31 December 2024. This metric is affected by any changes in the workforce during the year, such as new recruitments, retirement or terminations, which can cause variations in the distribution. The age groups are defined according to the Group's own categories and may differ from industry-specific standards. The metric was not validated by an external body and instead data was collected through internal processes.

### S1-11 Social protection

The Länsförsäkringar AB Group complies with the laws, agreements and regulations that govern the company's actions. All employees of the Group are covered by the social insurance systems that are applicable in the respective countries, including protection during absence due to illness, termination, workplace accidents, parental leave and pension. All employees with a contract period longer than six months are automatically covered by the Länsförsäkringar AB Group's health care insurance, which is paid for by the employer and subject to fringe-benefit tax.

If necessary, an agreement is in place with occupational health care services, which can provide support for rehabilitation, work-

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



related ill health, as well as ergonomic advice, regular medical check-ups and counselling for managers in managerial matters. The Länsförsäkringar AB Group has its own health centre for exercise and training at its office on Tegelluddsvägen in Stockholm, and subsidises massages. Physiotherapy, naprapathy and personal trainers are also available. All employees in Sweden are offered one hour of fitness activities during work hours every week as well as a fitness subsidy.

**TABLE 11**  
Employees covered by social protection against loss of income

Year	Sickness	Unemployment	Employment injury	Parental leave	Retirement
2024	Yes	Yes	Yes	Yes	Yes
2023	Yes	Yes	Yes	Yes	Yes
2022	Yes	Yes	Yes	Yes	Yes

Table 11 shows information on employees in the Länsförsäkringar AB Group covered by social protection against loss of income due to major life events, such as illness, unemployment, employment injuries, parental leave and retirement on 31 December 2024. This metric is used to assess the Group's actions to ensure that employees are financially protected in the event of major life changes and to monitor the Group's work on social responsibility and employee well-being. This metric only includes employees who are directly employed by companies within the Group. Insurance cover may vary depending on the type of employment, length of service and other individual factors that are not always taken into account in the summary statistics. The metric was not validated by an external body and instead data was collected through internal processes.

**S1-13 Training and skills development metrics**

Employees are responsible for, and pursue, their own performance and development. Managers and leaders create conditions for performance through clarity, follow-up, support and feedback. Managers and employees have a joint responsibility for the structured continuous performance dialogue during the year, where the personal roadmap with expected performance is followed up. Other aspects of the roadmap concern skills, teaching, long-term development and the work environment and health. The latter is part of structured health and safety management.

**TABLE 12**  
Percentage of employees that participated in regular performance and career development reviews

2024	85
------	----

Table 12 shows the Länsförsäkringar AB Group's number of permanent and temporary employees who responded to the online employee survey and shows the percentage who participated in regular performance and career development reviews. The response rate to the employee survey was 89%. There is currently no data available on gender breakdown. The metric has not been validated by an external body.

Statutory and compulsory Group-wide courses have been arranged, with requirements set based on the employee's occupation, role and work tasks. Employee and leadership training courses are also offered. In 2024, 27,575 (20,351) in-house training sessions for employees were completed in Länsförsäkringar AB's Learning & Development department.

**TABLE 13**  
Average number of training sessions<sup>1)</sup> per employee, by gender and year

	2024
Female	7.1
Male	7.7

<sup>1)</sup> This refers only to internal training sessions

Table 13 shows the average number of internal training sessions completed by employees at the Länsförsäkringar AB Group, by gender on 31 December 2024. The metric was not validated by an external body, instead data was collected through internal processes.

The metrics shown in tables 12 and 13 are used to assess the Group's work on employee development, gender equality and career opportunities. It also provides insight into how the Group's companies ensure that all employees, regardless of gender, have equal opportunities for personal and professional development. The table 13 does not show any genders other than those recognised by Swedish law. Participation in performance and career development reviews is recorded annually and is part of employee appraisals. The number of internal training sessions is calculated on the basis of employees' registered participation in sessions organised by the Group during the year. The metric reflects only participation in internal activities and does not include external training or development programmes that employees

may have completed. The employees in Agria's foreign operations are not included in the information. Data is taken from the Group's employee survey. Staff paid by the hour and consultants are not included in the survey. It should also be noted that not all employees participate in the survey for a variety of reasons, such as leave of absence, recently started employment, impending termination of employment or sick leave.

**S1-14 Health and safety metrics**

The Länsförsäkringar AB Group works actively to develop its work environment. Part of these efforts involves reviewing overall structures and data collection concerning irregularities, and the Group emphasises that metrics for the physical work environment are of material significance. This is because the work performed within the Group predominantly consists of office work, the focus was on identifying and preventing risks linked to the psychosocial work environment.

**TABLE 14**  
Percentage of own workforce who are covered by the undertaking's health and safety management system

	Coverage by H&S system %	Number of employees covered
2024	100	3,757
2023	100	3,290
2022	100	3,006

Table 14 shows the percentage of employees in the Länsförsäkringar AB Group's workforce that were covered by the health and safety management system on 31 December 2024. The metric is used to assess how well the health and safety management system covers the Group's entire workforce and ensures that all employees have a common framework for occupational safety and health. The information provides insight into the Group's commitment to promoting a safe and healthy work environment for all employees.

Participation in the work environment health and safety management system includes security training and other measures included in the framework of the system. Data is collected and reported annually to ensure that all employees, regardless of their type of employment, are covered by the same system. The metric was not validated by an external body and instead data was collected through internal processes.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
- Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**S1-15 Work-life balance metrics**

**TABLE 15**

	<b>2024</b>
Percentage of employees entitled to take family-related leave	100%
<b>Percentage of entitled employees that took family-related leave, by gender:</b>	
Female	21%
Male	18%

Table 15 shows the percentage of employees at the Länsförsäkringar AB Group that are entitled to take family-related leave and the number that actually took such leave, by gender on 31 December.

2024. This metric is used to monitor the Group’s efforts to support employees’ work-life balance and ensure that all employees, regardless of gender, have access to the necessary family-related support. The metric is based on current legislation.

It is possible that gender identification does not fully reflect all variations of gender identity, but for the purposes of this report, traditional gender designations have been used. Statistics on leave taken may be affected by employees’ individual decisions not to take leave even though they are entitled to take it, which may lead to discrepancies. The metric was not validated by an external body and instead data was collected through internal processes.

**S1-16 Remuneration metrics (pay gap and total remuneration)**

**TABLE 16**

	<b>2024</b>
<b>Percentage gap in pay between female and male employees</b>	18%
<b>Annual total remuneration ratio</b>	9.32
annual total remuneration for the undertaking’s highest paid individual/median employee annual total remuneration (excluding the highest paid individual)	

Table 16 shows the percentage gap in pay between female and male employees at the Länsförsäkringar AB Group and the annual total remuneration ratio on 31 December 2024. The metric is used to monitor and assess the Group’s work on gender equality regarding pay and the overall distribution of remuneration between employees, regardless of gender.

The table does not show any genders other than those recognised by Swedish law. This information is key to ensuring that the Group has fair and transparent pay principles. The annual remuneration ratio is calculated as the monthly salary of the highest paid individual divided by the median monthly salary of all employees and is divided between men and women. The information is based on the total number of permanent employees. The median salary is calculated on the basis of a fixed contractual full-time salary. Since the majority of employees are paid monthly, there is no information on hourly salaries. The currency used for calculating this metric is SEK (Swedish kronor) since it is the currency used in the financial statements. The metric was not validated by an external body and instead data was collected through internal processes.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS’ REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



STRATEGY

**SBM-2 Interests and views of stakeholders**

See section SBM-2 under General disclosures, page 52.

**SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model**

A materiality assessment was carried out to identify impacts, risks and opportunities for workers in the value chain according to the process described in IRO-1 under General disclosures on page 55.

**Identified risks**

The Länsförsäkringar AB Group has identified a number of material risks, mainly related to the operations' suppliers. As an IT-intensive business, the Group has a large number of suppliers, including those linked to business areas such as Agria and health care providers through Länsförsäkringar Hälsotjänster. Many of the suppliers operate in sectors where the risk of poor working conditions is considered higher, based on public sources. These elevated risks could negatively affect Länsförsäkringar's reputation and lead to cooperation with suppliers who have poor working conditions.

In addition to suppliers, the Länsförsäkringar AB Group has identified that investments in companies that violate international labour law standards and conventions, such as from the ILO's standards, could have a negative impact on workers in the value chain.

**Management of identified risks**

**Suppliers**

The majority of the identified risks for workers in the value chain relate to the Länsförsäkringar AB Group's suppliers. The Group's companies have outsourced IT operations to several countries that are classified as high risk, including India, and which, according to public sources, is considered to have poorer working conditions. In addition to India, the Länsförsäkringar AB Group has a large number of suppliers both internationally and in Sweden. Despite risk assessments and requirements for suppliers to work in accordance with the Code of Conduct, there is always an inherent risk that external parties do not fully comply with the Länsförsäkringar AB Group's requirements or expectations. This may be due to a lack of willingness by the counterparty or a lack of direct control over their internal processes and operations, which increases the risk of working with suppliers who do

not treat their workers fairly. Goods sold in the Agria shop consist largely of textiles, an industry that often involves complex supply chains with sub-suppliers in countries where working conditions may be unsatisfactory. Accordingly, there is a risk that some goods may come from manufacturers that do not meet the expected standards for working conditions and human rights.

Länsförsäkringar AB has agreements with a large number of repairers and care providers linked to its insurance operations. There is also a risk here that these companies do not comply with the Code of Conduct, since this sector is considered to have a higher risk regarding labour. In addition to the risk of working with suppliers in the value chain that have poor working conditions, there is also the risk of the brand being damaged if it is discovered that a supplier does not comply with the Code of Conduct.

To manage these risks, the Länsförsäkringar AB Group enhanced its risk assessment of suppliers in 2024 by evaluating and further developing existing methods. The risk assessment includes more risk parameters to identify risks of violations of human rights, labour, bribery and corruption, and the environment based on country and sector. Information for the risk assessment was collected from several different sources such as Transparency International. When a risk assessment has been conducted and a higher risk has been identified, the suppliers will be screened to gather additional information about their work with labour and human rights. In cases where the supplier provides inadequate information, the Group will initially engage with the supplier to improve the situation.

If this process does not produce the desired results, the business relationship may be terminated prematurely. The Länsförsäkringar AB Group has developed its methods for identifying and managing material risks for workers in the value chain. The aim is to identify potential risks among suppliers and business partners, and in the first instance help them improve their work with labour and human rights through engagement. The purpose is to help the supplier cease potential violations and to take preventive measures in their operations. The engagement strategy encompasses all parts of the Länsförsäkringar AB Group's value chain, which is described in more detail in the section SBM-1. The aim of this action is not only to reduce the risk of poor working conditions in the value chain but also to support suppliers in taking preventive measures, which will have a positive impact on workers in the value chain.

**Investments**

The Länsförsäkringar AB Group has identified that investments in companies that violate international labour law standards and conventions, such as from the ILO's standards, could have a negative impact on workers in the value chain. By investing in such companies, the Länsförsäkringar AB Group contributes to financing this behaviour, which poses a risk both to workers in the value chain and to the Länsförsäkringar AB Group's own reputation. The Group has long followed its Policy on Responsible Investments and Corporate Governance to manage the risk of investing in companies that violate international standards.

Under this policy, all portfolio holdings are screened every six months using information from data providers to identify potential violations. There is also an exclusion and transition list that details companies with confirmed human rights and labour violations that are to be avoided for investment. If violations are identified for a supplier, business partner or in the investment portfolios, engagement is initiated with demands for improvement. If this process does not produce the desired results, the party may be excluded as a last resort.

**IMPACT, RISK AND OPPORTUNITY MANAGEMENT**

**S2-1 Policies related to value chain workers**

The Länsförsäkringar AB Group has adopted governance documents based on established international guidelines and standards for responsible business conduct such as the UN Global Compact's 10 principles, the UN Guiding Principles on Business and Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The governance documents include the Policy on Responsible Investments and Corporate Governance, Sustainability Policy, the Due Diligence Guideline for suppliers and business partners, and the Codes of Conduct for suppliers and business partners. The governance documents regulate business conduct and the Länsförsäkringar AB Group's expectations and demands on other companies relating to investments, lending, purchasing, procurements and partnerships. The aim of this is to protect workers in the value chain from exposure to violations of human rights, labour law, environmental and health risks and to combat corruption and bribery. The governance documents describe how material impacts, risks and opportunities related to workers in the value chain are to be managed.

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

FINANCIAL STATEMENTS

OTHER INFORMATION



The methodology for identifying violations also includes proposed actions in the event of identified violations, how to conduct engagement, possible activities to stop, prevent and minimise impacts for affected workers, the possibility of reimbursement for affected workers, whistleblowing and the possibility to lodge complaints using the Swedish National Contact Point and follow-up of identified actions. Engagement is conducted by either Länsförsäkringar AB Group internally or through a stewardship service provider, where the work is conducted through contact with a representative of the company appointed by the company in question.

A new methodology for managing due diligence regarding suppliers and business partners was implemented in 2024. Governance documents will be adapted to the new methodology in the future. Codes of Conduct for suppliers and business partners, which are based on the Ten Principles of the UN Global Compact, will be updated in 2025. This update will include information about the external whistleblowing channel that was introduced in 2024. The Codes of Conduct and the Guidelines on Due Diligence specifically addressed forced labour and child labour in 2024. These documents will be revised in the future to also include management of human trafficking.

Policy on Responsible Investments regulates the six-monthly screening of all companies in the Länsförsäkringar AB Group’s investment portfolios and how engagement activities and follow-up are to take place when negative impacts have been identified for workers in the value chain. This policy specifically addresses issues such as human trafficking, forced labour and child labour. The Policy on Responsible Investments and the Code of Conduct for suppliers and business partners define the Group’s expectations that companies and issuers conduct their operations in accordance with good corporate governance practices and comply with established international guidelines and standards for business conduct. This includes but is not limited to the UN Global Compact’s principles, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the ILO core conventions.

**S2-2 Processes for engaging with value chain workers about impacts**

***The methodology for the application of due diligence by the identification of negative impacts for workers in the value chain***

The application of due diligence is divided into several components, which together ensure that the Länsförsäkringar AB Group identifies negative impacts for workers in the value chain and monitors and addresses them. Components include screening to identify negative impacts on suppliers, business partners and investees, engagement where necessary, and as a final resort, possible exclusion.

**Screening**

A screening of all investees is carried out every six months to identify potential risks to workers in the value chain. Suppliers and business partners are screened when contracts are signed and in an annual screening. One of the aims of the screening is to identify any violations or risk of violations of labour and human rights, including child labour and forced labour. The Länsförsäkringar AB Group does not conduct any analysis to identify workers in the value chain who may be particularly vulnerable to impacts or who are marginalised. The screening of investees is carried out using data on the involvement of listed companies in violations of international conventions and principles, and through dialogue with directly owned unlisted companies and issuers.

The screening of suppliers and business partners is carried out using a risk assessment tool developed in 2024. The tool assesses the risk level of a supplier/business partner based on the country and sector in which it operates, as well as any company-specific violations of international conventions by applying data sources used for screening listed investees.

**Managing violations**

If violations are identified for a supplier, business partner or an investee, engagement is initiated with demands for the party to make progress. The Länsförsäkringar AB Group has also developed a number of exclusion criteria that aim to provide guidance on which companies need to be completely excluded from the Group’s investment portfolios or where business relationships need to be terminated due

to the risk of the company contributing to negative impacts on labour and/or human rights in its operations. All exclusion criteria are described in more detail in SBM-1, page 47.

The suppliers and business partners with higher risk identified in the screening also need to respond to the Länsförsäkringar AB Group’s questionnaire on responsible business conduct. The answers to the questionnaire are then analysed together with the results of the screening to decide whether or not the company needs to initiate engagement. Engagement is conducted, in the first instance, by the stewardship service provider. The task of Länsförsäkringar AB’s sustainability team is to ensure that dialogue is initiated with companies and to conduct engagement in cases where violations have been identified, and to continuously follow up the engagement conducted by the stewardship service provider used by the Group.

Engagement is conducted in dialogue with a representative appointed by the company in question, whose task is to represent the company in the engagement dialogue. In most cases, the representative from the company is selected based on the subject of the dialogue. Specific objectives – milestones – are set at the start of the engagement to enable a detailed follow-up of the case. If the engagement does not result in satisfactory progress, the Länsförsäkringar AB Group may place the company on an exclusion list, which means exclusion from all investment portfolios or termination of the business relationship.

An engagement dialogue is managed continuously and the effectiveness of the engagement is assessed based on whether the company in question implements the changes required in order for Länsförsäkringar AB Group to continue the business relationship with the company in question. The Länsförsäkringar AB Group’s companies have an insight into companies in the value chain through the engagement activities conducted, which limits insight to the companies when the Group has direct contact or contact via a stewardship service provider. The Länsförsäkringar AB Group has no global framework agreements or agreements with international trade unions.

**Countries and sectors with a higher risk**

Countries with a higher risk of labour and human rights violations, and where the Group has relevant agreements, include the United Arab Emirates, Israel, Mexico, Singapore and the US.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS’ REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## S2 – WORKERS IN THE VALUE CHAIN

Sectors with a higher risk of labour and human rights violations, including forced labour, child labour and human trafficking, are property, information services, IT, motor insurance and promotional products<sup>1)</sup>.

### **Integrating due diligence into operations and strategy**

The newly implemented risk assessment tool was integrated into existing purchasing and procurement procedures in 2024. In autumn 2024, training sessions were conducted for business managers in all business units within the Group to inform them about the due diligence work and to train them in how to use the risk assessment tool to screen suppliers and business partners.

Training and sharing know-how are key enablers to make sustainability an integral part of the work with suppliers and business partners of the relevant entities and individuals. The screening of investment portfolios and funds will continue to be carried out by the sustainability team at Länsförsäkringar AB and Länsförsäkringar Fondförvaltning.

### **S2-3 Processes for grievance mechanisms and whistleblowing channels**

#### **Handling grievances, whistleblowing and remediation**

The Länsförsäkringar AB Group has established internal and external channels for its own workforce and workers in the value chain to report complaints or whistleblow and to have reported cases investigated. For the Länsförsäkringar AB Group's own workforce, an internal whistleblowing function has been introduced that is available to employees, consultants, Board members, shareholders and trainees who wish to raise grievances. A new function was implemented in 2024 to enable external parties to whistleblow or report complaints. A form is available on the Länsförsäkringar AB website that can be filled in by external parties for whistleblowing or to report complaints. A completed form is then sent to Länsförsäkringar AB's Compliance department, by post or e-mail, which in turn registers the case. The Compliance department then assesses whether the case relates to external whistleblowing. All external cases received are processed and investigated.

Incoming whistleblowing and complaints cases are regularly documented as part of the process and an evaluation of closed cases is carried out. The documentation must include information about cases received and a summary of the actions taken. Companies in countries who are members of the OECD are responsible for ensuring that there is a National Contact Point. The National Contact Points then work together to handle complaints in different countries. The Länsförsäkringar AB Group has investees and suppliers in countries that are not members of the OECD.

Since these countries lack a National Contact Point for complaints, there is also an external whistleblowing channel and grievance mechanism. This gives all workers in the value chain an opportunity to lodge a complaint or whistleblow. External whistleblowing is handled according to internal instructions, and in the future information about the whistleblowing channel and grievance mechanism will also be provided to workers in the value chain through externally published governance documents.

The majority of the Länsförsäkringar AB Group's investments are direct or indirect holdings in listed companies. The participating interest is usually very small, especially for companies outside Sweden. Processes and whistleblowing channels among these holdings are addressed in engagement activities or after violations have been identified. In autumn 2024, Länsförsäkringar AB's directly owned companies were informed about how employees can whistleblow to Länsförsäkringar AB.

### **S2-4 Taking action and approaches related to value chain workers**

To manage the material risks identified in the materiality assessment, the Länsförsäkringar AB Group implemented a number of measures in 2024 aimed at mitigating and preventing these risks.

#### **Risk assessment of suppliers and business partners**

In 2024, comprehensive efforts were conducted to revise previous processes, ways of working and procedures related to the evaluation and follow-ups of new and existing suppliers as well as business partners.

The Länsförsäkringar AB Group conducts a screening using a proprietary risk assessment tool to assess the work of suppliers and business partners, and to identify sustainability risks. This tool

includes a review of the supplier based on the categories of environment, labour, human rights and bribery and corruption. A more comprehensive assessment of sustainability activities is carried out in connection with the procurement of suppliers with a purchase value exceeding SEK 5 M who are in a risk sector or a risk country, as identified by public sources presented in section IRO-1, or the procurement of suppliers with a purchase value exceeding SEK 10 M.

The risk assessment aims to identify sustainability risks and enable the selection of responsible suppliers and business partners. The business conduct activities of existing suppliers is monitored annually in the risk assessment tool. These activities aim to ensure that the Länsförsäkringar AB Group only establishes business relationships with suppliers and business partners that conduct responsible business. In cases when the risk assessment tool identifies confirmed violations at a supplier or business partner, a more comprehensive screening is carried out and these actors are placed on a watch list for continuous follow-up. The Länsförsäkringar AB Group applies exclusion and transition criteria to all suppliers and business partners to ensure that only sustainable and responsible partners are included.

#### **Screening of investees**

All investees are screened twice a year to ensure that the Länsförsäkringar AB Group does not invest in companies with confirmed violations. The analysis aims to identify whether any companies in the portfolios have breached the violations and guidelines that the Group has undertaken to follow, which are presented in S2-1. If a confirmed violation is identified or if there is the risk of a violation, the Länsförsäkringar AB Group conducts a more thorough assessment of the company in question.

#### **Engagement activities**

If a violation related to responsible business conduct is identified, engagement with the company is initiated in the first instance. Engagement may also be proactively initiated with the aim of achieving positive impacts as the company works preventively to avoid future violations. When a company is identified as having committed violations, the first step is to investigate whether the company is subject to engagement activities by the Länsförsäkringar AB Group's stewardship service provider. If so, the Group monitors the engage-

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
- Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION

<sup>1)</sup> Agria's profile products are selected products for animals and people, such as reflective vests for dogs and their owners, puppy kits for new dog owners and first aid kits for horses.



## S2 – WORKERS IN THE VALUE CHAIN

ment to ensure the company subject to such engagement makes progress in the dialogue. If the company is not subject to the engagement activities of the stewardship service provider, the Länsförsäkringar AB Group initiates, as a rule, its own engagement activities with the company.

Engagement activities are intended to guide the company away from violations and towards taking preventative measures. Through these actions, the Länsförsäkringar AB Group strives not only to minimise negative impacts, but also to offer companies an opportunity to take preventive action. Each year, the Group follows up all ongoing and completed engagement dialogues. The engagement starts with the company acknowledging that violations have taken place. Milestones and targets are then set in consultation with the company in question.

The targets are to be continuously followed up during the engagement dialogues in order for the company to demonstrate progress on the issue in question. The engagement dialogue is expected to be completed within three years from the start of the dialogue. At the end of the dialogue, the party must be able to demonstrate that the violation has ceased and that the company has taken preventive measures. If this progress cannot be ensured, the Länsförsäkringar AB Group may choose to exclude the company from investment operations and terminate the business relationship, if this exists. The Länsförsäkringar AB Group prepares and updates the exclusion list twice a year. This includes companies excluded from all investments. All investees related to the savings offering and investment portfolios are screened twice a year against the exclusion list.

Companies in which the Länsförsäkringar AB Group has invested are also subject to proactive engagement in areas such as freedom of association, harassment, child labour, forced labour, health and

safety. In addition to proactive engagement, the Länsförsäkringar AB Group also supports PRI Advance, an investor-led collaborative stewardship initiative on labour and human rights. PRI Advance is a PRI-led investor initiative aimed at advancing progress in human rights. Through its involvement in PRI Advance, the Group is involved in engaging with companies on their work on human rights issues.

### TARGETS AND METRICS

#### S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Länsförsäkringar AB Group monitors the effectiveness of policies and actions, including level of ambition, indicators and the progress on engagement over time, through the process described in S2-4. The Länsförsäkringar AB Group will set measurable targets for engagement in the future. When serious sustainability-related violations are identified, the initiation of engagement is regulated in Länsförsäkringar AB's Policy on Responsible Investments and Corporate Governance and the Codes of Conduct for suppliers and business partners.

The Policy on Responsible Investments and Corporate Governance states that the aim of reactive engagement is to make companies stop sustainability-related violations and to take preventive action. If engagement is not successful, the last resort is exclusion. This applies specifically to companies involved in serious violations of international conventions and agreements.

The number of investees subject to engagement regarding labour and/or human rights is presented below. Engagement with the investee includes reactive engagement in cases where a violation has

been identified, and proactive engagement conducted through Länsförsäkringar's own dialogue and the companies that are part of PRI Advance initiative. The Länsförsäkringar AB Group has not identified any cases of violations among suppliers and business partners and no suppliers or business partners were therefore subject to reactive engagement.

### INVESTEES

Metric/activity	Outcome 2024	Comment
Number of investees <sup>1)</sup> subject to engagement regarding labour and/or human rights	64	New key performance indicator for 2024 <sup>2)</sup>

<sup>1)</sup> Investees are companies and issuers

<sup>2)</sup> In the past, engagement related to social topics was generally reported

The Länsförsäkringar AB Group is responsible for ensuring that the desired result of the engagement efforts is communicated to the company in question, either independently or through a stewardship service provider. The Länsförsäkringar AB Group is also responsible for clearly communicating expectations and necessary improvement measures through dialogue with the company in question. The aim is to ensure that the company in question is aware of how to improve its operations in relation to the identified violation. The Länsförsäkringar AB Group consults with a selected representative from the company concerned. Workers in the value chain have an opportunity to express their views on the engagement process to improve it going forward through the stewardship service provider or directly to the Länsförsäkringar AB Group in cases where the Group conducts dialogue itself.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Climate change

Climate change is a material sustainability topic for the Länsförsäkringar AB Group because its operations have an impact on the planet and climate change represents both a risk and an opportunity for the Group.

## General information

General disclosures (ESRS 2)

## G Responsible business conduct

Business conduct (G1)

## S Social information

Own workforce (S1)  
Workers in the value chain (S2)

## E Climate change

Climate change (E1)  
Taxonomy disclosures

**MATERIALITY AND GOVERNANCE**

**SBM-3 Climate change materiality - impacts, risks and opportunities**

A materiality assessment was carried out to identify impacts, risks and opportunities regarding climate change according to the process described in IRO-1 under General disclosures on page 55.

The scientific community broadly agrees that the global average temperature is rising. With the planet's complex climate system, an increase in the global average temperature could lead to changes that in turn have serious consequences for both nature and society. Climate change is a material sustainability topic for the Länsförsäkringar AB Group since its operations have an impact on the planet and climate change represents both a risk and an opportunity for the Group.

The Board of Länsförsäkringar AB has identified climate risk as a priority sustainability topic, and that climate risk comprises a financial risk. Climate risk refers to the risks that the consequences of climate change may have on the Group's business activities in insurance, banking and pensions (investments). Climate risks can materialise through physical risks, such as more cases of extreme weather and gradually rising sea levels. Climate risks can also materialise through transition risks, such as regulatory, political and market changes related to the transition to a low-carbon society. Climate risk is a systematic risk that, as a result of its widespread impact on society, is impossible to completely eliminate, and is expected to impact all of the Group's insurance, banking and pension offerings.

Conversely, opportunities exist in the form of investing in, lending to and insuring companies and solutions that help mitigate and adapt society to climate change.

**Climate scenario analyses - part of a resilience analysis**

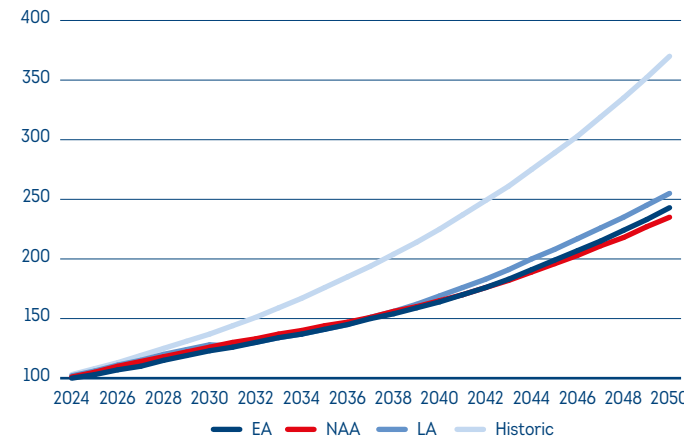
Parts of a resilience analysis are carried out regularly at the Group in connection with the annual climate scenario analysis under the framework of the Own Risk and Solvency Assessment (ORSA). The purpose of this analysis is to illustrate how various scenarios for climate change could impact the operations over time. Three different climate scenarios from the NGFS (Network for Greening the Financial System) and the Bank of England were used in the 2024 analysis, with an equity weight of 20% and 50%, respectively. The scenarios are broad in nature, and encompass physical climate risks and transition risks in the form of both financial and natural catastrophe-related parameters.

The three climate scenarios are:

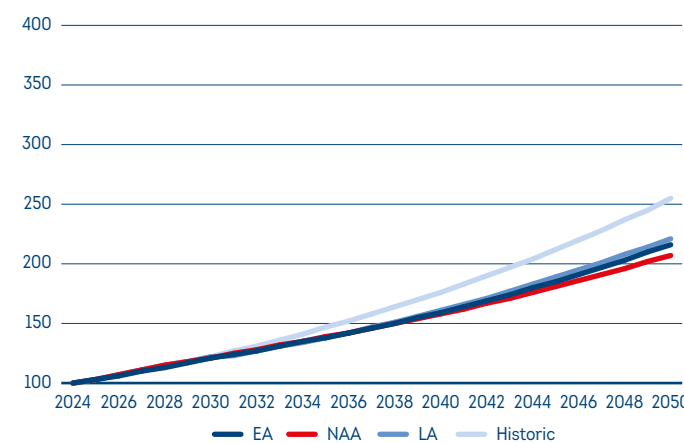
- Early Action (EA): direct and ambitious transition. Global warming is limited to about 1.8°C
- Late Action (LA): delayed and sudden transition. Global warming is limited to about 1.8°C but leads to financial market disruptions in about 2031
- No Additional Action (NAA): no transition. Global warming reaches about 4.1°C by the end of the century with serious consequences.

**STANDARD PORTFOLIOS CLIMATE ANALYSIS**

50% equities



20% equities



Two clear outcomes can be seen in the analysis. Firstly, the investment strategy plays an important role. Secondly, the largest difference over time is not between the different scenarios but between the climate scenarios and the historical scenario. The historical scenario is intended to reflect what the future would have been without any effects of climate change. For 2024, Länsförsäkringar Liv's Board decided to add a scenario with lower equity returns on Länsförsäkringar Liv's investment portfolios, in addition to the scenarios mentioned above. The scenario adjusted the equity returns in the No Additional Action scenario downwards by 0.25% per year from 2035 onwards and was referred to as the "No Additional Action Haircut."

The resilience of the Länsförsäkringar AB Group's business model and strategies is deemed to be high based on a high level of expertise in climate-related claims, sound knowledge of local markets and continuous development of products and services in all business areas. The climate scenario analyses are planned to be developed in 2025 and include short and long-term financial impacts for both transition-related and physical climate risks.

**A selection of identified climate risks in the Länsförsäkringar AB Group**

Transition risks deemed probable in the short term to medium term:

- Agricultural and forestry customers are particularly at risk of being impacted by regulatory transition risks that could result in significant costs for this customer segment
- The decline in value of underlying collateral due to regulatory transition risks related to the energy performance and renovation requirements of properties
- The return on investment is impacted by higher energy prices resulting from the transition from fossil to renewable energy.

Physical risks - deemed probable in the medium and long term:

- A higher frequency of climate-related events, such as torrential rain, storms, forest fires and drought, could result in increased claims costs.
- Reduced capacity in the reinsurance market due to higher reinsurance costs and reduced risk appetite.
- Decline in value of property owner's collateral due to flood risk.



**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

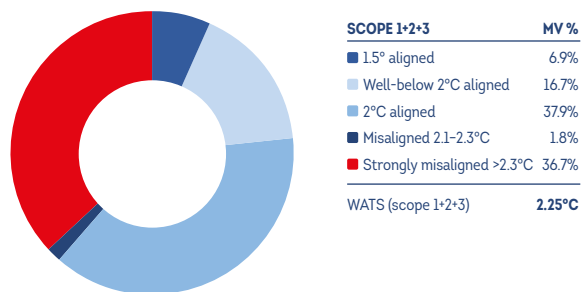
**FINANCIAL STATEMENTS**

**OTHER INFORMATION**

**Forward-looking analysis of investee's carbon emissions**

Forward-looking climate emission analyses of the climate targets of listed shareholdings are conducted to gain a better understanding of the extent to which the Länsförsäkringar AB Group's investment portfolios fall within the limits required for limiting global warming in line with the Paris Agreement. The analyses focus on climate impacts primarily based on transition risks and forecasts are made of the targets of the holdings and the intended emission reduction rates. Analyses are carried out using data from the CDP. Data from the CDP database shows the climate targets set by portfolio companies and how ambitious these targets are in terms of limiting global warming. The listed shareholdings of the investment portfolios are currently deemed to give rise to global warming of about 2.3°C in the future, based on Scope 1-3 emissions.

**DISTRIBUTION BY DIFFERENT CLIMATE TARGETS (ZONES)**



The graph shows the distribution of the Länsförsäkringar AB Group's investment portfolios of shareholdings (by market value) based on their contribution to global warming. The companies' direct and indirect CO<sub>2</sub>eq emissions (Scope 1, 2 and 3) are considered in relation to the stated climate targets. Companies that do not have a temperature stated in the data provider CDP's database have been assigned a value of 3.1°C, based on CDP's methodology.

**E1-2, 4 Policies and targets related to climate change**

The Länsförsäkringar AB Group has adopted a Sustainability Policy, which states that climate change is a material sustainability topic. Given that the climate is a material sustainability topic and that the Länsförsäkringar AB Group intends to contribute to climate change mitigation in line with the Paris Agreement, the company has adopted a long-term ambition of climate neutrality by 2045 ("2045 climate ambition").

For all material matters, including the climate, the policy stipulates that the Group is to specify targets, interim targets and activities that must be carried out to mitigate negative impacts and capitalise on opportunities to support the transition to a more sustainable society, including climate change adaptation.

For climate change, the Sustainability Policy stipulates that a transition plan is to be adopted and to include active measures to manage climate risks and opportunities in and outside the Group's value chain. The transition plan describes how the Group works to identify, manage and monitor its material impacts on climate change and strives to support transition and climate change adaptation due to the changing climate. The Länsförsäkringar AB Group will take into account evidence and collaborate with selected climate initiatives to realise its climate ambition and implement the transition plan. Furthermore, the Sustainability Policy addresses material sustainability topics, including climate change, in relation to the common approach to sustainability:

- **Responsible business conduct** – related to the climate in terms of requirements imposed on suppliers and other business partners. Suppliers and business partners with science-based climate targets or equivalent are to be rewarded in procurement processes. Those without such targets are encouraged to adopt targets and transition. Furthermore, the Group is to take action in the most material matters to reduce the direct environmental impact of its operations.
- **Responsible and sustainability-focused offering** – relates to the climate in terms of the insurance offering, savings offering and investments and lending offering. Based on the inventory of the Group's GHG emissions, significant emissions arise in the various offerings.
- **Transition and social responsibility** – relates to the climate in terms of promoting the transition through investment, financing, engagement and collaboration – both within and outside the value chain. The Länsförsäkringar AB Group also supports a variety of research projects related to the climate, for example, under the framework of the LF Research Foundation.

The Sustainability Policy addresses climate risk management with reference to the Risk Policy. The Policy on Responsible Investments and Corporate Governance manages climate change in relation to the Group's investment operations, including investment portfolios, own funds and unit-linked insurance. The four responsible investment strategies are: screening and integration, inclusion, engagement and exclusion, and these form the basis of the work under the policy. The

Own Risk and Solvency Assessment Policy regulates the climate scenario analysis that is to be regularly conducted.

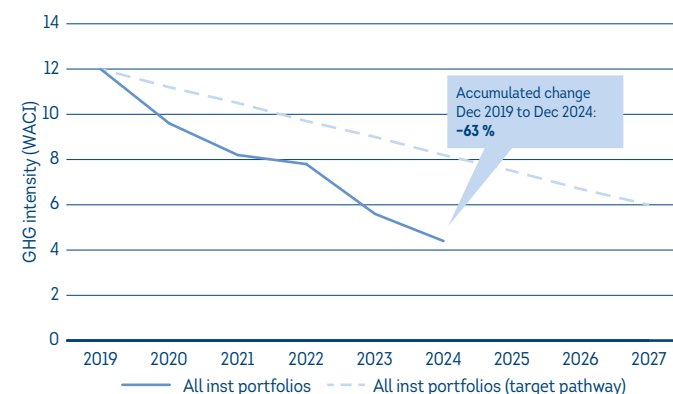
**TARGETS AND METRICS**

**E1-3, 4 Past targets and progress towards achieving them**

As in previous years, the Länsförsäkringar AB Group had climate targets related to the savings offering and investments in its 2024 business plan:

**Investment portfolios**

*Target:* Reduce GHG intensity (tCO<sub>2</sub>eq Scope 1 and 2/revenue in SEK M) of listed shareholdings in the Länsförsäkringar AB Group's investment portfolios. Intensity is to be halved by 2027 compared with 2019.



*Outcome:*

- GHG intensity (December 2024): 4.44 tCO<sub>2</sub>eq/SEK M revenue
- GHG intensity (December 2023): 5.6 tCO<sub>2</sub>eq/SEK M revenue
- Change in 2024: -20%

*Comment:*

- The accumulated change since 2019 is -63%
- The total portfolio is currently 32% ahead of the projected target pathway
- The target pathway is calculated based on a 50% reduction in GHG intensity between December 2019 and December 2027

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E E1 - CLIMATE CHANGE

- **Target:** Reduce carbon footprint (tCO<sub>2</sub>eq Scope 1-3/market value invested in SEK M) of measurable shareholdings in the Länsförsäkringar AB Group's investment portfolios.
  - **Outcome:** 21.8 tCO<sub>2</sub>eq/SEK M invested
  - **Comment:** Carbon footprint reduced from 24.2 tCO<sub>2</sub>eq/SEK M invested in 2023. New target for 2024.
- **Target:** Increase the share (market value) of listed shareholdings in the Länsförsäkringar AB Group's investment portfolios with verified science-based targets (SBT)
  - **Outcome:** 53.7%
  - **Comment:** Share of listed equity holdings with verified science-based climate targets increased from 47% in 2023. New target for 2024.

The Länsförsäkringar AB Group also had climate targets for 2024 for its own funds and unit-linked insurance offering:

### Own funds

- **Target:** Increase the share (market value) in Länsförsäkringar Fondförvaltning's funds with verified targets (SBT)
  - **Outcome:** 53.9%
  - **Comment:** Monitoring of the target started after the first quarter. The share increased from 42.1% from March to December

### Unit-linked insurance offering

- **Target:** The share of managers in the unit-linked insurance offering with climate targets for their organisation.
  - **Outcome:** 66%
  - **Comment:** Reduced from 69% in 2023 due to merger between two asset managers.

### E1-4 Climate targets and future efforts

Sustainability is a prerequisite for a long-term profitable business, although the Länsförsäkringar AB Group cannot contribute to sustainability without a profitable business. Accordingly, the Group endeavours to set sustainable business targets. Climate-related interim targets extending to at least 2030 are to be in place in order to ensure progress towards the long-term climate ambition and contribute to climate change mitigation in line with the Paris Agreement.

The Länsförsäkringar AB Group has adopted climate targets based on intensity metrics and comprising Scope 1, 2 and 3 emissions. The

Group-wide climate target is related to the KPI of GHG intensity (tCO<sub>2</sub>eq/revenue in SEK M). A balance between both material direct and indirect CO<sub>2</sub>eq emissions and the reduction and/or absorption of CO<sub>2</sub>eq emissions (net emissions) will be considered in the follow-up. The climate neutrality ambition (net zero emissions) has become well established in the market. Definitions and measurement methodologies for climate neutrality are being rapidly developed. The Länsförsäkringar AB Group will closely monitor developments in 2025 with a particular focus on new guidelines for the financial sector from the Science Based Target initiative.

The ambition of climate neutrality means reducing the GHG intensity of the Länsförsäkringar AB Group from 355 tCO<sub>2</sub>eq/SEK M, see table 19 in E1-6. The Group is striving to reduce its GHG intensity (Scopes 1, 2 and 3) by 2030 by an average of:

- 7% per year for the investment operations with a 2019 base year, and
- 7.5% per year for other operations within the Group with a 2024 base year.

In total, the Group's target of climate neutrality entails a 90% reduction of GHG intensity by 2045 (see SBTi FINZ 2024 for further details). The remaining 10% will be neutralised by contributions from investments and financing. Funds are allocated to portfolio companies, assets and projects that reduce more emissions than they produce, known as negative emissions. See E1-7 for the current status of these measures. At the current time, the Länsförsäkringar AB Group has not set absolute targets for the reduction of its Scope 1, 2 and 3 GHG emissions.

### E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Data to calculate Scope 1, 2 and 3 GHG emissions is collected for own internal operations and reported in accordance with the GHG Protocol. Reporting covers GHG emissions of carbon dioxide, methane, nitrous oxide, SF<sub>6</sub>, HFCs, PFCs and NF<sub>3</sub>. The climate impact of GHG emissions is calculated and reported in terms of amount of carbon dioxide equivalents (CO<sub>2</sub>eq) using Global Warming Potential (GWP) values according to the IPCC Sixth Assessment Report. The boundaries of Scope 3 reporting are based on the emissions inventory conducted during the year and the relevance of the categories to the Länsförsäkringar AB Group. The following Scope 3 categories were excluded: 4: Upstream transportation and distribution, 8: Upstream

leased assets, 9: Downstream transportation and distribution, 10: Processing of sold products, 12: End-of-life treatment of sold products, 13: Downstream leased assets, and 14: Franchises.

All Scope 3 emissions in the inventory are included in this year's reporting. Scope 3 emissions will be calculated and updated annually. Scope 1, 2 and 3 emissions in the inventory are presented in table 17. Scope 3 emissions, Category 15 represent 99% of total reported gross GHG emissions. Table 18 provides disclosures on how reported Scope 3 emissions, Category 15 are distributed between investments, lending and insured emissions and the share of primary data used in the calculations. The table also presents the distribution of Scope 1, 2 and 3 emissions.

Generally speaking, there are data gaps in the emissions inventory due to a lack of reliable methods and available Scope 1, 2 and 3 data of sufficiently high quality. Besides the calculation of the share of primary data, the Länsförsäkringar AB Group intends to apply the PCAF's method in the future for a more precise assessment of data quality.

Emissions for insurance policies that are settled in cash are not included in the report, since Länsförsäkringar AB cannot control what the compensation is used for. This includes cash compensation from risk insurance (health, accident and death benefit insurance) and savings insurance (pension and endowment insurance). Emissions linked to reinsurance are not included in the report as there is no industry-wide methodology in this area. The Länsförsäkringar AB Group is waiting for the PCAF to develop methods. A reliable methodology is also lacking for calculating biogenic emissions.

### Adjustment of historically reported emissions

The emissions for the Länsförsäkringar AB Group's purchases were followed up and adjusted for 2023. The share of total purchase value included in climate calculations was increased to about 80% compared with the previous measurement for 2023, which was less than 10%. Adjustments were also made for Scope 1 and 2 emissions and Categories 3, 5, 6 and 7 in Scope 3 for 2023 and 2024. Agria's operations outside Sweden are included in the reported outcomes for 2023 and 2024. 11 additional Swedish offices where about 500 of Länsförsäkringar AB's employees have their workplaces outside Stockholm are included in the outcome for 2024. The calculation of emissions for own operations is carried out by a third party. The reporting for 2024 used partly different emission factors compared with previous years. Historical outcomes were not restated.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

Business operations

Other information

Sustainability Report

General information

Responsible business conduct

Social information

- Climate change

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



TABLE 17

	2023		2024		Milestones and target years			
	Base year	Compara- tive	N <sup>1</sup>	Change %	2025	2030	-2050	Annual % target / Base year
<b>Scope 1 GHG emissions</b>								
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)		297	178	-40%				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		-	-	-				
<b>Scope 2 GHG emissions</b>								
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)		287	437	52%				
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)		184	232	26%				
<b>Significant Scope 3 GHG emissions</b>								
Total gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> eq)		33,470	16,079,563	-				
1 Purchased goods and services <sup>2</sup>		31,291	30,164	-4%				
2 Capital goods <sup>3</sup>		-	-	-				
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)		159	184	15%				
4 Upstream transportation and distribution		-	-	-				
5 Waste generated in operations		46	38	-17%				
6 Business travel		1,210	1,241	3%				
7 Employee commuting		764	2,131	179%				
8 Upstream leased assets		-	-	-				
9 Downstream transportation		-	-	-				
10 Processing of sold products		-	-	-				
11 Use of sold products		-	62,973	-				
12 End-of-life treatment of sold products		-	-	-				
13 Downstream leased assets		-	-	-				
14 Franchises		-	-	-				
15 Investments <sup>4,5</sup>		-	15,982,832	-				
Total GHG emissions (location-based) (tCO <sub>2</sub> eq)		34,055	16,080,177	-				
Total GHG emissions (market-based) (tCO <sub>2</sub> eq)		33,952	16,079,973	-				

<sup>1</sup> Emissions from Agria's operations outside Sweden are included from 2024 in the reported outcome for Scope 1, 2 and 3 (Category 3, 5, 6 and 7). Figures reported for 2023 were updated to include these emissions. <sup>2</sup> Scope 3, Category 1 was recalculated for 2023 according to a new calculation methodology that includes the 100 largest suppliers that jointly represent approximately 80% of the annual purchase volume. <sup>3</sup> Previously reported Scope 3 emissions, Category 2 are reported from the 2024 reporting under Scope 3, Category 1. <sup>4</sup> Scope 3, Category 15 includes emissions related to investments, lending and insured emissions. <sup>5</sup> Reported emissions for investments in Scope 3, Category 15 include Scope 1, 2 and 3.

TABLE 18

Distribution of emissions, Scope 3 Category 15	Scope 1 + 2 (tCO <sub>2</sub> eq)	Scope 3 (tCO <sub>2</sub> eq)	Percentage (%) primary data	
			Total (tCO <sub>2</sub> eq)	
Investments <sup>1</sup>	1,107,612	14,026,465	15,134,077	82
Lending	313,376	202,506	515,882	0
Insured emissions			332,873	0
<b>Total</b>			<b>15,982,832</b>	<b>78</b>

**Reporting principles**

**Scope 1:**

Emissions from lease company cars are calculated based on km driven and stationary for incineration based on consumption of diesel. Emission factors from the Swedish Transport Administration 2022 and DEFRA were used for the 2024 calculation. The 2023 calculation was performed using emission factors from the Swedish Environmental Protection Agency 2023, the Swedish Energy Agency 2023 and BEIS 2023.

**Scope 2:**

Energy consumption (electricity, heating and cooling) and information about green leases at the offices were obtained from the property owner or landlord. Location-based and market-based emissions are calculated according to the methodology in the GHG Protocol. The emission factors used for 2024 derive from the following sources: IVL Report C619, AIB, Swedish Energy Markets Inspectorate, Swedenergy 2024, local environmental values for district heating 2023 and Swedish District Heating Association. Emission factors from Stockholm Exergi and the Swedish Energy Markets Inspectorate 2023 were applied to the calculation of Scope 2 emissions in 2023. For Agria's foreign operations, emission factors from IEA 2023, Ecoinvent v3.10, BEIS 2023 and AIB 2023 were used.

**Scope 3, Category 1**

Emissions for purchased goods and services are based on spend-based data for the 100 largest suppliers, which together represent about 80% of the purchase volume. The calculations were carried out by an external party, DXC, which in turn uses Climatq as a supplier of emission factors. The share of emissions calculated using primary data is 0%. In prior years, the calculation only included own operations. As part of the change in methodology, emissions in Category 1, which were previously reported under Category 2, are now included.

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

FINANCIAL STATEMENTS

OTHER INFORMATION



**Scope 3, Category 3**

Emissions from fuel and energy-related operations are life cycle emissions and are calculated using emission factors for each energy type. The share of emissions calculated using primary data is 0%.

**Scope 3, Category 5**

Emissions from waste are based on waste fraction and weight from each country of operation. Emission factors from DEFRA were used for 2024. For the 2023 calculation, emission factors from BEIS 2023, ADEME 2023 and the World Bank 2023 were applied. The share of emissions calculated using primary data is 0%.

**Scope 3, Category 6**

Emissions from business travel are based on data from the travel agency and the People & Culture unit. For Agria’s foreign operations, data was collected for business travel not booked through a travel agency directly from each country of operation. The 2024 calculation was carried out using emission factors from DEFRA, SJ, Swedish Transport Administration, ADEME and Greenview Hotel Footprinting Tool. For the 2023 calculation, emission factors from the Swedish Environmental Protection Agency 2023, the Swedish Energy Agency 2023 and RDC 2023 were used. The share of emissions calculated using primary data is 0%.

**Scope 3, Category 7**

Emissions from commuting refers to employees travelling between home and work, as well as working from home. Emissions are calculated based on a questionnaire to all employees in 2023 that was extrapolated for results in 2024, with some measurement uncertainty. Emission factors used in 2024 come from DEFRA, ADEME, SJ, Swedish Energy Agency 2024 and Swedish Bus and Coach Federation. For 2023, emission factors from the Swedish Environmental Protection Agency 2023, Swedish Transport Administration 2023, Mobitool 3.0, Swedish Energy Markets Inspectorate 2023, RDC 2023 and others were applied per mode of transport. The share of emissions calculated using primary data is 0%.

**Scope 3, Category 11**

*Emissions from customer travel to care providers and the share of care providers’ operations-based emissions in personal-risk business*  
CO<sub>2</sub>eq emissions are reported for car and air travel. For cars, the calculations use average distances driven from Transport Analysis and

emission factors for passenger cars from the Swedish Transport Administration 2022. For air travel, the calculations were based on DEFRA emission factors. Länsförsäkringar AB contacted ten financially significant care providers and, based on data from five of these providers, calculated average CO<sub>2</sub>eq emissions per physical visit. This average metric was used to estimate emissions for all physical insurance cases with Länsförsäkringar AB. The share of emissions calculated using primary data is 0%.

*Repair-based CO<sub>2</sub>eq emissions in claims adjustment for motor insurance business*

For the emissions reporting of motor damage repairs, data is currently available mainly for claims covered by vehicle-damage guarantees for passenger cars. This damage only includes sheet metal, paint and plastic. Claims involving motor third-party liability and motor hull insurance (such as machinery and glass) is settled by the local regional insurance companies, which means that the emissions for these repairs in the current calculation model are not attributed to Länsförsäkringar AB. To also include this carbon footprint in the emissions reporting, an average value was used that shows the approximate proportion of claims that are settled locally by the various regional insurance companies but for which the insurer is Länsförsäkringar AB.

A number of assumptions about spare parts and transportation are made in the calculation model. The climate impact from transportation of spare parts is calculated as an average and does not include any transportation between the sheet metal workshop and painter or salvage. The climate impact of the second-hand spare parts used is only calculated in its entirety, meaning the carbon footprint of the specific spare part is not taken into account. It is also assumed that passenger cars are driven to and from the workshops without a tow truck. The share of emissions calculated using primary data is 0%.

*Operations-based CO<sub>2</sub>eq emissions in claims adjustment for motor insurance business*

In the inventory of car workshops’ operations-based CO<sub>2</sub>eq emissions from motor damage repairs, information was collected using Länsförsäkringar’s environmental and quality programme and the audit checks carried out every year by Autoteknik AB. Reporting of operations-based CO<sub>2</sub>eq emissions includes heating of the workshops’ facilities. No consideration is given to the life cycle of the building, meaning the climate impact of manufacturing or completed renova-

tions. The climate impact reduction of solar panels is calculated as a standard rate. Energy losses are only adjusted to specific workshops that have data available, and do not include factors such as heat transfer coefficients, the building geometry or ventilation levels. The climate impact of computers, staff canteens, etc. is not included. The share of emissions calculated using primary data is 0%.

*Claims adjustment Veterinary care insurance*

Refer to the methodology description under Scope 3, Category 15: Insured CO<sub>2</sub>eq emissions for horses, dogs and cats. The share of emissions calculated using primary data is 0%.

**Scope 3, Category 15**

*Investments*

Emission calculations were carried out for the investment operations in Länsförsäkringar AB and in the Non-life Insurance, Agria, Länsförsäkringar Fondliv, Länsförsäkringar Liv and Länsförsäkringar Bank business units. The emission calculations for listed companies and corporate bonds are performed using data collected via a third-party data provider. For listed companies and corporate bonds without any reported data, the data provider’s calculation models were used to estimate emissions. Emissions for government bonds were calculated according to the PCAF methodology. For unlisted directly owned holdings, data was collected from reports or directly from the companies. For unlisted indirect holdings via funds, CO<sub>2</sub> data was requested from fund managers. Contracts for funds older than 2018 generally lack ESG reporting, leading to some incompleteness in reported data. Data collection for GHG emissions takes place with a certain delay and calculations are performed using the most recently available reported data. This means that the data is not always from the 2024 reporting year. The share of emissions calculated using primary data is presented in table 18.

*Loans*

Länsförsäkringar Bank’s emissions related to lending were calculated in accordance with established methodologies from the PCAF. These methodologies are applied to quantify financed emissions for relevant asset classes such as mortgages, commercial property loans, corporate loans, agricultural properties, securities and motor vehicle loans. The calculations follow PCAF standards for the choice of methodology, emission factors and data quality. The share of emissions calculated using primary data is 0%.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS’ REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



*Insured CO<sub>2</sub>eq emissions for passenger cars in motor insurance business*  
Reporting of CO<sub>2</sub>eq emissions from insured passenger cars uses internal data to produce the number of insured vehicles and the type of insurance cover. The vehicles in question include both those that only have a vehicle-damage guarantee with Länsförsäkringar AB and those that are half or fully insured. Since there is a lack of reliable internal data for actual distances driven and a specification of fuel for cars, the calculations used average distances driven from Transport Analysis and emission factors for passenger cars from the Swedish Transport Administration (2022). The choice of attribution factor is based on the report (2023) produced by the PCAF for calculating the total cost of ownership for insurance premiums, with a global weighted average of 6.99% for the attribution factor applied to passenger car insurance. The share of emissions calculated using primary data is 0%.

*Insured CO<sub>2</sub>eq emissions for horses, dogs and cats*

Agria's insurance-associated emissions for dogs, cats and horses were calculated using data from Agria UK's carbon calculator – calculate your pet's carbon impact. The analysis includes the animals' feed consumption, waste management, accessories, veterinary care and travel. Emission factors from DEFRA were used in the calculations. An attribution factor was calculated based on an interpretation of the PCAF standard for insurance-associated emissions. The share of emissions calculated using primary data is 0%.

*Insurance of farm animals and crops*

An PCAF-inspired methodology was also used to calculate insured emissions for farm animals and crops. Agria's share of emissions could be calculated by combining Agria's premium income with customers' sales and using Statistics Sweden's statistics on GHG emissions from agriculture. The calculations were made for beef cows, dairy cows, pigs for slaughter and poultry as well as most of Agria's insured crops. The share of emissions calculated using primary data was 0%.

**GHG intensity and reconciliation with the financial statements**

The KPI for GHG intensity is calculated by comparing the Group's gross Scope 1-3 GHG emissions expressed as tCO<sub>2</sub>eq with the net revenue (SEK M) reported in the financial statements. The results are presented in table 19. The disclosures are provided at Group level. Gaps and boundaries in the emission calculations are described in the

principles for calculating GHG emissions. Net revenue includes the items covered by the definition of net sales based on the Swedish Annual Accounts Act for Insurance Companies (1995:1560) and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) (1995:1559), rebating of commissions and fee income in Länsförsäkringar Fondliv, and revenue from support and service operations. The data was collected from the consolidated income statement, and notes 4, 6, 14, 15, 16 and 17. Net revenue in Länsförsäkringar Liv was collected from the company's financial statements. See table 20 for a reconciliation of net revenue against the financial statements.

TABLE 19.

GHG intensity per net revenue	2023 <sup>2)</sup>		2024	
	Comparative	N	N	Change %
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> eq/SEK M)	-	355	-	-
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> eq/SEK M)	-	355	-	-

<sup>2)</sup>No comparative figures are provided

TABLE 20.

Reconciliation with the financial statements	
SEK M	2024
Net revenue used to calculate GHG intensity	45,310
Of which net revenue in the subsidiary Länsförsäkringar Liv (not consolidated in the consolidated financial statements)	716
<b>Net revenue included in the financial statements</b>	<b>44,594</b>

**E1-7 GHG removals and GHG mitigation projects financed through carbon credits**

**GHG mitigation projects via sustainable bonds**

The Länsförsäkringar AB Group has investment portfolios in sustainable bonds that finance projects locally and globally with a focus on both environmental and social impacts, including GHG mitigation. On 31 December 2024, the sustainable bonds in the Group's investment portfolios amounted to approximately SEK 27.5 billion. The project categories that have mainly received funds through investments in sustainable bonds include renewable energy and energy efficiency.

These project categories enable the Länsförsäkringar AB Group to support projects that make a significant contribution to avoiding, reducing and saving the planet's GHG emissions (CO<sub>2</sub>).

As of 31 December 2024, the investments contributed to avoiding, reducing or saving GHG emissions equivalent to 1.6 million tCO<sub>2</sub>eq, which corresponds to one year of emissions from more than 700,000 petrol-fuelled passenger cars according to data from the Swedish Transport Administration. The coverage rate for which there is evidence of environmental and social impacts from the bonds is 92% of SEK 27.5 billion.

The issuers of sustainable bonds in the portfolios consist of both supranational and intergovernmental bodies, as well as Swedish regions and municipalities. Projects financed through the various sustainable bonds thus have both a local and global range, enabling contributions to limiting GHG emissions around the world. For example, the projects range from financing the construction of wind farms and CHP plants in Sweden, reducing the need for fossil fuels in Swedish households, to financing the installation of solar panels in India in order to reduce emissions in developing countries. A complete summary of the issuers of sustainable bonds in the portfolios and a description of financed project categories is available on Länsförsäkringar AB's website<sup>3)</sup>.

**GHG removals through forest investments**

The Länsförsäkringar AB Group has investments in the listed forestry companies of SCA and Holmen and the unlisted company HT Skogar. A responsibly managed forest, in accordance with FSC and/or PEFC standards, combined with net growth, has positive climate effects, both when the forest is growing and absorbing carbon dioxide and when renewable material from the forest is used to replace fossil fuels and products. The overall positive climate effect of these investments is calculated and monitored regularly.

The calculation of the climate effect of the forest investments includes the forest's uptake of carbon dioxide, the substitution effect (forest raw material replaces fossil fuels and other materials that are carbon dioxide intensive) and the companies' carbon emissions (Scopes 1-3) are taken into account, based on the Länsförsäkringar AB Group's participating interest in each company. For the specific disclosure of GHG removals based on the Group's investment portfolios, the figure is 39,662 tCO<sub>2</sub>.

<sup>3)</sup> <https://www.lansforsakringar.se/4967b9/globalassets/aa-global/dokument/ovrigt/aa-om-oss/hallbarhetsinriktade-obligationer.pdf>

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

FINANCIAL STATEMENTS

OTHER INFORMATION



STRATEGY

E1-1 Transition plan and work in offering and own operations

Climate transition plan version 1.0

Transition plan version 1.0 was adopted by Länsförsäkringar AB's corporate management in December 2024. The plan contains ongoing and planned activities for all business areas that over time will contribute to meeting the climate ambition by 2045. The coverage in version 1.0 in terms of the share of the Group's identified GHG emissions currently varies, both in the Group's own operations in the form of, for example, purchases and business travel, and in its various business offerings in banking, pensions and insurance (non-life, pet and crops). The scope of the emissions of each business offering and the actions in the plan will be expanded in version 2.0 that will be finalised in 2025. A more detailed version of the transition plan version 1.0 is available on the Länsförsäkringar AB's website.

Transition activities in savings offering and investments

As an investor, the Länsförsäkringar AB Group works with climate-related risks and opportunities as an integral part of its asset management. The starting point is that the various responsible investment strategies are applied to asset management in accordance with the policy. Climate risks are to be limited over time through proactive efforts to reduce exposure both to transition risks and to physical climate risks. In practice, this means the following:

- Support companies that have started to transition their operations
- Promote exposure to companies and issuers that, with their products, services and projects, support the transition to a more sustainable society
- Engage with companies to set science-based climate targets and follow up emissions outcomes
- Engage with companies concerning significant climate-related risks and emissions
- Reduce exposure to companies showing an unwillingness to transition and those who risk having stranded assets. This can be achieved by applying specific exclusion and transition criteria for companies that conduct fossil-fuel and other carbon-intensive operations in the savings and investment offerings.

Engagement connected to savings offering and investments

The Länsförsäkringar AB Group endeavours to ensure that funds and investment portfolios work systematically to reduce climate risks, con-

tribute to climate adaptation and promote the transition to a more sustainable society. The carbon footprint and the share of companies with science-based climate targets are monitored and followed up on a regular basis in the investment portfolios and own funds. The positive climate effects of investments are also included in the calculation, for example, the carbon dioxide absorbed by forestry companies or the contributions made by sustainability-focused bonds to reduce carbon dioxide emissions. These measurements and related analyses are used as a basis for making investment decisions. The three investment strategies of inclusion, exclusion and engagement are combined to take sustainability factors into consideration and integrate them into asset management.

Under the framework of the engagement strategy, the Länsförsäkringar AB Group has specialists in the areas of responsible investments, corporate governance and management, as well as a stewardship service provider that monitors and engages in ongoing dialogue with companies to guide them in a more sustainable direction. These dialogues include climate-related issues and take place both reactively and proactively. Serious violations or risk of violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises, which also address climate issues, are identified through semi-annual screening of all portfolio companies. Engagement is initiated if a violation is identified. The Länsförsäkringar AB Group also monitors and analyses the emissions of the investment portfolios and strives to ensure that the companies that account for the largest emissions are subject to engagement by the Group, through either a stewardship service provider or an external climate initiative.

The Länsförsäkringar AB Group is engaged in a number of investor-led climate initiatives that address climate-related issues, including:

- Climate Action 100 – focus on climate emissions
- Sustainable Value Creation – focus on the climate in Swedish forests
- Mining 2030 – focus on the environment in the mining sector
- CDP's call for COPs on biodiversity and the climate

INVESTEE

Metric/activity	Outcome 2024	Comment
Number of investees subject to engagement regarding climate	201	New KPI for 2024; in the past, engagement related to environmental topics was generally reported

Transition activities in insurance offering

As an insurance company with operations in both Sweden and Europe (pet insurance), and as an owner of forests and properties, the Länsförsäkringar AB Group works closely with the authorities and industry organisations on claims-prevention measures that reduce climate impact and enhance climate adaptation. As part of motor insurance claims adjustment, checks are made to ensure that car workshops have active sustainability agendas. The focus is to repair glass rather than replace it, to increase the use of used parts, and to conduct claims-prevention activities to reduce the number of accidents and claims, which in turn reduces the use of resources. In addition, Länsförsäkringar AB promotes car sharing pools by offering attractive insurance coverage.

Agria works with Vet Guide, Sweden's health care coordination service, horse feed advice, self-care instructions for customers and preventive measures as well as the use of digital veterinary care services in order to reduce the need for unnecessary and resource-intensive treatments, which in turn reduces the climate impact of animal husbandry. Agria's Research Fund supports research into animal health and the relationship between animals and people, which contributes to a sustainable lifestyle for animals and animal owners and the development of veterinary care. Research results are shared through digital research seminars, lectures and clinics.

The insurance operations include large purchases made for claims adjustment of, for example, properties and vehicles, whereby Länsförsäkringar AB helps meet market demand for energy efficiency and recycling of materials. Continuously improving measurements of claims-related emissions provides a basis for developing know-how, action and monitoring. The base year for the insurance operations (Non-life and Agria) is 2024, which means that the outcome of transition work will be reported in 2025.

Transition activities in lending offering

Länsförsäkringar Bank primarily focuses on mortgages, which account for 79% of the loan portfolio. This involves, for example, product development and an increase in the share of green mortgages, which provides an incentive for customers with energy class A and B, Nordic Swan Eco-labelled and Passivhus properties in the form of a 0.1% discount on their mortgage. The bank also works to enhance energy efficiency through energy loans that encourage customers to make energy renovations, industry collaborations and internal know-how on energy efficiency. The base year for the banking operations is 2024, which means that the outcome of this transition work will be reported in 2025.

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

FINANCIAL STATEMENTS

OTHER INFORMATION



**Levers, challenges and dependencies**

The primary decarbonisation levers are regulations and standards, stewardship and market demand. The interplay between these levers creates the incentives needed for an energy supply transition as well as energy efficiency improvements in the economy in line with the goals of the Paris Agreement. The Länsförsäkringar AB Group works actively in all three roles – for ambitious and long-term regulations, as a responsible investor, insurer and financier, and by specifying climate-related requirements in procurements and purchasing.

The Länsförsäkringar AB Group is involved in and supports some 30 sustainability initiatives and organisations in Sweden and internationally. The aim of such participation is to engage with investees and other investors, carry out regulatory monitoring and involvement, focus on standardisation, develop methodologies, network and exchange know-how. While there are many positive forces driving the transition, there are also several challenges that are making the process more difficult. These include low quality or a lack of data on the climate emissions of companies and a lack of knowledge among customers and suppliers about climate risks and opportunities for action. Regulatory frameworks are important both for access to data and for motivating companies and private individuals to take emissions reduction measures. New technologies can improve the energy efficiency of buildings, but to analyse and stimulate improvements to the energy performance of buildings, banks need access to energy data from authorities such as the Swedish National Board of Housing, Building and Planning. New technical equipment can also reduce GHG emissions in vehicle claims adjustment, but the investments required can be a financial challenge for both the workshops and Länsförsäkringar AB. In other areas, such as animal husbandry and veterinary care, there is a lack of alternative, competitive products and technologies that can help to reduce emissions. Instead, Agria works with preventive measures and encourages the use of digital veterinary care services so that the need for unnecessary and resource-intensive treatments is reduced, thus also lowering the impact on the climate.

Based on the Länsförsäkringar AB Group's operations, no information has been received to suggest that the Group has been excluded from the Paris Aligned Benchmarks (PAB). The PAB criteria have exclusions for involvement in controversial weapons, serious norm violations and fossil fuels which do not reflect the Group's operations. There is also no knowledge of the Group being excluded from the EU Paris-aligned Benchmarks.

In many cases where good alternatives are available, their spread is hindered by the fact that they can be more expensive than conventional, and less sustainable solutions. This leads to a long payback period, making it less profitable to invest in them. It is often necessary to implement changes in the policy instruments and regulations that change the economic conditions and stimulate demand for solutions that drive the transition. A challenge in efforts to reduce emissions from the Länsförsäkringar AB Group's investment operations (Länsförsäkringar Liv, Länsförsäkringar Fondliv and Länsförsäkringar Fondförvaltning) is that the choice of investment by both customers and external managers has a major impact. If customers, or managers, choose to invest in funds with higher emissions, such as in markets where emissions are generally higher, the total emissions in the Group's portfolios will increase. The Länsförsäkringar AB Group can influence these emissions to some extent through the range of funds offered and by imposing sustainability requirements on the fund managers included in the range.

**Planned actions**

As part of the continued process to fulfil the Länsförsäkringar AB Group's ambition of climate neutrality by 2045, the company's activities to reduce GHG emissions will be broadened and deepened. The coverage rate for the share of emissions that can be measured and monitored will gradually increase, which means that a higher volume of emissions will be covered by the transition process.

In the banking operations, the management of climate and energy data in Länsförsäkringar Bank's processes will be strengthened, sustainable loan products will be developed and tools to help customers make more sustainable decisions will be investigated.

In the savings offering, the range and packaging of sustainable offerings and services that support the green transition will be further developed and strengthened. Fund companies in the range will be engaged to set validated climate targets and are expected to act more responsibly as regards the climate in relation to holdings in individual funds. In addition, communication on sustainability, sustainability-focused offerings and health-promotion services will be strengthened.

In Länsförsäkringar Fondliv (unit-linked insurance operations and open traditional management, Guarantee Management), work will continue to include funds and exclude funds in the selected range based on return potential and level of sustainability. The aim is, for example, to increase the number of sustainability-focused funds and the number of external fund companies that have climate targets in

their range, increase the share of sustainable investments in Guarantee Management, and further develop climate efforts and engage managers and holdings where necessary.

For Länsförsäkringar Fondförvaltning's funds, current and forward-looking climate indicators will continue to be integrated into investment decisions and index constructions. Furthermore, engagement will continue with investee companies to encourage them to adopt science-based climate targets and reduce their GHG emissions.

As in previous years, the continuing transition activities in the Länsförsäkringar AB Group's investment portfolios will apply the approach of responsible investments and engagement. This is done in order to direct funding, in a structured manner, to companies that contribute to sustainable development, such as the climate transition or climate adaptation. The responsible investment strategies of inclusion, engagement and exclusion are applied to this work. The Group has gradually increased the application of inclusion and engagement, and these will be the Group's priority strategies going forward.

For the non-life insurance business, claims prevention will be developed and sustainable repair methods will be promoted. The work on Länsförsäkringar AB's environmental and quality programme is continuing, with a particular focus on quantifying and reducing the carbon footprint of motor repairs and car workshop operations. Furthermore, insurance cover for car-sharing pools will be maintained, supporting the sharing economy and contributing to reduced climate impact.

The Agria Group will focus on improving the customer journey by encouraging a larger share of customers to use digital veterinary care services such as medical consultations and Agria Vet Guide. This aims to reduce unnecessary travel to the vet, which in turn reduces the impact on the climate. In addition, efforts are being made to increase the share of customers participating in claims-prevention courses by developing the extra concept and making it available to more customers.

To reduce GHG emissions from the Länsförsäkringar AB Group's own operations, expanded climate requirements will be imposed on suppliers, based on a mapping of purchasing-related CO<sub>2</sub> emissions that was performed in 2024. The Länsförsäkringar AB Group also plans to further facilitate flexible working by enabling train travel the day before planned meetings in other locations, clarifying requirements and follow-ups of business travel providers, and exploring the possibility of increasing the share of biofuels blended in aviation fuels. By demanding a higher share than the EU target under the ReFuelEU Aviation Initiative, the Länsförsäkringar AB Group can contribute to the transition to sustainable travel.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



# Taxonomy disclosures

Table 1	Weighted average of KPIs for Taxonomy-aligned activities	90
Table 2	KPIs of insurance and reinsurance undertakings	91
Table 3	The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments 2024	93
Table 4	The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments 2023	96
Table 5	Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation	99
Table 6	Assets for the calculation of GAR based on turnover 2024 and 2023	101
Table 7	Assets for the calculation of GAR based on CapEx 2024 and 2023	106
Table 8	GAR – sector information based on turnover	111
Table 9	GAR – sector information based on CapEx	112
Table 10	GAR KPI stock based on turnover 2024 and 2023	113
Table 11	GAR KPI stock based on CapEx 2024 and 2023	116
Table 12	GAR KPI flow based on turnover 2024	119
Table 13	GAR KPI flow based on CapEx 2024	121
Table 14	KPI off-balance sheet exposures – stock based on turnover	123
Table 15	KPI off-balance sheet exposures – stock based on CapEx	124
Table 16	KPI off-balance-sheet exposures – flow based on turnover	125
Table 17	KPI off-balance-sheet exposures – flow based on CapEx	125
Table 18	Exposure to nuclear and fossil gas related activities in the operations	126

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
    - Climate change
  - Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Disclosures according to the EU Taxonomy Regulation

The Taxonomy Regulation and its delegated acts (the “Taxonomy”) is part of the EU’s action plan to achieve the target of a climate neutral Europe by 2050. The Taxonomy expresses six environmental objectives and contains classification criteria to assess whether an economic activity substantially contributes to these objectives and can thus be considered environmentally sustainable. The regulations also require certain large companies to provide specific Taxonomy-related disclosures.

The reporting requirements entail that companies must provide information about how and the extent to which the company’s economic activities are eligible under the Taxonomy’s technical screening criteria and the extent to which the activities qualify as environmentally sustainable (“Taxonomy-aligned”). To meet the criteria, the activity must substantially contribute to at least one of the EU’s six environmental objectives while doing no significant harm to any of the other five environmental objectives. The undertakings must also meet certain minimum requirements on social sustainability, known as minimum safeguards, in order for the activities to be reported as environmentally sustainable under the Taxonomy. The criteria for when an activity can be considered Taxonomy-aligned are described in detail in the Taxonomy’s technical screening criteria.

Financial undertakings must disclose the proportion of the company’s investments and financing that are channelled towards Taxonomy-eligible and Taxonomy-aligned activities. These disclosures are based on the taxonomy disclosures of the counterparty, which results in a reporting delay. Disclosures on investments and financing that are channelled towards Taxonomy-eligible activities include all six environmental objectives as of this year. Disclosures on Taxonomy alignment for environmental objectives 3-6 will not be reported until 2026. The comparative years include only environmental objectives 1 and 2.

omy-eligible and Taxonomy-aligned activities. These disclosures are based on the taxonomy disclosures of the counterparty, which results in a reporting delay. Disclosures on investments and financing that are channelled towards Taxonomy-eligible activities include all six environmental objectives as of this year. Disclosures on Taxonomy alignment for environmental objectives 3-6 will not be reported until 2026. The comparative years include only environmental objectives 1 and 2.

**Make a substantial contribution to the environmental objectives and do no significant harm to the other environmental objectives**

In order for an activity to be Taxonomy-aligned, it must qualify under the Taxonomy, meaning that the regulation must have technical screening criteria for the specific activity. An activity that meets the criteria for contributing substantially to at least one of the environmental objectives may not be considered Taxonomy-aligned if it does

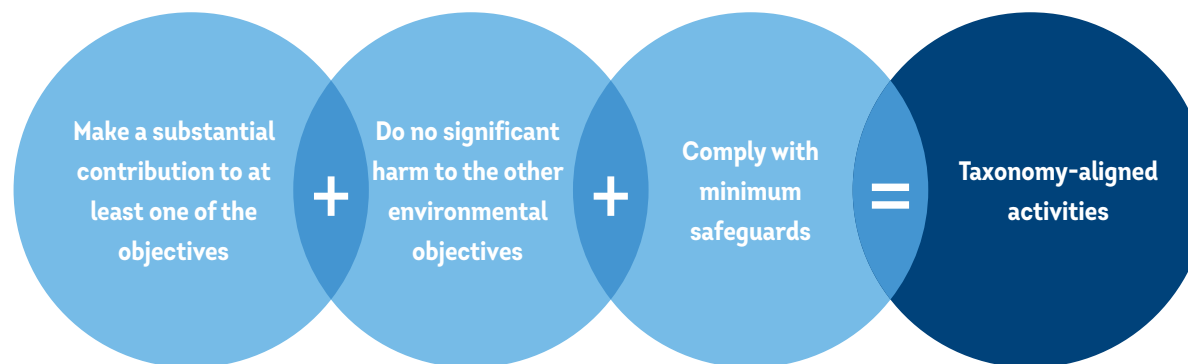
significant harm to the other environmental objectives. Significant harm to the other environmental objective is specified in the technical screening criteria of the Taxonomy. For the Länsförsäkringar AB Group, there are criteria for assessing Taxonomy alignment in the non-life insurance operations and in the criteria for buildings and property and vehicles in the banking operations’ financing of household mortgages and vehicle loans.

**Sustainability is part of Länsförsäkringar AB Group’s business strategy**

A description of the Länsförsäkringar AB Group’s sustainability governance and strategy is provided in SBM-1 and SBM-3. The Group has chosen not to establish Taxonomy-aligned environmental objectives except for exclusion criteria in relation to coal, oil and gas activities, see E1-1. The Länsförsäkringar AB Group believes that the Group meets the requirements for minimum safeguards. How this takes

**THE TAXONOMY’S 6 ENVIRONMENTAL OBJECTIVES**

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems



**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS’ REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

place is described in GOV-4, G1-1, G1-2, G1-3, G1-4 and in S2. In addition, the Länsförsäkringar AB Group's tax policy states that the Group's approach and actions in regard to tax matters should be characterised by regulatory compliance, responsibility and transparency. The Länsförsäkringar AB Group is, based on the purpose of the legislation, to endeavour to comply with applicable laws and regulations in the countries in which the Länsförsäkringar AB Group conducts operations. Tax must be paid on time, and correct tax reporting must be submitted.

**Table 1**  
**Weighted average of KPIs for Taxonomy-aligned activities**

	Proportion of total group revenue (A)		KPI turnover based (B)		KPI CapEx based (C)		KPI turnoverbased weighted (A*B)		KPI CapEx based weighted (A*C)	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Insurance undertakings	71%	66%	0.9%	1.2%	1.3%	1.7%	0.7%	0.8%	0.9%	1.2%
Insurance undertakings	29%	34%	4.1%	3.6%	4.1%	3.2%	1.2%	1.2%	1.2%	1.1%
<b>Average KPI</b>	100%	100%					1.8%	2.0%	2.1%	2.2%

### Insurance companies shall disclose information on non-life insurance, reinsurance and investments

In non-life insurance and reinsurance activities, "underwriting of climate-related perils" is an economic activity stipulated in the Taxonomy rules linked to environmental objective 2, which is to make a substantial contribution to climate change adaptation. Insurance companies are to assess and provide disclosures in tables on the proportion of certain stipulated non-life insurance that is linked to coverage for the climate-related perils, and the proportion of these that meet the detailed technical screening criteria stated in the rules to be classified as Taxonomy-aligned.

Non-life insurance and reinsurance activities that meet these criteria are also subject to the requirement to do no significant harm to the first environmental objective of climate change mitigation. This means that insuring activities that include extraction, storage, transport or manufacture of fossil fuels or insurance of vehicles, property or other assets dedicated to such purposes are not considered Taxonomy-eligible.

### Weighted average of KPIs for Taxonomy-aligned activities

The Länsförsäkringar AB Group is a financial conglomerate and must provide disclosures in tables and key performance indicators (KPIs) for the non-life insurance operations, investments and banking operations. To provide the reader with a better understanding of the proportion of the respective activities that are Taxonomy-eligible and Taxonomy-aligned, the KPIs are weighted in a weighted average key performance indicator presented in the table below. The weighting is based on the proportion of the Group's income that is derived from the respective operations. Disclosures on the insurance operations are based on three KPIs: proportion of Taxonomy-aligned gross premium in relation to total gross premiums, and two KPIs for invest-

Insurance undertakings must also disclose the proportion of investments related to economic activities that are Taxonomy-eligible and Taxonomy-aligned. The information has been collected from the counterparties' annual reports.

The Taxonomy also requires undertakings to disclose the proportion of their exposure to the nuclear and gas sectors. Since Länsförsäkringar AB's exposure to these sectors is small, this disclosure will not include all the regulatory reporting templates, but only the first template followed by qualitative disclosure of the Group's exposures.

### Taxonomy-eligible and Taxonomy-aligned non-life insurance operations

Direct insurance and reinsurance are eligible under the Taxonomy if the non-life insurance operations belong to a certain insurance class and consist of underwriting of climate-related perils (climate risks). The Länsförsäkringar AB Group assesses that insurance and reinsurance products are related to climate risks if this is either explicitly

named in the insurance terms and conditions or it can be confirmed that past claims were caused by climate risk. For products in the Länsförsäkringar AB Group that are found in insurance classes that are eligible under the rules, the premiums are primarily intended to cover risks that are not climate risks and thus the proportion of premium income related to climate risk is low. Länsförsäkringar AB's products are not considered eligible under the Taxonomy to any significant extent.

In order for products deemed Taxonomy-eligible to also be considered Taxonomy-aligned, the requirement for a substantial contribution to environmental objective 2 climate change adaptation must be met. These requirements stipulate that activities and measures, such as claims prevention and risk mitigation incentives, must be specifically related to climate risks in order to qualify as contributing substantially to the environmental objective. The degree of alignment for the Länsförsäkringar AB Group is low as regards compliance with these criteria, which is mainly (as is the case for the products' low relation to climate risk) due to the fact that climate risks have not his-

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## E TAXONOMY DISCLOSURES

torically been a leading cause of claims for the non-life insurance products provided by the Länsförsäkringar AB Group. For other criteria, the degree of alignment is high. As Insurance Europe states, it is also a challenge to achieve a high level of alignment with the EU Taxonomy since climate-related premiums often comprise a small share of total premiums, and there is a widespread lack of data available for reporting insurance premiums according to the Taxonomy's technical screening criteria. This may improve over time with the introduction of the CSRD. Claims prevention is a priority and the Länsförsäkringar AB Group works actively together with the regional insurance companies to prepare claims-prevention measures and to help customers minimise the risk of claims, and to a certain extent also measures, related to climate risk.

Länsförsäkringar AB reinsures part of the regional insurance companies' business that assumes international reinsurance with a relation to climate risk, which means that reinsurance is considered to be Taxonomy-eligible. Regarding Taxonomy alignment, Länsförsäkringar AB has assessed that no portion of the reinsurance business is Taxonomy-aligned. For reinsurance assumed from the regional insurance companies, the assessment is based on the analysis of the underlying operations. Since the majority of the regional insurance companies are not yet eligible under the Taxonomy, no data for assessing alignment is available for large parts of the business that cannot therefore be reported as if they are considered to contribute substantially to climate change adaptation. For assumed international reinsurance, several of the criteria are considered difficult to interpret in relation

to the role that Länsförsäkringar AB has for these reinsurance contracts and Taxonomy alignment cannot therefore be justified

The table below presents the proportions of the Länsförsäkringar AB Group's non-life insurance and reinsurance activities that are Taxonomy-eligible and Taxonomy-aligned. Item A.1 contains Taxonomy-eligible insurance premiums for which the Group is considered to comply with all technical screening criteria pertaining to contributing substantially to climate change adaptation and the assessment is 0 (0) for this year's reporting. Item A.2 contains Taxonomy-eligible insurance premiums, where the Länsförsäkringar AB Group is not considered to comply with all technical screening criteria. Item B includes insurance premiums that are not Taxonomy-eligible. If it was not possible to confirm that a product was related to climate risk, the insurance premiums were reported under B.

**Table 2**  
**KPIs of insurance and reinsurande undertakings**

Economic activities (1)	Substantial contribution to climate change adaptation			DNSH (Do No Significant Harm)					
	Absolute premiums, year t (2)	Proportion of premiums, year t (3)	Proportion of premiums, year t-1 (4)	Climate change mitigation (5)	Water and marine resources (6)	Circular economy (7)	Pollution (8)	Biodiversity and ecosystems (9)	Minimum safeguards (10)
SEK M	Currency	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
<b>A.1. Non-life insurance and reinsurance underwriting</b>									
<b>Taxonomy-aligned activities (environmentally sustainable)</b>	0	0%	0%	Yes	n/a	n/a	n/a	n/a	Yes
A.1.1 Of which reinsured	0	0%	0%	Yes	n/a	n/a	n/a	n/a	Yes
A.1.2 Of which stemming from reinsurance activity	0	0%	0%	Yes	n/a	n/a	n/a	n/a	Yes
A.1.2.1 Of which reinsured (retrocession)	0	0%	0%	Yes	n/a	n/a	n/a	n/a	Yes
<b>A.2 Non-life insurance and reinsurance underwriting</b>	717	6%	6%						
<b>Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>									
<b>B. Non-life insurance and reinsurance underwriting</b>	10,787	94%	94%						
<b>Taxonomy-non-eligible activities</b>									
<b>Total (A.1 + A.2 + B)</b>	<b>11,504</b>	<b>100%</b>	<b>100%</b>						

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



**Taxonomy-eligible and Taxonomy-aligned investments**

Insurance undertakings are to disclose the extent to which their investments are directed towards or associated with the financing of economic activities that are Taxonomy-aligned. In order for an activity to be Taxonomy-aligned, it must qualify under the Taxonomy, meaning that the regulation must have technical screening criteria for the specific activity. The Länsförsäkringar AB Group's disclosures are based on the counterparties' Taxonomy disclosures. Länsförsäkringar AB Group's investments that are Taxonomy-aligned amounted to 1.1% (1.6) turnover based and 1.5% (2.2) CapEx based. The investments included in the calculation of "total assets covered by the KPI" are a subset of the assets in the balance sheet. The coverage ratio shows the proportion of the balance sheet's assets that are included in the calculation. The coverage ratio for the Länsförsäkringar AB Group is 90.2% (76.9). The assets included in the calculation are: Investment assets, Other financial investment assets, and Investment assets, life-assurance policyholder bears the investment risk. These items exclude investment assets issued by central governments, central banks and supra-national issuers.

In order for an activity to be Taxonomy-aligned, it must qualify under the Taxonomy, meaning that the regulation must have technical screening criteria for the specific activity. Based on what the counterparty has reported, the Länsförsäkringar AB Group is to report the proportion of its investments that are Taxonomy-eligible, the propor-

tion that are Taxonomy-eligible economic activities but not Taxonomy-aligned, and the proportion that are Taxonomy-eligible and Taxonomy-aligned.

83.2% (74.2) of the Länsförsäkringar AB Group's turnover based investments and 84.9% (84.6) of its CapEx based investments are Taxonomy-non-eligible. These investments comprise derivatives, exposures to financial and non-financial undertakings not subject to the Taxonomy reporting requirements<sup>1)</sup> and exposures to certain other counterparties and assets. Taxonomy-non-eligible investments may not be included in the Taxonomy-aligned proportion. 13.8 percentage points (21.7) of the Taxonomy-eligible investments are turnover based and 11.6 percentage points (32.4) are CapEx based that is not Taxonomy-aligned.

Investment assets for which the Länsförsäkringar AB Group bears the risk contributed 0.5 of a percentage point (0.6) turnover based and 0.5 of a percentage point (0.9) CapEx based on the Taxonomy alignment of the investments. The remaining proportion of the investments, for which the policyholders bear the risk, consists of the policyholders' savings in the Group's unit-linked insurance products. The Länsförsäkringar AB Group provides a range of funds, but policyholders choose which of the funds in the range to invest their savings in.

The proportions and amounts in the tables are to be calculated based on the carrying amounts and the Taxonomy disclosures that the counterparties have provided in official published disclosures, often

annual reports. This means that Taxonomy disclosures are based on counterparty disclosures from previous year. For this year's reporting, the delay means that no comparative data is available for the Taxonomy alignment for environmental objectives 3-6 or for financial undertakings for environmental objectives 1 and 2. The Länsförsäkringar AB Group compiles counterparties' Taxonomy disclosures using Clarity AI. If Taxonomy disclosures are unavailable, the Länsförsäkringar AB Group states that the exposure is not Taxonomy-eligible.

The Länsförsäkringar AB Group obtains data from Bloomberg and Standard & Poor in order to sort the counterparties between financial and non-financial undertakings, whether they are established within or outside the EU, and whether they are subject to the Taxonomy. However, it has been challenging to do this for the unit-linked insurance assets, which consist of a large number of external funds. Until the Länsförsäkringar AB Group develops a more efficient way of collecting sorting data for the unit-linked insurance assets in the same way as in other investments, the Group will use Clarity AI. For this year's reporting, this means that unit-linked insurance assets may be sorted differently from the Group's other investments. The Länsförsäkringar AB Group believes that the difference has no material impact on the proportion of Taxonomy-aligned investments. Wherever sorting data is not available, the exposure is sorted in the category of Other counterparties and assets.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**

<sup>1)</sup> Undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU, meaning that they are not liable to report under the Taxonomy



**Table 3**  
**The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments – 2024**

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities <b>relative to the value of total assets covered by the KPI</b> , with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based: %	1.1%	Turnover-based: [SEK M]	4,368
Capital expenditures-based: %	1.5%	Capital expenditures-based: [SEK M]	5,874
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio: %	90.2%	Coverage: [SEK M]	384,957
<b>Additional, complementary disclosures: breakdown of denominator of the KPI</b>			
The percentage of derivatives relative to total assets covered by the KPI.		The value in monetary amounts of derivatives.	
%	0.3%	[SEK M]	1,138
The proportion of <b>exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:		Value of <b>exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings:	7.2%	For non-financial undertakings: [SEK M]	27,627
For financial undertakings:	3.3%	For financial undertakings: [SEK M]	12,539
The proportion of <b>exposures to financial and non-financial undertakings</b> from non-EU countries <b>not subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:		Value of <b>exposures to financial and non-financial undertakings</b> from non-EU countries <b>not subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings:	35.0%	For non-financial undertakings: [SEK M]	134,765
For financial undertakings:	7.7%	For financial undertakings: [SEK M]	29,751
The proportion of <b>exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:		Value of <b>exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings:	18.6%	For non-financial undertakings: [SEK M]	71,492
For financial undertakings:	10.3%	For financial undertakings: [SEK M]	39,581
The proportion of <b>exposures to other counterparties over total assets</b> covered by the KPI:		Value of <b>exposures to other counterparties</b> :	
%	17.7%	[SEK M]	68,064
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	
Turnover-based: %	0.4%	Turnover-based: [SEK M]	1,715
Capital expenditures-based: %	0.5%	Capital expenditures-based: [SEK M]	1,780

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

Table 3 (continued)

### Additional, complementary disclosures: breakdown of denominator of the KPI - 2024

The value of all the investments that are funding <b>economic activities that are not Taxonomy-eligible</b> relative to the value of total assets covered by the KPI:	
Turnover-based: %	83.7%
Capital expenditures-based: %	85.3%

The value of all the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI:	
Turnover-based: %	13.8%
Capital expenditures-based: %	11.6%

### Additional, complementary disclosures

#### Breakdown of numerator of the KPI

The <b>proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:	
For non-financial undertakings: Turnover-based: %	0.6%
For non-financial undertakings: Capital expenditures-based: %	1.0%
For financial undertakings: Turnover-based: %	0.5%
For financial undertakings: Capital expenditures-based: %	0.5%

The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based: %	0.4%
Capital expenditures-based: %	0.5%

The <b>proportion of Taxonomy-aligned exposures to other counterparties</b> in over total assets covered by the KPI:	
Turnover-based: %	0.2%
Capital expenditures-based: %	0.2%

Value of all the investments that are funding <b>economic activities that are not Taxonomy-eligible</b> :	
Turnover-based: [SEK M]	322,304
Capital expenditures-based: [SEK M]	328,532

Value of all the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy- aligned:	
Turnover-based: [SEK M]	52,937
Capital expenditures-based: [SEK M]	44,473

Value of <b>Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings: Turnover-based: [SEK M]	2,388
For non-financial undertakings: Capital expenditures-based: [SEK M]	3,789
For financial undertakings: Turnover-based: [SEK M]	1,980
For financial undertakings: Capital expenditures-based: [SEK M]	2,085

Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based: [SEK M]	1,715
Capital expenditures-based: [SEK M]	1,780

Value of <b>Taxonomy-aligned exposures to other counterparties</b> over total assets covered by the KPI:	
Turnover-based: [SEK M]	659
Capital expenditures-based: [SEK M]	811

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



**Table 3 (continued)**

**Breakdown of the numerator of the KPI per environmental objective - 2024**

**Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:**

<b>(1) Climate change mitigation</b>			
Turnover: %	1.1%	Transitional activity: A % (Turnover)	0.0%
		Enabling activity: B % (Turnover)	0.2%
CapEx: %	1.5%	Transitional activity: A % (CapEx)	0.1%
		Enabling activity: B % (CapEx)	0.3%
<b>(2) Climate change adaptation</b>			
Turnover: %	0.0%	Enabling activity: B % (Turnover)	0.0%
CapEx: %	0.0%	Enabling activity: B % (CapEx)	0.0%
<b>(3) The sustainable use and protection of water and marine resources</b>			
Turnover: %	0.0%	Enabling activity: B % (Turnover)	0.0%
CapEx: %	0.0%	Enabling activity: B % (CapEx)	0.0%
<b>(4) The transition to a circular economy</b>			
Turnover: %	0.0%	Enabling activity: B % (Turnover)	0.0%
CapEx: %	0.0%	Enabling activity: B % (CapEx)	0.0%
<b>(5) Pollution prevention and control</b>			
Turnover: %	0.0%	Enabling activity: B % (Turnover)	0.0%
CapEx: %	0.0%	Enabling activity: B % (CapEx)	0.0%
<b>(6) The protection and restoration of biodiversity and ecosystems</b>			
Turnover: %	0.0%	Enabling activity: B % (Turnover)	0.0%
CapEx: %	0.0%	Enabling activity: B % (CapEx)	0.0%

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

**Table 4**  
**The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments – 2023**

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities <b>relative to the value of total assets covered by the KPI</b> , with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based: %	1.6%	Turnover-based: [SEK M]	4,643
Capital expenditures-based: %	2.2%	Capital expenditures-based: [SEK M]	6,560
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Täckningsgrad %	76.9%	Coverage: [SEK M]	297,967
<b>Additional, complementary disclosures: breakdown of denominator of the KPI</b>			
The percentage of derivatives relative to total assets covered by the KPI.		The value in monetary amounts of derivatives.	
%	0.8%	[Mkr]	2,321
The proportion of <b>exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:		Value of <b>exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings:	3.4%	For non-financial undertakings: [SEK M]	10,138
For financial undertakings:	3.4%	For financial undertakings: [SEK M]	10,270
The proportion of <b>exposures to financial and non-financial undertakings</b> from non-EU countries <b>not subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:		Value of <b>exposures to financial and non-financial undertakings</b> from non-EU countries <b>not subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings:	5.7%	For non-financial undertakings: [SEK M]	16,993
For financial undertakings:	15.4%	For financial undertakings: [SEK M]	45,937
The proportion of <b>exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:		Value of <b>exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings:	21.8%	For non-financial undertakings: [SEK M]	64,909
For financial undertakings:	10.9%	For financial undertakings: [SEK M]	32,615
The proportion of <b>exposures to other counterparties over</b> total assets covered by the KPI:		Value of <b>exposures to other counterparties</b> :	
%	38.5%	[SEK M]	114,786
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	
Turnover-based: %	0.6%	Turnover-based: [SEK M]	1,782
Capital expenditures-based: %	0.9%	Capital expenditures-based: [SEK M]	2,533

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## E TAXONOMY DISCLOSURES

Table 4 (continued)

### Additional, complementary disclosures: breakdown of denominator of the KPI - 2023

The value of all the investments that are funding <b>economic activities that are not Taxonomy-eligible</b> relative to the value of total assets covered by the KPI:	
Turnover-based: %	74.2%
Capital expenditures-based: %	84.6%

The value of all the investments that are funding Taxonomy- eligible economic activities, <b>but not Taxonomy-aligned</b> relative to the value of total assets covered by the KPI:	
Turnover-based: %	21.7%
Capital expenditures-based: %	32.4%

### Additional, complementary disclosures

#### Breakdown of numerator of the KPI

The <b>proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> over total assets covered by the KPI:	
For non-financial undertakings: Turnover-based: %	1.4%
For non-financial undertakings: Capital expenditures-based: %	1.9%
For financial undertakings: Turnover-based: %	0.2%
For financial undertakings: Capital expenditures-based: %	0.3%

The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based: %	0.6%
Capital expenditures-based: %	0.9%

The <b>proportion of Taxonomy-aligned exposures to other counterparties</b> in over total assets covered by the KPI:	
Turnover-based: %	0.0%
Capital expenditures-based: %	0.0%

Value of all the investments that are funding <b>economic activities that are not Taxonomy-eligible</b> :	
Turnover-based: [SEK M]	221,119
Capital expenditures-based: [SEK M]	252,108

Value of all the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy- aligned:	
Turnover-based: [SEK M]	64,740
Capital expenditures-based: [SEK M]	96,489

Value of <b>Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU</b> :	
For non-financial undertakings: Turnover-based: [SEK M]	4,145
For non-financial undertakings: Capital expenditures-based: [SEK M]	5,669
For financial undertakings: Turnover-based: [SEK M]	498
For financial undertakings: Capital expenditures-based: [SEK M]	892

Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts <b>where the investment risk is borne by the policy holders</b> , that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based: [SEK M]	1,782
Capital expenditures-based: [SEK M]	2,533

Value of <b>Taxonomy-aligned exposures to other counterparties</b> over total assets covered by the KPI:	
Turnover-based: [SEK M]	61
Capital expenditures-based: [SEK M]	109

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## E TAXONOMY DISCLOSURES

Table 4 (continued)

### Breakdown of the numerator of the KPI per environmental objective - 2023

#### Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:

(1) Climate change mitigation <sup>1)</sup>			
Turnover: %	1.4%	Transitional activity: A % (Turnover)	0.1%
		Enabling activity: B % (Turnover)	0.4%
CapEx: %	2.2%	Transitional activity: A % (CapEx)	0.2%
		Enabling activity: B % (CapEx)	0.5%
(2) Climate change adaptation			
Turnover: %	0.0%	Enabling activity: B % (Turnover)	0.0%
CapEx: %	0.0%	Enabling activity: B % (CapEx)	0.0%
(3) The sustainable use and protection of water and marine resources	n/a	Enabling activity: B % (Turnover, CapEx)	n/a
(4) The transition to a circular economy	n/a	Enabling activity: B % (Turnover, CapEx)	n/a
(5) Pollution prevention and control	n/a	Enabling activity: B % (Turnover, CapEx)	n/a
(6) The protection and restoration of biodiversity and ecosystems	n/a	Enabling activity: B % (Turnover, CapEx)	n/a

<sup>1)</sup>The figures have been corrected.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## E TAXONOMY DISCLOSURES

### The banking operations are to provide disclosures about green assets in the balance sheet and under management

Under the Taxonomy, the Länsförsäkringar Bank Group is to report the investments that are directed at funding, or are associated with Taxonomy-aligned economic activities. 93% (63) of the Bank Group's assets are covered in the calculation of Taxonomy-aligned assets. The banking operations' Taxonomy-aligned assets amount to SEK 19,068 M

(15,755) and consist primarily of mortgages collateralised by residential property.

The bank's green loan portfolio continued to grow in 2024. Of the total of SEK 25 billion in new mortgages granted, approximately SEK 2.2 billion – corresponding to 9% of the growth – is estimated to be aligned with the Taxonomy's criteria under environmental objective 1 Climate change mitigation. This corresponds to 3.3% growth in total

Taxonomy-aligned assets compared with last year. This growth reflects the strategic focus on prioritising energy-efficient housing and supporting households in the transition towards a more sustainable property sector. A more detailed breakdown of the Taxonomy-aligned assets is presented below in the form of the Taxonomy tables for credit institutions.

**Table 5**  
Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation - 2024

SEK M		Total environmentally sustainable assets	KPI Turnover	KPI Capex	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	19,068	4%	4%	93%	10%	7%
SEK M		Total environmentally sustainable activities	KPI Turnover	KPI Capex	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	4,990	6%	6%	76%	11%	24%
	Trading book						
	Financial guarantees						
	Assets under management	1,525	3%	3%			

**Table 5**  
Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation - 2023

SEK M		Total environmentally sustainable activities	KPI Turnover	KPI Capex	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	15,755	4%	3%	63%	19%	6%
SEK M		Total environmentally sustainable activities	KPI Turnover	KPI Capex	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)						
	Trading book						
	Financial guarantees						
	Assets under management	313	1%	1%			

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

Business operations

Other information

Sustainability Report

General information

Responsible business conduct

Social information

– Climate change

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



**Taxonomy-eligible and Taxonomy-aligned banking operations**

Banks are to report the proportion of their lending and investments that is Taxonomy-eligible and the proportion that is Taxonomy-aligned. The Länsförsäkringar Bank Group's disclosures are based on the Taxonomy disclosures of the counterparty. Most of the tables are presented in two versions, one turnover based and one CapEx based, since this is how non-financial counterparties present their Taxonomy alignment disclosures. The proportions and amounts in the tables are to be calculated based on the Taxonomy disclosures that the counterparties have provided in official published disclosures, often annual reports. This means that Taxonomy disclosures are based on counterparty disclosures from previous year. Taxonomy-non-eligible lending and investments comprise derivatives, exposures to investments in central governments, central banks and supranational issuers as well as financial and non-financial undertakings not subject to the Taxonomy reporting requirements<sup>3)</sup>.

The reporting requirements do not apply to small and medium-sized enterprises or undertakings outside the EU. Since the majority of the Länsförsäkringar Bank Group's non-household customers are agricultural and small business customers, only a limited part of the Länsförsäkringar Bank Group's activities beyond household mortgages and car loans are Taxonomy-eligible.

**Assets for the calculation of GAR**

The following two tables show the proportion of the banking operations' assets that are Taxonomy-eligible and Taxonomy-aligned.

***Mortgages collateralised by residential immovable property***

Taxonomy alignment for loans to households collateralised by residential immovable property has been assessed according to the technical screening criterion 7.7 for properties built before 31 December 2020. Loans to households collateralised by residential immovable property are deemed to comply with the Taxonomy's technical screening criteria if the building's energy performance corresponds to energy class A or is among the top 15% in Sweden in terms of energy performance and the building is not deemed to be exposed to physical risk caused by climate change. The Länsförsäkringar Bank Group's internal model is based on valid energy declarations registered with the Swedish National Board of Housing, Building and Planning, normalised to building regulations BBR29 using a weighting factor based on statistics from the Swedish Energy Agency. The threshold for the top 15% most energy-efficient single-family homes was developed by Chalmers Industriteknik. Buildings deemed to be exposed to physical climate risks are identified according to an internal climate risk model.

Loans to households for the renovation of existing buildings, such as the Energy Loan, have been assessed under the Taxonomy's

technical screening criterion 7.2 and are Taxonomy-eligible but not Taxonomy-aligned, since it was not possible to assess whether they do significant harm to the other environmental objectives due to the lack of underlying data.

***Motor vehicle loans***

Motor vehicle loans, which include both hire purchase loans and finance leasing, have been assessed under the Taxonomy's technical screening criterion 6.5 for the manufacture and use of energy-efficient modes of transport. These motor vehicle loans are also not considered Taxonomy-aligned due to the lack of underlying data to assess the criteria for whether they do significant harm to the other environmental objectives.

***Corporate loans and investments***

For corporate loans and investments, data from Clarity AI is used, based on the counterparties' reported Taxonomy disclosures. If counterparties do not report Taxonomy alignment based on CapEx, turnover disclosures are used instead. Data is not available for small and medium-sized enterprises or undertakings outside the EU that are not Taxonomy-eligible. Since many of the Länsförsäkringar Bank Group's corporate customers are agricultural customers or small businesses, the share of operations carrying out a taxonomy assessment is limited.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 6**  
**Assets for the calculation of GAR based on turnover - 2024**

SEK M	Total [gross] carrying amount	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling		
<b>GAR - Covered assets in both numerator and denominator</b>																													
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	413,104	337,135	19,068	-	0	0	225	0	-	0	0	0	-	0	0	-	0	0	0	-	0	0	-	-	337,360	19,068	-	0	0
<b>Financial undertakings</b>	38,171	17,300	935	-	0	0	225	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	17,525	935	-	0	0
<b>Credit institutions</b>	38,170	17,300	935	-	0	0	225	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	17,525	935	-	0	0
Loans and advances	1,087	439	24	-	0	0	35	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	474	24	-	0	0
Debt securities, including UoP	37,083	16,861	911	-	0	0	190	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	17,051	911	-	0	0
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other financial corporations</b>	1	0	0	-	0	0	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0
<b>of which investment firms</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which management companies</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which insurance undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 6 (continued)**  
**Assets for the calculation of GAR based on turnover - 2024**

SEK M	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling
<b>Non-financial undertakings</b>	18	6	0	-	0	0	0	-	0	0	0	-	0	0	0	-	0	0	0	-	0	0	-	0	0	-	0	0	-	0	0
Loans and advances	18	6	0	-	0	0	0	-	0	0	0	-	0	0	0	-	0	0	0	-	0	0	-	0	0	-	0	0	-	0	0
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Households</b>	374,915	319,829	18,133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which loans collateralised by residential immovable property	316,198	293,102	18,133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which building renovation loans	23,116	23,116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which motor vehicle loans	4,237	3,611	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	50,278	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Financial and Non-financial undertakings</b>	40,745	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	38,809	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	30,042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which loans collateralised by commercial immovable property	13,606	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which building renovation loans	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities	8,561	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-EU country counterparties not subject to NFRD disclosure obligations	1,936	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

**Table 6 (continued)**  
**Assets for the calculation of GAR based on turnover – 2024**

SEK M	Total [gross] carrying amount	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling			
Loans and advances	-																																	
Debt securities	1,936																																	
Equity instruments	-																																	
<b>Derivatives</b>	4,486																																	
<b>On demand interbank loans</b>	294																																	
<b>Cash and cash-related assets</b>	-																																	
<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	2,958																																	
<b>Total GAR assets</b>	463,382	337,135	19,068	-	0	0	225	0	-	0	0	0	-	0	0	0	-	0	0	-	-	0	0	-	-	337,360	19,068	-	0	0	0	0		
<b>Assets not covered for GAR calculation</b>	33,414																																	
<b>Central governments and Supranational issuers</b>	28,382																																	
<b>Central banks exposure</b>	5,032																																	
<b>Trading book</b>	0																																	
<b>Total assets</b>	496,796	337,135	19,068	-	0	0	225	0	-	0	0	0	-	0	0	0	-	0	0	-	-	0	0	-	-	337,360	19,068	-	0	0	0	0		
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>																																		
Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets under management	129,717	8,161	1,525	-	568	2,842	455	143	-	21	11	2	-	6	1,089	11	-	70	688	1	-	-	150	-	-	10,554	1,682	-	568	2,939				
Of which debt securities	20,398	1,119	221	-	35	175	39	3	-	15	0	0	-	0	22	0	-	1	16	0	-	-	0	-	-	1,196	224	-	35	191				
Of which equity instruments	109,319	7,042	1,303	-	533	2,667	416	140	-	6	11	1	-	6	1,068	11	-	68	672	1	-	-	149	-	-	9,358	1,456	-	533	2,747				

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

### FINANCIAL STATEMENTS

### OTHER INFORMATION



**Table 6**  
**Assets for the calculation of GAR based on turnover – 2023**

	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					1)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling		
<b>SEK M</b>																		
<b>GAR - Covered assets in both numerator and denominator</b>																		
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	399,513	322,068	15,755	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial undertakings</b>	42,939	19,957	279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Credit institutions</b>	41,447	19,830	279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	587	226	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	40,860	19,604	279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other financial corporations</b>	1,492	127	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which investment firms</b>	1,374	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	1,370	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which management companies</b>	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which insurance undertakings</b>	117	72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	117	72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-financial undertakings</b>	25	16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	25	16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Households</b>	356,550	302,095	15,476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which loans collateralised by residential immovable property	276,524	276,524	15,476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which building renovation loans	23,195	23,195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which motor vehicle loans	2,376	2,376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

**Table 6 (continued)**  
**Assets for the calculation of GAR based on turnover – 2023**

	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					1)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	
<b>SEK M</b>																	
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	
<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	43,081	-	-	-	-	-	-	-	-	-		-	-	-	-	-	
<b>Financial and Non-financial undertakings</b>	37,043																
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	36,649																
Loans and advances	29,159																
of which loans collateralised by commercial immovable property	-																
of which building renovation loans	-																
Debt securities	7,378																
Equity instruments	112																
Non-EU country counterparties not subject to NFRD disclosure obligations	394																
Loans and advances	-																
Debt securities	394																
Equity instruments	-																
<b>Derivatives</b>	3,411																
<b>On demand interbank loans</b>	297																
<b>Cash and cash-related assets</b>	-																
<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	2,330																
<b>Total GAR assets</b>	442,594	322,068	15,755	-	-	-	-	-	-	-		322,068	15,755	-	-	-	
<b>Assets not covered for GAR calculation</b>	28,688																
<b>Central governments and Supranational issuers</b>	18,903																
<b>Central banks exposure</b>	9,785																
<b>Trading book</b>																	
<b>Total assets</b>	471,282	322,068	15,755	-	-	-	-	-	-	-		322,068	15,755	-	-	-	
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>																	
Financial guarantees	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	
Assets under management	49,329	1,760	313	-	76	347	110	0	-	109		1,870	314	-	76	456	
Of which debt securities	14,491	516	51	-	19	74	49	0	-	49		565	51	-	19	123	
Of which equity instruments	34,838	1,244	262	-	57	272	61	0	-	61		1,305	262	-	57	333	

<sup>1)</sup> Since the counterparties have not reported Taxonomy disclosures for environmental objectives 3-6 in the preparation of the table, there is no counterparty data to report, and the rows relating to environmental objective 3-6 have therefore been hidden in the table for 2023.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

### FINANCIAL STATEMENTS

### OTHER INFORMATION



**E TAXONOMY DISCLOSURES**

**Table 7**  
**Assets for the calculation of GAR based on CapEx – 2024**

SEK M	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)							
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling		
<b>GAR - Covered assets in both numerator and denominator</b>																																	
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	413,104	334,658	18,897	-	0	0	226	1	-	0	0	0	-	0	0	0	-	0	0	-	-	0	0	-	-	334,884	18,898	-	0	0			
<b>Financial undertakings</b>	38,171	14,820	763	-	0	0	226	1	-	0	0	0	-	0	0	-	0	0	-	-	0	0	-	-	15,046	764	-	0	0				
<b>Credit institutions</b>	38,170	14,819	763	-	0	0	226	1	-	0	0	0	-	0	0	-	0	0	-	-	0	0	-	-	15,045	764	-	0	0				
Loans and advances	1,087	435	25	-	0	0	35	0	-	0	0	0	-	0	0	-	0	0	-	-	0	0	-	-	470	25	-	0	0				
Debt securities, including UoP	37,083	14,384	738	-	0	0	191	1	-	0	0	0	-	0	0	-	0	0	-	-	0	0	-	-	14,575	739	-	0	0				
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
<b>Other financial corporations</b>	1	1	0	-	0	0	0	0	-	0	0	0	-	0	0	-	0	0	-	-	0	0	-	-	1	0	-	0	0				
<b>of which investment firms</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
<b>of which management companies</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
<b>of which insurance undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
<b>Non-financial undertakings</b>	18	9	1	-	0	0	0	0	-	0	0	0	-	0	0	-	0	0	-	-	0	0	-	-	9	1	-	0	0				
Loans and advances	18	9	1	-	0	0	0	0	-	0	0	0	-	0	0	-	0	0	-	-	0	0	-	-	9	1	-	0	0				
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

- INTRODUCTION**
- STRATEGY**
- OUR OPERATIONS**
- BOARD OF DIRECTORS' REPORT**
  - Introduction
  - Business operations
  - Other information
  - Sustainability Report
    - General information
    - Responsible business conduct
    - Social information
  - Climate change
  - Corporate Governance Report
- FINANCIAL STATEMENTS**
- OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 7 (continued)**  
**Assets for the calculation of GAR based on CapEx – 2024**

SEK M	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling
<b>Households</b>	374,915	319,829	18,133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	319,829	18,133	-	-	-
of which loans collateralised by residential immovable property	316,198	293,102	18,133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	293,102	18,133	-	-	-
of which building renovation loans	23,116	23,116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,116	-	-	-	-
of which motor vehicle loans	4,237	3,611	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,611	0	-	-	-	
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	50,278	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Financial and Non-financial undertakings</b>	40,745	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	38,809	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	30,042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which loans collateralised by commercial immovable property	13,606	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which building renovation loans	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities	8,561	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-EU country counterparties not subject to NFRD disclosure obligations	1,936	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities	1,936	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 7 (continued)**  
**Assets for the calculation of GAR based on CapEx – 2024**

SEK M	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)							
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling		
<b>Derivatives</b>	4,486																																
<b>On demand interbank loans</b>	294																																
<b>Cash and cash-related assets</b>	-																																
<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	2,958																																
<b>Total GAR assets</b>	463,382	334,658	18,897	-	0	0	226	1	-	0	0	0	-	0	0	0	-	0	0	0	-	-	0	0	-	-	334,884	18,898	-	0	0		
<b>Assets not covered for GAR calculation</b>	33,414																																
<b>Central governments and Supra-national issuers</b>	28,382																																
<b>Central banks exposure</b>	5,032																																
<b>Trading book</b>	0																																
<b>Total assets</b>	496,796	334,658	18,897	-	0	0	226	1	-	0	0	0	-	0	0	0	-	0	0	0	-	-	0	0	-	-	334,884	18,898	-	0	0		
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>																																	
Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Assets under management	129,717	9,129	2,681	-	1,007	2,048	51	13	-	3	8	1	-	3	460	6	-	36	448	2	-	-	2	-	-	-	10,098	2,703	-	1,007	2,090		
Of which debt securities	20,398	263	263	-	64	182	0	0	-	0	0	0	-	0	0	0	-	1	0	0	-	-	-	-	-	263	263	-	64	183			
Of which equity instruments	109,319	8,866	2,418	-	943	1,866	51	12	-	3	8	0	-	3	460	6	-	35	448	1	-	-	2	-	-	-	9,835	2,437	-	943	1,907		

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**Table 7**  
**Assets for the calculation of GAR based on CapEx – 2023**

	Total [gross] carrying amount	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			1)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)									
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling						
<b>SEK M</b>																		
<b>GAR - Covered assets in both numerator and denominator</b>																		
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	399,513	322,069	15,755	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial undertakings</b>	42,939	19,958	279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Credit institutions</b>	41,447	19,830	279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	587	226	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	40,860	19,604	279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other financial corporations</b>	1,492	128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which investment firms</b>	1,374	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	1,370	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which management companies</b>	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which insurance undertakings</b>	117	72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	117	72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-financial undertakings</b>	25	16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	25	16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Households</b>	356,550	302,095	15,476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which loans collateralised by residential immovable property	276,524	276,524	15,476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which building renovation loans	23,195	23,195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which motor vehicle loans	2,376	2,376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

**Table 7 (continued)**  
**Assets for the calculation of GAR based on CapEx – 2023**

	Total (gross) carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					1)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	
<b>SEK M</b>																	
<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	43,081	-	-	-	-	-	-	-	-	-		-	-	-	-	-	
<b>Financial and Non-financial undertakings</b>	37,043																
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	36,649																
Loans and advances	29,184																
of which loans collateralised by commercial immovable property	-																
of which building renovation loans	-																
Debt securities	7,378																
Equity instruments	112																
Non-EU country counterparties not subject to NFRD disclosure obligations	394																
Loans and advances	-																
Debt securities	394																
Equity instruments	-																
<b>Derivatives</b>	3,411																
<b>On demand interbank loans</b>	297																
<b>Cash and cash-related assets</b>	-																
<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	2,330																
<b>Total GAR assets</b>	442,594	322,069	15,755	-	-	-	-	-	-	-		322,069	15,755	-	-	-	
<b>Assets not covered for GAR calculation</b>	28,688																
<b>Central governments and Supranational issuers</b>	18,903																
<b>Central banks exposure</b>	9,785																
<b>Trading book</b>	-																
<b>Total assets</b>	471,282	322,069	15,755	-	-	-	-	-	-	-		322,069	15,755	-	-	-	
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>																	
Financial guarantees	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	
Assets under management	49,329	1,569	394	-	153	281	21	0	-	-		1,590	394	-	153	281	
Of which debt securities	14,491	85	85	-	27	78	0	0	-	1		85	85	-	27	79	
Of which equity instruments	34,838	1,484	308	-	126	203	21	0	-	2		1,505	308	-	126	205	

<sup>1)</sup> Since the counterparties have not reported Taxonomy disclosures for environmental objectives 3-6 in the preparation of the table, there is no counterparty data to report, and the rows relating to environmental objective 3-6 have therefore been hidden in the table for 2023.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

### FINANCIAL STATEMENTS

### OTHER INFORMATION



**E TAXONOMY DISCLOSURES**

**Turnover GAR sector information**

The table below shows the green asset ratio for non-financial counterparties that are subject to the disclosure requirements of the Taxonomy, broken down by the counterparty's main economic activity (NACE). All counterparties have reported that the ratios that are Taxonomy-eligible relate to environmental objective 1 climate change mitigation.

**Table 8**  
**GAR - sector information based on turnover – 2024**

Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + P + BE)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)
28.24 Manufacture of power-driven hand tools	0	0	-	-	-	-	-	-	-	-	-	-	-	0	0	
29.10 Manufacture of motor vehicles	0	0	-	-	-	-	-	-	-	-	-	-	-	0	0	
30.30 Manufacture of air and spacecraft and related machinery	0	0	0	-	-	-	0	-	-	-	-	-	-	0	0	
35.11 Production of electricity	0	0	-	-	-	-	-	-	-	-	-	-	-	0	0	
35.13 Distribution of electricity	0	0	-	-	-	-	-	-	-	-	-	-	-	0	0	
47.19 Other retail sale in non-specialised stores	0	-	-	-	-	-	-	-	-	-	-	-	-	0	-	
52.23 Service activities incidental to air transportation	0	0	-	-	-	-	-	-	-	-	-	-	-	0	0	
68.10 Buying and selling of own real estate	5	0	0	0	0	0	0	0	0	0	0	0	0	5	0	
70.10 Activities of head offices	0	0	-	-	-	-	-	-	-	-	-	-	-	0	0	
70.22 Business and other management consultancy activities	-	-	-	-	-	-	-	-	-	-	-	0	-	0	-	
72.20 Research and experimental development on social sciences and humanities	-	-	-	-	-	-	-	-	0	-	-	-	-	0	-	

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**Table 9**  
**GAR - sector information based on CapEx - 2024**

Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + P + BE)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCM)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CCA)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (WTR)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (CE)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (PPC)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (BIO)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (TOTAL)	[Gross] carrying amount, MSEK	Of which environmentally sustainable (TOTAL)
28.24 Manufacture of power-driven hand tools	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	
29.10 Manufacture of motor vehicles	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	
30.30 Manufacture of air and spacecraft and related machinery	0	0	-	-	-	-	0	-	-	-	-	-	-	-	-	
35.11 Production of electricity	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	
35.13 Distribution of electricity	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	
47.19 Other retail sale in non-specialised stores	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52.23 Service activities incidental to air transportation	0	0	-	-	-	-	0	-	-	-	-	-	-	-	-	
58.21 Publishing of computer games	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
68.10 Buying and selling of own real estate	5	0	0	0	0	0	0	0	0	0	0	0	0	5	0	
70.10 Activities of head offices	3	0	-	-	-	-	0	-	-	-	-	-	-	3	0	
70.22 Business and other management consultancy activities	0	-	-	-	-	-	-	-	-	-	0	-	-	-	-	
72.20 Research and experimental development on social sciences and humanities	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**GAR KPI stock based on turnover**

The tables below show the percentage distribution of the two tables above for calculating the green asset ratio.

**Table 10**  
**GAR KPI stock based on turnover – 2024**

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered				
<b>GAR - Covered assets in both numerator and denominator</b>																															
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	73%	4%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	73%	4%	-	0%	0%	83%
<b>Financial undertakings</b>	4%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	4%	0%	-	0%	0%	8%
Credit institutions	4%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	4%	0%	-	0%	0%	8%
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	0%	0%	0%
Debt securities, including UoP	4%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	4%	0%	-	0%	0%	7%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other financial corporations</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	0%	0%	0%
<b>of which investment firms</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which management companies</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 10 (continued)**  
**GAR KPI stock based on turnover – 2024**

	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered		
<b>% (compared to total covered assets in the denominator)</b>																													
<b>of which insurance undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Non-financial undertakings</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	0%	
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	0%	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Households</b>	69%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69%	4%	75%	
of which loans collateralised by residential immovable property	63%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63%	4%	64%	
of which building renovation loans	5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5%	-	5%	
of which motor vehicle loans	1%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total GAR assets</b>	73%	4%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	73%	4%	93%	

- INTRODUCTION**
- STRATEGY**
- OUR OPERATIONS**
- BOARD OF DIRECTORS' REPORT**
  - Introduction
  - Business operations
  - Other information
  - Sustainability Report
    - General information
    - Responsible business conduct
    - Social information
  - Climate change
  - Corporate Governance Report
- FINANCIAL STATEMENTS**
- OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

### GAR KPI stock based on turnover

The tables below show the percentage distribution of the two tables above for calculating the green asset ratio.

Table 10

### GAR KPI stock based on turnover– 2023

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			1)	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered
<b>GAR - Covered assets in both numerator and denominator</b>																
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	73%	4%	-	-	-	-	-	-	-	73%	4%	-	-	-	-	68%
<b>Financial undertakings</b>	5%	0%	-	-	-	-	-	-	-	5%	0%	-	-	-	-	4%
Credit institutions	4%	0%	-	-	-	-	-	-	-	4%	0%	-	-	-	-	4%
Loans and advances	0%	-	-	-	-	-	-	-	-	0%	0%	-	-	-	-	0%
Debt securities, including UoP	4%	0%	-	-	-	-	-	-	-	4%	0%	-	-	-	-	4%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other financial corporations</b>	0%	-	-	-	-	-	-	-	-	0%	0%	-	-	-	-	0%
<b>of which investment firms</b>	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which management companies</b>	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-
Loans and advances	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which insurance undertakings</b>	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-
Loans and advances	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-financial undertakings</b>	0%	0%	-	-	-	-	-	-	-	0%	0%	-	-	-	-	0%
Loans and advances	0%	0%	-	-	-	-	-	-	-	0%	0%	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Households</b>	68%	3%	-	-	-	-	-	-	-	68%	3%	-	-	-	-	64%
of which loans collateralised by residential immovable property	62%	3%	-	-	-	-	-	-	-	62%	3%	-	-	-	-	59%
of which building renovation loans	5%	-	-	-	-	-	-	-	-	5%	-	-	-	-	-	4%
of which motor vehicle loans	1%	-	-	-	-	-	-	-	-	1%	-	-	-	-	-	1%
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total GAR assets</b>	<b>73%</b>	<b>4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73%</b>	<b>4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68%</b>

<sup>1)</sup> Since the counterparties have not reported Taxonomy disclosures for environmental objectives 3-6 in the preparation of the table, there is no counterparty data to report, and the rows relating to environmental objective 3-6 have therefore been hidden in the table for 2023.



## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

Business operations

Other information

Sustainability Report

General information

Responsible business conduct

Social information

- Climate change

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION

**E TAXONOMY DISCLOSURES**

**Table 11**  
**GAR KPI stock based on CapEx – 2024**

	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered		
<b>% (compared to total covered assets in the denominator)</b>																													
<b>GAR - Covered assets in both numerator and denominator</b>																													
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	72%	4%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	72%	4%	-	0%	0%	83%		
<b>Financial undertakings</b>	3%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	3%	0%	-	0%	0%	8%		
Credit institutions	3%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	3%	0%	-	0%	0%	8%		
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	0%		
Debt securities, including UoP	3%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	3%	0%	-	0%	0%	7%		
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Other financial corporations</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	0%		
<b>of which investment firms</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>of which management companies</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>of which insurance undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 11 (continued)**  
**GAR KPI stock based on CapEx – 2024**

	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered		
<b>% (compared to total covered assets in the denominator)</b>																													
<b>Non-financial undertakings</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Households</b>	69%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69%	4%	-	75%
of which loans collateralised by residential immovable property	63%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63%	4%	-	64%
of which building renovation loans	5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5%	-	-	5%
of which motor vehicle loans	1%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total GAR assets</b>	72%	4%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	72%	4%	-	93%

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**Table 11**  
**GAR KPI stock based on CapEx – 2023**

	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered	
<b>% (compared to total covered assets in the denominator)</b>																
<b>GAR - Covered assets in both numerator and denominator</b>																
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	73%	4%	-	-	-	-	-	-	-	73%	4%	-	-	-	68%	
<b>Financial undertakings</b>	5%	0%	-	-	-	-	-	-	-	5%	0%	-	-	-	4%	
Credit institutions	4%	0%	-	-	-	-	-	-	-	4%	0%	-	-	-	4%	
Loans and advances	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
Debt securities, including UoP	4%	0%	-	-	-	-	-	-	-	4%	0%	-	-	-	4%	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Other financial corporations</b>	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
<b>of which investment firms</b>	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>of which management companies</b>	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
Loans and advances	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>of which insurance undertakings</b>	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
Loans and advances	0%	-	-	-	-	-	-	-	-	0%	-	-	-	-	0%	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Non-financial undertakings</b>	0%	0%	-	-	-	-	-	-	-	0%	0%	-	-	-	0%	
Loans and advances	0%	0%	-	-	-	-	-	-	-	0%	0%	-	-	-	0%	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Households</b>	68%	3%	-	-	-	-	-	-	-	68%	3%	-	-	-	64%	
of which loans collateralised by residential immovable property	62%	3%	-	-	-	-	-	-	-	62%	3%	-	-	-	59%	
of which building renovation loans	5%	-	-	-	-	-	-	-	-	5%	-	-	-	-	4%	
of which motor vehicle loans	1%	-	-	-	-	-	-	-	-	-	-	-	-	-	1%	
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total GAR assets</b>	<b>73%</b>	<b>4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73%</b>	<b>4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68%</b>	

<sup>1)</sup> Since the counterparties have not reported Taxonomy disclosures for environmental objectives 3-6 in the preparation of the table, there is no counterparty data to report, and the rows relating to environmental objective 3-6 have therefore been hidden in the table for 2023.



**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**

**E TAXONOMY DISCLOSURES**

**Table 12  
GAR KPI flow based on turnover –2024**

	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)										
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total new assets covered					
<b>% (compared to flow of total eligible assets)</b>																													
<b>GAR - Covered assets in both numerator and denominator</b>																													
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	66%	6%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	66%	6%	-	0%	0%	65%
<b>Financial undertakings</b>	6%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	6%	0%	-	0%	0%	10%
Credit institutions	6%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	6%	0%	-	0%	0%	10%
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	1%
Debt securities, including UoP	6%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	6%	0%	-	0%	0%	9%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Other financial corporations</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	
of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>of which management companies</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>of which insurance undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 12 (continued)**  
**GAR KPI flow based on turnover -2024**

	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total new assets covered			
<b>% (compared to flow of total eligible assets)</b>																														
<b>Non-financial undertakings</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	0%		
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	0%		
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Households</b>	60%	5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60%	5%	56%		
of which loans collateralised by residential immovable property	59%	5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59%	5%	45%		
of which building renovation loans	3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3%	-	3%		
of which motor vehicle loans	1%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1%	0%	1%		
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total GAR assets</b>	66%	6%	-	0%	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	66%	6%	76%		

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**Table 13**  
**GAR KPI flow based on CapEx – 2024**

% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)										
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total new assets covered		
<b>GAR - Covered assets in both numerator and denominator</b>																													
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	65%	6%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	65%	6%	-	0%	0%	65%
<b>Financial undertakings</b>	5%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	5%	0%	-	0%	0%	10%
Credit institutions	5%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	5%	0%	-	0%	0%	10%
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	1%
Debt securities, including UoP	5%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	5%	0%	-	0%	0%	9%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other financial corporations</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	0%
<b>of which investment firms</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which management companies</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>of which insurance undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-financial undertakings</b>	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	0%
Loans and advances	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	0%	0%	-	0%	0%	0%
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 13 (continued)**  
**GAR KPI flow based on CapEx – 2024**

	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total new assets covered
<b>% (compared to flow of total eligible assets)</b>																											
<b>Households</b>	60%	5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60%	5%	-	-	-	56%
of which loans collateralised by residential immovable property	59%	5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59%	5%	-	-	-	45%
of which building renovation loans	3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3%	-	-	-	-	3%
of which motor vehicle loans	1%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1%	0%	-	-	-	1%
<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total GAR assets</b>	65%	6%	-	0%	0%	0%	0%	-	0%	0%	-	0%	0%	0%	0%	-	-	0%	0%	-	-	65%	6%	-	0%	0%	76%

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

### Off-balance sheet exposures

The tables below show the off-balance sheet green asset ratio according to Table 1 for turnover in relation to all assets on the balance sheet. None of the counterparties to the financial guarantees are subject to the Taxonomy.

**Table 14**  
**KPI off-balance sheet exposures - stock based on turnover**

	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)			Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling			
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2	Assets under management (AuM KPI)	6%	1%	-	0%	2%	0%	0%	-	0%	0%	-	-	1%	0%	-	0%	1%	0%	-	-	0%	-	-	8%	1%	-	0%	2%

%  
(compared to total eligible off-balance sheet assets)

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



**E TAXONOMY DISCLOSURES**

**Table 15**  
**KPI off-balance sheet exposures - stock based on CapEx**

		Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	7%	2%	-	1%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	8%	2%	-	1%	2%	

%  
(compared to total eligible off-balance sheet assets)

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**E TAXONOMY DISCLOSURES**

**Table 16**  
KPI off-balance sheet exposures – flow based on turnover

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	5%	1%	-	0%	2%	0%	0%	-	0%	0%	0%	-	0%	1%	0%	-	0%	0%	0%	-	-	0%	-	-	-	7%	1%	-	0%	2%	

**Table 17**  
KPI off-balance sheet exposures - flow based on CapEx

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Möjliggörande	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	5%	1%	-	1%	1%	0%	0%	-	0%	0%	0%	-	0%	1%	0%	-	0%	0%	0%	-	-	0%	0%	-	-	6%	1%	-	1%	1%	

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## E TAXONOMY DISCLOSURES

### Exposure to nuclear and fossil gas related activities in the operations

Under the Taxonomy, companies are to provide specific disclosures on exposure to nuclear energy and fossil gas related activities in the operations. The Länsförsäkringar AB Group has highly limited exposure to nuclear energy and fossil gas related activities, as presented in the disclosures in the table below. Exposure exists in the non-life insurance operations and in the investment assets. Of these exposures, 0% are Taxonomy-aligned.

In the non-life insurance operations, exposures amount to SEK 76 M (64), which represents 0.7% (0.6) of the total gross premium. Most is associated with the safe operation of nuclear installations that generate electricity. The investment assets include individual investments in nuclear energy and fossil gas related activities. The banking operations do not have any exposure to nuclear energy and fossil gas related activities.

**Table 18**  
**Exposure to nuclear and fossil gas related activities in the operations**

Turnover and Capex Nuclear and fossil gas related activities	Non-life insurance and reinsurance premiums	Investments of insurance operations	Banking operations
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO	NO	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO	NO	NO
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO	NO	NO
Fossil gas related activities			
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO	NO	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels	NO	NO	NO
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO	NO	NO

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



IRO-2 Disclosure requirements in ESRS covered by Länsförsäkringar AB Group's 2024 Sustainability Report

Part of Sustainability Report	ESRS section and heading	Page
<b>General information</b>		
<b>ESRS 2: General disclosures</b>		<b>40</b>
<b>Basis for preparation</b>		
BP-1	General basis for preparation of sustainability report	41
BP-2	Disclosures in relation to specific circumstances	41
<b>Governance</b>		
GOV-1	The role of the Board	41
GOV-2	Sustainability matters addressed by the Board	44
GOV-3	Integration of sustainability-related performance in incentive schemes	45
GOV-4	Statement on due diligence	45
GOV-5	Risk management and internal controls over sustainability reporting	45
<b>Strategy</b>		
SBM-1	Strategy, business model and value chain	45
SBM-2	Interests and views of stakeholders	52
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	53
<b>Impact, risk and opportunity management</b>		
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	55
IRO-2	Disclosure requirements in ESRS covered by by the undertaking's Sustainability Report	57

Part of Sustainability Report	ESRS section and heading	Page
<b>G – Responsible business conduct</b>		
<b>ESRS G1: Business conduct</b>		<b>58</b>
<b>Strategy</b>		
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	59
<b>Governance</b>		
GOV-1	The role of the Board	59
<b>Impact, risk and opportunity management</b>		
G1-1	Business conduct policies and corporate culture	59
G1-2	Management of relationships with suppliers	60
G1-3	Prevention and detection of corruption and bribery	61
<b>Targets and metrics</b>		
G1-4	Confirmed incidents of corruption or bribery	62
G1-5	Political influence and lobbying activities	62
G1-6	Payment practices	62
<b>Company-specific sustainability matters</b>		
G1-7	Money laundering	62
G1-8	Fraud	63
G1-9	Cybersecurity	63
G1-10	Privacy	64

<b>S – Social information</b>		
<b>ESRS S1: Own workforce</b>		<b>66</b>
<b>Strategy</b>		
SBM-2	Interests and views of stakeholders	67
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	67

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

FINANCIAL STATEMENTS

OTHER INFORMATION



Part of Sustainability Report	ESRS section and heading	Page
<b>Impact, risk and opportunity management</b>		
SI-1	Policies related to own workforce	67
SI-2	Processes for engaging with own workforce and workers' representatives about impacts	68
SI-3	Processes for grievance mechanisms and whistleblowing channels	68
SI-4	Taking action and approaches related to own workforce	68
<b>Targets and metrics</b>		
SI-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	70
SI-6	Characteristics of the undertaking's employees	72
SI-7	Characteristics of non-employees	72
SI-8	Collective bargaining coverage and social dialogue	72
SI-9	Diversity metrics	72
SI-11	Social protection	72
SI-13	Training and skills development metrics	73
SI-14	Health and safety metrics	73
SI-15	Work-life balance metrics	74
SI-16	Remuneration metrics (pay gap and total remuneration)	74
<b>ESRS S2: Workers in the value chain</b>		<b>75</b>
<b>Strategy</b>		
SBM-2	Interests and views of stakeholders	75
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	75
<b>Impact, risk and opportunity management</b>		
S2-1	Policies related to value chain workers	75
S2-2	Processes for engaging with value chain workers about impacts	76
S2-3	Processes for grievance mechanisms and whistleblowing channels	77
S2-4	Taking action and approaches related to value chain workers	77
<b>Targets and metrics</b>		
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	78

Part of Sustainability Report	ESRS section and heading	Page
<b>E – Climate change</b>		
<b>ESRS E1: Climate change</b>		<b>79</b>
<b>Materiality and governance</b>		
SBM-3	Climate change materiality - impacts, risks and opportunities	80
EI-2, EI-4	Policies and targets related to climate change	81
<b>Targets and metrics</b>		
EI-3, EI-4	Past targets and progress towards achieving them	81
EI-4	Climate targets and future efforts	82
EI-6	Gross Scopes 1, 2, 3 and Total GHG emissions	82
EI-7	GHG removals and GHG mitigation projects financed through carbon credits	85
<b>Strategy</b>		
EI-1	Transition plan and work in offering and own operations	86
<b>Taxonomy Regulation</b>		
<b>Taxonomy Disclosures</b>	Reporting according to the EU Taxonomy Regulation	88

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
  - Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## IRO-2

### IRO-2 Disclosure requirements in ESRS standards that derive from other EU legislation

Disclosure Requirement and related datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Other
ESRS 2	GOV-1	Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1	Commission Delegated Regulation (EU) 2020/181613, Annex II		44	
ESRS 2	GOV-1	Percentage of board members who are independent paragraph 21 (e)		Delegated Regulation (EU) 2020/1816, Annex II		44	
ESRS 2	GOV-4	Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1			44	
ESRS 2	SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245314, Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2	SBM-1	Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2	SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/181815, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2	SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS	EI-1	Transition plan to reach climate neutrality by 2050 paragraph 14			Regulation (EU) 2021/1119, Article 2(1)	86	
ESRS	EI-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		N/A
ESRS	EI-4	GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6	82	
ESRS	EI-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1			Not material	

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
- Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## IRO-2

Disclosure Requirement and related datapoint			SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Other
ESRS	EI-5	Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Not material	
ESRS	EI-5	Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material	
ESRS	EI-6	Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		83	
ESRS	EI-6	Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		82-85	
ESRS	EI-7	GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	85	
ESRS	EI-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Transition rules apply	
ESRS	EI-9	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			Transition rules apply	
ESRS	EI-9	Location of significant assets at material physical risk paragraph 66 (c).					Transition rules apply	
ESRS	EI-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral				N/A
ESRS	EI-9	Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Transition rules apply	Partly not applicable

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



**IRO-2**

Disclosure Requirement and related datapoint			SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Other
ESRS	E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1, Indicator number 2 Table #2 of Annex 1, Indicator number 1 Table #2 of Annex 1, Indicator number 3 Table #2 of Annex 1				Not material	
ESRS	E3-1	Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	
ESRS	E3-1	Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	
ESRS	E3-1	Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS	E3-4	Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
ESRS	E3-4	Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	
ESRS 2	SBM 3	E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material	
ESRS 2	SBM 3	E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material	
ESRS 2	SBM 3	E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material	
ESRS	E4-2	Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS	E4-2	Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS	E4-2	Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS	E5-5	Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material	
ESRS	E5-5	Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	
ESRS 2	SBM3	S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1					N/A
ESRS 2	SBM3	S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1					N/A

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



**IRO-2**

Disclosure Requirement and related datapoint			SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Other
ESRS	SI-1	Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				67	
ESRS	SI-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		67-68	
ESRS	SI-1	Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				67	
ESRS	SI-1	Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex 1				68	
ESRS	SI-3	Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex 1				68	
ESRS	SI-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II			N/A
ESRS	SI-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex 1					N/A
ESRS	SI-16	Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		74	
ESRS	SI-16	Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex 1				74	
ESRS	SI-17	Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex 1				Not material	
ESRS	SI-17	Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS 2	SBM3	S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and 13 Table #3 of Annex 1				Not material	
ESRS	S2-1	Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Not material	
ESRS	S2-1	Policies related to value chain workers paragraph 18	Indicators number 11 and n. 4 Table #3 of Annex 1				Not material	
ESRS	S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**



## IRO-2

Disclosure Requirement and related datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Other
ESRS	S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II	Not material	
ESRS	S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex I			Not material	
ESRS	S3-1	Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1			Not material	
ESRS	S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material	
ESRS	S3-4	Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex I			Not material	
ESRS	S4-1	Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I			Not material	
ESRS	S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material	
ESRS	S4-4	Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex I			Not material	
ESRS	G1-1	United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				N/A
ESRS	G1-1	Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				N/A
ESRS	G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	62	
ESRS	G1-4	Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex I			62	

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
  - General information
  - Responsible business conduct
  - Social information
  - Climate change
- Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Auditor's limited assurance report of Länsförsäkringar AB (publ)'s voluntarily prepared sustainability statement

To Länsförsäkringar AB (publ), corporate identity number 502010-9681

## Conclusion

We have been appointed by the Board of Directors to conduct a limited assurance engagement of the sustainability statement for Länsförsäkringar AB for the financial year 2024. The sustainability statement is included on page 39–133 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability report meets the requirements of European Sustainability Reporting Standards (ESRS),
- whether the process the company has carried out to identify reported sustainability information has been conducted as described on page 39–133 of the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8 (EU Taxonomy)

## Other matter

The prior year's sustainability report has not been in scope for limited assurance procedures in accordance with RevR 19 and consequently the prior years' information in the sustainability report 2024 have not been in scope for limited assurance procedures in accordance with RevR 19.

## Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 Revisorns översiktliga gransk-

ning av den lagstadgade hållbarhetsrapporten. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Other information than the sustainability statement

This document also contains other information than the sustainability statement and is found on pages 1–38 and 136–249. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of sustainability statement in accordance with Chapter 6, paragraphs 12–12f of the Swedish Annual Accounts Act, and for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express a conclusion on whether the sustainability report has been prepared in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant mat-

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

Introduction

Business operations

Other information

Sustainability Report

General information

Responsible business conduct

Social information

Climate change

Corporate Governance Report

## FINANCIAL STATEMENTS

## OTHER INFORMATION



## AUDITOR'S LIMITED ASSURANCE REPORT

ters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Länsförsäkringar AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Chief Executive Officer prepare the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures primarily include:

- Obtained an understanding of the process by:
- Performing inquiries to understand the sources of the information used by management, and
- Reviewing the Company's internal documentation of its process
- Evaluated whether the evidence obtained from our procedures about the process implemented by the Company is consistent with the description of the process set out on page 39–133 in the sustainability statement.

The review procedures with respect to the Sustainability Statement included but were not limited to the following:

- Obtained an understanding of the Company's control environment, reporting processes, and information systems relevant to the preparation of its Sustainability Statement
- Evaluated whether material information identified by the process to identify the information reported in the Sustainability Statement is included
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the requirements in ESRS
- Performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Statement
- Performed substantive assurance procedures on a sample basis on selected disclosures in the Sustainability Statement
- Performed inquiries and analytical procedures to evaluate the methods for developing material estimates and forward-looking information and on how these methods were applied
- The review procedures with respect to the EU Taxonomy included but were not limited to the following:
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement
- Evaluated whether the activities within the EU Taxonomy are consistent to the financial statements and related notes
- Evaluate processes, documentation and assessment of eligibility and alignment with the economic activities and technical screening criteria within the EU Taxonomy
- Evaluated whether the reporting is in accordance with the requirements in EU Taxonomy

### Inherent limitations

In reporting forward-looking information in accordance with ESRS, Länsförsäkringar AB is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Signature on Swedish original

Deloitte AB

Patrick Honeth  
*Authorized Public Accountant*

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

Introduction  
Business operations  
Other information  
Sustainability Report  
    General information  
    Responsible business conduct  
    Social information  
    Climate change  
Corporate Governance Report

## FINANCIAL STATEMENTS

---

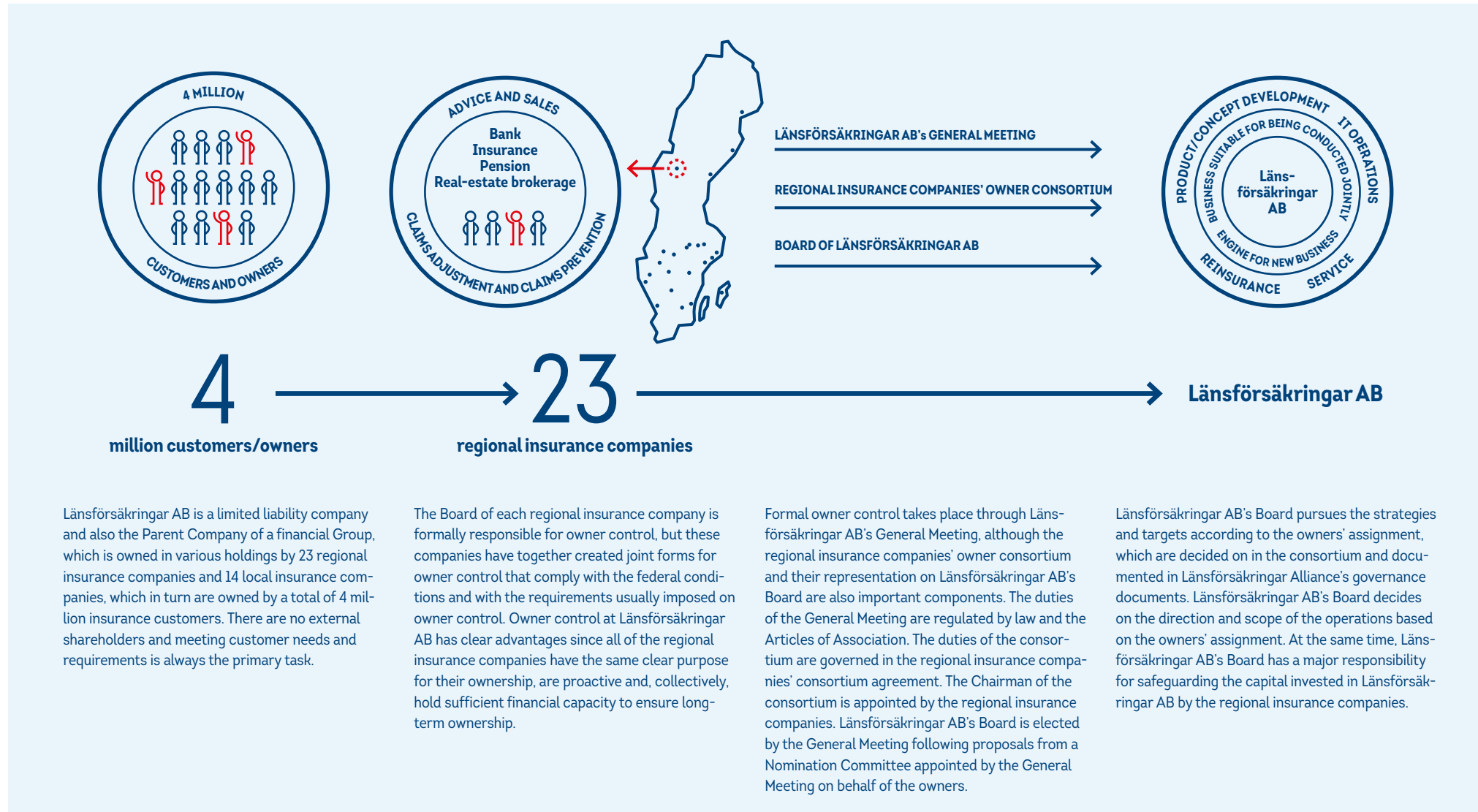
## OTHER INFORMATION

---



# Corporate Governance Report

## Owner control



Länsförsäkringar AB is a limited liability company and also the Parent Company of a financial Group, which is owned in various holdings by 23 regional insurance companies and 14 local insurance companies, which in turn are owned by a total of 4 million insurance customers. There are no external shareholders and meeting customer needs and requirements is always the primary task.

The Board of each regional insurance company is formally responsible for owner control, but these companies have together created joint forms for owner control that comply with the federal conditions and with the requirements usually imposed on owner control. Owner control at Länsförsäkringar AB has clear advantages since all of the regional insurance companies have the same clear purpose for their ownership, are proactive and, collectively, hold sufficient financial capacity to ensure long-term ownership.

Formal owner control takes place through Länsförsäkringar AB's General Meeting, although the regional insurance companies' owner consortium and their representation on Länsförsäkringar AB's Board are also important components. The duties of the General Meeting are regulated by law and the Articles of Association. The duties of the consortium are governed in the regional insurance companies' consortium agreement. The Chairman of the consortium is appointed by the regional insurance companies. Länsförsäkringar AB's Board is elected by the General Meeting following proposals from a Nomination Committee appointed by the General Meeting on behalf of the owners.

Länsförsäkringar AB's Board pursues the strategies and targets according to the owners' assignment, which are decided on in the consortium and documented in Länsförsäkringar Alliance's governance documents. Länsförsäkringar AB's Board decides on the direction and scope of the operations based on the owners' assignment. At the same time, Länsförsäkringar AB's Board has a major responsibility for safeguarding the capital invested in Länsförsäkringar AB by the regional insurance companies.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

### FINANCIAL STATEMENTS

### OTHER INFORMATION



# Corporate governance



## CORPORATE GOVERNANCE

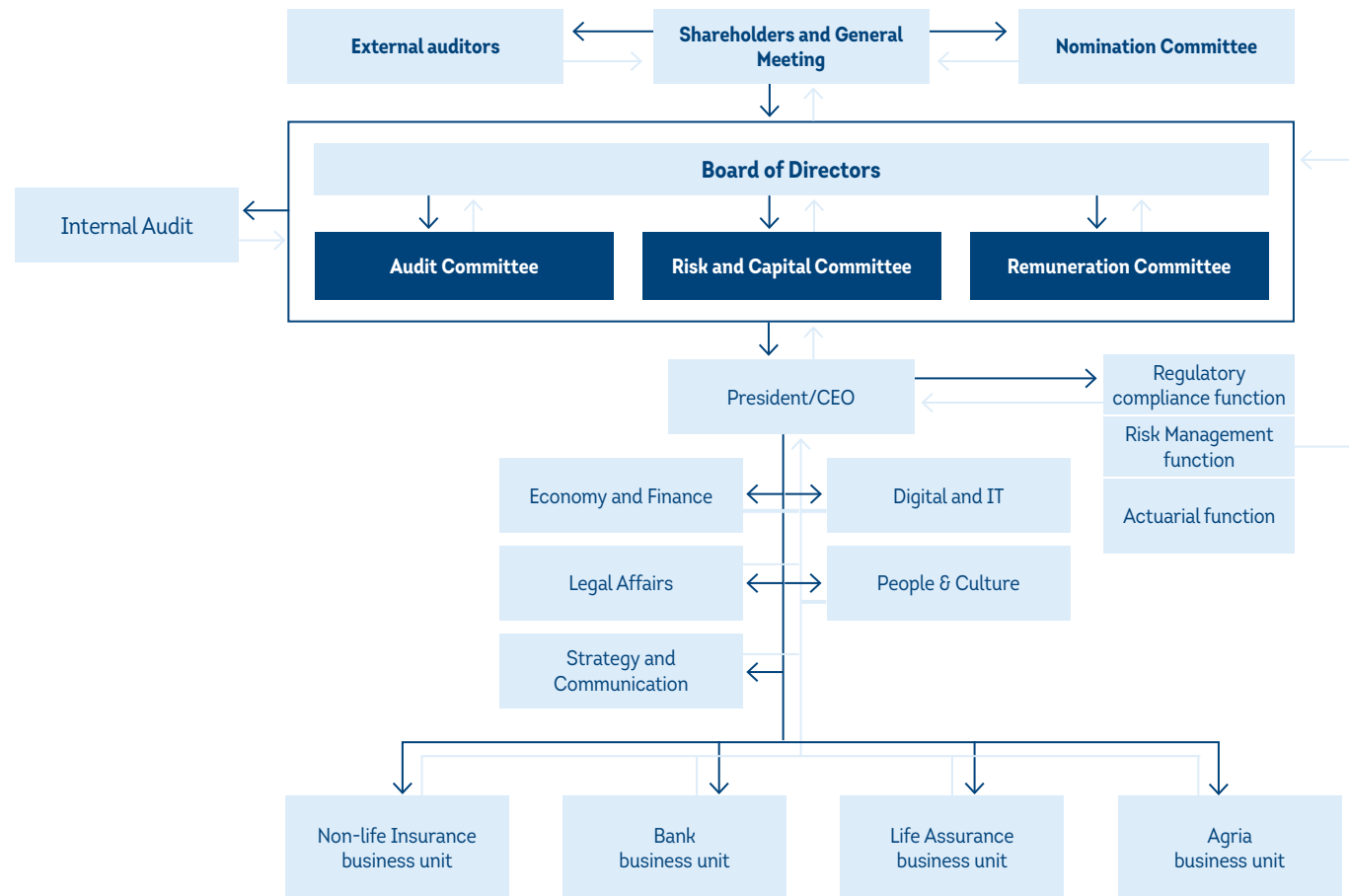
Robust corporate governance is essential to ensure that a company operates efficiently, ethically, sustainably and with good control over the risks inherent in its operations.

Länsförsäkringar's values are based on always looking at what is best for customers, starting with their everyday lives.

Through robust corporate governance and with a focus on sustainability and new technology, we ensure that our employees work in the best interests of our customers and that we build the companies of the future for generations to come.

Maria Engholm  
Chairman of Länsförsäkringar AB

## LÄNSFÖRSÄKRINGAR AB's GOVERNANCE STRUCTURE



→ Elects/appoints

→ Informs/reports to

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



Länsförsäkringar AB (publ) (Länsförsäkringar AB) is the Parent Company of the Länsförsäkringar AB Group. The Länsförsäkringar AB Group comprises Länsförsäkringar AB with a number of directly and indirectly owned subsidiaries. The business operations of the Länsförsäkringar AB Group are those deemed by the regional insurance companies as best suited to be run jointly. Most of the regional insurance companies' development and service operations are coordinated with Länsförsäkringar AB, with shared priorities.

Länsförsäkringar AB is a public limited liability insurance company. Länsförsäkringar AB complies with the applicable parts of the Swedish Corporate Governance Code (the "Code").

According to the Code, good corporate governance is assurance that companies are managed in a manner that optimises efficiency for their shareholders. For Länsförsäkringar AB, good corporate governance is also significant for other company stakeholders, such as customers, bond investors and supervisory authorities. Good corporate governance is to ensure that Länsförsäkringar AB carries out its strategies in an effective, responsible and sustainable manner, with a high level of risk awareness and control so as to ensure that Länsförsäkringar AB and its customers are well prepared for the future.

The main reasons for the deviations in applying the Code are the limitations under the rules for financial companies and that Länsförsäkringar AB is not a listed company. Deviations from the provisions of the Code and explanations for such deviations are presented in the Deviations from the Code section.

### Shareholders and General Meeting

Governance of Länsförsäkringar AB is based on the shareholders. The shareholders exercise their influence at the General Meeting, which is the company's highest decision-making body. A General Meeting is normally held once a year, known as the Annual General Meeting. No shareholder owns more than 9.8% of the capital or votes in the company. Series A shareholders in Länsförsäkringar AB work together in the consortium. This collaboration is regulated in a consortium agreement, which includes regulations on the role of the consortium, its meetings and the transfer of shares.

### Shareholders' decision-making powers

At General Meetings, no party is permitted to use their own and any other party's shares to vote for more than 99/1,000 of the votes represented at the Meeting. Motions are passed at General Meetings by a simple majority of votes unless the Swedish Companies Act prescribes another specific voting majority. Decisions are made at the Annual General Meeting pertaining to: the Annual Report, the election

of members of the Board and auditors, remuneration of Board members and auditors, and other important matters to be addressed in accordance with laws or the Articles of Association. The remuneration proposal for Board members is specified for the Chairman, Deputy Chairman, other Board members and fees for committee work.

The 2024 Annual General Meeting approved the principles for remuneration and other terms of employment for corporate management.

### Nomination Committee

The General Meeting of Länsförsäkringar AB appoints a Nomination Committee, which is charged with the duty of presenting proposals for members of the Board of Directors and auditors of Länsförsäkringar AB and its subsidiaries and certain other companies, and fees and other remuneration of these members and auditors. The responsibilities and duties of the Nomination Committee are stipulated in instructions approved by the Annual General Meeting of Länsförsäkringar AB. The Nomination Committee is responsible for assessing whether proposed Board members are fit and proper. New Board members are recruited in accordance with the Nomination Committee's instructions and established procedures and processes. The Nomination Committee is to assess whether the Board is appropriately composed, with respect to the company's operations, stage of development and other circumstances, so that the overall competencies and experience necessary for the company are in place, characterised by diversity in terms of, for example, age, gender and ethnic origin, and educational and professional background that promotes independent opinions and critical questioning within the Board. Proposals on the composition of the Board also take into consideration the skills of the Board members in sustainability. See also "Fit and proper assessment of the Board of Directors and President/CEO".

### Nomination Committee prior to 2025 Annual General Meeting

Since the 2024 Annual General Meeting, the Nomination Committee has comprised Göran Trobro as Chairman (LF Göinge-Kristianstad), Mikael Bergström (LF Västernorrland), Lars Hallkvist (LF Älvsborg), Anki Norrström (LF Bergslagen) and Ulrika Obstfelder Peterson (LF Värmland).

Prior to 2025 Annual General Meeting, the Nomination Committee will:

- Study the evaluation of Board work.
- Listen to the Board Chairman's, Board members' and President's views on operations, the Board's work and requirements in relation to knowledge and experience.

- Review and discuss requirements for knowledge and experience with respect to the needs of the operations and regulatory requirements and succession planning.
- Evaluate the independence of candidates and any conflicts of interest.
- Nominate Board members, including the Chairman of the Board and, in certain cases, a Deputy Chairman.
- Perform fit and proper assessments of Board members.
- Propose fees and other remuneration of Board members, auditors and other bodies.

The Nomination Committee's proposals are presented in the notice to convene the Annual General Meeting. The Nomination Committee presents and motivates its proposals at the Annual General Meeting, and provides an account of how this work was conducted.

### Fit and proper assessment of Board and President/CEO

A suitability ("fit and proper") assessment is conducted in conjunction with the appointment of Board members and the President/CEO. An assessment is also conducted annually, and when necessary, to ensure that the individuals in the above-mentioned positions are, at any given time, suitable for their assignments. The fit and proper assessment is conducted following established guidelines and with regard to the person's qualifications, knowledge and experience as well as good repute and integrity.

Board members are assessed on the basis of, inter alia, material received from the person to whom the fit and proper assessment pertains and excerpts from government registers. Based on Länsförsäkringar AB's operations, stage of development and other circumstances, the assessment also considers relevant training and experience, professional experience in senior positions and knowledge of conducting responsible business. In addition to the qualifications, knowledge and experience of individual members, the Board is assessed in its entirety to ensure that it possesses the competence required for leading and managing the company.

A person not considered suitable according to an assessment will not be appointed or employed. If an already appointed person is considered no longer suitable for his or her duties according to a fit and proper assessment, Länsförsäkringar AB is to adopt measures to ensure that the person in question either meets the fit and proper criteria or is replaced.

The assessment is that all Board members and the President/CEO fully satisfy the fit and proper criteria.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



### External auditors

The Annual General Meeting appoints the external auditors. Nominations are made to the Nomination Committee. In accordance with the Articles of Association, Länsförsäkringar AB is to have between one and three auditors and between zero and two deputy auditors. The auditors are appointed for a mandate period of not more than four years. At the 2022 Annual General Meeting, Deloitte AB was appointed as the audit firm with Patrick Honeth as auditor in charge for the period up to the 2026 Annual General Meeting.

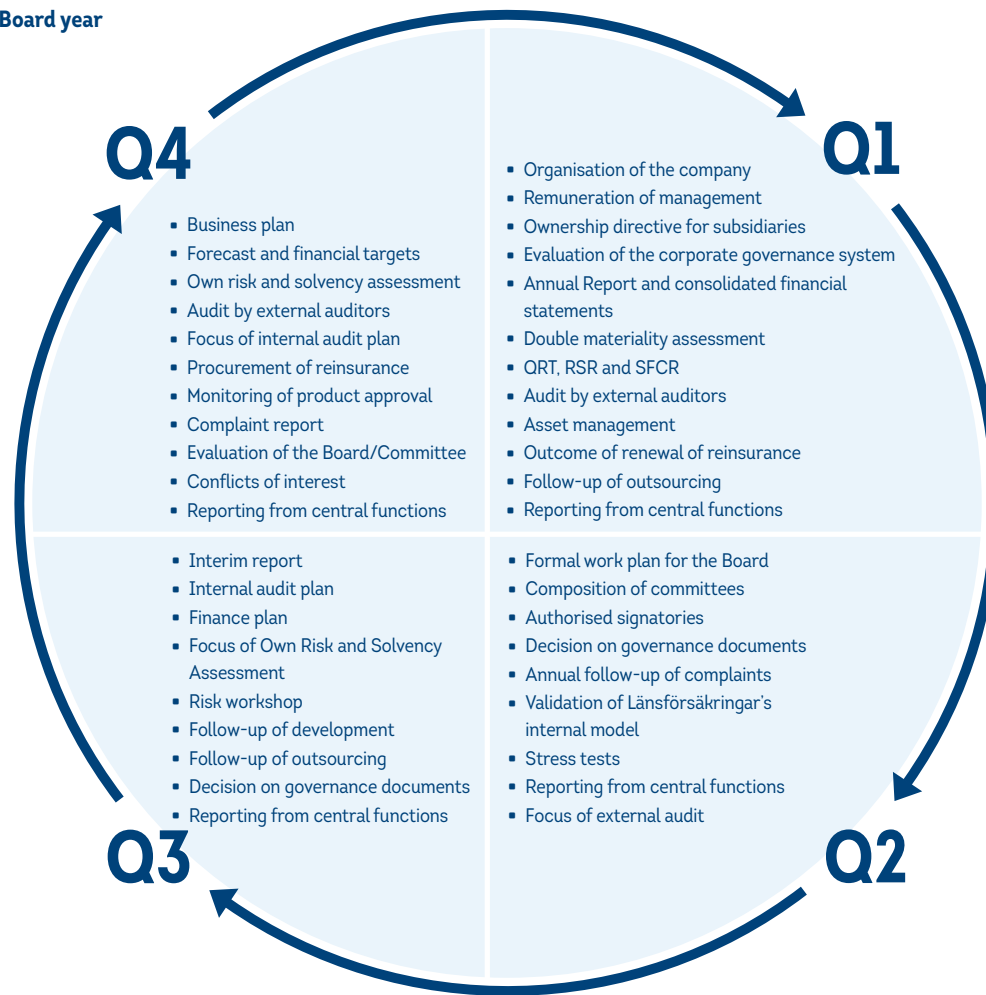
Länsförsäkringar AB's annual report and consolidated financial statements as well as the administration of the Board of Directors and the CEO are audited. The Sustainability Report and the Corporate Governance Report are reviewed based on limited assurance, but with slightly different levels of assurance. At the Annual General Meeting, the auditor presents the auditor's report and describes the audit process. The auditor presented the audit results and observations to the Board in 2024. The auditors also participate in meetings of the Audit Committee.

### Board of Directors

The Board of Directors of Länsförsäkringar AB are appointed by the Annual General Meeting and, in accordance with the Articles of Association, is to comprise between eight and twelve Board members elected by the General Meeting, with or without deputies. In accordance with the Articles of Association, Board members are elected for a mandate period of two years by the Annual General Meeting. In addition, members and deputies appointed by the trade-union organisations are members of the Board. The President is not a member of the Board. The members of the Board are non-executive. Länsförsäkringar AB has no time limit for the length of time a member may sit on the Board and no upper age limit for Board members. The Chairman and Deputy Chairman of the Board are appointed by the Annual General Meeting. The President and Board Secretary (also Head of Legal Affairs) participate in Board meetings except for matters in which there may be a conflict of interest or when it would otherwise be inappropriate for them to attend. Employees reporting on particular issues attend meetings when they make their presentations.

The Board currently comprises twelve regular members and two deputies. Nine of the members were elected by the Annual General Meeting. Three members and two deputies were appointed by the trade unions. A presentation of the Board members can be found on pages 145-146.

### Board year



### Board responsibilities and allocation of duties

The Board is responsible for the organisation and administration of Länsförsäkringar AB and decisions on issues of material significance and of an overall nature relating to Länsförsäkringar AB's operations. The Board appoints, dismisses and evaluates the President, adopts an appropriate operating organisation for Länsförsäkringar AB and the Länsförsäkringar AB Group as well as the goals and strategies of the operations, and ensures that efficient systems are in place for internal control and risk management. The Board adopts a formal work plan on a yearly basis. The formal work plan includes, for example,

regulations on the duties and responsibilities of the Board and its Chairman, the number of Board meetings, procedures for reporting on the operations and financial reporting as well as procedures for Board meetings, notices of meetings, presentation of material, delegation of work duties within the Board, conflicts of interest and disqualification.

The Board is to continuously remain informed about the performance of Länsförsäkringar AB to be able to continuously assess Länsförsäkringar AB's financial situation and position.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

### FINANCIAL STATEMENTS

### OTHER INFORMATION



Through its formal work plan and a reporting manual, the Board has established that financial reporting is to take place regularly at Board meetings. The Board also regularly manages and evaluates Länsförsäkringar AB's and the Group's risk development and risk management. During the year, the Board regularly reviews the earnings and sales trends, investment income, financial position, risk trends, etc., in relation to the business plan and forecasts. The Board receives reports from the compliance, risk management and Internal Audit functions at least four times per year. The Actuarial function also reports to the Board and its committees. The Board continuously monitors the Group's current matters with authorities. The Board meets Länsförsäkringar AB's auditors at least once a year. The Board evaluates the President's work and employment conditions every year.

#### **Chairman**

The Chairman of the Board is to lead the Board's work and ensure that the Board fulfils its duties. The Chairman shall also ensure that the Board meets as required, is provided with the opportunity to participate in meetings and receives satisfactory information and documentation for decision-making, and applies an appropriate working methodology. On the basis of ongoing contact with the President, the Chairman shall also keep informed of significant events and developments within Länsförsäkringar AB between Board meetings, and shall support the President in his work.

#### **Work of the Board**

In its formal work plan, the Board has established a standard for its agenda and annually recurring items of business. In the Corporate Governance Policy, the Board has established the company's and the Group's operating organisation and clarified the distribution of work duties between the various units and executives in the company and the Group. In addition to the Corporate Governance Policy, the Board establishes its formal work plan, directive for the President and a large number of governance documents for the operations at least once a year, regardless of whether any amendments are required. The Board held ten meetings in 2024. The number of Board meetings and members' attendance at these meetings are presented in the table on page 141.

In 2024, the Board devoted particular attention to information security and IT architecture, relevant issues in society, such as cyber security, customer protection, combating fraud, the climate and other environmental matters.

During 2024, the Board addressed the matters presented in the Board year diagram on page 139.

Any potential disqualification or conflict of interest among the Board members is reported by the members of the Board ahead of each meeting, and means that the member may not participate in deciding on the matter in question. Every year, Länsförsäkringar AB carries out an evaluation of the types of conflicts of interest that have previously been identified and documented, and analyses whether any new conflicts of interest have emerged. The purpose of this evaluation is to strengthen Länsförsäkringar AB's internal governance and control in this area and the evaluation forms the basis of the annual review of Länsförsäkringar AB's directives and instructions, and the list of conflicts of interest. The evaluation includes assessing whether the measures taken to manage conflicts of interest were adequate, or if additional measures should be taken.

Every six months, the Board receives a report on the number of complaints received and any actions the operations have taken in respect of these complaints. Länsförsäkringar AB regularly analyses complaints to identify any shortcomings, areas with potential for improvement and any actions that Länsförsäkringar AB needs to take due to complaints received. Customers and stakeholders have the opportunity to have Länsförsäkringar AB's decision in a matter reviewed, both internally and via bodies for alternative dispute resolution approved by the Swedish Legal, Financial and Administrative Services Agency or any of the boards organised voluntarily by the insurance industry via the industry association Insurance Sweden.

The Board did not need to take any action in 2024 as part of its process of following up complaints.

#### **Skills development for the Board**

The Board underwent several training courses during the year. These courses covered such topics as applicable and future regulations on sustainability and opportunities for the Group's operations, risk-management systems and Länsförsäkringar's Internal Model, the Digital Operational Resilience Act (DORA), digitisation and cloud services, AI regulations and AI opportunities, threat scenarios and combating fraud.

The Board holds a strategic seminar every year. The matters addressed at the 2024 seminar included strategic objectives, global trends, skills, change areas and strategy per business area.

#### **Evaluation of the Board's work**

Every year, the Board Chairman initiates an evaluation of the Board's work. Particular attention in this evaluation is directed to whether the

Board has been efficient in its work, acted responsibly, monitored risks and acted in Länsförsäkringar AB's best interests. The evaluation includes the overall performance of the Board as regards its supervision of handling material sustainability risks. The evaluation of the Board's work takes the form of a self-assessment. A summary of the results of the evaluation was presented to the Board for discussion. As a result of the evaluation, the Board received training in fields including sustainability, focusing on future regulations and their impact on the operations.

#### **Board committees**

The Board of Directors has established an Audit Committee, a Risk and Capital Committee and a Remuneration Committee. The duties of the committees are decided by the Board in its formal work plan and in separate formal work plans for each committee. None of the committees has any general decision-making mandate. Each committee must regularly report on its activities to the Board.

#### **Audit Committee**

The Audit Committee is responsible for preparing the Board's work in the following areas:

- Monitor Länsförsäkringar AB's financial reporting.
- Regarding the financial reporting, monitoring the effectiveness of the company's internal control, internal audit and risk management.
- Remaining informed of the audit of the Annual Report and consolidated financial statements.
- Examining and monitoring auditors' impartiality and independence and, in this respect, particularly noting whether the auditors provide Länsförsäkringar AB with any other services than auditing services.
- Assisting in the preparation of proposals to the Annual General Meeting's motions on election of auditors.

In addition, the Audit Committee is responsible for preparing the Board's work on monitoring the effectiveness of Länsförsäkringar AB's:

- Corporate governance system, which includes internal governance and control.
- Internal control of the operational risks.

At the Board meeting on 17 May 2024, Eva Julin Dombrowe (Chairman), Stig Högberg, Karin Mattsson, and Ricard Robbstål were appointed members of the Audit Committee.

The number of Audit Committee meetings and members' attendance at these meetings are presented in the table on page 141.

## **INTRODUCTION**

## **STRATEGY**

## **OUR OPERATIONS**

## **BOARD OF DIRECTORS' REPORT**

Introduction

Business operations

Other information

Sustainability Report

Corporate Governance Report

Owner control

– Corporate governance

Board of Directors and auditor

Corporate management

## **FINANCIAL STATEMENTS**

## **OTHER INFORMATION**



### Risk and Capital Committee

The Risk and Capital Committee is to support the Board in risk and capital issues and serve as a forum for analysing and holding in-depth discussions on Länsförsäkringar AB's and the Länsförsäkringar AB Group's risk-taking and capital requirements. Prior to Board meetings, the Committee is to discuss and address issues relating to the following:

- Risk Policy and Capital Policy.
- The Group's internal models and validation.
- Internal risk and capital planning for the Länsförsäkringar AB Group.
- Risk capital distributed internally to subsidiaries and targets for risk-adjusted returns and evaluations of earnings.
- Follow-up of risk trends and potential deviations from risk limits.

At the Board meeting on 17 May 2024, Maria Engholm (Chairman), Christian Bille, Beatrice Kämpe Nikolausson, Åsa Odell and Örjan Söderberg were elected members of the Risk and Capital Committee.

The number of Risk and Capital Committee meetings and members' attendance at these meetings are presented in the table on the right.

### Remuneration Committee

The Remuneration Committee prepares issues on remuneration of corporate management, remuneration of employees with overall responsibility for any of Länsförsäkringar AB's central functions, and prepares decisions for measures to monitor application of the remuneration policy.

At the Board meeting on 17 May 2024, Maria Engholm (Chairman), Christian Bille and Eva Julin Dombrowe were elected members of the Remuneration Committee.

The number of Remuneration Committee meetings and members' attendance at these meetings are presented in the table on the right.

### Meetings and attendance

The number of Board and Committee meetings and members' attendance at these meetings are presented in the table on the right.

### President/CEO and corporate management

Mathias Collén took up his position as President and CEO of Länsförsäkringar AB on 13 December 2022. Mathias Collén was born in 1981 and has worked at Länsförsäkringar since 2014 and been a member of corporate management since 2020, most recently serving as the President of Länsförsäkringar Fondliv. To ensure that the oper-

ations of each subsidiary comply with the overall objective for Länsförsäkringar AB, the President and CEO of Länsförsäkringar AB, as a general rule, also serves as the Chairman of the Board of each subsidiary.

The operations of the Länsförsäkringar AB Group are organised into the four business units of Non-life, Bank, Life Assurance and Agria, the five Group-wide units Digital and IT, Economy and Finance, Legal Affairs, People & Culture and Strategy and Communication, and the central functions of Internal Audit, the Compliance function, the Risk Management function and the Actuarial function.

Länsförsäkringar AB's corporate management comprises the Presidents and Heads of the business units and Heads of the Group-wide units. Corporate management comprises the management team for the entire Länsförsäkringar AB Group. Corporate management discusses and decides on issues concerning the Group's units.

To ensure the coordination of the operations in each business unit, the Head of the business unit is also the President of the unit's Parent Company. Furthermore, the Heads of each business unit, as a general rule, also serve as the chairmen of the Boards of the subsidiaries' directly owned subsidiaries.

Corporate management is presented on pages 147–148.

### Corporate governance system

Länsförsäkringar AB's corporate governance model can be described as the framework upon which the regional insurance companies' strategies and Länsförsäkringar AB's task from the shareholders, long-term direction and governance principles are converted into business activities in the Länsförsäkringar AB Group. The framework is the system under which Länsförsäkringar AB organises, governs and controls the operations, taking into account applicable internal and external regulations. The corporate governance system aims to ensure healthy and responsible control of the Group, risk management and a high level of internal control in the operations.

Because both insurance and banking operations are conducted in the Group, the Länsförsäkringar AB Group is a financial conglomerate. In its capacity as the Parent Company of the Group, Länsförsäkringar AB is the company at the top of the financial conglomerate. Furthermore, in its capacity as a non-life insurance company, Länsförsäkringar AB is subject to laws and other regulations for such insurance companies, and is also the company at the top of the insurance group in which all insurance companies in the Group are included. As the Board of the Parent Company Länsförsäkringar AB, it has a responsibility for the governance and supervision of its subsidiaries within the Länsförsäkringar AB Group. In order to exercise such governance and

	Board of Directors	Audit Committee	Risk and Capital Committee	Remuneration Committee
<b>Total number of meetings</b>	<b>10</b>	<b>6</b>	<b>6</b>	<b>3</b>
Maria Engholm	10		6	3
Beatrice Kämpe Nikolausson	10		6	
Christian Bille	10		3	3
Eva Julin Dombrowe	10	6		3
Karin Mattsson	9	6		
Lennart Käll <sup>1)</sup>	4		2	
Maria Wallin Wällberg <sup>2)</sup>	4	2		
Ricard Robbstål	10	3		
Stig Högberg <sup>3)</sup>	5	3		
Åsa Odell <sup>4)</sup>	6		3	
Örjan Söderberg	10		6	
Anna Sandqvist, employee representative	7			
Hans Holm, deputy	0			
Susanne Lindberg, employee representative	9			
Mirek Swartz, employee representative	9			
Susanne Hirsch, deputy	0			

<sup>1)</sup> Board member until 17 May 2024. Member of the Risk and Capital Committee until 17 May 2024.

<sup>2)</sup> Board member until 17 May 2024. Member of Audit Committee until 17 May 2024.

<sup>3)</sup> Board member from 17 May 2024. Member of Audit Committee from 17 May 2024.

<sup>4)</sup> Board member from 17 May 2024. Member of the Risk and Capital Committee from 17 May 2024.

supervision responsibility, the Board must ensure appropriate and effective governance of the Group and that the Board receives information and reports on the performance of and significant events in the subsidiaries. The corporate governance system is continuously adapted to changes in these regulations.

The risk-based performance management represents the basis of corporate governance. The foundation of the business is risk-taking and the governance of the Group is to be based on risk. Risk-based performance management entails that the Länsförsäkringar AB Group's operations are to be governed and conducted based on conscientious risk-taking but without ever compromising the Group's

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



long-term profitability and viability. For this purpose, the Board has established an organisation with a clear distribution of responsibilities and duties between the various company bodies, a risk and internal control organisation, and effective systems for reporting and transferring information. Länsförsäkringar AB's internal regulations determine the organisation and distribution of responsibilities, the corporate governance system and how governance and internal control are to be performed.

The Board has, as part of Länsförsäkringar AB's internal regulations, adopted a policy that sets out the Länsförsäkringar AB Group's corporate governance system. The policy aims to link the internal rules and processes that the Länsförsäkringar AB Group uses to govern its operations in a way that enables effective decision-making processes and reporting channels throughout the operations. The policy helps to create a structure and system of corporate governance to ensure sound governance and management of the Group as a whole. The effectiveness and efficiency of the corporate governance system is monitored by the Board and evaluated at least once a year.

#### RISK MANAGEMENT FUNCTION

*Magnus Strömgren*  
Chief Risk Officer

The risk management function is responsible for independent risk control and provides support for the President, management and operating units in fulfilling their responsibility to conduct operations with a high level of risk control. The function reports regularly to the President and the Board of Länsförsäkringar AB and its licensable subsidiaries, and to the Risk and Capital Committee. The risk management function is also responsible for the independent risk control of the operations of Asset Management reported to the President and Board of Länsförsäkringar AB. The Bank business unit has a separate risk control function that is under the President of the Bank business unit. Reporting is addressed to the respective Board and President of the business unit.

#### Risk and internal control organisation

All operations must feature a sound risk culture and a high level of internal control. To ensure this, Länsförsäkringar AB has organised its risk management and internal control in accordance with the principle of three lines of defence.

The first line of defence is the business operations. As the risk owner, the first line of defence bears the responsibility for identifying, managing and controlling risk under the framework of its operations. The task of the first line of defence is also to monitor and report risks, the outcome of controls, manage shortcomings and deviations and to continuously ensure compliance with external and internal regulations.

The central functions of risk management, compliance and the Actuarial function form Länsförsäkringar AB's second line of defence. These functions in the second line of defence must be separate from and independent of the operations, and are to provide support for the operations in establishing structures for a high level of risk control and effective risk management. The functions in the second line of

#### COMPLIANCE FUNCTION

*Susanne Sjödin Svensson*  
Head of Compliance function

The compliance function is an independent central function responsible for monitoring and controlling that operations are conducted in full regulatory compliance. The task of the function is to monitor and control regulatory compliance in the licensable operations, and identify and report on risks that may arise as a result of non-compliance with regulatory requirements. The function is also to provide support and advice to operations, to ensure that operations are informed about new and amended regulations. Compliance risks and recommendations for action are regularly reported to the President and the Board of Länsförsäkringar AB and its licensable subsidiaries, and to the Group's Audit Committee. The Bank business unit has a separate compliance function that is under the President of the Bank business unit. Reporting is addressed to the respective Board and President of the business unit.

#### ACTUARIAL FUNCTION

*Jakob Falk*  
Actuarial function

The Actuarial function is responsible for coordinating and the quality of the technical calculations and investigations, and is to contribute to Länsförsäkringar AB's risk-management system. The function is to also assist the Board and the President, and on its own initiative report to them on matters pertaining to methods, calculations and assessments of the technical provisions, the valuation of insurance risks, reinsurance cover and other risk-reduction techniques. The Actuarial function reports regularly to the President and the Board of Länsförsäkringar AB.

defence are also to monitor and control risks in their respective areas of responsibility. Each function is to regularly report to the President and the Board.

The Internal Audit function is also a central function and serves as the third line of defence. Internal Audit is an independent audit function that reports directly to the Board of Länsförsäkringar AB and its task is to evaluate the efficiency of the processes and risk management in the work of the first and second lines of defence. Internal audit reports to the Board.

#### INTERNAL AUDIT

*Jakob Nordin*  
Head of Internal Audit

Internal Audit is an independent review function that supports the Board in the evaluation of the corporate governance system, including the organisation's risk management, governance and controls. Based on its reviews and advice, Internal Audit evaluates and ensures that the operations' overall internal governance and control systems are pursued effectively, that the overall reporting to the Board provides a correct and comprehensive view of the operations, that the operations are conducted in accordance with applicable internal and external regulations, and that there is compliance with the Board's decisions. Internal Audit reports to the Länsförsäkringar AB Group's Board of Directors and to the boards of each subsidiary but is organisationally affiliated under the Chairman of the Audit Committee.

#### INTRODUCTION

#### STRATEGY

#### OUR OPERATIONS

#### BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

#### FINANCIAL STATEMENTS

#### OTHER INFORMATION



### **Deviations from the Code**

Länsförsäkringar AB complies with the Code, where applicable. The main reasons for the deviations are the limitations under the rules for financial companies and that Länsförsäkringar AB is not a listed company. The major deviations from the provisions of the Code and explanations for such deviations are presented below:

#### **Notice**

There is a deviation regarding the notice and publication of information about and prior to an Annual General Meeting. These deviations from the provisions of the Code are due to the fact that Länsförsäkringar AB is not a listed company and has only a limited number of shareholders.

#### **Nomination Committee**

A deviation from the provisions of the Code regards the independence of a majority of the members of the Nomination Committee in relation to Länsförsäkringar AB. Another deviation from the provisions of the Code is the publication of information about and from the Nomination Committee on LF.se. These deviations are due to the fact that Länsförsäkringar AB is not a listed company and has only a limited number of shareholders.

### **Composition of the Board**

A deviation from the provisions of the Code exists regarding independence of a majority of the Board members elected by the Annual General Meeting in relation to the company and corporate management, and that not less than two Board members must be independent in relation to the company's major shareholders. According to the instruction for the Nomination Committee, the Board of Directors is to be appropriately composed, with respect to Länsförsäkringar AB's operations, stage of development and other circumstances, and characterised by diversity and breadth in terms of the members' competencies, experience and background. Although there are no independent Board members as defined in the Code, it has been decided that these requirements can be fulfilled within the framework of the federation of the regional insurance companies.

#### **Mandate period for Board members**

The mandate period for Board members is two years. Länsförsäkringar AB deviates from the Code's provision of a maximum mandate period of one year due to the supremacy of the Annual General Meeting to dismiss and appoint a Board member irrespective of their term. A mandate period of more than one year contributes to ensuring continuity and establishing competence within the Board.

### **Composition of Audit Committee and Remuneration Committee**

A deviation from the provisions of the Code regards the independence of a majority of the members of the committees in relation to the company and corporate management due to the federal structure, governance and working methods of the Länsförsäkringar Alliance. Refer also to the comments on the deviation from the Code's provision on the composition of the Board.

#### **Remuneration of senior executives**

The Code stipulates rules on remuneration of senior executives. The Board believes that in this respect the rules in the Code are not to be followed since Länsförsäkringar AB has a legal requirement to comply with the Solvency II regulations on remuneration systems.

#### **Audit of half-yearly report**

The Code stipulates that the company's auditors are to audit the half-yearly report. The Board has decided that the auditors are not to audit the half-yearly report since Länsförsäkringar AB is not a listed company and also to reduce costs.

---

## **INTRODUCTION**

---

## **STRATEGY**

---

## **OUR OPERATIONS**

---

## **BOARD OF DIRECTORS' REPORT**

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

---

## **FINANCIAL STATEMENTS**

---

## **OTHER INFORMATION**

---



# Internal control over financial reporting

The Board's responsibility is to ensure that efficient systems are in place to monitor and control the company's operations and financial position. Internal control over financial reporting (ICFR) is a framework for providing reasonable assurance of the reliability of the financial reporting to the management and Board. The ICFR is performed in an annual cycle as shown in the diagram below.

## 2. VALIDATE THE DESIGN OF KEY CONTROLS

The ICFR includes company-wide controls, processes and IT controls. The purpose of these different types of key controls is to manage the risk of material misstatement in the financial reporting. The control structure is based on the processes of the business and is validated every year, together with the responsible control and process owners, to ensure the appropriateness of the controls for managing the risks identified.

## 1. PERFORM RISK ASSESSMENTS AND DEFINE LIMITATIONS/SCOPE

Risk assessments are performed annually at both Group and legal unit level to identify the risk of material misstatement in financial reporting. The risk assessment provides the basis for determining the legal entities and processes that are to be covered by the ICFR framework. The conclusions from this work are compiled in a report that describes the risk assessment and boundaries for the coming year and is presented to the Board.



## 3. PLAN ACTIVITIES FOR MONITORING AND AUDITS

A general plan is prepared for the quarterly self-assessments of the controls for the operations. The plan sets out when this will take place and the controls that will be assessed. The plan also establishes the controls that are to be tested for operational efficiency during the year. The plan is communicated to internal and external audit.

## 4. MONITOR AND EVALUATE CONTROLS

Monitoring includes, for example, quarterly self-assessment of the completed controls. The monitoring process can identify weaknesses in the ICFR framework, implement compensating controls and introduce improvement measures. The objective is for the Group to reach a monitored level, which entails that standardised controls for managing the risks identified have been implemented with compliance monitored and the results reported to the management and the Board.

## 5. REPORT RESIDUAL RISK

The results of the self-assessments are compiled, aggregated and analysed to determine the risk of material misstatement in financial reporting. These are summarised in a report to the CFO and the Audit Committee. The report describes the residual risk after the controls have been performed together with any compensating controls or other measures adopted to reduce risk in the financial reporting.

*In addition to the above, Internal Audit also performs an independent review of selected ICFR risks and controls, in accordance with the plan adopted by the Audit Committee. The results of Internal Audit's review, and recommendations, are reported regularly to the Audit Committee.*

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Board of Directors



## MARIA ENGHOLM

Chairman of the Board since 2022. Born 1967. President/CEO HSB MälarDalarna Elected 2015.

**Education:** M.Sc. in Business and Economics.

**Other Board appointments:** Chairman of LF Dalarnas and Dalarnas Försäkringsbolags Förvaltnings AB.

**Previous experience:** Board member of HSB Riksförbund, HSB Projektpartner AB, Länsförsäkringar Bank and Sparbanken Dalarna. Director of the Siljan Region Municipal Association.



## EVA JULIN DOMBROWE

Deputy Chairman of the Board since 2023. Born 1958. Self-employed. Elected 2023.

**Education:** Chemical engineering.

**Other Board appointments:** Chairman of LF Värmland. Vice Chairman of Kristinehamns Energi AB.

**Previous experience:** Director Operations & HSE WFA Europe, site manager at Casco Adhesives AB Kristinehamn. Chairman of Näringslivssamverkan i Kristinehamn. Board member of the Liberal party, LF Research Foundation, Länsförsäkringar Liv, Casco Adhesives AB, Värmland Chamber of Commerce, Inova and Nyföretagarcentrum Kristinehamn. Värmland Regional Council.



## CHRISTIAN BILLE

Born 1962. President of LF Halland. Elected 2021.

**Education:** M.Sc. in Business and Economics, Lund University.

**Other Board appointments:** Board member of LF Halland, LFant AB, Halmstads Flygplats AB, Supersej AB, Halland Invest AB and Skadedjursbekämpning i Väst AB.

**Previous experience:** CEO of Sparbanken Syd, Operating Manager of Swedbank. Board member of Länsförsäkringar Bank, Länsförsäkringar Hypotek, Wasa Kredit, Agria Djurförsäkring and Länsförsäkringar Fondliv.



## STIG HÖBERG

Born 1960. Forest farmer. Elected 2024.

**Education:** Agricultural education.

**Other Board appointments:** Chairman of LF Västernorrland, Fastighetsförvaltningsbolaget Gården 35 AB and Norra Skog.

**Previous experience:** Regional Chairman LRF Västernorrland. Board member of National Board of Directors of Federation of Swedish Farmers (LRF), Landshypotek region Norrland, Mitt kapital, LF Research Foundation, Investa företagskapital and member of Västernorrland Wildlife Management Delegation.



## BEATRICE KÄMPE NIKOLAUSSON

Born 1972. President of Länsförsäkring Kronoberg. Elected 2020.

**Education:** MBA and M.Sc. in Business and Economics.

**Other Board appointments:** Chairman of Hällefors Tierp Skogar AB and Hjalmar Petri. Board member of Länsförsäkring Kronoberg, LF Affärsservice Sydost AB, Länsförsäkringar Trygghetstjänster AB and Linnaeus University.

**Previous experience:** CEO of Munksjö Aspa Bruk AB, CEO of Alstom Power Sweden AB, Air Quality Control Systems. Senior positions at Södra Skogsägarna and Södra Cell AB. Board member of Länsförsäkringar Bank, Länsförsäkringar Gruppliv, Länsförsäkringar Fastighetsförmedling, Länsförsäkringar Fondliv, Länsförsäkringar Fondförvaltning, Kv. New York Ek. förening, Micki Lek-saker and T-emballage. Long and broad experience in leading and working on corporate sustainability issues in both the industrial and financial sectors.



## KARIN MATTSSON

Born 1972. Board work and own company. Elected 2020.

**Education:** Human Resources Specialist (B.A. in Sociology).

**Other Board appointments:** Chairman of LF Jämtland since 2017. Chairman of Prince Carl Philip and Princess Sofia's foundation. Vice Chairman of Wallenstam AB and Skogsägarna Mellanskog. Board member of Astrid Lindgren's World and the Swedish Hockey League.

**Previous experience:** President of the Swedish Sports Confederation, Head of Skills Development of the Federation of Swedish Farmers. Broad experience of sustainability work in Board positions.

**Secretary of the Board:** Helena Thorlin. Born 1973. Head of Legal Affairs Länsförsäkringar AB. Employed in 2021.

**Education:** LL.M. University of Gothenburg.

**Board appointments:** Board member of Länsförsäkringar Gruppliv and the Insurance Industry's Pension Fund (FPK).

**Previous experience:** Law clerk at Solna District Court, lawyer at Gernandt & Danielsson Advokatbyrå, various positions at Skandia Group such as Deputy Head of Legal Affairs, Acting CEO of Försäkringsaktiebolaget Skandia and six years as Head of Legal Affairs.

**Auditor:** Deloitte AB with auditor in charge Patrick Honeth.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Board of Directors



## ÅSA ODELL

Born 1964. Farmer. Elected 2024.

**Education:** Graduate farmer.

**Other Board appointments:**

Chairman of LF Skåne. Board member of Åbyknutan AB. Deputy of Odells Lantbruk AB.

**Previous experience:** Vice Chairman of Federation of Swedish Farmers. Chairman of LRF Skåne, LSL Svenskmärkning, Jordbrukstekniska institutet och Bredbandsforum. Member of KSLA Royal Swedish Academy of Agriculture and Forestry, Swedish Meats and the South Baltic Sea Water District. Expert in the Wolf Committee.



## RICARD ROBBSTÅL

Born 1970. President of Länsförsäkringar Göteborg och Bohuslän. Elected 2023.

**Education:** Behavioural Science and Psychology (135 credits). Corporate MBA from Harvard Business School and Stanford Graduate School of Business, DIHM degree in Economics and Marketing.

**Other Board appointments:** Chairman of Länsförsäkringar Göteborg och Bohuslän Fastigheter AB, LFGB Innovation AB, SIV Affärsservice AB and Skadedjursbekämpning i Väst AB. Member of Platzer Fastigheter Holding AB, Delsjö Golf AB, Swedish Sea Rescue Society, LFant AB, LF Trygghetstjänster AB, Supersej AB, Länsförsäkringsbolagens Franchisesupport AB and Länsförsäkringar Göteborg och Bohuslän.

**Previous experience:** President of Stampen Local Media, CEO of Göteborgs-Posten, Head of Private Distribution Sweden at If and various leading and other positions in Skandia and Folksam.



## ÖRJAN SÖDERBERG

Born 1952. Self-employed. Elected 2023.

**Education:** LLM.

**Other Board appointments:** Chairman of LF Gotland.

**Previous experience:** President of Länsförsäkringar Fondförvaltning AB, President of Länsförsäkringar Bank AB, Vice President of LF Stockholm, President of LF Jönköping, President of LF Älvsborg.

### Employee representatives



## SUSANNE LINDBERG

Born 1967. Employee representative. Elected 2012.

**Education:** Upper-secondary school diploma in economics, IFU diploma in non-life and life insurance from Swedish Institute of Insurance Training (IFU), diploma in personal injury claims adjustment from Länsförsäkringar.

**Other Board appointments:** Chairman of Forena Länsförsäkringar. Deputy Chairman of Forena, Nordic Financial Unions, UNI Europa Finance and Finans & Försäkringsbranschens A-kassa. Board member of Insurance Industry's Pension Fund (FPK). Deputy member of Länsförsäkringar Fondliv and Länsförsäkringar Liv.

Deputy: Susanne Hirsch.



## ANNA SANDQVIST

Born 1963. Employee representative. Elected 2014.

**Education:** B.A. HR programme.

**Other Board appointments:** Deputy Chairman of Akademikerföreningen Länsförsäkringar AB. Board member of Wasa Kredit and Privata Sektionen, Akavia. Chairman of Fjällbyn tenant-owners' association.

**Previous experience:** AMF Pension, Wasa Försäkring.

Deputy: Hans Holm.



## MIREK SWARTZ

Born 1962. Employee representative. Elected 2022.

**Education:** Technical college engineer.

**Other Board appointments:** Chairman of Forena Länsförsäkringar AB. Board member of Länsförsäkringar Fondförvaltning.

**Previous experience:** Head of IT support LF Stockholm, Head of IT support Länsförsäkringar AB. Board member of Länsförsäkringar Bank and Wasa Kredit.

Deputy: Susanne Hirsch.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Corporate management



## MATHIAS COLLÉN

*Born 1981. Employed in 2019. President and CEO of Länsförsäkringar AB.*

**Education:** M.Sc. in Business and Economics, School of Business, Economics and Law at University of Gothenburg.

**Board appointments:** Chairman of Länsförsäkringar Bank, Länsförsäkringar Fondliv and Agria Djurförsäkring and Insurance Industry's Employer Organisation. Deputy Chairman of Insurance Sweden. Board member of Eurapco and the Confederation of Swedish Enterprise.

**Previous experience:** President of Länsförsäkringar Fondliv, Head of Business at Länsförsäkringar Fondliv, Head of Commercial Business area at LF Stockholm and senior positions at Livförsäkringsbolaget Skandia.



## BJÖRN DALEMO

*Born 1975. Employed in 2019. Head of the Non-life Insurance business unit and Executive Vice President of Länsförsäkringar AB.*

**Education:** Economics/Statistics.

**Board appointments:** Chairman of Länsförsäkringar Gruppliv. Board member of Baby Journey, Swedish Motor Insurers and the Swedish Theft Prevention Association (SSF).

**Previous experience:** Senior positions in pricing, underwriting and product and portfolio management.



## SVEN EGGEFALK

*Born 1969. Employed in 2018. President of Länsförsäkringar Bank AB.*

**Education:** B.A. in Economics, North Park University Chicago.

**Board appointments:** Chairman of Länsförsäkringar Hypotek and Wasa Kredit. Board member of Länsförsäkringar Fondförvaltning, Länsförsäkringar Fastighetsförmedling and the Swedish Bankers' Association.

**Previous experience:** President of Länsförsäkringar Östgöta, President of Wasa Kredit, 15 years at SEB in various senior positions.



## JONAS EKEGREN

*Born 1971. Employed in 2016. CFO and Head of Economy and Finance.*

**Education:** M.Sc. in Business and Economics, Örebro University.

**Board appointments:** Chairman of LF Sak Fastighets AB. Board member of Länsförsäkringar Hypotek, Länsförsäkringar Liv and SOS International.

**Previous experience:** Head of Business and Capital Planning at Länsförsäkringar AB, 15 years in various positions at Nordea, 5 years at Handelsbanken.



## CECILIA ERIKSSON

*Born 1983. Employed in 2023. Head of People & Culture.*

**Education:** Human Resources and Behavioural Science, Örebro University.

**Previous experience:** Chief HR Officer at Three Sweden, Global HR Director, HR Business Partner and HR Specialist at Tobii AB, Management Consultant at PwC and various roles in the recruitment and staffing sector.



## DAVID HAAK

*Born 1976. Employed in 2024. President of Agria Djurförsäkring<sup>1)</sup>.*

**Education:** M.Sc. in Mechanical Engineering, Royal Institute of Technology Stockholm.

**Board appointments:** Chairman of Mentor Sweden, Chair of Mentor International.

**Previous experience:** CEO SBP Kredit, CEO Zurich Nordic, Chief Underwriting Officer Zurich Nordic, Country Manager Sweden Zurich, Vice President Guy Carpenter, Property Underwriter Zurich Sweden.

<sup>1)</sup> Until 30 September 2024, Agnes Fabricius was President of Agria Djurförsäkring.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
  - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# Corporate management



## MARIA LUNDBERG

Born 1968. Employed in 2024. CDO and Head of Digital and IT<sup>2)</sup>.

**Education:** M.Sc. in Industrial Engineering & Management, Luleå University of Technology.

**Previous experience:** Head of Technology Volvo Digital & IT, CIO ICA Group, CIO ICA Sweden, Development Manager Axfood IT.

<sup>2)</sup> Until 8 January 2024, Fredrik Lidman was Acting Head of Digital and IT.



## JOHN NYMAN

Born 1979. Employed in 2006. Head of Strategy and Communication.

**Education:** M.Sc. in Engineering Chalmers University of Technology, studies in economics and statistics, School of Business at University of Gothenburg.

**Board appointments:** Board member of LF Research Foundation, Cab Group AB and Omocom AB.

**Previous experience:** Equity Strategist Asset Management Länsförsäkringar AB, Advisor Group Staff Länsförsäkringar AB, Head of Reinsurance and Corporate business at Länsförsäkringar AB. Board member Mäklarservice AB.



## SARA RINDEVALL

Born 1975. Employed in 2022. President of Länsförsäkringar Fondliv Försäkrings AB.

**Education:** MBA Stockholm School of Economics, B.A. Political Science, Stockholm University.

**Board appointments:** Board member of Länsförsäkringar Gruppliv. Deputy Board member of Min Pension i Sverige AB.

**Previous experience:** Head of Products and Customer offering at Länsförsäkringar Fondliv, Head of Product and Business Development Savings & Pension Handelsbanken, senior positions at Livförsäkringsbolaget Skandia and its subsidiaries.



## HELENA THORLIN

Born 1973. Employed in 2021. Head of Legal Affairs.

**Education:** LL.M. University of Gothenburg.

**Board appointments:** Board member of Länsförsäkringar Gruppliv and the Insurance Industry's Pension Fund (FPK).

**Previous experience:** Law clerk at Solna District Court, lawyer at Gernandt & Danielsson Advokatbyrå, various positions at Skandia Group such as Deputy Head of Legal Affairs, Acting CEO of Försäkringsaktiebolaget Skandia and six years as Head of Legal Affairs.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

- Introduction
- Business operations
- Other information
- Sustainability Report
- Corporate Governance Report
  - Owner control
  - Corporate governance
  - Board of Directors and auditor
    - Corporate management

## FINANCIAL STATEMENTS

## OTHER INFORMATION



# 05

## Financial statements

Five-year summary	150
Group	154
Parent Company	217
Auditor's report	250



## Five-year summary Länsförsäkringar AB Group

Amounts in SEK M unless otherwise stated	2024	2023	2022	2021	2020
<b>GROUP</b>					
Profit before tax	4,050	3,240	2,513	3,806	2,726
Net profit for the year	2,476	2,195	1,963	3,229	2,270
Return on equity, %	7	8	8	9	8
Total assets, SEK bn	805	731	686	712	614
Number of shares, 000s	10,425	10,425	10,425	10,425	10,425
Equity per share, SEK	3,405	3,261	3,144	3,183	2,959
<b>Solvency capital</b>					
Equity	38,041	36,198	34,976	35,387	33,051
Tier 1 capital issued	-2,550	-2,200	-2,200	-2,200	-2,200
Subordinated debt	3,095	3,093	2,597	2,595	2,597
Deferred tax	1,049	991	944	928	797
<b>Total solvency capital</b>	<b>39,635</b>	<b>38,082</b>	<b>36,316</b>	<b>36,709</b>	<b>34,245</b>
Solvency margin, %	412	433	434	442	461
Own funds for the insurance group (FRL)	66,775	62,634	59,099	65,203	57,412
Solvency capital requirement for the insurance group (FRL)	49,370	46,066	41,836	45,368	39,186
Own funds for the financial conglomerate	66,775	62,634	59,099	65,203	57,412
Capital requirement for the financial conglomerate	49,370	46,066	41,836	45,368	39,186
Average number of employees	3,214	2,942	2,583	2,351	2,271
<b>INSURANCE OPERATIONS</b>					
<i>Non-life insurance operations</i>					
Premiums earned (after ceded reinsurance)	9,255	8,585	8,141	7,339	6,481
Investment income transferred from financial operations	255	181	9	7	8
Claims payments (after ceded reinsurance)	-6,581	-6,215	-5,673	-4,927	-4,529
<b>Technical result for non-life insurance operations</b>	<b>625</b>	<b>492</b>	<b>708</b>	<b>629</b>	<b>221</b>
<i>Premium income, non-life insurance</i>					
Premium income before ceded reinsurance	11,504	10,622	10,174	9,510	8,833
Premium income after ceded reinsurance	9,626	8,801	8,375	7,731	6,887
<i>Life-assurance operations</i>					
Premium income after ceded reinsurance	682	641	673	625	572
Fees pertaining to financial agreements	904	847	882	940	811
Investment income, net*	40,751	26,437	33,519	806	237
Claims payments (after ceded reinsurance)	-367	-305	-320	-381	-303
<b>Technical result, life-assurance operations</b>	<b>1,280</b>	<b>905</b>	<b>680</b>	<b>829</b>	<b>927</b>
<b>Operating profit for insurance operations</b>	<b>1,759</b>	<b>1,073</b>	<b>446</b>	<b>1,647</b>	<b>1,219</b>
<i>Key figures</i>					
Expense ratio, non-life insurance	25	24	22	20	20
Claims ratio, non-life insurance	71	73	70	71	77
Combined ratio, non-life insurance	96	97	92	91	97
Management cost ratio, life assurance	0.8	0.8	0.8	0.9	0.8
Direct yield, %, insurance operations**	1.8	3.6	0.7	-0.4	1.0
Total return, %, insurance operations	7.5	5.8	-3.3	9.3	3.2

\*Comparative information has been adjusted to include unrealised gains on investment assets, policyholder bears the risk.

\*\* Comparative information has been adjusted to reflect the investment assets of the insurance business, as well as cash and bank balances.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

– Five-year summary

Group

Parent Company

Auditor's report

### OTHER INFORMATION



## Five-year summary, cont.

Länsförsäkringar AB Group	2024	2023	2022 <sup>1)</sup>	2021	2020
<i>Financial position</i>					
Investment assets, SEK bn*	20	19'	17'	20	14
Unit-linked insurance assets, policyholder bears the risk, SEK bn	270	222	192	219	166
Technical provisions (after ceded reinsurance), SEK bn	12	11	11	10	9
<b>BANKING OPERATIONS</b>					
Net interest income	6,054	6,438	5,146	4,741	4,845
Profit before tax	2,291	2,168	2,067	2,296	1,844
Net profit for the year	1,771	1,721	1,663	1,851	1,439
Return on equity, %	8.1	8.1	8.2	9.8	8.5
Total assets, SEK bn	496	471	457	451	410
Equity	24,986	23,788	22,586	21,749	19,830
Cost/income ratio before credit losses	0.49	0.52	0.50	0.56	0.49
Investment margin, %	1.34	1.47	1.19	1.09	1.18
Common Equity Tier 1 capital ratio, consolidated situation, %	15.3	15.1	15.4	15.3	16.7
Tier 1 ratio, consolidated situation, %	17.2	16.8	17.2	17.2	17.7
Total capital ratio, consolidated situation, %	19.5	19.2	18.5	19.4	19.1
Credit losses in relation to loans, %	0.04	0.03	0.03	-0.09	0.09
Liquidity coverage ratio, consolidated situation, %	341	337	310	313	296
Net Stable Funding Ratio, consolidated situation, %	123	128	125	130	130

\*Comparative information has been adjusted to include unrealised gains on investment assets, policyholder bears the risk.

Key figures for banking operations according to IFRS <sup>1)</sup> applied in the Länsförsäkringar Bank Group's reporting					
	2024	2023	2022	2021	2020
<b>Banking operations</b>					
Net interest income	6,632	7,023	5,528	4,741	4,845
Profit before tax	2,290	2,168	2,067	2,296	1,844
Profit for the period	1,771	1,722	1,663	1,851	1,439
Total assets, SEK bn	496	471	457	451	410

<sup>1)</sup> International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of these standards issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



# Contents - Group

<b>Financial statements</b>	154
Income statement for Länsförsäkringar AB Group	154
Consolidated statement of comprehensive income	156
Balance sheet for Länsförsäkringar AB Group	157
Consolidated statement of changes in equity	159
<b>Notes to the financial statements</b>	160
Note 1 Accounting policies	160
Note 2 Risk and capital management	167
Note 3 Earnings per operating segment	186
Note 4 Premiums earned after ceded reinsurance	189
Note 5 Investment income transferred from financial operations	189
Note 6 Other technical revenue	189
Note 7 Claims payments	190
Note 8 Operating expenses	190
Note 9 Leases	190
Note 10 Fees and remuneration of auditors	190
Note 11 Employees, staff costs and remuneration of senior executives	191
Note 12 Other technical expenses	192
Note 13 Investment income, net	192
Note 14 Other income and expenses	193
Note 15 Net interest income	193
Note 16 Net leasing	193
Note 17 Net commission income and other operating income	193
Note 18 Credit losses	194
Note 19 Tax	194
Note 20 Earnings per share	195
Note 21 Goodwill	195
Note 22 Other intangible assets	196
Note 23 Shares in Länsförsäkringar Liv Försäkringsaktiebolag (publ)	197
Note 24 Shares and participations in associated companies and joint ventures	197
Note 25 Shares and participations	197
Note 26 Bonds and other interest-bearing securities	198
Note 27 Treasury bills and other eligible bills	198
Note 28 Offsetting	199
Note 29 Unit-linked insurance assets, policyholder bears the risk	199
Note 30 Technical provisions	200
Note 31 Receivables, direct insurance	201
Note 32 Loans to the public and leases	201
Note 33 Change in value of hedge portfolios	204
Note 34 Other receivables	204
Note 35 Property and equipment, leases and other	204
Note 36 Cash and bank balances	205
Note 37 Deferred tax assets and liabilities	205
Note 38 Prepaid expenses and accrued income	206
Note 39 Equity	206
Note 40 Subordinated liabilities	207

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



Note 41 Provisions, policyholder bears the risk .....	207
Note 42 Other provisions .....	207
Note 43 Liabilities, direct insurance .....	208
Note 44 Due to credit institutions.....	208
Note 45 Deposits from the public .....	208
Note 46 Debt securities in issue .....	208
Note 47 Other liabilities .....	208
Note 48 Accrued expenses and deferred income .....	208
Note 49 Pledged assets, contingent liabilities and contingent assets.....	209
Note 50 Anticipated recovery and settlement periods for assets and liabilities.....	211
Note 51 Classification of financial assets and liabilities.....	212
Note 52 Fair value valuation techniques .....	214
Note 53 Disclosures on related parties.....	215
Note 54 Events after balance-sheet date.....	216
Note 55 Information regarding the Parent Company .....	216

---

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

---

## OTHER INFORMATION



# Länsförsäkringar AB Group

## Financial statements

### Income statement for Länsförsäkringar AB Group

SEK M	Note	2024	2023
<b>TECHNICAL RECOGNITION OF NON-LIFE INSURANCE OPERATIONS</b>			
Premiums earned (after ceded reinsurance)	4	9,255	8,585
Investment income transferred from financial operations	5	255	181
Other technical revenue (after ceded reinsurance)	6	3	5
Claims payments (after ceded reinsurance)	7	-6,581	-6,215
Operating expenses	8,9,10,11	-2,306	-2,061
Other technical expenses (after ceded reinsurance)	12	-1	-2
<b>Technical result for non-life insurance operations</b>		<b>625</b>	<b>492</b>
<b>TECHNICAL RECOGNITION OF LIFE-ASSURANCE OPERATIONS</b>			
Premium income (after ceded reinsurance)	4	682	641
Investment income, revenue	13	452	303
Unrealised gains on investment assets	13	40,387	26,130
Other technical revenue (after ceded reinsurance)	6	3,251	2,594
Claims payments (after ceded reinsurance)	7	-367	-305
Change in other technical provisions (after ceded reinsurance)		-40,648	-26,361
Operating expenses	8,9,10,11	-2,161	-1,915
Investment income, expenses	13	-170	-69
Unrealised losses on investment assets	13	-23	-4
Other technical expenses (after ceded reinsurance)	12	-124	-107
<b>Technical result, life-assurance operations</b>		<b>1,280</b>	<b>905</b>

#### INTRODUCTION

#### STRATEGY

#### OUR OPERATIONS

#### BOARD OF DIRECTORS' REPORT

#### FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

#### OTHER INFORMATION



## Income statement for Länsförsäkringar AB Group, cont.

SEK M	Note	2024	2023
<b>NON-TECHNICAL RECOGNITION</b>			
Technical result for non-life insurance operations		625	492
Technical result, life-assurance operations		1,280	905
Investment income, revenue	13	1,116	1,707
Unrealised gains on investment assets	13	255	304
Investment income, expenses	13	-684	-1,419
Unrealised losses on investment assets	13	-41	-117
Investment income transferred to non-life insurance operations		-262	-201
Other income	14	2,937	2,771
Other expenses	14	-3,466	-3,370
<b>Profit from insurance operations</b>		<b>1,759</b>	<b>1,073</b>
<b>BANKING OPERATIONS</b>			
Net interest income	15	6,054	6,438
Operating lease income	16	2,938	3,038
Net commission income and other operating income	17	-1,049	-1,487
Operating expenses	8,9,10,11	-2,728	-2,866
Depreciation, operating leases	16	-2,345	-2,450
Credit losses	18	-181	-114
Risk tax levied and resolution fee		-398	-391
<b>Profit from banking operations</b>		<b>2,291</b>	<b>2,168</b>
<b>Profit before tax</b>		<b>4,050</b>	<b>3,240</b>
Current tax		-553	-491
Yield tax		-923	-485
Deferred tax		-98	-69
<b>Tax on net profit for the year</b>	19	<b>-1,574</b>	<b>-1,045</b>
<b>Net profit for the year</b>		<b>2,476</b>	<b>2,195</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

### OTHER INFORMATION



## Consolidated statement of comprehensive income

SEK M	Note	2024	2023
<b>Net profit for the year</b>		<b>2,476</b>	<b>2,195</b>
<b>Other comprehensive income</b>	33		
<b>Items that may subsequently be transferred to profit or loss</b>			
Translation differences attributable to foreign operations		33	9
Cash flow hedges		-188	-112
of which change in value for the period		-	4,161
of which reclassification to profit or loss		-	-4,273
Change in fair value of financial assets measured at FVOCI		37	-52
of which change in value for the period		-	-53
of which reclassification to profit or loss		-	1
Tax attributable to items that have been transferred or can be transferred to profit or loss		31	34
<b>Total</b>		<b>-87</b>	<b>-121</b>
<b>Items that cannot be transferred to profit or loss</b>			
Revaluation of owner-occupied properties		-	-
Change in fair value of equity instruments measured at fair value through other comprehensive income		14	-2
Tax attributable to items that cannot be reversed to profit or loss		-3	0
<b>Total</b>		<b>11</b>	<b>-2</b>
<b>Total other comprehensive income for the year, net after tax</b>		<b>-76</b>	<b>-123</b>
<b>Comprehensive income for the year</b>		<b>2,400</b>	<b>2,072</b>

### INTRODUCTION

---

### STRATEGY

---

### OUR OPERATIONS

---

### BOARD OF DIRECTORS' REPORT

---

### FINANCIAL STATEMENTS

---

Five-year summary

– Group

Parent Company

Auditor's report

### OTHER INFORMATION

---



## Balance sheet for Länsförsäkringar AB Group

SEK M	Note	31 Dec 2024	31 Dec 2023
<b>ASSETS</b>			
<b>Intangible assets</b>			
Goodwill	21	10	81
Other intangible assets	22	4,620	4,246
<b>Total</b>		<b>4,630</b>	<b>4,327</b>
<b>Investment assets</b>			
Investments in Group companies, associated companies, joint ventures and other companies with a participating interest			
Shares in Länsförsäkringar Liv	23	8	8
Shares and participations in associated companies and joint ventures	24	203	210
Other financial investment assets			
Shares and participations	25	8,240	7,429
Bonds and other interest-bearing securities	26.27	67,450	70,829
Derivatives	28	4,751	5,098
Deposits with companies that have ceded reinsurance		104	136
<b>Total</b>		<b>80,756</b>	<b>83,711</b>
<b>Investment assets, life-assurance policyholder bears the investment risk</b>			
Unit-linked insurance assets	29	269,630	221,636
<b>Total</b>		<b>269,630</b>	<b>221,636</b>
<b>Reinsurers' portion of Technical provisions</b>			
Unearned premiums and unexpired risks	30	590	562
Claims outstanding	30	6,910	8,278
<b>Total</b>		<b>7,499</b>	<b>8,841</b>
<b>Receivables</b>			
Receivables, direct insurance	31	3,935	3,489
Receivables, reinsurance		376	421
Loans to the public	32	418,115	387,381
Change in value of hedge portfolios	33	-200	-1,553
Other receivables	34	2,958	2,037
<b>Total</b>		<b>425,184</b>	<b>391,776</b>
<b>Other assets</b>			
Property and equipment, leases	35	7,353	7,837
Property and equipment, other	35	369	448
Cash and bank balances	36	4,826	8,572
Deferred tax		129	84
Current tax	37	211	238
<b>Total</b>		<b>12,888</b>	<b>17,179</b>
<b>Prepaid expenses and accrued income</b>			
Accrued interest and rental income	38	90	90
Deferred acquisition costs		3,061	2,905
Other prepaid expenses and accrued income		1,112	1,019
<b>Total</b>		<b>4,262</b>	<b>4,014</b>
<b>TOTAL ASSETS</b>		<b>804,850</b>	<b>731,483</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

### OTHER INFORMATION



## Balance sheet for Länsförsäkringar AB Group, cont.

SEK M	Note	31 Dec 2024	31 Dec 2023
<b>EQUITY, PROVISIONS AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	39	200	200
Other capital contributed		11,115	11,115
Tier 1 capital		2,550	2,200
Other funds		-219	-245
Retained earnings		21,919	20,732
Profit for the period		2,476	2,195
<b>Total</b>		<b>38,041</b>	<b>36,198</b>
<b>Subordinated liabilities</b>			
Subordinated liabilities	40	3,095	3,093
<b>Total</b>		<b>3,095</b>	<b>3,093</b>
<b>Technical provisions (before ceded reinsurance)</b>			
Unearned premiums and unexpired risks	30	4,714	4,250
Life-assurance provision		2,965	2,834
Claims outstanding		11,380	12,721
<b>Total</b>		<b>19,060</b>	<b>19,805</b>
<b>Technical provisions for life assurance, policyholder bears the risk (before ceded reinsurance)</b>			
Conditional bonus	41	4,263	3,506
Unit-linked insurance commitments		270,123	222,086
<b>Total</b>		<b>274,386</b>	<b>225,592</b>
<b>Other provisions</b>			
Pensions and similar commitments	42	72	76
Current tax		491	395
Deferred tax	37	1,178	1,074
Other provisions		63	74
<b>Total</b>		<b>1,805</b>	<b>1,620</b>
<b>Deposits from reinsurers</b>			
Deposits from reinsurers		97	72
<b>Total</b>		<b>97</b>	<b>72</b>
<b>Liabilities</b>			
Liabilities, direct insurance	43	990	928
Liabilities, reinsurance		347	406
Due to credit institutions	44	10,803	5,895
Deposits and funding from the public	45	152,900	148,878
Change in value of hedge portfolios	33	-2,023	-4,197
Debt securities in issue	46	292,897	279,804
Derivatives	28	2,732	4,162
Other liabilities	47	2,317	2,450
<b>Total</b>		<b>460,963</b>	<b>438,328</b>
<b>Accrued expenses and deferred income</b>			
Reinsurers' portion of Deferred acquisition costs	48	6	5
Other accrued expenses and deferred income		7,397	6,771
<b>Total</b>		<b>7,403</b>	<b>6,776</b>
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>		<b>804,850</b>	<b>731,483</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

### OTHER INFORMATION



## Consolidated statement of changes in equity

SEK M	Fair value reserve						Retained earnings including net profit for the year	Total equity
	Share capital	Other capital Contributed	Tier1 capital	Trans-lation reserve	Fair value reserve	Hedging reserve		
<b>Opening equity, 1 January 2023</b>	<b>200</b>	<b>11,115</b>	<b>2,200</b>	<b>-17</b>	<b>-466</b>	<b>31</b>	<b>21,913</b>	<b>34,976</b>
<b>Comprehensive income for the year</b>								
Net profit for the year	-	-	-	-	-	-	2,195	2,195
Other comprehensive income for the year	-	-	-	9	-43	-89	-0	-123
<b>Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>-43</b>	<b>-89</b>	<b>2,195</b>	<b>2,072</b>
<b>Transactions with the Group's owners</b>								
<i>Contributions from and transfers of value to owners</i>								
Dividends paid	-	-	-	-	-	-	-698	-698
<b>Total transactions with the Group's owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-698</b>	<b>-698</b>
Dividends, etc., on Additional Tier 1 instruments	-	-	-	-	-	-	-151	-151
<b>Closing equity, 31 December 2023</b>	<b>200</b>	<b>11,115</b>	<b>2,200</b>	<b>-7</b>	<b>-509</b>	<b>-58</b>	<b>23,258</b>	<b>36,198</b>
<b>Opening equity, 1 January 2024</b>	<b>200</b>	<b>11,115</b>	<b>2,200</b>	<b>-7</b>	<b>-509</b>	<b>-58</b>	<b>23,258</b>	<b>36,198</b>
<b>Comprehensive income for the year</b>								
Net profit for the year	-	-	-	-	-	-	2,476	2,476
Other comprehensive income for the year	-	-	-	33	40	-149	-0	-76
<b>Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>40</b>	<b>-149</b>	<b>2,476</b>	<b>2,400</b>
<b>Transactions with the Group's owners</b>								
<i>Contributions from and transfers of value to owners</i>								
Dividends paid	-	-	-	-	-	-	-698	-698
<b>Total transactions with the Group's owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-698</b>	<b>-698</b>
Dividends, etc., on Additional Tier 1 instruments	-	-	350	-	-	-	-208	142
<b>Closing equity, 31 December 2024</b>	<b>200</b>	<b>11,115</b>	<b>2,550</b>	<b>25</b>	<b>-469</b>	<b>-207</b>	<b>24,827</b>	<b>38,041</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

### OTHER INFORMATION



## Notes to the financial statements

All figures in SEK M unless otherwise stated.

### Note 1 Accounting policies

#### Compliance with standards and legislation

The consolidated financial statements were prepared in accordance with Chapter 7, Sections 1–4 of the Swedish Annual Accounts Act for Insurance Companies (1995:1560) (ÅRFL) and Finansinspektionen's (the Swedish Financial Supervisory Authority, FSA) regulations and general guidelines FFFS 2019:23 regarding annual accounts at insurance undertakings and institutions for occupational retirement provision. The differences arising between the Group's and the Parent Company's accounting policies are described in the section Parent Company's accounting policies.

#### Conditions relating to the preparation of the Parent Company's and consolidated financial statements

The Parent Company's functional currency is Swedish kronor (SEK), which is also the presentation currency of the Parent Company and the Group. Accordingly, the financial statements are presented in SEK, rounded to the nearest million, unless otherwise stated.

The consolidated financial statements have been prepared in accordance with the cost method, except for certain financial assets and liabilities (including derivative instruments) measured at fair value or amortised cost.

The accounting policies stated below have been applied to all periods presented in the financial statements, unless otherwise stated.

#### Estimates and judgements in the financial statements

Corporate management makes estimates and judgements, and also assumptions, that affect the application of the accounting policies and the recognised amounts of income, expenses, assets, liabilities, provisions and contingent liabilities presented in the financial statements. These estimates and judgements are based on historic experiences and the best information available on the balance-sheet date. The actual outcome may deviate from these estimates and judgements, but estimates are regularly evaluated to reduce deviations.

#### Significant sources of estimation uncertainty are primarily related to:

- Valuation of expected credit losses. These valuations are based on complex models and assessments, such as identifying significant increases in credit risk, considering forward-looking information and selecting macroeconomic scenarios. For a more detailed description of expected credit losses, refer to the section Expected credit losses.
- Calculation of the life-assurance provision. When calculating the life-assurance provision, assumptions are made regarding the discount rate, mortality, morbidity and expenses. For a more detailed description of the life-assurance provision, refer to Life-assurance provision.
- Calculation of technical provisions. When calculating provisions for claims outstanding, an actuarial estimate is made of the expected claims payments for the insured event that has occurred. These calculations are based on assumptions regarding interest rates and future costs. For a more detailed description of technical provisions, refer to Technical provisions.
- The depreciation period for deferred acquisition costs for unit-linked insurance contracts. There is some uncertainty in the estimates for the depreciation period for deferred acquisition costs for unit-linked insurance contracts. The assumption for the depreciation period is based on statistics relating to the terms of the insurance contracts. For a more detailed description, refer to the section Deferred acquisition costs.
- Recognition of current tax due to the law on top-up tax for companies in large groups (the "Top-up Tax Act"). The Group intends to apply the simplification rules, which means that no current tax is recognised for the 2024–2026 fiscal years. For a more detailed description of the Group's exposure to paying top-up tax, refer to note 19 Tax.
- Measurement of financial assets without observable market data. Valuation techniques and assumptions are used in the

measurement of financial assets for which no observable market data is available. For a more detailed description of the measurement of financial assets at fair value, see note 52 Fair value valuation techniques.

#### Important judgements made in the application and selection of accounting policies are primarily related to:

- Länsförsäkringar AB's holding in Länsförsäkringar Liv Försäkringsaktiebolag (publ) (referred to below as "Länsförsäkringar Liv") is operated according to mutual principles. The company is wholly owned by Länsförsäkringar AB and thus is not considered to be a subsidiary. However, Länsförsäkringar Liv is not included in Länsförsäkringar AB's consolidated financial statements due to the prohibition on profit distribution since this means that there are significant and permanent obstacles that limit the Parent Company's ability to exercise its rights regarding the subsidiary's assets. Accordingly, Länsförsäkringar Liv is not consolidated according to the purchase method and is instead reported as unlisted shares.

#### NEW OR AMENDED ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2024

New or amended standards and interpretations that are effective for fiscal years beginning on or after 1 January 2024 are not expected to have a material impact on the consolidated financial statements or the Group's capital requirements, own funds or other circumstances under the applicable regulatory requirements.

#### New accounting policy due to reassessed VAT

A contingent asset was presented in the consolidated financial statements for 2023 that referred to Wasa Kredit (changing its name to Länsförsäkringar Finans AB) likely receiving a refund of input VAT for the 2017–2023 fiscal years. The Swedish Tax Agency has approved the company's request for a reassessment and has refunded the reassessed amounts. The reassessed amounts were recognised in profit or loss as a reduction of Operating expenses in the banking operations. For a more detailed description, refer to note 8 Operating expenses.

#### NEW IFRSs AND INTERPRETATIONS THAT HAVE NOT YET BEEN APPLIED

New or amended standards and interpretations that come into effect for fiscal years beginning on or after 1 January 2025 were not applied in advance when this financial statement was prepared. The expected effects of the application on the financial reporting are described below.

#### IFRS 18 Presentation and Disclosure in Financial Statements

On 9 April 2024, the IASB published IFRS 18 Presentation and Disclosure in Financial Statements that will replace IAS 1 Presentation of Financial Statements on 1 January 2027. The standard has not yet been endorsed by the EU but is expected to be adopted before it comes into effect. IFRS 18 introduces new requirements for the presentation and disclosure in financial statements, with a particular focus on the income statement and disclosures of management-defined performance measures. The standard is not expected to have any financial impact on the Group, but will introduce new requirements for presentation and disclosure in the financial statements. The Group intends to start work on the standard in pace with the FSA incorporating any changes to regulation FFFS 2019:23 on annual accounts.

#### Amendments to the classification and measurement of financial instruments (IFRS 9 and IFRS 7)

The IASB has published amendments to the classification and measurement of financial instruments in IFRS 9 and IFRS 7. The amendments mainly provide guidance on the assessment of contractual cash flows of financial assets that include terms that are dependent on future events and related disclosure requirements. The amendments are

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



to be applied from 1 January 2026 and have not yet been endorsed by the EU. The impact on the consolidated financial statements is currently being evaluated.

## DESCRIPTION OF SIGNIFICANT ACCOUNTING POLICIES

### CONSOLIDATION PRINCIPLES

#### **Subsidiaries**

Subsidiaries to be included in the consolidated financial statements are consolidated in the Group according to the purchase method from the date on which a legal entity is considered to be a subsidiary and until the date on which a group relationship between a parent company and a subsidiary ceases.

#### **Foreign currency**

##### **Transactions in foreign currency**

Transactions in foreign currency are translated at the exchange rate on the transaction date.

Monetary assets and liabilities in foreign currency are translated by applying the exchange rates on the balance-sheet date. Exchange-rate differences arising due to foreign currency translations in the balance sheet are recognised in profit or loss.

### PRINCIPLES FOR ITEMS IN PROFIT OR LOSS

#### **Premiums**

##### **Premium income**

Premium income in the non-life insurance operations is recognised as the total gross premium for direct insurance and assumed reinsurance that has fallen due for payment or can be credited to the company for insurance contracts for which the insurance period commenced prior to the end of the fiscal year. Gross premium is the contractual premium for the entire insurance period after deductions for standard customer discounts. The insurance contracts under which the Group assumes risks from other company's insurance contracts are classified as assumed reinsurance.

Premiums for insurance periods commencing after the end of the fiscal year are also recognised as premium income, if according to contract they fall due for payment during the fiscal year. Premium income is recognised excluding tax and other public fees charged to the insurance premium.

Renewal premiums for contracts with renewal before the end of the fiscal year but that are not confirmed by the policyholder and premiums for recently signed insurance contracts for which the insurance period begins before the end of the fiscal year are included at the amounts at which they are expected to be received. Cancellations reduce the premium income as soon as the amount is known. Additional premiums are included at the amounts at which they are expected to be received.

The insurance component in the life-assurance operations is classified in the financial agreements as insurance contracts. Premium income is recognised on a cash basis, meaning that the premiums paid are recognised as income when they are received regardless of whether these wholly or partly refer to a later fiscal year.

##### **Premiums for ceded reinsurance**

The premium for ceded reinsurance is recognised as the amount paid during the fiscal year or the amount recognised as a liability to the insurance company that assumed the reinsurance under signed reinsurance contracts. The premiums are allocated such that the expense is distributed to the period to which the insurance cover pertains.

##### **Premiums earned**

Premiums earned are recognised as the portion of premium income attributable to the accounting period. The portion of premium income from insurance contracts pertaining to periods after the balance-sheet date is recognised as Technical provisions in the balance sheet. Provision for unearned premiums is usually calculated by strictly allocating premium income based on the term of the underlying insurance contract. Reinsurers' portion of premium income is also allocated and the portion attributable to the period after the balance-sheet date is recognised as a receivable, Reinsurers' portion of technical provisions.

#### **Claims payments**

Claims payments correspond to claims paid and changes in provisions for claims outstanding during the reporting period. In addition to claims paid, the item of claims payments also includes expenses for claims adjustment. Claims recoveries are recognised as a reduction of claims costs.

#### **Investment income**

Investment income in the non-life insurance and life-assurance operations comprises the items: investment income, revenue; investment income, expenses; unrealised gains on investment assets; and unrealised losses on investment assets on investment assets.

Realised gains or losses are calculated as the difference between the sales price received and the cost of the asset. Unrealised gains or losses comprise changes for the year in the difference between the fair value and cost. In the event of a sale, the accumulated unrealised changes in value are reversed as unrealised gains or losses. In the insurance operations, provision for claims outstanding is discounted on annuities; the effect of interest rate revaluations on annuities is recognised as Investment income.

#### **Impairment**

##### **Impairment tests for property and equipment, intangible assets, associated companies and goodwill**

If there is an indication of an impairment requirement, the recoverable amount of the asset is calculated. If it is not possible to determine the significantly independent cash flows for an individual asset, the assets are to be grouped when testing for impairment at the lowest value where it is possible to identify the significantly independent cash flows, known as a cash-generating unit. A cash-generating unit is the smallest group of assets that generates cash inflows that are independent of the cash inflows from other assets or groups of assets.

An impairment loss is recognised when the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount. The recoverable amount is the higher of fair value less selling expenses and value in use. The value in use is calculated as expected future cash flows discounted by the market-based yield requirements for the asset/cash-generating unit. Impairment is recognised in profit or loss. The impairment of assets attributable to a cash-generating unit is initially distributed to goodwill. Proportional impairment losses on the other assets included in the unit are subsequently recognised.

##### **Reversal of impairment losses on property and equipment, intangible assets, associated companies and goodwill**

Impairment is reversed when there is no longer any indication of impairment and a change has occurred in the assumptions that formed the basis for calculating the recoverable amount. A reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been recognised, less depreciation/amortisation, if no impairment had been applied. Reversed impairment is recognised in profit or loss.

#### **Remuneration of employees**

##### **Remuneration after termination of employment**

The Group has both defined-contribution and defined-benefit pension plans, some of which have assets in separate foundations. These plans are financed through payments from the respective Group company. The Group is generally covered by the FTP plan, which does not depend on any payments from employees.

The largest pension plan of which the company's employees are part is the FTP plan, a multi-employer pension plan. The plan is a defined-benefit plan for employees born in 1971 or earlier and a defined-contribution plan for employees born in 1972 or after. The defined-benefit portion is insured through the Insurance Industry's Pension Fund (FPK). This pension plan entails that a company, as a rule, recognises its proportional share of the defined-benefit pension commitment and of the plan assets and expenses associated with the pension commitment. The FPK is currently unable to provide necessary information, which is why the pension plan above is recognised as a defined-contribution plan. The Group's payments to defined-contribution plans are recognised as expenses during the period in which the employee performed the services to which the contributions refer.

#### **Interest income and interest expense in the banking operations**

Interest income and interest expense presented in the banking operations' net interest income comprise interest calculated according to the effective interest method on financial assets and liabilities measured at amortised cost, and interest from financial assets classified as measured at fair value through other comprehensive income (FVOCI). The effective interest rate includes fees that are deemed to be an integrated part of the effective interest rate for a financial instrument (usually fees that are received as compensation for risk). The effective interest rate corresponds to the rate used to discount contractual future cash flows to the carrying amount of the financial asset or liability. Interest on derivatives that hedge interest-rate and foreign-currency

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



risk and are included in formal hedging relationships is recognised as interest income if the derivative hedges an asset and as interest expense if the derivative hedges a liability. Interest compensation for early redemption of fixed-rate lending and deposits is recognised in profit or loss.

For credit-impaired assets (assets in stage 3), the interest income is calculated and recognised based on the net carrying amount, meaning after deductions for expected credit losses. For assets in stage 1 and 2, the interest income is calculated and recognised based on the gross carrying amount. Refer also to the section on expected credit losses below.

#### **Lease income and expenses**

All leases in which Länsförsäkringar is either a lessor or a lessee, are recognised as if they are operating leases even if the lease is deemed to be a finance lease.

#### **Reporting for the lessee**

For leases under which the Group is the lessee, lease payments made are expensed straight-line over the term. Leases that contain both one or more lease components and one or more non-lease components are recognised by the lessee as a single lease component. This means that all payments made under the lease are recognised as lease payments.

#### **Reporting for the lessor**

For leases under which Länsförsäkringar is the lessor, received lease payments are recognised in profit or loss straight-line over the term.

#### **Net commission income and other operating income**

##### **Payment mediation commission and card business**

The Group's obligations for payment mediation partly comprise enabling bank customers to make secure and convenient payments and partly involve participating in the payments systems required for carrying out the payments. Income for payment mediation is settled in advance in the form of annual fees and continuously with the transactions being performed. The fees received in advance are recognised on settlement as a contract liability and income is subsequently recognised straight-line over the period during which the obligation is satisfied. Continuous income is recognised after the transactions have been completed and is settled either immediately or following a slight delay.

##### **Lending commission**

Lending commission primarily refers to additional services (land registration certificates and mortgage deeds) that customers can choose when arranging their loans. Income is recognised when the customer receives the service. Arrangement fees are recognised as interest income according to the effective interest method.

Lending commission also includes notification and reminder fees for which the Group's obligation is to notify/remind the customer. These fees are recognised as income when the notification or reminder is sent to the customer. Penalty interest is recognised as interest income.

##### **Securities commission**

The Bank Group's securities commission is largely attributable to income in Länsförsäkringar Fondförvaltning. A small portion is attributable to Länsförsäkringar Bank. Commission is based on the following obligations:

The Bank Group receives a management fee from the funds that the subsidiary Länsförsäkringar Fondförvaltning has undertaken to manage. This management fee is based on the current assets in the funds. Income for this fee is recognised monthly since the obligations is deemed to be satisfied and settled in the following month.

Länsförsäkringar Bank receives a fixed brokerage fee from the customer for each securities transaction. When the transaction has been completed, the obligation is deemed to be satisfied and the fee is recognised as income.

Länsförsäkringar Bank and Länsförsäkringar Fondförvaltning receive remuneration from the trading venues in which they operate. The obligation is to distribute and invest in the funds traded on these trading venues. Income is based on the current managed assets that were distributed and invested in the trading venue's funds. Income is recognised every month. Income for the current quarter is settled in the first month of the subsequent quarter.

Länsförsäkringar Fondförvaltning receives remuneration when the company's funds invest in other funds. This remuneration is based on the current managed assets and the obligation is satisfied when the investment is made in the fund. Income is recognised every month and

the current quarter's income is settled in the first month of the subsequent quarter.

#### **Rebating of commissions**

Rebating of commissions is received from fund companies that Länsförsäkringar Fondliv has partnership agreements with in order to offer mutual funds to customers. This remuneration comprises commission for distributing the funds and is calculated every day on the brokered portfolio per fund.

Länsförsäkringar Fondliv's obligation is to broker and distribute funds. The obligation is deemed to be satisfied when the funds have been brokered.

Rebating of commissions is variable. Länsförsäkringar Fondliv believes that it is not possible to reliably determine future rebating of commissions due to such uncertainty factors as the amount of future capital since some funds have transfer options and future market trends. Income is recognised when Länsförsäkringar Fondliv receives the rebate and not when the transactions is brokered.

#### **Fees pertaining to financial agreements - unit-linked insurance**

Länsförsäkringar Fondliv's obligation is to continuously over time provide and manage the range of mutual funds that the customer can save in. Fees from financial agreements comprise a variable and a fixed annual fee. The variable fee is a percentage of the customer's insurance capital. The fee is calculated every day based on the closing amount and the fixed fee is charged monthly. The fees are recognised as income in line with Länsförsäkringar Fondliv Försäkrings AB providing the management services to the customer.

#### **Remuneration to the regional insurance companies**

Länsförsäkringar Bank pays regular commission to the regional insurance companies. The regional insurance companies receive remuneration for their work with Länsförsäkringar Bank's customer-related issues in each of the regional insurance companies' geographic areas.

#### **Credit losses**

Credit losses comprise changes in expected credit losses, confirmed credit losses and recoveries of credit losses previously recognised as confirmed credit losses. Confirmed credit losses could refer to the entire receivable or components of it when there is no realistic possibility of recovery. A confirmed credit loss is recognised as a write-off of the gross carrying amount and an add-back of the portion of the allowance for expected credit losses that pertains to a written-off loan or portions of a loan. Recoveries comprise payments of loans that were previously recognised as confirmed credit losses.

#### **Taxes**

Income tax comprises current tax and deferred tax. Income tax is recognised in profit or loss, except when the underlying transaction is recognised in other comprehensive income or against equity with the related tax effect recognised in other comprehensive income or equity.

#### **Current tax**

Current tax is tax that is to be paid or received in the current year, with the application of the tax rates that are decided or decided in practice on the balance-sheet date. This also includes adjustments of current tax attributable to prior years.

#### **Yield tax**

The Group pays yield tax, which is calculated on a standard return based primarily on the value of net assets managed on behalf of policyholders at the beginning of the fiscal year. Premiums on endowment insurance policies in operations subject to yield tax are also included in the base for yield tax. The yield tax attributable to the period is recognised in profit or loss under Tax on net profit for the year. Fees deducted for yield tax are recognised under Other technical revenue and expenses from 2019.

#### **Deferred tax**

Deferred tax is calculated based on temporary differences between carrying amounts and tax bases of assets and liabilities. Temporary differences are not taken into account in consolidated goodwill. The valuation of deferred tax is based on how the carrying amounts of assets and liabilities are expected to be realised or settled. Deferred tax is calculated with application of the tax rates and tax rules established or decided in practice on the balance-sheet date.

Deferred tax assets on deductible temporary differences and tax loss carryforwards are only recognised to the extent that it is likely

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

---

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION

---



that it will be possible to utilise these. The value of the deferred tax assets is reduced when it is no longer considered likely that they can be utilised.

## PRINCIPLES FOR BALANCE-SHEET ITEMS

### Intangible assets

#### Goodwill

Consolidated goodwill is recognised at cost adjusted for amortisation and impairment. If the useful life cannot be determined, it is assumed to be five years and amortised on a straight-line basis.

#### Other intangible assets

Other intangible assets comprise proprietary and acquired intangible assets with determinable useful lives. These assets are recognised at cost less accumulated amortisation and impairment. Amortisation is commenced when the asset becomes available for use. The carrying amount of proprietary intangible assets includes all directly attributable expenses from the development phase. Other development expenses are recognised as an expense when they arise.

The amortisation period is determined based on the expected useful life, commencing when the asset becomes available for use. Amortisation takes place through profit or loss according to the straight-line method.

Impairment requirements are tested annually as described in the section on Impairment above.

Additional expenses for capitalised intangible assets are recognised as an asset in the balance sheet only when these expenses increase the future economic benefits of the specific asset to which they pertain.

### Financial assets and liabilities

#### Recognition and derecognition in the balance sheet

A financial asset or financial liability is recognised in the balance sheet when the company becomes party to the contract in accordance with the instrument's terms and conditions. A financial asset is derecognised from the balance sheet when the rights in the contract are realised, expire or – when the assets are transferred – the company no longer has any significant risks or benefits from the assets and loses control of the assets. A financial liability is derecognised from the balance sheet when the obligation in the contract is met or extinguished in another manner. In cases in which a modification is made to the contractual cash flows as a direct consequence of a reform of a reference rate and the new contractual terms are economically equivalent to the original, no derecognition takes place and the original effective interest rate will be adjusted to reflect the new cash flows.

Business transactions in the monetary, bond and equities markets are recognised in the balance sheet on the transaction date, which is the time when the significant risks and rights are transferred between the parties. Deposits and lending transactions are recognised on the settlement date.

Loan commitments are recognised as a commitment. Financial assets and liabilities are initially measured at fair value plus directly attributable transaction costs, except for assets and liabilities measured at fair value through profit or loss, which are initially measured at fair value.

#### Offsetting financial assets and liabilities

Financial assets and liabilities are offset and recognised in the balance sheet on a net basis only when there is a legally enforceable right to offset the carrying amounts and an intent to settle them with a net amount or to simultaneously realise the asset and settle the liability. The legally enforceable right should not be contingent on a future event and must be legally binding for the company and the counterparty in the normal course of business, and in the event of default, insolvency or bankruptcy.

#### Recognition of repurchase transactions

In genuine repurchase transactions (a sale of interest-bearing securities with an agreement for repurchase at a predetermined price), the asset continues to be recognised in the balance sheet and payment received is recognised as Due to credit institutions. Sold securities are recognised as pledged assets. For a reversed repurchase transaction (a purchase of interest-bearing securities with an agreement for resale at a predetermined price), the securities are not recognised in the balance sheet. The payment received is recognised instead as loans to credit institutions.

### Classification and measurement

Financial assets and liabilities are measured at fair value upon initial recognition in the balance sheet. Subsequent measurement and recognition take place depending on the measurement category to which the financial instrument belongs.

The Group's financial assets comprise:

- Equity instruments
- Debt instruments
- Derivative instruments

#### Equity instruments

Investments in equity instruments measured at fair value through profit or loss except for investments that on initial recognition are identified as investments in equity instruments with the changes in value recognised in other comprehensive income. These holdings are not held for the purpose of generating investment income and comprise holdings of a more strategic nature. Gains/losses on the sale of equity instruments measured at fair value through other comprehensive income are recognised as a transfer in equity from the fair value reserve to retained earnings and thus do not impact profit or loss.

#### Debt instruments

The business model used to manage a debt instrument and its contractual cash flow characteristics determines the recognition and measurement of a debt instrument.

A requirement for a financial asset to be measured at amortised cost or fair value through other comprehensive income is that the contractual cash flows solely comprise outstanding payment of the principal and interest on the principal.

Debt instruments that do not meet the requirement are measured at fair value through profit or loss (FVPL) regardless of the business model to which the asset is attributable. The Group regularly checks that cash flows for the debt instruments measured at amortised cost and fair value through other comprehensive income meet the cash flow requirements.

The Group's holdings of units in UCITS (mutual funds) consist of holdings in debt instruments, since the funds must buy back fund units and are therefore liabilities from the issuer's perspective. The mutual funds are measured at fair value through profit or loss since the contractual cash flows are not collected in predetermined amounts at predetermined times and therefore do not comprise payment of the principal and outstanding interest on the principal. All remaining debt instruments held in the Group meet these cash flow characteristics.

#### Amortised cost

The Group manages its loans to the public, accounts receivable and other financial receivables in a business model whose objective is to realise the assets' cash flows by receiving contractual cash flows that solely comprise payments of principal and interest on the principal amount outstanding. These assets are therefore measured at amortised cost. Amortised cost refers to the discounted present value of all future payments attributable to the instrument with the discount rate comprising the effective interest rate of the asset on the acquisition date.

#### Fair value through other comprehensive income

The Group manages the Bank Group's holdings of treasury bills and other eligible bills, and bonds and other interest-bearing securities in a business model whose objective is to realise the cash flows of the assets by both receiving contractual cash flows and through sales. These assets are therefore measured at FVOCI. This recognition means that the assets are continuously measured at fair value through other comprehensive income with the accumulated unrealised changes in values recognised in the fair value reserve. Interest income is recognised in net interest income in profit or loss. If an asset in this category is sold, the previous unrealised gain/loss is reclassified from other comprehensive income to profit or loss.

#### Fair value through profit or loss

The Group's debt instruments measured at FVPL comprise holdings in interest-bearing securities, unit-linked insurance assets and mutual funds found in the investment operations of the Parent Company and the insurance companies. Mutual funds are classified as either shares and participations or bonds and other interest-bearing securities based on whether at least half of the managed assets comprise shares or interest-bearing securities. Assets that are debt instruments and held in a business model that entails measurement at FVPL arise since

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

---

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION

---



the assets are managed and evaluated based on the fair values of the assets, and since the fair value comprises the basis for the internal monitoring and reporting to senior executives.

The cost of debt instruments measured at FVPL comprises the fair value of the assets without additions for transaction costs. This recognition means that the assets are continuously measured at FVPL with the accumulated unrealised changes in values accumulated in retained earnings under equity. Changes in the fair value of these assets are recognised in profit or loss. If an asset in this category is sold, the previous unrealised gain/loss is recognised in profit or loss as Unrealised gains or losses in investment assets, while the realised gain/loss from the sale of debt instruments is recognised in profit or loss.

#### **Derivative instruments**

Derivative instruments are measured at fair value through profit or loss unless they are subject to the rules on hedge accounting. Derivatives with positive values are recognised as assets in the balance sheet and derivatives with negative values are recognised as liabilities.

#### **Financial liabilities**

The Group measures all financial liabilities that are not derivatives at amortised cost. The Group's financial liabilities are recognised when there is a contractual obligation to pay in cash, and comprise accounts payable and other financial liabilities.

#### **Hedge accounting**

The Group's derivatives, which comprise interest-rate and cross-currency swaps, have been acquired in their entirety to hedge the risks of interest and exchange-rate exposure arising during the course of operations. The Group has decided to continue to apply the rules in IAS 39 for all hedging relationships. All derivatives are measured at fair value in the balance sheet. Changes in value are recognised depending on whether the derivative is designated as a hedging instrument and, if this is the case, the type of hedging relationship that the derivative is included in. The Group applies both cash flow hedges and fair value hedges. Hedge accounting is applied only when there is a clear relationship with the hedged item. In addition, it is required that the hedge effectively protects the hedged item, that hedge documentation has been prepared and that the effectiveness can be measured reliably. Hedge accounting can only be applied if the hedging relationship can be expected to be highly effective, which means that the ratio between the change in fair value for the hedged risk in the hedged item and the derivative must be in the interval of 80–125%. In the event that the conditions for hedge accounting are no longer met, the derivative instrument is measured at fair value with the change in value through profit or loss, and the hedged item is no longer subject to remeasurement for cases in which hedging at fair value were previously applied. Hedging relationships are evaluated monthly. Each identified hedging relationship is expected to be effective over the entire lifetime of the relationship. Effectiveness is tested by applying a forward-looking (prospective) assessment and a retrospective evaluation. Ineffectiveness is recognised in profit or loss.

#### **Cash flow hedges**

The aim of cash flow hedges is to protect the Group from variations in future cash flows attributable to recognised assets and liabilities due to changed market factors. Interest and cross-currency interest rate swaps that are hedging instruments in cash flow hedging are measured at fair value. The change in value is recognised in other comprehensive income and accumulated in equity to the extent that the change in the value of the swap is effective and corresponds to future cash flows attributable to the hedged item. Changes in value recognised in equity impact profit or loss at the same time as the hedged item impacts profit or loss.

#### **Fair value hedges**

Fair value hedges entail hedging the risk of changes in fair value of a financial asset or a financial liability. When applying fair value hedges, the hedged item is measured at fair value regarding its hedged risk. The changes in value that arise are recognised in profit or loss and are offset by the changes in value arising on the derivative (the hedging instrument).

Länsförsäkringar Bank applies the fair value hedge method to specific portfolios of funding, deposits and loans bearing fixed interest rates. Länsförsäkringar Bank also applies the fair value hedge method to assets in the liquidity portfolio that are classified in the measurement category of fair value through other comprehensive income. The change in the value of the derivative is recognised in profit or loss

together with the change in the value of the hedged item. Unrealised changes in the value of hedging instruments are also recognised in profit or loss. Interest coupons, both unrealised and realised, are recognised as interest income if the hedged item is an asset or portfolio of assets, or as interest expense if the hedged item is a liability or portfolio of liabilities.

#### **Expected credit losses**

Reserves for expected credit losses ("loss allowance") are recognised for financial assets measured at amortised cost and debt instruments measured at FVOCI, issued financial guarantees and loan commitments. Estimation uncertainty arises since the valuation of expected credit losses is based on complex models and assessments. The estimate of expected credit losses is primarily based on models, but an individual assessment is performed for cases in which material information is available that is not incorporated in these models. The initial loss allowance is calculated and recognised on initial recognition and subsequently continuously adjusted over the lifetime of the financial asset. Initial recognition is defined in the Group as the time of origination of the financial instrument, meaning when the original loan terms were set. In the calculation of loss allowance under IFRS 9, the Group takes into consideration several different future scenarios, including macro factors. Expected credit losses are to be estimated in a manner that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The estimate is based on an assessment of whether the credit risk has increased significantly and includes information about past events, current conditions and forecasts of future economic conditions.

#### **Model and definitions**

The expected loss impairment model is based on dividing the financial assets into three different stages.

- **Stage 1** comprises assets for which the credit risk has not increased significantly since initial recognition.
- **Stage 2** comprises assets for which the credit risk has increased significantly since initial recognition, but where the asset is not credit-impaired.

The Group's method for assessing whether there has been a significant increase in credit risk for financial assets measured at amortised cost, financial lease assets and loan commitments, and issued financial guarantees is to compare probability of default (PD) on the reporting date in question with the PD from the initial reporting date. In addition, a credit risk is deemed to have increased significantly for assets that are more than 30 days past due.

The Group's method for assessing whether there has been a significant increase in credit risk for loans to credit institutions, and debt instruments measured at FVOCI, is to compare PD based on an external rating on the reporting date in question with PD based on an external rating on the initial reporting date.

When there is no longer any significant increase in credit risk since the initial reporting date, the financial asset is transferred back to stage 1. One of the main areas in which important assessments are to be made is the identification of a significant increase in credit risk. An increase in loans in stage 2 entails an increase in the estimated reserves for credit losses ("loss allowances"), while a reduction in loans in stage 2 would have the opposite effect.

- **Stage 3** comprises credit-impaired assets or assets that were credit-impaired on initial recognition. The definition of credit-impaired is consistent with the Group's regulatory definition of default. A counterparty is considered to be in default if a payment is more than 90 days past due. A counterparty is also considered to be in default if there are other reasons to expect that the counterparty cannot meet its undertakings. The definition of default includes a trial period of at least three months from the date on which no default indicators are active any more. During this trial period, a credit remains in default and in stage 3. After the trial period, the credit returns to stage 2 or 1 when no longer in default.

The loss allowance is achieved by estimating the expected credit loss for the assets' contractual cash flows. The calculations are based on existing, internal ratings-based model and the present value of the expected credit loss is calculated for every date in each cash flow by multiplying the remaining exposure with the probability of default (PD) and the loss given default (LGD). For stage 1, the loss allowance is estimated as the present value of the 12-month ECL, while the credit loss

## **INTRODUCTION**

---

## **STRATEGY**

---

## **OUR OPERATIONS**

---

## **BOARD OF DIRECTORS' REPORT**

---

## **FINANCIAL STATEMENTS**

---

Five-year summary

– Group

Parent Company

Auditor's report

## **OTHER INFORMATION**

---



for stages 2 and 3 is estimated as the present value of the full lifetime expected credit losses. All estimates of the loss allowance including estimates of exposure, PD and LGD take into account forward-looking information and are based on a weighting of at least three different possible macroeconomic scenarios: a base scenario, a more positive scenario and a more negative scenario. The choice of macroeconomic scenarios and the consideration of forward-looking information are areas that involve significant judgements. The forward-looking information used to estimate expected credit losses is based on the Group's internal macroeconomic forecasts. These macroeconomic forecasts take into account both internal and external information and correspond to the forward-looking information used for other purposes, such as forecasts and financial planning. A number of statistical macro models have been developed to determine how each macroeconomic scenario will affect the expected future exposure, PD and LGD. A deterioration in the forecast macro variables in each scenario or an increase in the probability of a negative scenario would generally entail an increase in the estimated loss allowance. An improvement in the forecast macro variables or an increase in the probability of a positive scenario would instead have the opposite effect on the estimated loss allowance. For accounts receivable, the Group uses the simplified method, which entails that a loss allowance is always measured at an amount corresponding to the full lifetime of the expected credit losses.

#### **Recognition of expected credit losses**

Only the Bank Group's share of expected and confirmed credit losses are recognised. The regional insurance companies' share of expected and confirmed credit losses is settled against a buffer of accrued commission. A condition for the regional insurance companies to receive full payment of the distribution remuneration is that the loans generated by each company for the Bank Group (excluding Wasa Kredit AB) are of high quality. If this is not the case, up to 80% of any credit losses is offset against the accrued commission. This settlement account is kept separate and is taken into consideration when the provisions are established.

The reserve for financial assets measured at amortised cost is recognised as a reduction of the recognised gross carrying amount of the asset.

For financial guarantees and loan commitments, the reserve is recognised as a provision.

The reserve for debt instruments measured at FVOCI is recognised as the fair value reserve in equity and does not impact the carrying amount of the asset. Derecognition reduces the recognised gross amount of the financial asset.

Loss allowance and derecognition of confirmed credit losses are presented in profit or loss as credit losses.

#### **Confirmed losses**

Confirmed credit losses are those losses whose amount is finally established through acceptance of a composition proposal, through other claim remissions or through bankruptcy and after all of the collateral has been realised and where the assessment is that the possibility of receiving additional payments is very small. The receivable is then derecognised from the balance sheet and recognised as a confirmed loss in profit or loss on this date.

#### **Modified loans**

Modified loans are defined as loans for which the contractual terms have been changed and the change in terms impacts the time and/or the amount of the contractual cash flows of the receivable. Modified loans are derecognised from the balance sheet if the terms of an existing contract have materially changed. A new loan with the new contractual terms is then recognised in the balance sheet. Gains or losses arising on a modification are calculated as the difference between the present value of the outstanding cash flows calculated under the changed terms and discounted by the original effective interest rate and the discounted present value of the outstanding original cash flows. The corresponding principles are applied to the recognition of modifications of the Group's financial liabilities.

#### **Property and equipment**

The Group recognises property and equipment at cost less accumulated depreciation and accumulated impairment. Depreciation takes place according to the straight-line method over the asset's expected useful life, commencing when the asset becomes available for use. Depreciation and earnings from scrapping and divestments are recognised in profit or loss. The depreciation method and the residual values

and useful lives of the assets are re-tested every year-end.

#### **Lease assets**

Leases with the Group as a lessor are recognised as if they were operating leases and are recognised at cost less depreciation, write-offs and individual and collective impairment for credit losses.

#### **Insurance contracts**

Direct insurance and assumed reinsurance contracts that the Group distributes in its capacity as insurer under the provisions of the Insurance Business Act are classified as insurance contracts or investment contracts. Investment contracts are insurance contracts that are classified and recognised as financial agreements in Länsförsäkringar Fondliv. Contracts that include a financial component are separated and are reported separately as insurance contracts and investment contracts. Other insurance contracts are classified and recognised as insurance contracts.

#### **Financial contracts**

Insurance contracts that contain a deposit component and an insurance component are divided in the reporting into a financial component and an insurance component. In the balance sheet, the financial component is presented as Unit-linked insurance commitments and Conditional bonus, while the insurance component is presented as Life-assurance provision and Claims outstanding. The financial component is measured at fair value based on the fair value of the unit-linked insurance assets associated with the contract. The insurance component is, however, measured by calculating the present value of expected future payments. For cases in which separation is not possible, the reason is that the financial component and the insurance component cannot be measured separately. The contract is then recognised in its entirety as a financial component.

Premiums for the financial component are recognised as a deposit in the insurance operations through the balance sheet. Correspondingly, disbursements of claims payments for insurance contracts that do not contain significant insurance risk are recognised as withdrawals from the insurance operations in the balance sheet. The fees paid by customers are recognised as income and the costs for insurance risk are recognised as expenses. The various types of fees charged to customers for the management of financial agreements are recognised as income in line with providing the management services to the policyholders. The provision of services is evenly distributed over the term of the contracts.

#### **Reinsurance**

Contracts signed between the Group's insurance companies and reinsurers through which the company is compensated for losses on insurance contracts issued are classified as ceded reinsurance. Assumed reinsurance is classified in the same manner when the company assumes risks from other companies' insurance contracts.

For ceded reinsurance, the benefits to which the company is entitled under the reinsurance contract are recognised as the reinsurers' portion of technical provisions and deposits with companies that have ceded reinsurance. Receivables from and liabilities to reinsurers are valued in the same manner as the amounts linked to the reinsurance contract and in accordance with the conditions of each reinsurance contract. Liabilities in reinsurance primarily comprise settlements against regional insurance companies and premiums to be paid for reinsurance contracts.

The reinsurers' portion of technical provisions corresponds to the reinsurers' liability for technical provisions in accordance with signed contracts. If the recoverable amount is lower than the carrying amount of the asset, the asset is impaired to the recoverable amount and the impairment loss is expensed in profit or loss.

Such reinsurance contracts that manage cancellation risks in Länsförsäkringar Fondliv's unit-linked insurance business (see note 2) are classified as direct insurance contracts. Premiums paid are recognised as other technical expenses and any compensation is recognised as other technical revenue.

#### **Deferred acquisition costs**

Acquisition costs that have a clear connection to underwriting insurance contracts and financial agreements are recognised as deferred acquisition costs in the balance sheet and are depreciated over the duration of the contract. A condition for capitalisation is that the acquisition costs are attributable to a certain insurance contract, or homogeneous groups of contracts that can be followed up, and are deemed to

## **INTRODUCTION**

---

## **STRATEGY**

---

## **OUR OPERATIONS**

---

## **BOARD OF DIRECTORS' REPORT**

---

## **FINANCIAL STATEMENTS**

---

Five-year summary

- Group
- Parent Company
- Auditor's report

## **OTHER INFORMATION**

---



generate a margin that covers at least the acquisition costs capitalised. These acquisition costs pertain to such costs as commission and expenses for sales that are directly related to acquisitions or renewals of insurance contracts. Acquisition costs found in Länsförsäkringar Fondliv refer to commission to the regional insurance companies, and transfer bonuses received by customers when they transfer their holdings, and are written off using the straight-line method over seven years. The assumption for the depreciation period is based on statistics relating to the duration of the insurance contracts. The asset is impairment tested every year. In the non-life insurance operations, the capitalised cost is allocated in a manner corresponding to the allocation of unearned premiums. The depreciation period does not exceed 12 months.

### **Equity**

#### **Equity instruments issued**

Instruments in which the Group does not have a contractual obligation to make payment are recognised as equity instruments. Payment to holders of these instruments is recognised in equity. Accordingly, issued shares and Additional Tier 1 instruments are recognised as equity instruments in the balance sheet.

#### **Technical provisions (before ceded reinsurance)**

Technical provisions consist of Unearned premiums, Unexpired risks, Life-assurance provisions and Claims outstanding.

Changes in technical provisions for the period are recognised in profit or loss. Changes attributable to the translation of the provisions to the exchange rate on the balance-sheet date are recognised as exchange-rate gains or exchange-rate losses in investment income.

#### **Life-assurance provision**

The life-assurance provision, pertaining to contracted benefits for guarantee management in the unit-linked insurance operations, corresponds to the anticipated capital value of the company's guaranteed commitments. The life-assurance provision is calculated per insurance policy in accordance with standard actuarial principles based on assumptions regarding interest rates, mortality, cancellations, expenses, operating expenses and yield tax. The discount rate is based on market rates on the measurement date and any future transaction is measured with consideration for the interest rate that corresponds to the duration of the transaction in relation to the calculation date. Mortality assumptions are based on statistical data representing the target group for which Länsförsäkringar Fondliv offers insurance solutions. The statistical data is based on Länsförsäkringar's insurance portfolio, but generally available information has been taken into account for comparison with observations in Länsförsäkringar's portfolio. Cancellation assumptions are based on the historical outcome in Länsförsäkringar. Operating expenses follow the ABC outcome (ABC model product breakdown of operating expenses) for the administrative operating expenses and current sales contracts for the commissions. Yield tax will be removed from current tax legislation.

#### **Claims outstanding**

The provision for claims outstanding in the unit-linked insurance operations comprises provision for disability annuities, established claims and non-established claims. The provision for disability annuities corresponds to the discounted capital value of commitments in accordance with the insurance contract. For disability annuities at fixed amounts, the nominal interest-rate assumption was determined based on the yield curve used for the life-assurance provisions. Similarly, a real yield curve was applied to index-linked disability annuities. The provision for established claims corresponds to the discounted, expected capital value of future expenses due to the incurred health claim. This includes reported and approved claims that have not yet been paid, future operating expenses as well as the fixed-income operations provisions pertaining to insurance policies that cannot be disbursed to customers for reasons associated with the customer. The discount rate is determined based on current market interest rates in accordance with satisfactory practice.

The provision for non-established claims pertains to claims that have not yet been reported but which have been made using statistical methods based on previous experience for the respective products.

In the non-life insurance operations, these provisions should cover anticipated costs for claims for which final settlement has not been completed, including claims that have occurred but have not yet been reported to the company. The provision includes anticipated future cost increases plus all expenses for claims adjustment and is based on

statistical methods for most claims. An individual assessment is made in the case of major claims and claims involving complex liability conditions. With the exception of annuities, the provision for claims outstanding is not discounted. The provision for annuities is estimated in line with customary life-assurance methods and discounted to market interest rates. The effect of interest rate revaluations is recognised as a financial expense or income.

For motor third-party liability insurance, provisions are made for claims adjustment costs according to the unit cost principle. Provisions for claims adjustment costs for other insurance classes are made proportionally against the provision for claims incurred.

The provision for claims incurred but not reported (IBNR) encompasses costs for claims that have been incurred but are unknown to the company. The amount is an estimate based on historical experience and claims outcomes.

Changes in claims outstanding for the period are recognised in profit or loss. Changes attributable to the translation of the provisions to the exchange rate on the balance-sheet date are recognised as exchange-rate gains or exchange-rate losses in investment income.

#### **Technical provisions for life assurance, policyholder bears the risk (before ceded reinsurance)**

Provisions for which the policyholder bears the risk comprise unit-linked insurance commitments and conditional bonuses.

#### **Unit-linked insurance commitments**

Financial liabilities in the unit-linked insurance operations whereby the liability has a direct link to the value of a financial asset but for which the Group does not have any risk in the change in value of the fair value of the asset. The insurance commitments correspond to the redemption value of the fund units held on behalf of the policyholder. The Group has chosen to identify unit-linked insurance commitments in the measurement category of Financial liabilities measured at FVPL. This means that the provision matches the associated unit-linked insurance assets measured at fair value.

### **PRINCIPLES FOR OFF-BALANCE-SHEET ITEMS**

#### **Loan commitments**

A loan commitment can be a unilateral commitment by a company to issue a loan with predetermined terms and conditions in which borrowers can choose whether they want to accept the loan or not, or a loan agreement in which both the company and the borrower are subject to terms and conditions for a loan that begins at a certain point in the future.

Loan commitments are not recognised in the balance sheet. Issued irrevocable loan commitments are valid for three months and are recognised as a commitment.

## **INTRODUCTION**

---

## **STRATEGY**

---

## **OUR OPERATIONS**

---

## **BOARD OF DIRECTORS' REPORT**

---

## **FINANCIAL STATEMENTS**

---

Five-year summary

- Group
- Parent Company
- Auditor's report

## **OTHER INFORMATION**

---



## Note 2 Risk and capital management

Conducting insurance and banking operations requires balanced risk-taking and risk know-how comprises a core area of expertise in banking and insurance. The ultimate owners of the Länsförsäkringar Alliance are also its customers and, accordingly, risk and capital management are of immediate importance to our customers.

The Länsförsäkringar AB Group's operations include non-life insurance, life assurance, pension insurance, banking and fund management. The traditional life-assurance operations are found in a wholly owned subsidiary, Länsförsäkringar Liv Försäkrings AB (referred to below as "Länsförsäkringar Liv"), which is operated according to mutual principles. The company is not consolidated in the consolidated financial statements and thus the company's own risks are not included in the description provided in this note. For more information, see Länsförsäkringar Liv's Annual Report.

### RISKS AND RISK MANAGEMENT

Länsförsäkringar AB has also established a Group-wide risk-management system. This risk-management system is defined as the strategies, processes, procedures, internal rules, limits, controls and reporting procedures needed to ensure that the companies in the Group are able to continuously identify, measure, monitor, govern, manage, report and have control over the risks to which the companies are, or could be expected to become, exposed to, and the interdependence of these risks. Based on this Group-wide risk-management system, each subsidiary has prepared its own individual rules for managing company-specific risks. Coordinated risk control throughout the entire Group ensures that the risk-management system is consistently implemented in all of the companies, meaning that the targets of the operations can be achieved with a higher degree of certainty.

The Länsförsäkringar AB Group's risk strategy is an integrated component of operational governance and is based on the business strategy. The overall risk strategy is that the operations are to be conducted following a conscious risk-taking approach. The Länsförsäkringar AB Group's mission is to conduct profitable business in non-life insurance, life assurance, pension insurance and banking and fund management, which means that insurance risk, credit risk and market risk are consciously assumed as part of implementing the business strategy. Liquidity risk is limited by robust handling of liquidity flows in the operations. The counterparty risks that arise from conducting the business activities are kept at a low level by selecting counterparties with high credit ratings. Concentration risks are kept at a low level by limiting exposure to individual counterparties, types of investment, etc., and by the Länsförsäkringar AB Group conducting well-diversified operations. Sustainability-related risks are included in Länsförsäkringar AB's risk-management system and are reported and followed up based on the impacts these risks have on other risk categories in the system. Climate risks are limited through proactive efforts to reduce exposure both to transition risks and to physical climate risks. Operational risks are managed such that the customer confidence and that of other stakeholders in Länsförsäkringar AB and its subsidiaries remains high. The estimated risk level and the organisation's expertise in managing specific risks are taken into consideration in decisions on, for example, the products that the company offers, the customer groups to which sales are directed, the instruments that the company's assets are invested in and how the operations are otherwise conducted.

Prospective analyses in the form of own risk and solvency assessments (ORSA), recovery plans and internal capital and internal liquidity adequacy assessment processes are performed every year. Ongoing activities include handling known risks and identifying new risks. Internal models are used in the first instance to quantitatively measure risks.

Länsförsäkringar AB has developed a partial internal model that is adapted to the risk profile of the operations and thus measures the companies' risk levels more correctly than the standard formula of the Solvency II regulations. The model measures risk as Value at Risk at a 99.5% confidence level over a 1-year time horizon, based on historical simulation. The FSA has approved the model to calculate capital requirements under the Swedish Insurance Business Act for Länsförsäkringar AB and its insurance subsidiaries. The model is used

to manage and calculate capital requirements for all risks corresponding to the standard formula in Chapter 8 of the Insurance Business Act, of which market risk excluding concentration risk, premium risk, reserve risk and, to a certain extent, catastrophe risk are modelled internally. Risks not encompassed by the model, such as business risk and liquidity risk, are monitored pursuant to internal rules. Länsförsäkringar Bank has developed internal ratings-based models for measuring credit risk and has received approval from the FSA to use the models to calculate capital requirements in accordance with the Swedish Special Supervision of Credit Institutions and Investment Firms Act.

The regulatory capital requirements are also supplemented with risk indicators, scenario analyses and stress tests. Some types of risk, such as operational risk and business risk are mainly deemed qualitatively, for example, by performing an overall assessment of the risk's potential consequences for the operations and the probability or frequency of the risk occurring. The management and monitoring of individual risks in the operating activities takes place within the frameworks established by the Board. Control activities are performed regularly and incidents are continuously reported and monitored.

Every quarter, the companies' Risk Management functions present an overall view of the risks for the operations and incidents to the Board's Risk and Capital Committee and the Audit Committee.

### Risk-management organisation

The risk-management system is an integrated part of the Länsförsäkringar AB Group's organisational structure and decision-making processes. In addition to risk management in the operations, it also encompasses the independent Risk Management function.

The Board is ultimately responsible for ensuring that an effective risk-management system is in place and adopting frameworks for the Länsförsäkringar AB Group's risk-management system in the Group's risk policy. The risk policy defines the risks to which the Group's operations are exposed and how these risks are identified, measured, monitored, governed, managed and reported. The Board expresses its risk appetite in the risk policy by stating the risk levels and focus that can be accepted to achieve strategic targets. The Board also states in the risk policy the strategies that are to be used to manage significant types of risk. Furthermore, the Board adopts an annual permissible level of capitalisation following recommendations from the Chief Risk Officer Group (CRO Group).

The President is responsible for incorporating the risk policy and other governance documents of importance to risk management as determined by the Board into the operations and for establishing more detailed regulations for the risk-management system. The CRO Group is responsible for the design of the risk-management system and coordination within the Länsförsäkringar AB Group, while each manager in the Group is responsible for the risks in their own operations. All employees also have an individual responsibility for working towards a healthy risk culture by complying with internal rules on the Group's risk-management system.

The Risk Management function is responsible for the independent risk control, which includes identifying, measuring, monitoring and reporting risks in the companies' and the Group's operations. The function controls the risk management in the operations to ensure that they are conducted with satisfactory risk management and risk control, and reports directly to the President and, where appropriate, the Risk and Capital Committee, Audit Committee and the Board. This function is affiliated to Länsförsäkringar AB in the organisation and is independent from the operations that are controlled. The CRO Group reports directly to the President. Länsförsäkringar Bank has a separate Risk Management function, where the head of the function, CRO Bank, reports to the President of Länsförsäkringar Bank.

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

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

---

Five-year summary

- Group
- Parent Company
- Auditor's report

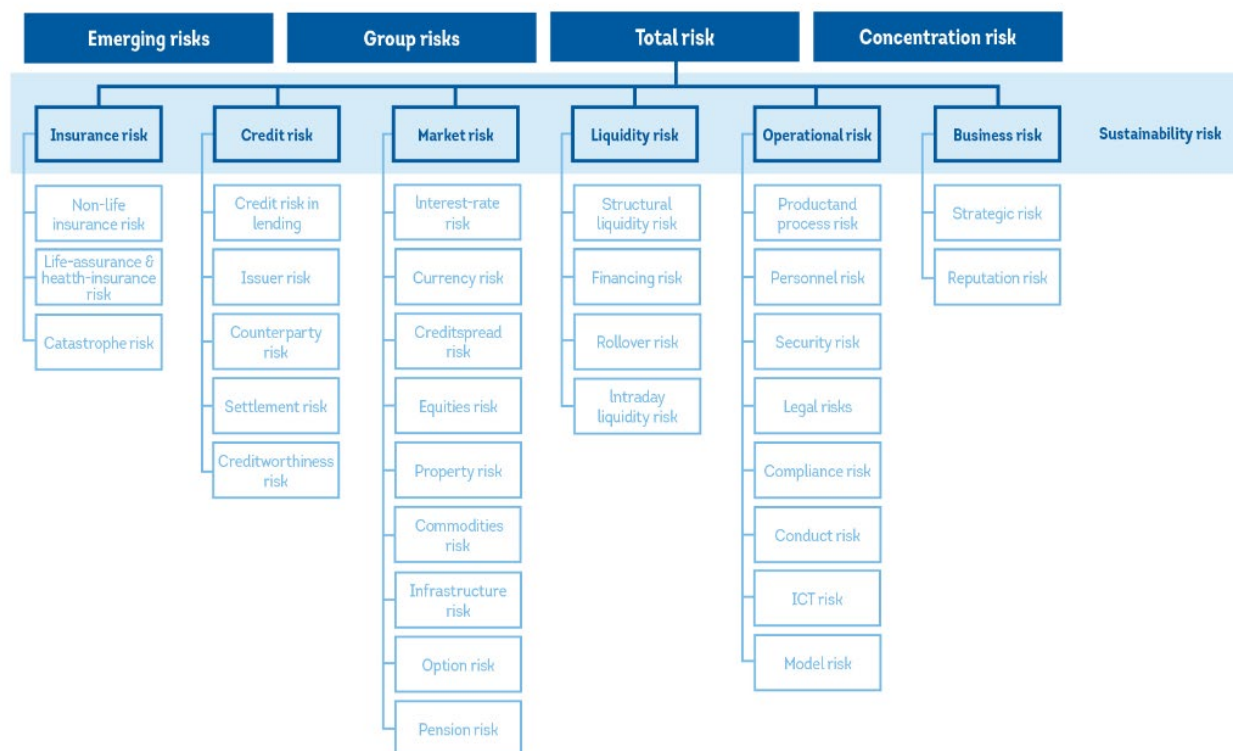
## OTHER INFORMATION

---



Figure 1. Classification of risk in the Länsförsäkringar AB Group including Länsförsäkringar Liv

Figure 1. Classification of risk in the Länsförsäkringar AB Group including Länsförsäkringar Liv



### Risk profile

The Länsförsäkringar AB Group's risk profile is dominated by the banking operations' credit risk from lending and the market risk in the unit-linked insurance operations. The unit-linked insurance operations also bring a certain level of life-assurance risk, while the non-life insurance risk deriving from the non-life insurance operations is moderate after applying reinsurance. Operational risk is inherent in all type of operations and specific group risks are also found in the Group's risk profile since Länsförsäkringar AB comprises a group that also includes both banking and insurance operations. Sustainability-related risks comprise a relatively new type of risk that has been added to the risk profile and the emergence of new types of risk (emerging risks) is continuously monitored.

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

- The operations are conducted in Sweden, except for Agria, which has pet insurance business in Sweden, Norway, Denmark, Finland, the UK, France, Germany and Ireland. All 23 regional insurance companies broker the Group's products, which thereby creates a geographic distribution throughout Sweden. The operations primarily focus on private individuals and small and medium-sized businesses, directly or mediated by the regional insurance companies, and have few major commitments entailing risk with large companies.
- In the unit-linked insurance operations, the policyholders primarily bear the market risks, but since the trend in insurance capital is governed by the company's earnings, the company is also exposed to market risk. If unit-linked insurance customers buy back or transfer their insurance policies to other companies, the long-term profitability of the unit-linked life assurance operations will be negatively affected. The risks inherent in the investment assets managed by the Group's companies for own account are kept at a low level.
- Loans in the banking operations primarily pertain to households and to a smaller extent to agriculture and businesses. Low loan-to-value ratios, combined with a well-diversified geographic spread and local presence, are the core pillars in ensuring that the loan portfolio maintains high credit quality. The regional insurance companies cover up to 80% of the provision requirement in the Länsförsäkringar Bank Group (excluding Wasa Kredit) on the date when an impairment is identified, by means of an off-set against accrued distribution remuneration. For more information, refer to note 15, Credit losses.
- The non-life insurance operations are well-diversified, including pet insurance, health care, accident and health insurance, some commercial insurance and international reinsurance. The risks taken in non-life insurance are reinsured and extensive reinsurance operations are conducted on behalf of the Länsförsäkringar Alliance.
- Operational risk in the day-to-day operations includes a variety of process risks and the subsidiaries' products and services may be associated with different types of product risks. Security risks, for example, external crime and internal fraud cannot be completely avoided. Security risks and ICT risks are increasingly becoming focal points as advances are made towards more digitalised customer meetings and business processes, combined with the geopolitical security situation. Compliance risks are continuously in focus, particularly risks associated with money laundering and financing of terrorism, which are the primary areas that the banking operations and also the insurance operations actively work on.
- Sustainability-related risks is a collective term for risks resulting from new or changing environmental-, social- or governance-related events or circumstances that may have an actual or potential negative impact on the company's operations or financial position. Climate risk is a subset of these sustainability-related risks and represents a material sustainability-related risk for Länsförsäkringar AB.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



The risk profile for the Länsförsäkringar AB Group excluding Länsförsäkringar Liv, measured as a capital requirement in accordance with the Insurance Business Act and the Swedish Special Supervision of Financial Conglomerates Act are presented in figure 2. The capital requirement is calculated using a partial internal model.

**Figure 2. Regulatory capital requirements per risk type including diversification**



Länsförsäkringar AB applies a joint risk division and definitions of risks to which the operations are exposed. An outline is provided in figure 1.

The following section describes the Länsförsäkringar AB Group's total risks and how they are controlled and managed. Information is provided on the size of the exposure for specific risks. The disclosures in this note refer to the Länsförsäkringar AB Group. The Parent Company has a separate note on risk and risk management found under the Parent Company's financial statements.

#### Insurance risk

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

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

#### Risk exposure

The Länsförsäkringar AB Group is exposed to non-life insurance risk through the operations of the Parent Company and the subsidiary Agria. Premium risk is the largest risk in non-life insurance risk, followed by reserve risk and cancellation risk.

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

The dominating life-assurance risk derives from the unit-linked insurance operations and the risk of customers choosing to transfer or repurchase their insurance capital earlier or to a greater extent than before.

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

The Länsförsäkringar AB Group has low exposure to catastrophe risk for its own account. Länsförsäkringar AB manages common

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

#### Risk concentrations

The Länsförsäkringar AB Group conducts diversified operations in non-life, unit-linked and health insurance as well as life assurance. The market for Länsförsäkringar AB's insurance subsidiaries is primarily Sweden, but Agria has also branches and conducts sales in Norway, Denmark, Finland, the UK, France, Germany and Ireland.

Länsförsäkringar AB conducts well-diversified business, health care, accident and health insurance, some commercial insurance and international reinsurance. The business is divided into 28 reporting classes with few or minor elements of risk concentration. Länsförsäkringar AB's main risk concentration in insurance risk comprises assumed reinsurance from individual regional insurance companies. Länsförsäkringar AB assumes reinsurance from these individual companies in a number of pools and subsequently immediately retrocedes the risk back to the regional insurance companies. Examples of claims that are reinsured through pool arrangements are property damage, accidents and motor insurance.

The subsidiary Agria's business comprises insurance for pets (dogs, cats and other pets), horses, farm animals and crop insurance, with the two latter contributing to diversification since they have little covariation with other business.

Operations in the Länsförsäkringar Gruppliv subsidiary are concentrated to purely death benefit insurance that, with well-differentiated groups of policyholders, represents all of society.

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

#### Risk management and risk-reduction techniques

Reinsurance agreements with both internal reinsurers within the Länsförsäkringar Alliance and external reinsurers are used to cover the companies in the event of insurance claims. Länsförsäkringar AB manages the Länsförsäkringar Alliance's joint reinsurance cover and internal Alliance reinsurance with a number of pool solutions. The system ensures a stable solution at low cost by distributing risk within the Länsförsäkringar Alliance and procuring external cover for large claims. Reinsurance cover as regards retention and level of protection is adapted based on each company's reinsurance needs. The Länsförsäkringar Alliance has shared catastrophe reinsurance cover for accident and life assurance. Länsförsäkringar AB has reinsurance for risk and disaster claims. The international reinsurance market has been very challenging as a result of claims related to, for example, climate change, inflation and uncertainty in the finance markets. This means that reinsurance cover has become more expensive and Länsförsäkringar AB thus retains more risk in its own books for some business through higher retention in the external reinsurance cover. Since the introduction of free transfer rights on 1 July 2022, Länsförsäkringar Fondliv reinsures the future profit that would be lost in the event of extensive cancellations in unit-linked insurance and the company also reinsures morbidity and mortality risks. Agria's reinsurance cover comprises an important tool in providing protection from large individual claim incidents and high total claims costs in the more volatile businesses in the company. The efficiency of reinsurance cover is monitored by the Actuarial function and reported to the Board every year. Other factors that affect risks are the product composition including diversification, structure of insurance terms and conditions, underwriting limits, risk selection rules and risk inspections.

#### Risk sensitivity

Table 1 shows the sensitivity in the Länsförsäkringar AB Group's profit before tax and equity to a number of actuarial assumptions. Table 2 shows the Länsförsäkringar AB Group's estimated claims costs before reinsurance per claim year and table 3 shows the Länsförsäkringar AB Group's estimated claims costs after ceded reinsurance.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Table 1. Sensitivity analysis, insurance risk**

	2024		2023	
	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
10% increased claims frequency or average claim in the Parent Company Länsförsäkringar AB	-186	-148	-189	-150
10% increased claims frequency or average claim in Agria	-472	-375	-433	-344
10% momentary external transfer from Länsförsäkringar Fondliv	-421	-421	-392	-392
10% lower income, insurance fees and rebating of commissions in Länsförsäkringar Fondliv	-225	-225	-205	-205

**Table 2. Estimated claims costs before ceded reinsurance for non-life insurance risk per claim year**

	2018	2019	2020	2021	2022	2023	2024	Total
At end of claim year	4,833	5,165	6,518	6,598	6,285	7,258	7,265	
One year later	4,517	5,073	6,300	6,778	6,700	7,202		
Two years later	4,471	5,059	6,278	6,808	6,548			
Three years later	4,409	4,990	6,181	6,713				
Four years later	4,368	4,961	6,099					
Five years later	4,347	4,886						
Six years later	4,303							
Estimated claims costs	4,303	4,886	6,099	6,713	6,548	7,202	7,265	
Accumulated claims payments	4,037	4,621	5,730	6,223	6,013	6,297	5,388	
Provision for claims payments	265	265	369	490	535	905	1,877	4,707
Provision for claims payments, older year classes								2,867
Provision for claims payments for assumed reinsurance, gross								1,230
<b>Total provision for claims payments, gross</b>								<b>8,804</b>
Annuity reserve, gross								1,591
Claims adjustment reserve, gross								281
<b>Provision for claims outstanding, gross</b>								<b>10,677</b>

**Table 3. Estimated claims costs after ceded reinsurance for non-life insurance risk per claim year**

	2018	2019	2020	2021	2022	2023	2024	Total
At end of claim year	3,624	3,874	4,366	4,834	5,213	5,828	6,169	
One year later	3,501	3,776	4,279	4,632	5,063	4,077		
Two years later	3,466	3,735	4,265	4,594	3,602			
Three years later	3,451	3,724	4,239	3,326				
Four years later	3,423	3,710	3,021					
Five years later	3,427	2,627						
Six years later	3,427							
Estimated claims costs	3,427	3,710	4,245	4,595	5,065	5,716	6,169	
Accumulated claims payments	3,369	3,651	4,115	4,449	4,813	5,320	5,051	
Provision for claims payments	58	58	130	146	251	396	1,118	2,157
Provision for claims payments, older year classes								342
Provision for claims payments for assumed reinsurance, net								804
<b>Total provision for claims payments after ceded reinsurance</b>								<b>3,304</b>
Annuity reserve								274
Claims adjustment reserve								281
<b>Provision for claims outstanding after ceded reinsurance</b>								<b>3,860</b>

For a more detailed description of premium and reserve risk, mortality risk, longevity risk, disability and morbidity risk, expenses risk, cancellation risk and catastrophe risk, refer to the annual reports of the subsidiaries.



**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

**FINANCIAL STATEMENTS**

Five-year summary

– Group

Parent Company

Auditor's report

**OTHER INFORMATION**

## Market risks

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

### Risk exposure

Market risk arises in the Länsförsäkringar AB Group due to investment decisions made concerning management of the insurance companies' and the Parent Company's investment assets. Market risk also arises in the Länsförsäkringar Bank Group's operations to a certain extent in the form of differences in fixed-interest periods between assets and liabilities, although such market risks comprise a small portion of the Länsförsäkringar AB Group's total market risks.

Market risks in the Länsförsäkringar AB Group's investment assets for own account are moderately high and primarily derive from the Parent Company's investments in mainly bonds, properties and equities funds. Market risk is also inherent in insurance liabilities by provisions being discounted by the market interest rate. However, in the following, only the market risk in the form of sensitivities that occur through direct exposures in the Länsförsäkringar AB Group's assets and liabilities is presented. The exposure is recognised in the Consolidated statement of financial position for the Länsförsäkringar AB Group above, with accompanying notes.

In addition to the market risks arising on direct exposure and insurance liabilities, the Länsförsäkringar AB Group is also exposed to market risks arising due to the earnings in the unit-linked insurance operations and in Länsförsäkringar Fondförvaltning's operations being sensitive to trends in fund values that are largely affected by the price trend of shares. These indirect market prices are not included in the recognised sensitivities.

### Risk concentrations

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

However, from time to time, there may be individual investments that may comprise a certain concentration of market risk.

### Risk management and risk-reduction techniques

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

Investments are made only in assets that can be fairly valued and whose risks can be identified, measured, managed, monitored and reported. Investment assets that are not traded on a regulated market, that contain a significant element of model valuation or that show a lack of liquidity or transparency are kept at prudent levels. The main asset classes are interest-bearing securities, equities, alternative investments, property and a large portion of the holdings are owned indirectly via funds.

The main risk-reduction techniques applied to the management of directly owned assets are diversification and derivatives. The companies' investments are spread over several classes of assets and segment in these classes, leading to exposure to various risk factors that react in different ways to fluctuations in the financial markets. This means that as a whole the portfolio is less sensitive to market fluctuations than its portfolio components. The use of derivatives is described in more detail in the next section. Furthermore, the organisation applies a special process for the approval of new investment assets that aims to highlight and manage potential risks prior to investments in a new class of asset, type of instrument or fund.

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

The Länsförsäkringar Bank Group has established a limit for the highest permissible interest-rate risk, which is relatively low compared with the normal total interest-rate risk in the entire Group. Firstly, fixed-interest periods are matched and secondly interest-rate derivatives are used.

### Use of derivative instruments

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

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

### Hedge accounting

In the Länsförsäkringar AB Group, the Länsförsäkringar Bank Group applies hedge accounting. A description of the content of the Bank Group's hedge accounting is provided below. The Bank Group's hedge accounting is presented in tables 19 and 20 at the end of this note.

#### Risks and hedging instruments

The risks hedged and for which hedge accounting is applied are:

- Interest-rate risk, excluding credit-spread risk
- Currency risk

The hedged items are hedged in their entirety for the above risk components.

The Bank Group's derivatives, which comprise interest and cross-currency interest rate swaps, have been acquired in their entirety to hedge the risks of interest and exchange-rate exposure arising during the course of operations. Interest-rate swaps are used to swap fixed interest in SEK to variable interest in SEK. Cross-currency interest rate swaps are used to swap foreign currencies to SEK and fixed foreign interest to variable interest in SEK.

#### Fair value hedges of interest-rate risk

The Länsförsäkringar Bank Group applies the fair value hedge method to specific portfolios of funding, deposits and loans bearing fixed interest rates. The Bank Group also applies the fair value hedge method to assets in the liquidity portfolio that are recognised in the category of Fair value through other comprehensive income. The following terms have been identified as critical in a fair value hedge of interest-rate risk:

- Nominal amount
- Currency
- Maturity date
- Coupon rate of interest

If the terms correspond, an economic relationship is deemed to exist between the hedged item and the hedging instrument, meaning that the hedging instrument and the hedged item have values that normally develop in opposite directions as a result of changes in the benchmark rate risk. Effectiveness is assessed by comparing the change in value of the swap with the change in value of the hedged item. In order for the hedge to meet the requirements of hedge accounting, the ratio is to be in the interval of 80-125%.

For hedging relationships to which portfolio hedging is applied, each portfolio and the hedging instruments that hedge the portfolio are divided into time brackets. The volume in the hedged item (the portfolio) and the volume in the hedging instrument are compared in each time bracket.

If the current volume of the hedged item is less than the volume of the hedging instrument, the difference is removed from the hedging relationship. If the current volume of the hedged item exceeds the volume of the hedging instrument, the surplus portion is not included in

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

---

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION

---



the hedging relationship and thus is not remeasured. Hedging relationships are reconciled monthly.

For hedging relationships whereby a one-to-one hedge is applied, the volume in the hedged item always corresponds to the volume in the hedging instrument. The hedge ratio (the ratio in a nominal amount between the hedged item and the hedging instrument) is 1:1 and corresponds to the actual risk management.

The derivative counterparties all have a high credit rating (normally AA) and, as long as this does not change, the credit risk is not deemed to dominate the change in the value of the hedging instrument.

#### Cash flow hedging of currency risk

The Länsförsäkringar Bank Group applies cash flow hedges for hedging currency risk in the Bank Group's debt securities issued in foreign currency. The following terms have been identified as critical in a cash flow hedge of currency risk:

- Nominal amount
- Maturity date
- Benchmark interest rate
- Interest reset date
- The swap entails that the hedged item's currency flows are swapped to the Bank Group's functional currency.

In the event of corresponding terms and conditions, there is expected to be an economic relationship between the hedged item and the hedging instrument, which means that the ratio between the change in fair value for the hedged risk in the hedged item and the derivative is expected to be in the interval of 80-125%. The nominal amount of the hypothetical derivative and the hedging instrument are to be the same (a hedge ratio of 1:1). The hedge ratio corresponds to the actual risk management. The derivative counterparties all have a high credit rating (normally AA) and, as long as this does not change, the credit risk is not deemed to dominate the change in the value.

#### Sources of ineffectiveness

The ineffectiveness arising in a hedging relationship is recognised in profit or loss. Sources of ineffectiveness in the Länsförsäkringar Bank Group's hedging relationships are described below.

- Fair value hedges of interest-rate risk: The variable leg of the swap does not have a counterpart in the hedged item.

Cash flow hedging of currency risk: Ineffectiveness arises if the terms of the hypothetical derivative deviate from the hedging instrument at the same time as the change in the value of the hedging instrument exceeds the change in the value of the hypothetical derivative

#### IBOR and Interest Rate Benchmark Reform

After the financial crisis, global supervisory authorities have focused on interbank offered rates (IBORs) and an international trend is that IBORs are being replaced by or supplemented with alternative risk-free rates (RFRs) to improve the function of the financial market. Currently, there is uncertainty about the timing and exact nature of these changes. The banking operations' primary exposure to IBORs currently comprises contracts that refer to Stibor and Euribor. There are also links to Nibor. The exposures to international IBORs refer to the banking operations' funding and liquidity reserve and associated derivative hedging contracts. The Group is reviewing its systems and processes for managing a change of contracts with IBORs.

On 20 April 2020, administration of Stibor was transferred from the Swedish Bankers' Association's wholly owned subsidiary Financial Benchmark Sweden to Swedish Financial Benchmark Facility (SFBF). In April 2023, the SFBF received permission from the FSA to act as a Stibor administrator in accordance with the EU Benchmarks Regulation. This means that Stibor may continue to be used as a benchmark.

In January 2021, the Riksbank started a trial period under which a transaction-based alternative reference rate for the shortest maturity was published. The structure of the rate (Swestr), which was preceded by a consultation round, is similar to international examples of alternative reference rates. The trial period ended in August 2021 and it has been possible to use Swestr as a benchmark in financial contracts since 1 September 2021.

Regarding developments internationally, the Group has no significant exposure to any of the rates that will disappear in the near future and more long-term developments are being monitored. It currently appears that both Euribor and Nibor will continue to exist. USD Libor stopped being published on 30 June 2023.

Regarding the Länsförsäkringar AB Group's discounting of technical provisions, it is mainly the changed extrapolation of the risk-free interest rate structure in the 2020 review of the Solvency II regulations that is expected to have an effect.

Table 4. Sensitivity analysis, market risks

Assumption	2024			2023		
	Impact on profit before tax	Of which impact on other comprehensive income before tax	Impact on equity	Impact on profit before tax	Of which impact on other comprehensive income before tax	Impact on equity
Interest-rate risk net <sup>1) 5) 6)</sup> 100 bp higher nominal market interest rates	-110		-105	-186		-172
Interest-rate risk net <sup>1) 5) 6)</sup> 100 bp lower nominal market interest rates	110		106	187		175
Equities risk <sup>2) 6)</sup> 10% lower share prices	-618	-36	-578	-546	-26	-507
Credit-spread risk <sup>5) 6)</sup> 100 bp increased credit-spread risk	-140		-134	-173		-160
Currency risk <sup>3) 5) 6)</sup> 10% strengthening of SEK	-245		-227	-167		-153
Property risk <sup>4) 5) 6)</sup> 10% lower property prices	-335		-283	-339		-285

<sup>1)</sup> Change in value of investment assets less change in technical provisions

<sup>2)</sup> Shares and participations measured at fair value excluding unlisted property equities

<sup>3)</sup> Currency exposure from investment assets including indirect exposure via a look-through approach of funds, less technical provisions in foreign currency

<sup>4)</sup> Based on property exposure in unlisted property equities

<sup>5)</sup> Including indirect exposure via a look-through approach.

<sup>6)</sup> Figures for 2023 have been adjusted due to a change in method. Property risk is now based on underlying property values instead of net asset value, which increases the impact on profit before tax by over 50%. The equities risk has been adjusted by excluding shares in property companies that are included in property risk, and by making some corrections to the inclusion of associated companies and trading books. The adjustment of equities risk reduced the impact on profit before tax by about 20%. The change in method also affects interest-rate risk, credit-spread risk and currency risk.

#### Interest-rate risk

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



The interest-bearing asset portfolio includes interest-rate risk from covered bonds, government bonds, sustainability-focused bonds, fixed-income funds and derivative instruments. Interest-rate risk is also inherent in insurance liabilities by provisions being discounted. The interest-rate risk presented in table 4 does not include any assumptions regarding the effects of future changes in reference interest rates.

#### Credit-spread risk

The Länsförsäkringar AB Group has exposure to credit-spread risk through its holdings in interest-bearing instruments such as Swedish mortgage bonds, sustainability-focused bonds of primarily investment grade quality, and public and private loan funds.

Tables 6 and 9 show that vast majority of the Group's interest-bearing holding have an AAA rating.

#### Equities risk

Länsförsäkringar AB Group's primary equities exposure is to Swedish, European and US equities and to a minor extent Japanese equities. Länsförsäkringar Fondliv's exposure regarding directly owned assets derives from the guarantee management form and fund units in the trading book. Since about 84% of the unit-linked insurance capital is exposed to equities risk, Länsförsäkringar Fondliv is also exposed to equities risk in future earnings.

#### Property risk

The Länsförsäkringar AB Group is exposed to property risk mainly through LF Sak Fastighet's and Länsförsäkringar Fondliv's participations in Humlegården Fastigheter AB.

#### Currency risk

The Länsförsäkringar AB Group faces currency exposure from insurance liabilities and investment assets as well as from the Länsförsäkringar Bank Group's funding in other currencies. Currency risk is managed using currency and cross-currency interest rate swaps.

**Table 5. Net currency distribution, including derivatives**

Currency	2024	2023
USD	1,999	1,130
GBP	368	24
DKK	190	205
NOK	-152	-16
JPY	107	75
CHF	42	91
INR	-39	1
CNY	-29	-27
EUR	21	249
ISK	-19	-6
Other currencies	-38	-61
<b>Total</b>	<b>2,449</b>	<b>1,667</b>

The table refers to currency exposure net of assets less liabilities. Assets include directly owned holdings and indirect exposure via a look-through approach of funds. Figures for 2023 have been adjusted due to a change in method. - see note under table 4 Sensitivity analysis, market risks.

#### Credit risk in the Parent Company and insurance subsidiaries

Credit risk pertains to the risk of losses arising due to counterparties being unable to fulfil their undertakings and of any collateral provided not covering the receivable. The Parent Company and insurance subsidiaries are exposed to credit risk from ceded reinsurance, counterparties in financial derivatives, from bank balances, issuers of securities and holdings or loan funds.

#### Risk exposure

The Parent Company's and insurance subsidiaries' exposure to credit risk primarily arises through holdings of bonds in the investment portfolios that, in the same way as for credit-spread risk, are mainly attributable to holdings in Swedish mortgage bonds, sustainability-focused bonds of primarily investment grade quality as well as public and private loan funds.

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

In addition, counterparty risk arises through the use of financial derivatives in the insurance subsidiaries' investment portfolios. Derivatives are purchased to enhance the efficiency of the portfolio management in the investment portfolio and to protect the balance sheet against, for example, interest-rate risk, equities risk and currency risk and entail that the counterparty undertakes, through derivative contracts, to compensate for negative results arising from changes in, for example, market interest rates, share prices or exchange rates. As a result, a receivable from the counterparty may arise in the event of market changes. Counterparty risk pertains to the risk of losses arising due to counterparties being unable to fulfil their undertakings and that part of the receivable can thus not be paid.

Länsförsäkringar AB's and the insurance subsidiaries' holdings of bonds and other interest-bearing securities and financial derivatives per credit quality step are presented in table 6.

**Table 6. Exposure<sup>1</sup> by credit quality step**

Bonds and other interest-bearing securities	2024	2023
AAA - Swedish Government	-	-
AAA - other states	-	308
AAA - other	4,368	6,142
AA	382	408
A	-	-
BBB	-	-
BB or lower	-	-
No rating available	1,229	1,264
<b>Total</b>	<b>5,980</b>	<b>8,122</b>

<sup>1</sup> Market value including accrued interest for directly-owned holdings and fixed-income funds.

On 31 December 2024, the Parent Company and insurance subsidiaries had joint commitments of SEK 887 M in amounts outstanding to invest in investment assets and SEK 38 M in pledged bank funds, but otherwise had no pledged assets for bonds, derivatives, repurchase agreements or pledged securities.

#### Risk management and risk-reduction techniques

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

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

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

#### Risk sensitivity

Table 7 presents the exposure of the Parent Company and insurance subsidiaries to credit risk from counterparties in financial derivatives and ceded reinsurance both excluding and including collateral received. Exposure to credit risk in other receivables is not deemed to be material since the past history of these receivables shows a low incidence of default receivables and no losses have been confirmed.

The method for calculating expected credit losses is described in note 1 Accounting policies.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



Table 7. Parent Company's and insurance subsidiaries' counterparty-related credit risks with respect to collateral received<sup>1)</sup>

Financial derivatives and cash balances	2024				2023	
	Maximum credit risk exposure	Cash and cash equivalents	Securities	Other	Net exposure	Net exposure
Clearing via central counterparty	-	-	-	-	-	0
AA	8	-	-	-	5	3
A	4,883	9	-	-	4,827	3,239
BB	-	-	-	-	-	-
<b>Total</b>	<b>4,890</b>	<b>9</b>			<b>4,833</b>	<b>3,242</b>
<b>Reinsurance</b>						
Regional insurance companies	7,228	-	-	-	7,228	8,148
AA	13	-	-	-	13	159
A	184	-	-	-	184	443
BBB or lower	52	-	-	-	52	71
<b>Total</b>	<b>7,477</b>				<b>7,477</b>	<b>8,822</b>

<sup>1)</sup>The table does not include exposure to mortgage funds in which the value of collateral received far exceeds exposure.

### Credit risks in the Länsförsäkringar Bank Group

Credit risk is defined as the risk of losses arising due to a counterparty not being able to fulfil its commitments to the companies within the Länsförsäkringar Bank Group and the risk that the counterparty's pledged collateral will not cover the company's receivables, leading to a loss.

The lending operations of the Länsförsäkringar Bank Group are conducted only with borrowers in Sweden and mainly comprise mortgages, loans to agricultural customers, hire purchase and leasing operations. The vast majority of the Bank Group's loan portfolio comprises loans for residential properties in the form of single-family homes and tenant-owned apartments. Mortgages with loan-to-value ratios up to 75% of the market value at the time the mortgage is granted account for the largest percentage of the retail mortgage portfolio. First-lien mortgages up to 85% of the market value are deposited in Länsförsäkringar Hypotek. Low loan-to-value ratios, combined with a well-diversified geographic spread and local presence, are the core pillars in ensuring that the loan portfolio maintains high credit quality.

Various collateral is used to protect the Länsförsäkringar Bank Group's loan receivables, depending on the type of credit. For household lending, the collateral largely comprises mortgage deeds in residential properties. For companies, the collateral primarily comprises mortgages in agricultural properties, commercial properties, industrial properties, multi-family housing and floating charges. Collateral is taken on the item, mainly vehicles and machinery, that is financed. The Länsförsäkringar Bank Group requires sureties for certain customers and types of credits. Collateral is valued on the lending date and regularly updated over the lifetime of the credit.

The banking operations carry out balanced and consistent lending, with advanced system support. The maximum lending levels for various types of loans and limits for the local regional insurance companies' lending are stipulated in the guidelines of the bank's Board of Directors. The credit regulations and credit process, combined with local customer and market knowledge, create a loan portfolio that maintains high credit quality.

The Länsförsäkringar Bank Group calculates retail exposures in accordance with the advanced Internal Ratings-based Approach (IRB), which corresponds to the predominant proportion of the Bank Group's loan portfolio. This means that a considerable portion of its credit risk exposure is calculated using a method that aims to identify and classify risk for each individual counterparty. The Länsförsäkringar Bank Group's credit risk exposure is shown in table 8.

Table 8. The Länsförsäkringar Bank Group's credit risk exposure

	31 Dec 2024	31 Dec 2023
<b>Credit risk exposure for items recognised in the balance sheet</b>		
Cash and balances with central banks	35	5,786
Treasury bills and other eligible bills, etc.	11,563	11,183
Loans to credit institutions	1,424	878
of which collateral in repurchase agreements	770	109
Loans to the public	425,566	395,590
of which collateral in properties and tenant-owned apartments	375,395	354,501
Bonds and other interest-bearing securities	49,908	51,523
Derivative instruments	4,686	4,964
Other assets	935	741
<b>Credit risk exposure for items memorandum items</b>		
Guarantees	41	42
Loan commitments and other credit commitments	28,265	23,776
<b>Total</b>	<b>522,423</b>	<b>494,483</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Table 9. Credit exposure in the Länsförsäkringar Bank Group by external risk classification**

	Not credit-impaired (stage 1)	
	Gross carrying amount	
	2024	2023
<b>Treasury bills and other eligible bills</b>		
AAA-AA	10,817	9,525
<b>Total</b>	<b>10,817</b>	<b>9,525</b>
<b>Bonds and other interest-bearing securities</b>		
AAA-AA	49,908	51,523
<b>Total</b>	<b>49,908</b>	<b>51,523</b>
<b>Loans to credit institutions</b>		
AAA-AA	226	193
A	428	576
<b>Total</b>	<b>654</b>	<b>769</b>
<b>Derivatives</b>		
AAA-AA	412	1,439
A	4,274	3,525
BBB-BB		-
Not risk classified <sup>1)</sup>	2,886	3,843
<b>Total</b>	<b>7,572</b>	<b>8,807</b>
<b>Total</b>	<b>68,950</b>	<b>70,624</b>

<sup>1)</sup>Exposure to central counterparties is recognised without any rating. The entire exposure to central counterparties and banks on 31 December 2024 comprised exposure to Nasdaq Clearing AB. Nasdaq Clearing AB does not have any rating but is a very strong counterparty due to the strict statutory regulations that apply to Nasdaq Clearing AB and other central counterparties. Nasdaq Clearing AB has been certified by the FSA as an EMIR counterparty and is subject to the supervision of the FSA.

**Table 10. Credit risk exposure in the Länsförsäkringar Bank Group by internal risk classification**

2024	Not credit-impaired			Credit-impaired	Total
	Stage 1	Stage 2	Stage 3		
	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount	Gross carrying amount
<b>Loans to the public, SEK M</b>					
Internal rating 1-3	303,584	310	16		303,910
Internal rating 4-6	67,093	429	13		67,535
Internal rating 7-9	20,896	3,287	13		24,196
Internal rating 10-11	1,088	3,417	12		4,517
Defaulted	-	-	459		459
Not risk classified	23,808	487	653		24,948
<b>Total</b>	<b>416,469</b>	<b>7,931</b>	<b>1,166</b>		<b>425,566</b>
	<b>Credit risk exposure</b>	<b>Credit risk exposure</b>	<b>Credit risk exposure</b>		<b>Credit risk exposure</b>
Internal rating 1-3	11,707	-	0		11,707
Internal rating 4-6	9,820	2	4		9,825
Internal rating 7-9	1,973	90	1		2,064
Internal rating 10-11	110	100	4		214
Defaulted	-	-	0		0
Not risk classified	4,152	290	13		4,456
<b>Total</b>	<b>27,762</b>	<b>481</b>	<b>22</b>		<b>28,265</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



**Table 10. Credit risk exposure in the Länsförsäkringar Bank Group by internal risk classification 2023**

	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
	Gross carrying amount	Gross carrying amount	Gross carrying amount	
<b>Loans to the public, SEK M</b>				<b>Gross carrying amount</b>
Internal rating 1-3	276,865	9	15	276,889
Internal rating 4-6	72,277	102	16	72,395
Internal rating 7-9	23,491	2,098	8	25,597
Internal rating 10-11	1,200	4,007	14	5,222
Defaulted	-	-	504	504
Not risk classified	14,082	311	590	14,984
<b>Total</b>	<b>387,915</b>	<b>6,528</b>	<b>1,147</b>	<b>395,590</b>
	<b>Credit risk exposure</b>	<b>Credit risk exposure</b>	<b>Credit risk exposure</b>	<b>Credit risk exposure</b>
<b>Loan commitments and other credit commitments</b>				
Internal rating 1-3	12,227	-	0	12,227
Internal rating 4-6	5,395	2	0	5,397
Internal rating 7-9	2,319	83	1	2,403
Internal rating 10-11	156	129	7	292
Defaulted	-	-	-	-
Not risk classified	3,248	197	13	3,457
<b>Total</b>	<b>23,344</b>	<b>410</b>	<b>22</b>	<b>23,776</b>

The Länsförsäkringar Bank Group's credit portfolio largely comprises loans to private individuals and agricultural customers. Concentration risk primarily comprises the lending segment and geographic distribution. Most exposures are relatively small, with a well-diversified geographic spread, meaning that the Bank Group does not have any significant exposure to concentration risk.

**Figure 3. Länsförsäkringar Bank Group loans by segment**

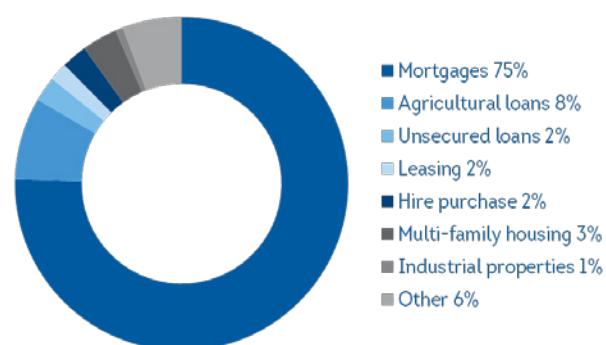
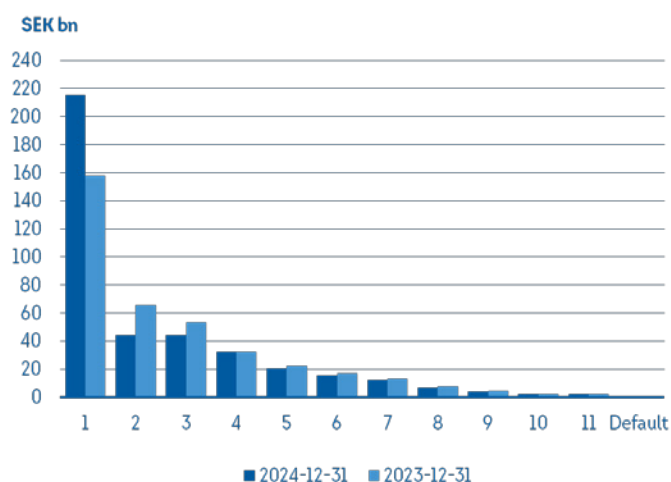


Figure 4 presents the Länsförsäkringar Bank Group's credit exposure according to risk class. The results show a distribution of exposure, with 84% (81) found in the lowest grades 1-4.

**Figure 4. Credit exposure by risk class**



SEK 24,948 M (14,984) is included in loans to the public that are not graded under the IRB Approach, and which includes overnight loans with the Swedish National Debt Office and a time-limited exemption pertaining to exposure in Wasa Kredit.

The average loan commitment for each borrower is low and the relationship between the loan portfolio and the underlying assets expressed as the weighted average loan-to-value (LTV) ratio was 63% (63).

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



#### Credit losses and non-performing loan receivables

Credit-impaired loan receivables (stage 3) by type of collateral are presented below. A non-performing loan receivable has a non-performing payment that is more than nine days past due and that is not classified as credit-impaired. Table 12 shows non-performing receivables by the number of days past due.

**Table 11. Länsförsäkringar Bank Group's credit-impaired loan receivables by collateral**

	2024	2023
Residential properties, including tenant-owned apartments	378	267
Commercial immovable property	271	334
Other physical collateral	156	174
Guarantees	16	9
Unsecured loans	345	364
<b>Total credit-impaired loan receivables</b>	<b>1,166</b>	<b>1,147</b>

**Table 12. Länsförsäkringar Bank Group's non-performing loan receivables that are not credit-impaired**

	2024	2023
Receivables overdue by 1-30 days	65	244
Receivables overdue by 31-60 days	297	256
Receivables overdue by 61-90 days	102	47
Receivables >90 days past due	59	52
<b>Total</b>	<b>524</b>	<b>598</b>

A condition for full payment of the regional insurance companies' distribution remuneration by the Länsförsäkringar Bank Group is that the loans generated by each company for the Bank Group (excluding Wasa Kredit) are of high quality. If this is not the case, up to 80% of any credit losses is offset against the accrued commission. This model for settlement of credit losses is kept separate and is taken into consideration by Länsförsäkringar Bank when the provisions are established. The contractual amounts outstanding for financial assets that were written off during the year and that are still encompassed by compliance measures amount to SEK 53.6 M (166.5) as per 31 December 2024.

#### Sensitivity in calculation of loss allowances

The assessment of what constitutes a significant increase in credit risk is an important factor in calculating the loss allowance. The Bank Group's assessment is based on the default risk between the reporting date compared with the initial reporting date. A relative threshold of 200% combined with an absolute threshold of 100 basis points is applied to credits granted before February 2023. The corresponding thresholds for credits granted after February 2023 are 300% and 200 basis points, respectively. An absolute, independent threshold of 500 basis points is applied to all credits regardless of the granting date. In addition, a credit risk is deemed to have increased significantly for assets that are more than 30 days past due. If the relative thresholds had declined by 50 percentage points, the loss allowance would increase by 0.6%, and if the relative thresholds had instead been 50 percentage points higher, the loss allowance would reduce by 0.5%. The sensitivity analysis includes loss allowance for loans to the public, commitments and guarantees, although the liquidity portfolio and loans to credit institutions are not included since loss allowances for these portfolios are deemed to fall below the materiality threshold for this purpose.

Expected credit losses are to be estimated in a manner that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The estimate is to include information about past events, current conditions and forecasts of future economic conditions. The forward-looking information used to estimate expected credit losses is based on the Länsförsäkringar Bank Group's internal macroeconomic forecasts. These macroeconomic forecasts take into account both internal and external information and correspond to the forward-looking information used for other purposes, such as forecasts and financial planning. Three potential macroeconomic scenarios are considered when calculating expected credit losses: a base scenario that is currently weighted at 60%, and a more positive scenario and a more negative scenario that are both weighted at 20%.

A deterioration in the forecast macro variables in each scenario or an increase in the probability of a negative scenario would generally entail an increase in the estimated loss allowance. An improvement in the forecast macro variables or an increase in the probability of a positive scenario would instead have the opposite effect on the estimated loss allowance. Table 13 shows the loss allowances that would have been recognised on 31 December 2024 if a positive or a negative macroeconomic scenario assigned a probability of 100% had been used. The sensitivity analysis includes loss allowance for loans to the public, commitments and guarantees.

**Table 13. Sensitivity analysis of loss allowance in a 100% weighted positive and negative scenario**

Recognised probability-weighted loss allowance, SEK M	Scenario	Loss allowance according to sensitivity analysis, SEK M	Change compared with probability-weighted loss allowance, %
554.3	Positive scenario	542.0	-2.2%
	Negative scenario	568.7	2.6%

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



### Counterparty risk

Counterparty risk in derivative transactions and repurchase agreements is managed by the company having a number of swap counterparties, all with high ratings and with whom collateral agreements have been signed.

Each counterparty is also assigned a maximum exposure amount. Table 14 shows the Länsförsäkringar Bank Group's counterparty risk with respect to collateral received.

Table 14. Credit risk exposure for derivatives regarding collateral received and other forms of credit enhancement

	2024				2023	
	Maximum credit risk exposure	Collateral			Net exposure	Net exposure
Cash and cash equivalents		Securities	Other			
AAA-AA	412	188		-	81	
A	4,274	3,770		2	213	
Not risk classified	2,886	-		-	-	
<b>Total</b>	<b>7,572</b>	<b>3,958</b>	<b>-</b>	<b>2</b>	<b>294</b>	

The Länsförsäkringar Bank Group's derivatives, which comprise interest and cross-currency interest rate swaps, have been acquired in their entirety to hedge the risks of interest and exchange-rate exposure arising during the course of operations. Interest-rate swaps are used to swap fixed interest in SEK to variable interest in SEK. Cross-currency interest rate swaps are used to swap foreign currencies to SEK and fixed foreign interest to variable interest in SEK.

### Liquidity risk including financing risk

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

### Risk exposure

For the Länsförsäkringar AB Group's companies, the lack of liquidity could lead to the companies not being able to fulfil their commitments to customers and stakeholders or that these commitments can only be fulfilled by raising funding at significantly higher costs than usual or by divesting assets below their market value. Funding opportunities for the Länsförsäkringar AB Group's insurance companies are restricted by Chapter 4, Item 6 of the Swedish Insurance Business Act. The Länsförsäkringar Bank Group's cash flow is characterised by small flows where the customers are primarily retail customers together with well-known, larger flows in the financing activities. The Bank Group's management of liquidity risk is based on highly diversified funding regarding investor base, instruments, currencies and maturities, and a satisfactory liquidity reserve comprising securities with very high liquidity and credit quality, and deposits with the Riksbank and the Swedish National Debt Office. The business activities of the insurance companies are based on premiums being paid in advance and being managed until insurance compensation is to be paid out. The liquidity risk in the insurance subsidiaries is closely related to the investment assets in the companies' investment portfolios, including liquidity requirements for signed derivative agreements.

### Risk management and risk-reduction techniques

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

Länsförsäkringar AB's liquidity risks are low since premiums are received in advance and large individual claims and payouts outside normal cash flows are known well in advance of when they fall due. The Parent Company's liquidity is mainly affected by dividends and Group contributions from subsidiaries, any requirements for contributions to be made to subsidiaries and dividends to owners. To meet liquidity requirements, the Parent Company maintains cash and cash equivalents, which at year-end amounted to SEK 3,442 M (1,718).

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

The Länsförsäkringar Bank Group conducts active liquidity risk management to ensure that the Bank Group's commitments can be fulfilled both under normal and under stressed market conditions. The aim is to attain a favourable spread of financing sources. Liquidity is continuously planned and a satisfactory liquidity reserve ensures that sufficient liquidity is always available. The liquidity reserve is invested in securities with very high credit quality, the vast majority of which are eligible for transactions with the Riksbank and, where appropriate, with the ECB or the Federal Reserve. All in all, this means that the reserve can be quickly converted to cash and cash equivalents. On 31 December 2024, the liquidity reserve amounted to SEK 73.6 billion (74.6) and 50% (45) of the reserve comprised Swedish covered bonds.

The Länsförsäkringar Bank Group's funding takes place in a manner that creates a sound maturity profile and avoids maturity concentrations. The refinancing activities are based on broad diversification in terms of a variety of investors and markets. Diversification is achieved, for example, through proactive work on creating long-term investor relations. Funding takes place primarily with covered bonds, primarily in SEK and EUR, since the majority of the Länsförsäkringar Bank Group's assets comprise Swedish mortgages. Certain funding also takes place in CHF and NOK. The Bank Group endeavours to regularly launch issuances in these markets to create long-term confidence in the international capital markets.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



**Table 15. Maturity analysis for financial assets and liabilities and insurance undertakings**

The table shows the actual cash flows that will occur in each period, based on the remaining contractual maturities. The amounts presented in maturities are undiscounted cash flows.

	2024						2023					
	On demand	>3 months	3 months 1 year	1-5 years	>5 years	Total	On demand	>3 months	3 months 1 year	1-5 years	>5 years	Total
<b>Assets</b>												
Loans to the public and leases		21,332	10,685	40,417	352,604	425,038		16,860	10,678	40,380	327,199	395,117
Bonds and other interest-bearing securities <sup>1)</sup>		766	17,193	36,602	638	55,199		2,588	16,457	39,418	1,586	60,049
Treasury bills and other eligible bills		5,750	643	5,200	124	11,717		4,400	1,439	5,434	124	11,397
Other assets		2,053				2,053		2,050				2,050
Reinsurers' portion of technical provisions		335	908	2,690	3,566	7,499		435	1,099	3,010	4,297	8,841
Cash and balances with central banks	15,391					15,391	5,786					5,786
<b>Liabilities</b>												
Subordinated liabilities				3,100		3,100				3,100		3,100
Technical provisions <sup>2)</sup>		2,423	4,941	5,132	6,563	19,060		2,356	4,789	5,357	7,302	19,805
Debt securities in issue		15,151	35,238	211,419	34,013	295,821		6,616	36,070	203,284	39,187	285,158
Deposits from the public	115,220	29,778	7,210	691	1	152,900	110,337	20,941	18,257	971	1	150,507
Lease liabilities						-						-
Due to credit institutions	0	4,728				4,729	0	4,595				4,595
Other liabilities		2,915	1,362			4,277		3,135	1,076			4,211
<b>Total cash flows, net</b>	<b>-99,829</b>	<b>-24,759</b>	<b>-19,322</b>	<b>-135,434</b>	<b>316,355</b>	<b>37,012</b>	<b>-104,551</b>	<b>-11,310</b>	<b>-30,519</b>	<b>-124,470</b>	<b>286,716</b>	<b>15,866</b>
Loans approved but not disbursed		6,537				6,537		23,776				23,776
Derivatives, in and outflows, net		-130				-130		-380	2,231	10,858	1,607	14,316
<b>Total cash flows for financial assets and liabilities, and insurance undertakings</b>	<b>-99,829</b>	<b>-18,352</b>	<b>-19,322</b>	<b>-135,434</b>	<b>316,355</b>	<b>43,419</b>	<b>-104,551</b>	<b>12,086</b>	<b>-28,288</b>	<b>-113,612</b>	<b>288,323</b>	<b>53,958</b>

<sup>1)</sup>Bonds and other interest-bearing securities in the statement of financial position include fixed-income funds. These have no contractual maturities and have been excluded from the table.

<sup>2)</sup>Technical provisions are recognised gross, before ceded reinsurance.

### Operational risk

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

### Risk exposure

Operational risk comprises a central part of the Länsförsäkringar AB Group's risk profile. The day-to-day operations include a variety of process risks and the subsidiaries' products and services may be associated with different types of product risks. Security risks, such as crime and improprieties, and ICT risks are increasingly becoming focal points as advances are made towards more digitalised customer meetings and business processes, combined with the geopolitical security situation. Compliance risks are continuously in focus, particularly risks associated with money laundering and the financing of terrorism, mainly in the banking operations but also in the insurance operations, which requires active management.

### Risk management and risk-reduction techniques

Work on operational risk is based on Group-wide methods that encompass significant processes and key controls as well as reported incidents, the operations' internal analyses of operational risk, supplier monitoring, continuity management and risk indicators. All employees are responsible for helping to maintain a healthy risk culture and for effectively managing operational risk within their individual operations. The operations that take the risk own the risk, which means that the daily management of operational risk primarily takes place in the

business operations. Risks are reduced through proactive preventive measures, efficient management of incidents and the lessons learnt from them, and awareness of operational risk in every decision-making situation.

The process of managing and controlling operational risk includes identifying, measuring, managing and reporting. Significant processes and risks have been analysed and documented. Controls of process risks are performed every quarter and reported to each company Board. Operational risks that could impact the mission or the ability of the operations to deliver according to the business plan are analysed every year. Operational risks are identified, the potential consequences evaluated and probability of the risk occurring assessed. Action plans are prepared for material and significant risks, and the operations work actively to reduce the risk level over time. Action plans are followed up every quarter at management level.

The Länsförsäkringar AB Group has a shared framework for identifying, measure and documenting risks in the decision-making process for decisions that could be expected to have a material impact on profitability, risk profile, organisation or brand. The purpose is to ensure efficient decision-making through proactive and appropriate management of the risks so as to thereby achieve established targets with a higher degree of certainty, to ensure compliance with applicable laws and regulations and to create customer value.

The Länsförsäkringar AB Group's continuity management involves ensuring that the organisation has the robustness and the ability to conduct operations at a tolerable level, regardless of what disruptions occur, with the aim of reducing the consequences of a disruption and

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



downtimes until a return to normal status in order to protect customers, confidence in the company and the brand. Preparing business continuity plans and procedures creates contingency preparation and the capability to maintain business continuity before, during and after a disruption or a crisis has occurred. The overall goal for security work is to protect the assets of customers, the organisation and other stakeholders from all types of threats – internal or external, intentional or unintentional. Security activities follow applicable legal requirements and are conducted in accordance with information security standards, such as the ISO 27000 series, and the accepted standard in business continuity management ISO 22301, and are carried out following a risk-based approach.

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

#### **Risk sensitivity**

Dedicated work was carried out in 2024 to clarify and adapt governance and work methods based on DORA requirements, among others. The Länsförsäkringar AB Group regularly conducts exercises and tests to ensure that every company has good capacity to manage crisis situations. Exercises and tests include crisis management, seminar and simulation exercises as well as desktop tests and major or minor technical tests of ICT continuity for critical applications, infrastructure and lifecycle areas. The result of the tests and exercises showed that the companies generally have a sound ability and business contingency to manage crises that arise.

#### **Sustainability-related risks**

Sustainability-related risks is a collective term for risks resulting from new or changing environmental-, social- or governance-related events or circumstances that may have an actual or potential negative impact on the company's operations or financial position.

#### **Risk exposure**

Sustainability-related risks can be global and systemic in nature and are associated with, for example, high uncertainties and long time horizons. Analyses, strategies and business models will need to be gradually adapted to address current and future challenges.

Sustainability risks are analysed based on, for example, a double materiality assessment in accordance with the Corporate Sustainability Reporting Directive (CSRD) and climate risk assessments in accordance with the Task Force on Climate-related Financial Disclosures (TCFD), as well as through long-term climate scenario analyses in connection with the Own Risk and Solvency Assessment. Matters identified as material for the Länsförsäkringar AB Group are: Climate Change, Own Workforce, Workers in the Value Chain and Business Conduct. The materiality assessment is presented in more detail in the Sustainability Report. Table 16 presents a selection of the risks that have been identified.

The Board of Länsförsäkringar AB has identified climate risk as a priority sustainability topic. Climate change represents a financial risk for the Länsförsäkringar AB Group in the form of potential impact on the insurance business, lending and investments. Climate risks consist of physical risks and transition risks.

Physical risks may take the form of extreme weather events, such as torrential rain, storms and floods, and chronic changes in the climate that, for example, cause sea levels to rise. Climate risk may lead to higher insurance costs and underlying collateral in lending may be affected and entail credit losses.

Transition risks could affect the Länsförsäkringar AB Group's investment portfolio and the companies in which investments are made, such as through regulatory, political and market changes related to the transition to a low-carbon society. Transition risks for Länsförsäkringar AB arise when the transition leads to abrupt and unexpected events that have not been considered in, for example, the company's models and business plans.

**Table 16. Selection of identified sustainability-related risks in the Länsförsäkringar AB Group**

Agriculture and forestry are particularly at risk of being impacted by regulatory transition risks that could result in major transition costs but also affect the attractiveness of investing in these sectors.

Climate change risks leading to a decline in the value of collateral and the solvency of property owners and agricultural customers, which is a risk for the loans issued by the banking operations and future loans.

Risk that a higher frequency of climate-related events, such as torrential rain, storms, forest fires and drought, could result in increased claims costs.

Risk of reduced capacity in the reinsurance market. Changes in risk appetite could lead to reinsurance companies becoming unwilling to take certain risks or the costs of reinsurance increasing.

Risk that Länsförsäkringar AB's focus on exclusion in its investment strategy is too intense, meaning that investment opportunities are missed in companies who are transitioning to more climate-smart operations.

Risk that Länsförsäkringar AB does not have robust systems in place to protect whistle-blowing employees or other stakeholders from reprisals.

Risk that Länsförsäkringar AB engages repairers who act unethically, for example, through financial crime (e.g. fraud, money laundering and bribery).

Risk of being unable to retain and recruit people with key skills.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



### Risk management and risk-reduction techniques

Sustainability-related risks are included in Länsförsäkringar AB's risk-management system and are reported and followed up based on the impacts these risks have on other risk categories in the system.

Climate risks are limited through proactive efforts to reduce exposure both to transition risks and to physical climate risks. The reduction in exposure is mainly achieved by taking preventive action, through inclusion, exclusion and engagement with companies under the framework of investments, partnerships and purchases, and by creating the conditions for customers to transition, through both advice and product development.

To reduce the risk of higher claims costs for weather-related insurance claims, risk management in the non-life insurance operations focuses on predicting and preventing such claims. In addition to proactive measures carried out jointly with the Länsförsäkringar Alliance, the Alliance's reinsurance programme is also regularly updated to ensure it is always suitable in relation to approved strategies and developments in the insurance and reinsurance markets.

Länsförsäkringar Bank's loans are based on standardised, centrally established credit regulations and most credit decisions are made locally based on the local customer and market knowledge of advisors. The credit regulations impose strict requirements on customers' repayment capacity and the quality of collateral.

### Risk sensitivity to climate risks

Climate risk refers to the risks that the consequences of climate change may have on the company's business activities. Climate risks can materialise either through physical risks, such as more cases of extreme weather and gradually rising sea levels, or through transition risks, such as regulatory, political and market changes related to the transition to a low-carbon society.

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

Three difference climate scenarios have been used from the NGFS (Network for Greening the Financial System) and the Bank of England in the 2024 analysis. The scenarios from the NGFS and the Bank of England are broad in nature, encompassing physical climate risks and transition risks in the form both of financial and of natural catastrophe-related parameters.

The three climate scenarios are:

#### Early Action

The transition to a net-zero economy starts in 2021 and ends by around 2050. Carbon taxes and other policies intensify relatively gradually over the scenario horizon. Some sectors are more adversely affected by the transition than others, but the overall macroeconomic impact is muted, particularly in the latter half of the scenario once a significant portion of the required transition has occurred. The transition leads to global warming being limited to 1.8°C.

#### Late Action

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

#### No Additional Action

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

The analysis compares the three climate scenarios with a comparison scenario based on a long-term historical average from an economic

scenario generator (referred to below as the "historical scenario"). The historical scenario is intended to reflect what the future would have been without any effects of climate change.

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

Figure 5. Value growth trend in investment portfolio with high share of equities

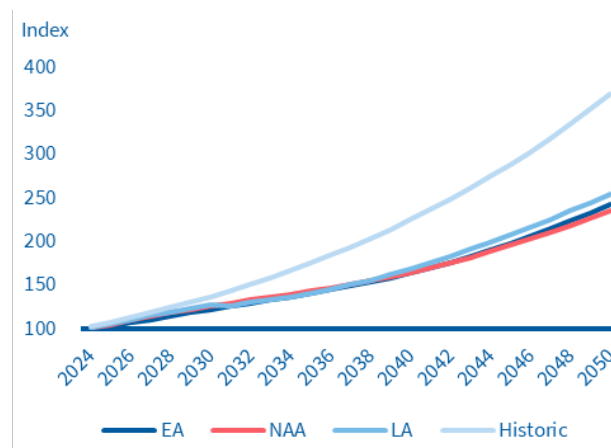
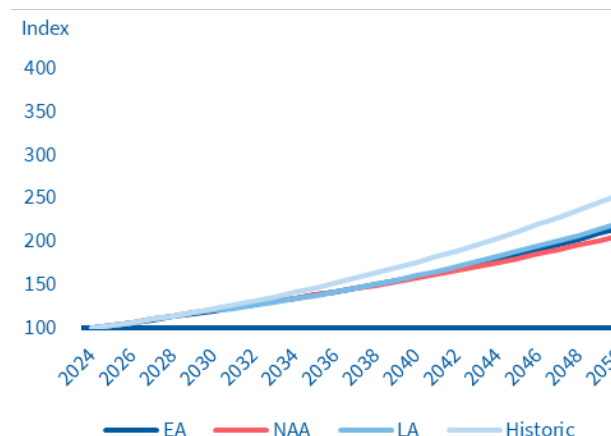


Figure 6. Value growth trend in investment portfolio with low share of equities



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

#### Scenario analysis for lending

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

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



### Analysis of claims costs from natural catastrophes

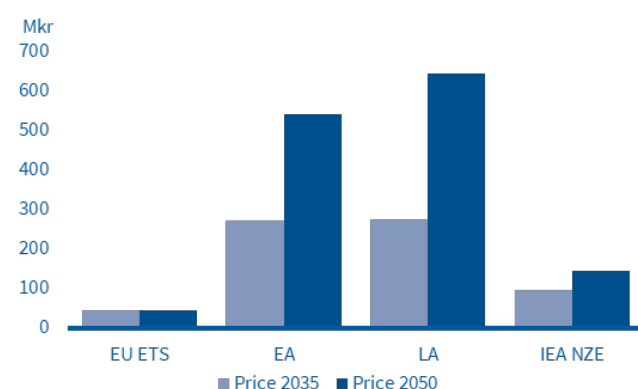
For Länsförsäkringar AB's non-life insurance business, the analysis was supplemented with an analysis of how climate change can impact the trend in claims costs for flooding. Higher claims costs for this type of claims affect Länsförsäkringar AB through the shared reinsurance pool for catastrophe risk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

### Climate risk metrics

Based on the carbon footprint of Länsförsäkringar AB's investment portfolios, estimates are made of the potential cost for Länsförsäkringar AB to purchase emissions rights corresponding to size of the carbon footprint. The price of carbon emissions, meaning the price of emissions rights per tonnes CO<sub>2</sub>eq, is expected to increase markedly in the future in order to complete the transition and to limit climate change.

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

**Figure 7. Potential cost for purchasing emissions rights corresponding to the size of the carbon footprint of the Länsförsäkringar AB Group's investment portfolios for various assumptions about the price of emissions rights for 2035 and 2050**



### Other material risks

In addition to the risks described above, the Länsförsäkringar AB Group is also exposed to business risks, emerging risks, and group risks.

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

### Risk exposure

The Länsförsäkringar AB Group's exposure to business risks follows the business strategies decided where the business planning process and results from business risk analyses comprise important

instruments in managing challenges associated with harmonising the subsidiaries' strategies and objectives with each other at Group level. Due to the strong brand connection between the companies in the Group, diminished confidence in one of the companies could entail a reputation risk that damages the brand and thus other companies in the Länsförsäkringar AB Group as well as the entire Länsförsäkringar Alliance.

Exposure to group risks arises by the Group conducting both insurance and banking operations that are subject to different regulations. Simultaneously operating under rules for financial conglomerates, capital adequacy rules for banks (CRR/CRD) and regulations for insurance companies (Solvency II) leads to higher costs and could affect the Länsförsäkringar AB Group's competitiveness in relation to its competitors that do not have the same group structure. The Länsförsäkringar AB Group has assumed some cost risk from its mutually operated subsidiary Länsförsäkringar Liv through a multi-year agreement to provide services at a fixed price in order to ensure that Länsförsäkringar Liv can discontinue its operations in an orderly manner.

New and emerging risks can arise over time due to changes in the external business environment or internal circumstances. This could be a brand new behaviour pattern that presents a new risk or a risk that changes its nature and thus should be managed in a new way, but could also be a risk that has previously been deemed to be immaterial that has become material. Examples could be the emergence of new economies, technological advances and social-political changes, etc.

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

### Risk management and risk-reduction techniques

Business risks are managed at Board and management level through analyses and decisions prior to making strategic choices on the direction of the operations. Business risk analyses are carried out in the annual business planning process, but can also be performed in the interim if required due to changes in the external environment or in connection with business decisions. The specific business risks that are deemed to be the most important at any given time are continuously monitored at management level.

Group risks are identified and managed as part of the continuous risk-management activities and in the Länsförsäkringar AB Group's annual Own Risk and Solvency Assessment (ORSA) and in the Group's recovery plan. Continuous monitoring of regulatory developments and efficient processes for identifying, measuring and reporting risks are key tools for keeping group risks at a low level.

Emerging risks are identified and managed as part of the continuous risk-management activities, in the Länsförsäkringar AB Group's annual Own Risk and Solvency Assessment (ORSA) and in the internal capital and liquidity adequacy assessment process (ICAAP and ILAAP). The materiality of the risk determines whether action is to be taken and the nature of the risk governs the appropriate course of action.

### CAPITAL MANAGEMENT

It is of central importance that the Länsförsäkringar AB Group and its separate licensable legal entities have a sufficient amount of capital in relation to the level of the Group's risks, regulatory capital requirements and stakeholder expectations.

### Targets and guidelines

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

Länsförsäkringar Liv is a subsidiary that is operated according to mutual principles and is not consolidated in the Länsförsäkringar AB Group. For this reason, specific considerations apply to capital management for this company and are described in Länsförsäkringar Liv AB's annual report.

Quantitative capital targets are set at both Group level and for each subsidiary Group and legal entity. These capital targets are decided every year by each board and, for subsidiary groups or subsidiaries directly under Länsförsäkringar AB, the Board of Länsförsäkringar

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



AB. For the Länsförsäkringar AB Group and its insurance companies, these capital targets are expressed in the form of a specific level for the solvency ratio but with a tolerance down to the lowest permissible level for capitalisation. This limit clearly exceeds the regulatory requirement. The solvency ratio refers to own funds divided by the solvency capital requirement, in accordance with the definitions in the Insurance Business Act. At the Länsförsäkringar AB Group level, the capital target is set based on the contributions to own funds and capital requirements made by the operations in Länsförsäkringar Bank and its subsidiaries. Capital targets are also set for the Länsförsäkringar Bank Group, which comprises its consolidated situation and is encompassed by the group rules for banking operations. Länsförsäkringar AB must also fulfil the solvency rules for companies in its capacity as an insurance company. These rules are calculated in accordance with the Insurance Business Act.

The Länsförsäkringar AB Group applies a policy on financial and capital management and control that apply to all the Group's companies.

#### Process

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

The purpose of the Group's capital planning is to ensure that own funds are sufficient for bearing the risks associated with realising the business plan in every subsidiary, the Parent Company Länsförsäkringar AB and at Group level. The analysis is based on the business plan activities and its base scenario, but also includes a demanding but realistic negative scenario and stress tests. The capital position of the entire Länsförsäkringar AB Group can be highlighted through analyses of shared scenarios and stress tests. In addition, unit-specific stress tests are performed in the Group's insurance companies and in the banking operations to provide supplementary data on the capital position of each subsidiary. The analysis is performed in such a manner that the Board and management of each subsidiary – and for the Group, the Board of the Parent Company – gain greater joint understanding of issues relating to capital structure, capital requirement and business contingency to reduce risks and acquire new capital.

Capital planning results in, for example, forecasts for the income statement and balance sheets as well as for capital positions in relation to regulatory requirements at Group and subsidiary level, and for the Parent Company Länsförsäkringar AB. Capital is allocated internally within the Group based on plans for the business activities and forecasts for risk-based capital requirements. The process also creates a plan for dividends and contributions within the Group, and a plan for capital transactions between the Parent Company and its owners and issues of capital instruments to external investors.

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

**Table 18. Capital adequacy Länsförsäkringar Bank consolidated situation**

	2024	2023
Common Equity Tier 1 capital	20,503	19,229
Tier 1 capital	23,053	21,429
Own funds (total capital)	26,143	24,519
Risk Exposure Amount	134,063	127,710
Common Equity Tier 1 capital ratio, %	15.3	15.1
Tier 1 ratio, %	17.2	16.8
Capital adequacy ratio, %	19.5	19.2
Own funds requirements (Pillar I)	10,725	10,217
Pillar II Requirements (P2R)	2,815	2,682
Combined buffer requirement	6,033	5,747
Pillar II Guidance (P2G)	0.0	0.0
Overall adequate level of own funds	19,573	18,646
Leverage ratio, %	4.6	4.4
Pillar II Requirements and Pillar II Guidance regarding leverage ratio requirement	0.15	0.15

#### Capital position under group solvency rules

The Länsförsäkringar AB Group and its units are subject to regulatory requirements for the minimum permitted amount of capital in accordance with rules for banks, rules for insurance companies and rules for financial conglomerates. The capital position under the bank group rules are described in Länsförsäkringar Bank's Annual Report.

#### Capital position under rules on financial conglomerates and rules on groups in insurance sector

Own funds and capital requirements are calculated for both financial conglomerates and for groups in the insurance sector by using the rules of each sector, the insurance and banking sectors.

In calculating capital requirements, an aggregate capital requirement is calculated for the parts of the Länsförsäkringar AB Group's insurance operations that are consolidated, meaning Länsförsäkringar AB, Försäkringsaktiebolaget Agria, Länsförsäkringar Gruppliv and Länsförsäkringar Fondliv AB. The total capital requirement for the companies in the Länsförsäkringar Bank Group is added. The capital requirement for Länsförsäkringar Liv is also added. Länsförsäkringar Liv, which is operated according to mutual principles, is included in the calculations in accordance with the deduction and aggregation method, with the consent of the FSA. Länsförsäkringar Liv's surplus capital is not included in the surplus capital at group level; only the amount of the company's own funds that corresponds to its capital requirement is included in the calculation of own funds on a consolidated basis.

There is no obstacle to transferability of surplus capital between legal entities that entails deductions from group own funds. The result of the calculations according to the rules on financial conglomerates and rules on groups in the insurance sector are presented in table 17.

**Table 17. Solvency situation, financial conglomerate and group under the insurance rules**

	2024	2023
Own funds	66,775	62,634
<i>of which own funds included from</i>		
<i>Länsförsäkringar Liv</i>	19,048	18,035
Capital requirement	49,370	46,066
<i>of which capital requirement</i>		
<i>Länsförsäkringar Liv</i>	19,048	18,035
Surplus capital	17,405	16,568

Surplus capital compared with regulatory requirements under the rules on financial conglomerates, and according to the group rules in the insurance sector, increased during the year. This was mainly due to earnings for the period, rising stock markets and the issue of Tier 1 capital in the banking operations.

#### Capital position under bank group rules

The outcome of the capital position for the Länsförsäkringar Bank's consolidated situation is presented in table 18.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Table 19. Hedge accounting in the Länsförsäkringar Bank Group**

	Derivatives		Assets		Liabilities		Hedge accounting			
	Nominal amount		Carrying amount		Carrying amount		Change in value for the year		Accumulated changes in value	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Fair value hedges</b>										
Interest-rate contracts										
Hedged items <sup>2)</sup>										
Treasury bills and other eligible bills			6,217	6,708			110	251	-134	-248
Bonds and other interest-bearing securities			37,692	40,492			734	1,373	-194	-955
Debt securities in issue										
Hedging instruments										
Interest-rate swaps	44,376	48,053	558	1,413	414	282	-842	-1,615		
Ineffectiveness <sup>1)</sup>							1	10		
<b>Currency contracts</b>										
Hedged items <sup>2)</sup>										
Treasury bills and other eligible bills			349	477			3	9	-6	-13
Bonds and other interest-bearing securities			4,273	3,791			72	62	125	44
Debt securities in issue					64,412	57,602	-1,230	-1,965	-471	-1,701
Hedging instruments										
Cross-currency interest rate swaps	68,734	63,185	1,127	662	1,133	2,055	1,155	1,900		
Ineffectiveness <sup>1)</sup>							-0	6		
<b>Portfolio of fair value hedges</b>										
Interest-rate contracts										
Hedged items										
Loans to the public			83,945	109,367			1,353	3,293	-200	-1,553
Deposits and funding from the public					7,963	18,616	3	-52	13	16
Debt securities in issue					191,299	181,336	-2,263	-7,771	-2,101	-4,364
Hedging instruments										
Interest-rate swaps	297,645	326,700	2,957	4,361	4,580	7,295	912	4,498		
Ineffectiveness <sup>1)</sup>							6	-31		
<b>Cash flow hedges<sup>5)</sup></b>										
Currency contracts										
Hedged items <sup>3)</sup>							-59	-92		
Hedging instruments										
Cross-currency interest rate swaps <sup>4)</sup>	64,420	59,127	4,168	4,600	523	541	59	92		
Ineffectiveness <sup>1)</sup>										
<b>Total hedged item</b>			<b>132,476</b>	<b>160,835</b>	<b>263,674</b>	<b>257,554</b>	<b>-1,277</b>	<b>-4,891</b>	<b>-2,969</b>	<b>-8,775</b>
<b>Total hedging instruments</b>	<b>475,175</b>	<b>497,064</b>	<b>8,810</b>	<b>11,035</b>	<b>6,650</b>	<b>10,173</b>	<b>1,284</b>	<b>4,876</b>		
<b>Total ineffectiveness</b>							<b>6</b>	<b>-15</b>		

<sup>1)</sup>The ineffectiveness of all hedging relationships is recognised in the line item "Net gains/losses from financial items" in profit or loss.

<sup>2)</sup>For terminated fair value hedges and cash flow hedges, no accumulated changes in value remain in the balance sheet.

<sup>3)</sup>The change in value of the hedged item pertains to a perfectly effective hypothetical hedging instrument. Such an instrument is used to determine the effective portion of the hedging instrument, which is recognised in other comprehensive income, and the ineffective portion, which is recognised in the line item "Net gains/losses from financial items" in profit or loss.

<sup>4)</sup>Of changes in value for the year, SEK -4,034.4 M pertains to amounts reclassified to profit or loss. Amounts reclassified to profit or loss for terminated hedging relationships amounted to SEK 0 M.

<sup>5)</sup>Amounts recognised in the hedging reserve are presented in the "Statement of changes in equity." Amounts pertaining to cash flow hedges recognised through other comprehensive income are presented in the "Statement of comprehensive income."

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



Hedging instruments with positive fair values are recognised in the balance sheet as assets on the line item "derivatives" and hedging instruments with negative fair values are recognised in the balance sheet as liabilities on the line item "derivatives."

The average fixed interest on derivatives outstanding on 31 December 2024 was 1.9% (1.6).

The "Statement of comprehensive income" presents the changes in value of hedging instruments in cash flow hedges for the period and the amount that has been reclassified from equity to profit or loss.

**Table 20. Länsförsäkringar Bank Group – maturity profile for nominal amounts in hedging instruments**

	2024			2023		
	Remaining contractual term			Remaining contractual term		
	<1 year	1-5 years	>5 years	<1 year	1-5 years	>5 years
Currency risk Nominal amount	11,442	43,557	8,163	7,362	42,437	8,057

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



### Note 3 Earnings per operating segment

2024	Non-life insurance	Agria	Unit-linked insurance	Bank	Support and service	Eliminations and adjustments	Total
<b>TECHNICAL RECOGNITION OF NON-LIFE INSURANCE OPERATIONS</b>							
Premiums earned (after ceded reinsurance)	3,158	6,484	-	-	-	0	9,642
Investment income transferred from financial operations	147	117	-	-	-	-	264
Other technical revenue (after ceded reinsurance)	-	3	-	-	-	-	3
Claims payments (after ceded reinsurance)	-2,111	-4,720	-	-	-	-	-6,831
Operating expenses	-616	-1,762	-	-	-	0	-2,378
Other technical expenses (after ceded reinsurance)	-1	-	-	-	-	-1	-2
<b>Technical result for non-life insurance operations</b>	<b>577</b>	<b>121</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1</b>	<b>697</b>
<b>TECHNICAL RECOGNITION OF LIFE-ASSURANCE OPERATIONS</b>							
Premium income (after ceded reinsurance)	-	-	286	-	-	-	286
Investment income, revenue	-	-	431	-	-	2	433
Unrealised gains on investment assets	-	-	40,377	-	-	-1	40,376
Other technical revenue	-	-	3,251	-	-	-	3,251
Claims payments (after ceded reinsurance)	-	-	-117	-	-	-	-117
Change in other technical provisions (after ceded reinsurance)	-	-	-40,639	-	-	-	-40,639
Operating expenses	0	-	-1,946	-	-	-142	-2,088
Investment income, expenses	-	-	-166	-	-	-	-166
Unrealised losses on investment assets	-	-	-21	-	-	-0	-21
Other technical expenses (after ceded reinsurance)	-	-	-124	-	-	-	-124
<b>Technical result, life-assurance operations</b>	<b>0</b>	<b>-</b>	<b>1,333</b>	<b>-</b>	<b>-</b>	<b>-142</b>	<b>1,191</b>
<b>NON-TECHNICAL RECOGNITION</b>							
Technical result for non-life insurance operations	577	121	-	-	-	-1	697
Technical result, life-assurance operations	0	-	1,333	-	-	-142	1,191
Investment income, revenue	-6	364	114	0	2,131	-1,466	1,136
Unrealised gains on investment assets	11	43	3	-	209	-0	266
Investment income, expenses	-4	-267	-8	-	-409	-	-689
Unrealised losses on investment assets	-2	-15	-5	-	-22	0	-43
Investment income transferred to non-life insurance operations	-154	-117	-	-	-	-	-271
Other income	-0	-	207	-	4,241	-1,511	2,937
Other expenses	-24	-	-193	-	-4,759	1,510	-3,466
<b>Profit from insurance operations</b>	<b>397</b>	<b>130</b>	<b>1,450</b>	<b>0</b>	<b>1,391</b>	<b>-1,610</b>	<b>1,759</b>
<b>BANKING OPERATIONS</b>							
Net interest income	-	-	-	6,054	-	-	6,054
Operating lease income	-	-	-	2,938	-	-	2,938
Net commission income and other operating income	-	-	-	-1,049	-	-	-1,049
Operating expenses	-	-	-	-2,728	-	-	-2,728
Depreciation, operating leases	-	-	-	-2,345	-	-	-2,345
Credit losses	-	-	-	-181	-	-	-181
Risk tax levied and resolution fee	-	-	-	-398	-	-	-398
<b>Profit from banking operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,291</b>	<b>-</b>	<b>-</b>	<b>2,291</b>
<b>Profit before tax</b>	<b>397</b>	<b>130</b>	<b>1,450</b>	<b>2,291</b>	<b>1,391</b>	<b>-1,610</b>	<b>4,050</b>

### Segment note for banking operations according to IFRS<sup>1)</sup> applied in the Länsförsäkringar Bank Group's reporting

2024	Non-life insurance	Agria	Unit-linked insurance	Bank	Support and service	Eliminations and adjustments	Total
<b>BANKING OPERATIONS</b>							
Net interest income	-	-	-	6,632	-	-	6,632
Operating lease income	-	-	-	-	-	-	-
Net commission income and other operating income	-	-	-	-980	-	-	-980
Operating expenses	-	-	-	-2,784	-	-	-2,784
Depreciation, operating leases	-	-	-	-	-	-	-
Credit losses	-	-	-	-181	-	-	-181
Risk tax levied and resolution fee	-	-	-	-398	-	-	-398
<b>Profit from banking operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,290</b>	<b>-</b>	<b>-</b>	<b>2,290</b>

<sup>1)</sup> International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of these standards issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU.

#### INTRODUCTION

#### STRATEGY

#### OUR OPERATIONS

#### BOARD OF DIRECTORS' REPORT

#### FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

#### OTHER INFORMATION



### Note 3 Earnings per operating segment, cont.

2023	Non-life insurance	Agria	Unit-linked insurance	Bank	Support and service	Eliminations and adjustments	Total
<b>TECHNICAL RECOGNITION OF NON-LIFE INSURANCE OPERATIONS</b>							
Premiums earned (after ceded reinsurance)	2,975	5,972	-	-	-	0	8,946
Investment income transferred from financial operations	113	74	-	-	-	-	187
Other technical revenue (after ceded reinsurance)	-	5	-	-	-	-	5
Claims payments (after ceded reinsurance)	-2,116	-4,326	-	-	-	-	-6,441
Operating expenses	-614	-1,523	-	-	-	-	-2,137
Other technical expenses (after ceded reinsurance)	-2	-	-	-	-	-	-2
<b>Technical result for non-life insurance operations</b>	<b>355</b>	<b>202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>558</b>
<b>TECHNICAL RECOGNITION OF LIFE-ASSURANCE OPERATIONS</b>							
Premium income (after ceded reinsurance)	-	-	270	-	-	-	270
Investment income, revenue	0	-	286	-	-	3	290
Unrealised gains on investment assets	-	-	26,113	-	-	-2	26,111
Other technical revenue	-	-	2,594	-	-	-	2,594
Claims payments (after ceded reinsurance)	-	-	-79	-	-	-	-79
Change in other technical provisions (after ceded reinsurance)	-	-	-26,352	-	-	-	-26,352
Operating expenses	-0	-	-1,699	-	-	-143	-1,842
Investment income, expenses	-	-	-63	-	-	-0	-64
Unrealised losses on investment assets	-	-	-4	-	-	-	-4
Other technical expenses (after ceded reinsurance)	-	-	-107	-	-	-	-107
<b>Technical result, life-assurance operations</b>	<b>-0</b>	<b>-</b>	<b>959</b>	<b>-</b>	<b>-</b>	<b>-142</b>	<b>816</b>
<b>NON-TECHNICAL RECOGNITION</b>							
Technical result for non-life insurance operations	355	202	-	-	-	0	558
Technical result, life-assurance operations	-0	-	959	-	-	-142	816
Investment income, revenue	-21	903	69	-	1,661	-892	1,721
Unrealised gains on investment assets	20	122	19	-	164	-1	323
Investment income, expenses	-6	-855	-10	-	-555	0	-1,425
Unrealised losses on investment assets	-0	-0	-0	-	-117	-	-117
Investment income transferred to non-life insurance operations	-133	-74	-	-	-	-	-207
Other income	-0	2	109	-	4,147	-1,485	2,773
Other expenses	-	-	-105	-	-4,749	1,485	-3,370
<b>Profit from insurance operations</b>	<b>215</b>	<b>300</b>	<b>1,040</b>	<b>-</b>	<b>551</b>	<b>-1,034</b>	<b>1,073</b>
<b>BANKING OPERATIONS</b>							
Net interest income	-	-	-	6,438	-	-	6,438
Operating lease income	-	-	-	3,038	-	-	3,038
Net commission income and other operating income	-	-	-	-1,487	-	-	-1,487
Operating expenses	-	-	-	-2,866	-	-	-2,866
Depreciation, operating leases	-	-	-	-2,450	-	-	-2,450
Credit losses	-	-	-	-114	-	-	-114
Risk tax levied and resolution fee	-	-	-	-391	-	-	-391
<b>Profit from banking operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,168</b>	<b>-</b>	<b>-</b>	<b>2,168</b>
<b>Profit before tax</b>	<b>215</b>	<b>300</b>	<b>1,040</b>	<b>2,168</b>	<b>551</b>	<b>-1,034</b>	<b>3,240</b>

### Segment note for banking operations according to IFRS<sup>1)</sup> applied in the Länsförsäkringar Bank Group's reporting

2023	Non-life insurance	Agria	Unit-linked insurance	Bank	Support and service	Eliminations and adjustments	Total
<b>BANKING OPERATIONS</b>							
Net interest income	-	-	-	7,023	-	-	7,023
Operating lease income	-	-	-	-	-	-	-
Net commission income and other operating income	-	-	-	-1,482	-	-	-1,482
Operating expenses	-	-	-	-2,869	-	-	-2,869
Depreciation, operating leases	-	-	-	-	-	-	-
Credit losses	-	-	-	-114	-	-	-114
Risk tax levied and resolution fee	-	-	-	-391	-	-	-391
<b>Profit from banking operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,168</b>	<b>-</b>	<b>-</b>	<b>2,168</b>

<sup>1)</sup> International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of these standards issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU.

The Group's division of operating segments corresponds to the structure of the internal reports that the company's chief operating decision maker uses to monitor the operations and allocate resources between operating segments. The Group has identified corporate management as the company's chief operating decision maker. Accordingly, for the Länsförsäkringar AB Group, the reports on the earnings of the various segments of the operations that are received by Group management form the basis of segment reporting.



#### INTRODUCTION

#### STRATEGY

#### OUR OPERATIONS

#### BOARD OF DIRECTORS' REPORT

#### FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

#### OTHER INFORMATION

Pricing between the Group's segments is based on market conditions for the operating segments of Non-life Insurance, Agria, Unit-linked Insurance, Banking, and Support and Service. Länsförsäkringar AB's Group management establishes the service level pertaining to intra-Group transactions involving goods and services. Decisions about prices to be applied to the forthcoming year are made during the annual business planning process. Pricing for service operations within the Länsförsäkringar Alliance is based on direct and indirect costs. Overall, pricing is intended to distribute costs fairly within the Länsförsäkringar Alliance based on consumption. Joint development projects and joint service are financed collectively and invoiced based on an established distribution key. Länsförsäkringar AB's Group management arranges the service levels and costs for the sale of goods and services to intra-Group companies jointly with a service committee comprising representatives from the regional insurance companies. Based on these discussions, the Board of Länsförsäkringar AB makes decisions on external pricing.

Income is primarily attributable to Sweden, and the remaining part comes from Denmark, Ireland, Finland, France, Norway, the UK and Germany.

#### Premium income per geographic market, Agria operating segment

SEK M	2024	2023
Sweden	3,174	3,084
Denmark	506	443
Finland	218	187
Norway	957	886
UK	1,733	1,420
France	88	64
Germany	52	29
Ireland	52	45
<b>Total</b>	<b>6,780</b>	<b>6,158</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



**Note 4 Premiums earned after ceded reinsurance**

	2024	2023
<b>Non-life insurance</b>		
Premium income, direct insurance in Sweden	5,875	5,650
Premium income, direct insurance, rest of EEA	1,892	1,665
Premium income, direct insurance, rest of world	1,733	1,420
Premium income assumed reinsurance	2,004	1,887
Change in provision for unearned premiums	-367	-276
Change in provision for unexpired risks	-29	-5
<b>Total premiums earned before ceded reinsurance</b>	<b>11,107</b>	<b>10,341</b>
Premiums for ceded reinsurance	-1,877	-1,821
Reinsurers' portion of change in provision for unearned premiums and unexpired risks	25	65
<b>Total reinsurers' portion of premiums earned</b>	<b>-1,852</b>	<b>-1,756</b>
<b>Total premiums earned after ceded reinsurance</b>	<b>9,255</b>	<b>8,585</b>
<b>Life assurance</b>		
Direct life assurance	720	676
<b>Total premium income gross before ceded reinsurance</b>	<b>720</b>	<b>676</b>
<b>Premium income gross for direct life assurance is distributed between the following categories</b>		
Premiums for individual life assurance	323	305
<b>Total premium income gross before ceded reinsurance</b>	<b>323</b>	<b>305</b>
Periodic premiums	323	305
<b>Total periodic premiums</b>	<b>323</b>	<b>305</b>
Premiums for contracts that do not carry bonus rights	302	286
Premiums for contracts that carry bonus rights	-	-
Premiums, policyholder bears the risk	21	19
<b>Total periodic premiums</b>	<b>323</b>	<b>305</b>
<b>Premiums for ceded reinsurance</b>		
Premiums for ceded reinsurance, life assurance	-37	-35
<b>Total Reinsurers' portion of premium income</b>	<b>-37</b>	<b>-35</b>
<b>Total Premium income after ceded reinsurance</b>	<b>682</b>	<b>641</b>
<b>Total premiums earned after ceded reinsurance</b>	<b>9,938</b>	<b>9,226</b>

**Note 5 Investment income transferred from financial operations**

	2024	2023
Transferred investment income	255	181
<b>Interest rates, %</b>		
Provisions for insurance policies with long-term claims in run-off	2.7	2.3
Provisions for insurance policies with short-term claims in run-off	3.2	2.2

The estimated return on the assets corresponding to the technical provisions is transferred from the financial operations to the technical result. The transferred investment income is calculated on the basis of half the premiums earned after ceded reinsurance and on the basis of the average of opening and closing provisions for claims outstanding after ceded reinsurance during the year. The investment income is divided into two parts. One part is added to the annuities result by reducing the cost for the upward adjustment of the provision for annuities, and one part is recognised as transferred investment income.

**Note 6 Other technical revenue**

	2024	2023
<b>Non-life insurance</b>		
Other	3	5
<b>Life assurance</b>		
Inheritance gains received	75	59
Fees from financial agreements	904	847
Rebating of commissions	1,344	1,198
Yield tax	921	484
Other	7	6
<b>Total Other technical revenue</b>	<b>3,254</b>	<b>2,599</b>

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

- Group
- Parent Company
- Auditor's report

**OTHER INFORMATION**

## Note 7 Claims payments

	2024			2023		
	Before ceded reinsurance	Ceded reinsurance	After ceded reinsurance	Before ceded reinsurance	Ceded reinsurance	After ceded reinsurance
<b>Non-life insurance</b>						
Claims paid	-7,502	1,477	-6,025	-7,689	1,984	-5,705
Claims annuities paid	-57	-	-57	-70	-	-70
Change in provision for claims incurred and reported	471	-379	92	138	-100	38
Change in provision for claims incurred but not reported	980	-1,015	-35	276	-232	44
Operating expenses for claims adjustment	-578	23	-555	-544	22	-523
<b>Total</b>	<b>-6,686</b>	<b>106</b>	<b>-6,581</b>	<b>-7,889</b>	<b>1,674</b>	<b>-6,215</b>
<b>Life assurance</b>						
Claims paid	-332	9	-323	-306	6	-300
Change in provision for claims outstanding	-39	19	-20	16	3	19
Operating expenses for claims adjustment	-24	-	-24	-24	-	-24
<b>Total</b>	<b>-395</b>	<b>28</b>	<b>-367</b>	<b>-314</b>	<b>10</b>	<b>-304</b>
<b>Total non-life insurance and life assurance</b>	<b>-7,082</b>	<b>134</b>	<b>-6,948</b>	<b>-8,203</b>	<b>1,683</b>	<b>-6,520</b>

## Note 8 Operating expenses

	2024	2023*
<b>Specification of income items operating expenses</b>		
Acquisition costs <sup>1)</sup>	-2,147	-2,031
Change in Deferred acquisition costs	144	160
Administration expenses	-2,701	-2,270
Commission and profit shares in ceded reinsurance	43	57
Reinsurers' portion of deferred acquisition costs	-	-
<b>Total</b>	<b>-4,662</b>	<b>-4,084</b>
of which non-life insurance operations	-2,306	-2,064
of which life-assurance operations	-2,356	-2,020
of which commission for direct insurance	-251	-266
<b>Other operating expenses</b>		
Claims adjustment costs <sup>1)</sup>	-602	-569
Expenses for finance management <sup>2)</sup>	-60	-96
Expenses for support and service operations <sup>3)</sup>	-3,273	-3,264
Expenses for banking operations <sup>4)</sup>	-5,073	-5,316
<b>Total</b>	<b>-9,008</b>	<b>-9,245</b>
<b>Total operating expenses</b>	<b>-13,669</b>	<b>-13,329</b>

### Operating expenses by type of cost

<b>Direct and indirect staff costs</b>	-3,842	-3,367
Costs for premises	-414	-443
IT costs	-3,993	-3,981
Depreciation	-3,653	-3,703
Other operations-related expenses	-1,768	-1,835
<b>Total operating expenses</b>	<b>-13,669</b>	<b>-13,329</b>

<sup>1)</sup> Included in Claims paid in the technical and non-technical result.

<sup>2)</sup> Included in Investment income, expenses in the technical and non-technical result

<sup>3)</sup> Included in Other expenses in the non-technical result

<sup>4)</sup> Included in the banking operations' expenses in the non-technical result

\*) Comparative information was updated due to correction of an error.

## Note 9 Leases

Lease agreements in which the company is the lessee	2024	2023
Up to 1 year	-270	-213
1-5 years	-779	-634
More than 5 years	-7	-121
<b>Total lease agreements in which the company is the lessee</b>	<b>-1,056</b>	<b>-968</b>
Leases in which the company is the lessor	2024	2023
Up to 1 year	2,371	2,532
1-5 years	3,302	3,897
More than 5 years	1,536	1,466
<b>Total lease agreements in which the company is the lessor</b>	<b>7,209</b>	<b>7,896</b>

A rental charge of SEK -165 M (-206) was recognised in profit for 2024. The leases are valid for three and ten years until 31 October 2027 and 2029, respectively. Every time that lease contracts are renewed, a basic rent level is established that is subsequently index-linked to the consumer price index.

## Note 10 Fees and remuneration of auditors

	2024	2023
Deloitte AB, audit assignment	-24	-24
Deloitte AB, audit activities in addition to the audit assignment	-1	-1
Deloitte AB, other assignments	-1	-1
<b>Total fees and remuneration of auditors</b>	<b>-26</b>	<b>-26</b>

Audit assignment pertains to a review of the Annual Report and accounting, as well as the Board's and President's administration. Audit activities other than audit assignment pertain to various types of quality-assurance services, such as reviews of the administration, Articles of Association, regulations or agreements that result in reports or certificates. Other assignments pertain to activities that are not included in the above-mentioned items, for example, legal consultations alongside audit activities and that are not attributable to tax consultancy services.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



## Note 11 Employees, staff costs and remuneration of senior executives

Average number of employees	2024	2023
<b>Sweden</b>		
Men	1,324	1,203
Women	1,558	1,437
<b>Total Sweden</b>	<b>2,882</b>	<b>2,640</b>
<b>Denmark</b>		
Men	1	2
Women	35	37
<b>Total Denmark</b>	<b>36</b>	<b>39</b>
<b>Finland</b>		
Men	1	1
Women	17	15
<b>Total Finland</b>	<b>18</b>	<b>16</b>
<b>France</b>		
Men	2	2
Women	10	9
<b>Total France</b>	<b>12</b>	<b>11</b>
<b>Ireland</b>		
Men	8	10
Women	12	9
<b>Total Ireland</b>	<b>20</b>	<b>19</b>
<b>Norway</b>		
Men	8	9
Women	60	58
<b>Total Norway</b>	<b>68</b>	<b>67</b>
<b>UK</b>		
Men	45	40
Women	125	103
<b>Total UK</b>	<b>170</b>	<b>143</b>
<b>Germany</b>		
Men	1	1
Women	7	6
<b>Total Germany</b>	<b>8</b>	<b>7</b>
<b>Total average number of employees</b>		
Men	1,390	1,268
Women	1,824	1,674
<b>Total</b>	<b>3,214</b>	<b>2,942</b>
<b>Salaries and other remuneration, as well as social security expenses, other employees</b>	<b>2024</b>	<b>2023</b>
Salaries and remuneration	2,468	2,128
of which, variable salary	-	-
Social security expenses	1,245	1,114
of which, pension costs	401	382
<b>Total</b>	<b>3,713</b>	<b>3,242</b>
<b>Board of Directors and senior executives, 31 (22)</b>	<b>2024</b>	<b>2023</b>
Salaries and remuneration	61	51
of which, variable salary	-	-
Social security expenses	44	37
of which, pension costs	20	16
<b>Total</b>	<b>106</b>	<b>88</b>
<b>Total salaries, other remuneration and social security expenses</b>	<b>2024</b>	<b>2023</b>
Salaries and remuneration	2,530	2,178
of which, variable salary	-	-
Social security expenses	1,289	1,151
of which, pension costs	421	399
<b>Total</b>	<b>3,819</b>	<b>3,329</b>

The Länsförsäkringar AB Group has about 2,000 individuals who are also employed at Länsförsäkringar Bank and the regional insurance companies. The regional insurance companies pay the entire remuneration of their respective employees and are not included in the disclosures in this note.

### Remuneration of senior executives

Remuneration of the President and other senior executives comprises basic salary and other benefits. Pension benefits and other benefits paid to the President and other senior executives are included as part of total remuneration.

### Severance pay

A mutual period of notice of six months applies for the President, Executive Vice President and other senior executives. If the company terminates employment, severance pay corresponding to 12 months' salary is paid during the period of notice. Alternatively, a mutual period of notice of three or six months is applied for other senior executives, and if termination of employment is issued by the company, severance pay corresponding to 12 or 18 monthly salaries will be paid in addition to the period of notice.

### Pensions

The retirement age for the President and Executive Vice President is 65. The pension is a defined-contribution plan and the pension premium is to amount to 35% of the monthly salary. The retirement age for other senior executives is 65. For certain senior executives the pension is a defined-contribution plan and the pension premium is to amount to 35% of the monthly salary. For other senior executives, the terms follow the pension agreements between the Swedish Insurance Employers' Association (FAO), Forena and the Swedish Confederation of Professional Associations (SACO). In addition, a pension contribution of one or half a price base amount is paid.

### Preparation and decision-making process applied in relation to the issue of remuneration of corporate management

A Remuneration Policy for the Länsförsäkringar AB Group regulates the preparation and decision-making process for remuneration of corporate management. The Remuneration Committee prepares important remuneration decisions and decisions on measures for following up the application of the Remuneration Policy. The Board decides on remuneration and other terms of employment for corporate management and employees with overall responsibility for one of the company's control functions.

### Composition and mandate of Remuneration Committee

The composition and duties of the Remuneration Committee are regulated in the Board's formal work plan.

### Policies for remuneration of corporate management

Senior executives in the Länsförsäkringar AB Group are to have market-based employment terms and conditions. The total remuneration must be on par with the industry. The structure and level of remuneration should correspond to the company's values, meaning that it should be reasonable, moderate and well-balanced, and also contribute to good ethics and organisational culture, characterised by openness and transparency.

### Fixed remuneration

Fixed remuneration is paid according to the general policy above.

### Pensions

The pension solution for senior executives is to be a defined-contribution plan with a premium of 35% of the monthly salary.

### Other benefits

In addition to the above benefits, a company car, individual health care insurance and other benefits are offered to all employees.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



### Note 11 Employees, staff costs and remuneration of senior executives, cont.

#### Loans to the Board of Directors, Presidents/Executive Vice President and other senior executives

	31 Dec 2024	31 Dec 2023
Board members	125	136
President and Executive Vice President	46	30
Other senior executives	64	67
<b>Total loans to Board members, Presidents, Executive Vice Presidents and other senior executives</b>	<b>235</b>	<b>233</b>

Personnel mortgages granted comprise personnel loans and unsecured loans. Personnel mortgages and unsecured loans carry terms comparable to what applies for other customers. The interest rate for personnel mortgages is based on the best customer rate in LF, but is also adjusted to current market rates. The interest for unsecured loans is the government funding rate on 30 November last year, plus 1.5%.

#### Number of women among senior executives, %

	31 Dec 2024	31 Dec 2023
Board members	46	43
Other senior executives	49	47

### Note 12 Other technical expenses

	2024	2023
<b>Non-life insurance</b>		
Other	-1	-2
<b>Life assurance</b>		
Inheritance gains allotted	-90	-71
Reinsurance, cancellation risk	-33	-31
Other	-1	-5
<b>Total Other technical expenses</b>	<b>-125</b>	<b>-110</b>

### Note 13 Investment income, net

	2024	2023
<b>Dividends</b>		
Dividends received	5	23
Dividends received (non-technical)	2	3
<b>Total dividends and Group contributions</b>	<b>7</b>	<b>26</b>
<b>Interest income<sup>1)</sup></b>		
Bonds and other interest-bearing securities	69	49
Bonds and other interest-bearing securities (non-technical)	199	158
Derivatives	2	16
Derivatives (non-technical)	5	5
Other interest income	27	23
Other interest income (non-technical)	101	122
Financial assets that are not measured at fair value through profit or loss	3	3
Financial assets that are not measured at fair value through profit or loss (non-technical)	21	22
<b>Total interest income</b>	<b>425</b>	<b>397</b>
Shares and participations	288	117
Shares and participations (non-technical)	103	69
Bonds and other interest-bearing securities	3	5
Bonds and other interest-bearing securities (non-technical)	32	-14
Derivatives	-7	65
Derivatives (non-technical)	3	14
<b>Total realised profit, net</b>	<b>421</b>	<b>256</b>
Shares and participations	452	323
Shares and participations (non-technical)	207	74
Bonds and other interest-bearing securities	28	66
Bonds and other interest-bearing securities (non-technical)	7	113
Change in value of unit-linked insurance assets	39,887	25,739
<b>Total unrealised profit, net</b>	<b>40,579</b>	<b>26,315</b>
Exchange-rate gains/losses, net	-26	12
Exchange-rate gains/losses, net (non-technical)	-62	11
<b>Interest expense</b>		
Derivatives	-17	-22
Derivatives (non-technical)	-19	-25
Other interest expense (non-technical)	-9	-6
Financial liabilities that are not measured at fair value through profit or loss (non-technical)	-8	-9
<b>Total interest expense</b>	<b>-53</b>	<b>-62</b>
Asset management expenses	-19	-21
Asset management expenses (non-technical)	-42	-74
Other financial expenses	-29	-22
Other financial expenses (non-technical)	93	-3
Restatement, annuity reserve (non-technical)	-2	-8
<b>Total investment income, net</b>	<b>41,293</b>	<b>26,829</b>
<b>Investment income by measurement category</b>		
Financial assets measured at FVPL	41,124	26,766
Financial liabilities measured at amortised cost	-10	-9
Financial assets measured at amortised cost	71	75
<b>Items not specified by category</b>		
Other items	107	-4
<b>Total investment income, net</b>	<b>41,293</b>	<b>26,829</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Note 14 Other income and expenses**

	2024	2023
Income from service operations	2,937	2,771
Expenses for service operations	-3,439	-3,370
Other income	0	2
Other expenses	-27	-
<b>Total Other income and expenses</b>	<b>-528</b>	<b>-596</b>

**Note 15 Net interest income**

	2024	2023
<b>Interest income</b>		
Loans to credit institutions	520	429
Loans to the public	16,708	14,049
Interest-bearing securities <sup>1)</sup>	1,652	1,252
Derivatives	2,954	4,366
Other interest income	1	0
<b>Total interest income according to effective interest method</b>	<b>21,836</b>	<b>20,097</b>
<b>Interest expense</b>		
Due to credit institutions <sup>1)</sup>	-277	-307
Deposits and funding from the public	-3,003	-2,429
Debt securities in issue <sup>2)</sup>	-6,465	-4,668
Subordinated liabilities	-142	-131
Derivatives	-5,779	-6,031
Other interest expense	-115	-93
<b>Total interest expense according to effective interest method</b>	<b>-15,782</b>	<b>-13,659</b>
<b>Total net interest income</b>	<b>6,054</b>	<b>6,438</b>
Average interest rate on loans to the public for the year, %	4	4
Average interest rate on deposits from the public for the year, %	2	2

<sup>1)</sup> Of which negative interest rate on Interest-bearing securities of SEK -12.1 M (-18.7).

<sup>2)</sup> Interest expense for senior non-preferred debt amounted to SEK 665.7 M (517.4).

**Note 16 Net leasing**

	2024	2023
Lease income	2,938	3,038
Lease depreciation according to plan	-2,342	-2,450
<b>Total net leasing</b>	<b>593</b>	<b>587</b>

**Note 17 Net commission income and other operating income**

	2024	2023
<b>Commission income</b>		
Payment mediation	179	172
Loans	229	295
Deposits	2	3
Securities	1,432	1,136
Cards	411	377
Remuneration to the regional insurance companies	149	132
Other commission	-36	-37
<b>Summa commission income<sup>1)</sup></b>	<b>2,366</b>	<b>2,079</b>
<b>Commission expense</b>		
Payment mediation	-146	-177
Securities	-191	-121
Cards	-210	-189
Remuneration to the insurance companies	-2,818	-2,916
Administration costs	-66	-97
Other commission	-30	-89
<b>Total commission expense</b>	<b>-3,461</b>	<b>-3,590</b>
<b>Total Net commission income</b>	<b>-1,095</b>	<b>-1,511</b>
<b>Net gains/losses from financial items</b>		
Interest-bearing assets and liabilities and related derivatives	0	-11
Other financial assets and liabilities	17	8
Interest compensation (refer to the items measured at amortised cost)	11	4
<b>Total Net gains/losses from financial items</b>	<b>28</b>	<b>1</b>
<b>Other operating income</b>		
Other operating income	18	23
<b>Total Net commission income and Other operating income</b>	<b>-1,049</b>	<b>-1,487</b>

<sup>1)</sup> Refers to revenue from contracts with customers

The Group applies the exemption entailing that disclosures on outstanding performance obligations attributable to contracts with a term of less than one year are not provided.

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

– Group

Parent Company

Auditor's report

**OTHER INFORMATION**

**Note 18 Credit losses**

SEK M	2024	2023
<b>Change in loss allowance for loan receivables</b>		
Stage 1 (not credit-impaired)	-21	20
Stage 2 (not credit-impaired)	-15	-11
Stage 3 (credit-impaired)	-17	73
<b>Total change in loss allowance for loan receivables</b>	<b>-54</b>	<b>82</b>
Expense for confirmed credit losses	-193	-279
Recoveries of previously confirmed credit losses	69	88
<b>Net expense for credit losses for loan receivables</b>	<b>-178</b>	<b>-109</b>
Change in loss allowance for commitments and guarantees	-3	3
Net expense for credit losses	0	-8
Net expense of modification result	-1	-0
<b>Total net expense for credit losses</b>	<b>-181</b>	<b>-114</b>

A condition for full payment of the regional insurance companies' remuneration by the Bank Group is that the loans generated by each regional insurance company for the Bank Group (excluding Wasa Kredit AB) are of high quality. If this is not the case, up to 80% of any credit losses is off-set against the accrued remuneration to the regional insurance companies. This model for settlement of credit losses is kept separate and is taken into consideration when the provisions are established. In 2024, total credit losses amounted to SEK -213.6 M (-161.1), of which the Bank Group's recognised credit losses amounted to SEK -181.2 M (-114.2) and the remainder of SEK -32.4 M (-46.9) was settled against remuneration to the regional insurance companies. Wasa Kredit AB sold its credit-impaired receivables for the products of unsecured loans and credit cards in 2023.

**Loss allowance**

SEK M	31 Dec 2024	31 Dec 2023
<b>Financial assets measured at amortised cost</b>		
Cash and balances with central banks	-	-
Loans to credit institutions	-	-
Loans to the public	528	473
Other assets	-	-
<b>Financial assets measured at FVOCI</b>		
Treasury bills and other eligible bills	0	0
Bonds and other interest-bearing securities	1	1
<b>Provisions</b>		
Commitments	27	24
Guarantees	-	0
<b>Total loss allowance</b>	<b>555</b>	<b>498</b>

All exposures are in stage 1 except for loans to the public and commitments which have exposure in all three stages. For more information about the change in loss allowance for loans to the public and commitments, refer to notes 32 and 49.

**Note 19 Tax**

	2024	2023
<b>Current tax</b>		
Tax expenses for the period	-558	-493
Adjustment of tax expense pertaining to prior years	4	2
<b>Total current tax</b>	<b>-553</b>	<b>-491</b>
<b>Yield tax</b>		
Yield tax for the year	-923	-485
<b>Total yield tax</b>	<b>-923</b>	<b>-485</b>
<b>Deferred tax</b>		
Deferred tax pertaining to temporary differences	-98	-69
<b>Total deferred tax</b>	<b>-98</b>	<b>-69</b>
<b>Total recognised tax expense</b>	<b>-1,574</b>	<b>-1,045</b>
<b>Reconciliation of effective tax rate</b>		
Profit before tax	4,050	3,240
Less gain/loss in return-based operations	-1,408	-982
Tax at applicable tax rate for the Parent Company	-817	-643
Effect of other tax rates for foreign companies	-4	-3
Tax on non-deductible costs	-85	-103
Tax on non-taxable income	263	168
Increase in loss carryforwards without corresponding capitalising of deferred tax	-1	-3
Utilisation of non-capitalised loss carryforwards	1	-
Tax attributable to earlier years	4	2
Change in deferred tax liabilities	-12	8
Other	0	15
<b>Recognised effective tax on net profit for the year</b>	<b>-651</b>	<b>-560</b>
Applicable tax rate, %	20.6	20.6
Effective tax rate, %	14.3	16.9
<b>Tax recognised in other comprehensive income</b>		
Cash flow hedges	39	23
Financial assets measured at FVOCI	-11	11
<b>Total tax recognised in other comprehensive income</b>	<b>28</b>	<b>34</b>

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

- Group
- Parent Company
- Auditor's report

**OTHER INFORMATION**

## Note 19 Taxes, cont.

### Law on top-up tax for companies in large groups

The Länsförsäkringar AB Group is subject to the law on top-up tax for companies in large groups (the "Top-up Tax Act") that came into force on 1 January 2024. This Act means that companies in the Länsförsäkringar AB Group may be obliged to pay a top-up tax for the difference between a minimum rate of 15% and the effective tax rate calculated according to the Top-up Tax Act for each country in which the Group operates. Länsförsäkringar Fondliv believes that it meets the criteria for being considered a pension fund for 2024 and will in such case be exempted from the rules. As per 31 December 2024, the Länsförsäkringar AB Group pays corporate tax of more than 15% in all its countries of operation, except for Ireland where Capstone Financial Services Ltd and Agria's Irish branch both pay corporate tax of 12.5%. Corporate tax that is less than the minimum tax rate of 15% is an indicator that operations may be liable to pay top-up tax. Countries of operation with a nominal corporate tax rate of at least 15% could still be subject to top-up tax since the calculation of the effective tax rate per country depends on specific adjustments. The legislation is complex and the OECD has not completed its work on applying and interpreting the rules. The assessment is that the Länsförsäkringar AB Group will be able to apply the temporary simplification rules, which means that no top-up tax will be payable for the 2024 fiscal year. The company is also applying the compulsory exemption in IAS 12 Income Taxes in its Annual Report regarding the presentation and reporting of disclosures on deferred tax that could arise as a result of the Top-up Tax Act.

## Note 20 Earnings per share

	2024	2023
Net profit for the year attributable to Parent Company shareholders, SEK M	2,476	2,195
Number of shares with a quotient value of SEK 19.19	10,424,582	10,424,582
<b>Earnings per share before and after dilution, SEK</b>	<b>238</b>	<b>211</b>

Earnings per share has been calculated as net profit for the year attributable to the Parent Company's shareholders divided by the average number of shares. No previous or future dilution exists since no potential ordinary shares arose in reported periods nor were in existence on the balance-sheet date.

## Note 21 Goodwill

	31 Dec 2024	31 Dec 2023
<b>Cost</b>		
Opening cost, 1 January	912	907
Exchange-rate differences	17	5
<b>Accumulated cost, 31 December</b>	<b>929</b>	<b>912</b>
<b>Amortisation</b>		
Opening amortisation, 1 January	-651	-613
Amortisation for the year	-34	-34
Exchange-rate differences	-16	-4
<b>Accumulated amortisation, 31 December</b>	<b>-701</b>	<b>-651</b>
<b>Impairment</b>		
Opening impairment, 1 January	-179	-179
Impairment for the year	-38	-
<b>Accumulated impairment, 31 December</b>	<b>-218</b>	<b>-179</b>
<b>Closing carrying amount, 31 December</b>	<b>10</b>	<b>81</b>

	31 Dec 2024	31 Dec 2023
Agria Vet Guide AB	10	26
Capstone Financial Services Limited	-	55
<b>Closing carrying amount, 31 December</b>	<b>10</b>	<b>81</b>

<b>Assumptions for testing recoverable amount</b>	31 Dec 2024	31 Dec 2023
<b>Non-life insurance operations</b>		
Long-term growth, %	2.0	2.0
Discount rate after tax, %	6.1	6.1

When a need for impairment testing is indicated, the recoverable amount is calculated as the higher of fair value less selling expenses and the value in use.

### Non-life insurance operations

When calculating the value in use for both of the goodwill items for Capstone Financial Services Ltd and Agria Vet Guide, measurement is based on future cash flows of expected gains, less capital requirements from the cash-generating unit. For Capstone Financial Services Ltd, the cash-generating unit comprises the entire operations in Ireland and the branch that Agria established in Ireland in 2023. For Agria Vet Guide, the cash-generating unit comprises Agria Vet Guide and Försäkringsaktiebolaget Agria.

### Unit-linked insurance operations

For Länsförsäkringar Fondliv, the fair value is calculated on the flows from future profit on existing insurance contracts over their residual maturity. The risk-free yield curve defined by EIOPA according to Solvency II is used as the return assumption and for discounting future cash flows. The present value of expected future gains is calculated based on discounted costs and income. The cash-flow calculation is based on a number of assumptions, such as cancellation, life expectancy, fee levels, rebating of commissions and expenses, which are continuously adjusted. The assumptions regarding expenses and policyholder behaviour are based on the company's historically observed outcomes. Income assumptions are based on the company's historically observed outcomes for contracted levels on the measurement date. Deductions are made for a risk adjustment that is calculated according to the cost of capital method under Solvency II at 6%.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



## Note 22 Other intangible assets

Capitalised expenditure for development and acquired intangible assets

Capitalised expenses	Internally generated IT systems	Acquired IT systems	Acquired customer-based assets	Total
<b>Cost</b>				
Opening cost, 1 January 2023	4,958	211	4,231	9,401
Acquisitions	942	3	-	945
Divestments/disposals	-7	-	-	-7
Reclassification	-	-	-	-
Exchange-rate differences	1	0	-	1
<b>Closing cost, 31 December 2023</b>	<b>5,894</b>	<b>214</b>	<b>4,231</b>	<b>10,340</b>
Opening cost, 1 January 2024	5,894	214	4,231	10,340
Acquisitions	828	-	-	828
Divestments/disposals	-1	-	-	-1
Reclassification	-	-	-	-
Exchange-rate differences	5	0	-	5
<b>Closing cost, 31 December 2024</b>	<b>6,726</b>	<b>214</b>	<b>4,231</b>	<b>11,172</b>
<b>Amortisation</b>				
Opening accumulated amortisation, 1 January 2023	-1,864	-132	-2,219	-4,215
Amortisation	-216	-41	-143	-400
Divestments/disposals	7	0	-	7
Exchange-rate differences	-1	0	-	-1
<b>Closing accumulated amortisation, 31 December 2023</b>	<b>-2,073</b>	<b>-174</b>	<b>-2,362</b>	<b>-4,609</b>
Opening accumulated amortisation, 1 January 2024	-2,073	-174	-2,362	-4,609
Amortisation	-263	-4	-143	-411
Divestments/disposals	1	-	-	1
Reclassification	-38	38	-	-
Exchange-rate differences	-3	-	-	-3
<b>Closing accumulated amortisation, 31 December 2024</b>	<b>-2,377</b>	<b>-140</b>	<b>-2,505</b>	<b>-5,022</b>
<b>Impairment</b>				
Opening accumulated impairment, 1 January 2023	-1,257	-65	-	-1,322
Impairment for the year	-165	-	-	-165
Divestments/disposals	-	-	-	-
Reclassification	-	-	-	-
<b>Closing accumulated impairment, 31 December 2023</b>	<b>-1,422</b>	<b>-65</b>	<b>-</b>	<b>-1,487</b>
Opening accumulated impairment, 1 January 2024	-1,422	-65	-	-1,487
Impairment for the year	-43	-3	-	-46
Divestments/disposals	-	2	-	2
Reclassification	-	-	-	-
<b>Closing accumulated impairment, 31 December 2024</b>	<b>-1,464</b>	<b>-66</b>	<b>-</b>	<b>-1,530</b>
<b>Carrying amount, 31 December</b>				
2023	2,400	-24	1,870	4,246
<b>2024</b>	<b>2,885</b>	<b>8</b>	<b>1,727</b>	<b>4,620</b>

The periods of amortisation for internally generated and acquired IT systems are determined based on a useful life that varies between three and 20 years.

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

### OTHER INFORMATION



## Note 23 Shares in Länsförsäkringar Liv Försäkringsaktiebolag (publ)

Company name	Corporate Registration Number	Registered office	Number of participations	Share of equity, %	Equity, 31 Dec 2024	Earnings 2024	Carrying amount on 31 Dec 2024	Carrying amount on 31 Dec 2023
Länsförsäkringar Liv Försäkringsaktiebolag (publ)	516401-6627	Stockholm	8,000	100	44,298	7,200	8	8

Länsförsäkringar AB owns 100% of the shares in Länsförsäkringar Liv Försäkringsaktiebolag (publ) (Länsförsäkringar Liv) but this company is not consolidated.

## Note 24 Shares and participations in associated companies and joint ventures

	Associated companies		Joint ventures	
	2024	2023	2024	2023
Carrying amount at beginning of the year	205	128	5	-
Adjusted opening balance	-	10	-	-
Profit shares in the company	-8	15	-	-
Other changes in the company's equity	-	-28	-	-
Acquisition of participations in companies	-	80	1	5
<b>Total shares and participations in associated companies and joint ventures</b>	<b>198</b>	<b>205</b>	<b>6</b>	<b>5</b>

	Corporate Registration Number	Registered office	Number of participations	Share of equity, %	Carrying amount, 31 Dec 2024	Carrying amount, 31 Dec 2023
<b>Associated companies</b>						
CAB Group AB	556131-2223	Örebro	1,582	28.8	40	45
European Alliance Partners Company AG	CH-0203026423-1	Zurich, Switzerland	9,248	12.5	14	13
FörsäkringsGiro Sverige AB	556482-4471	Solna	5,000,000	16.7	11	10
Svenska Andelshästar AB	556536-9633	Uppsala	450	45.0	3	3
Baby Journey AB	559214-9966	Stockholm	907	16.7	51	52
Omocom AB	559097-2377	Stockholm	2,270,147	36.4	79	82
<b>Total associated companies <sup>1)</sup></b>					<b>198</b>	<b>205</b>
<b>Joint ventures</b>						
Tibern AB <sup>2)</sup>	559384-3542	Stockholm	4,000	14.5	6	5
<b>Total joint ventures</b>					<b>6</b>	<b>5</b>
<b>Total associated companies and joint ventures</b>					<b>203</b>	<b>210</b>

<sup>1)</sup> The amounts presented above refer only to the Group's participating interests in associated companies. The shares and participations are unlisted. All associated companies apply the calendar year as the fiscal year. The share of profit in all associated companies is included in the Non-life Insurance and Unit-linked insurance operating segments. Länsförsäkringar AB is considered to have a significant influence in the European Alliance Partners Company AG despite owning a participating interest of less than 20%. The reason is because Länsförsäkringar AB is represented on the company's Board and thereby has the right (but not a duty) to participate in all decisions made in the company, including strategic issues and issues regarding guidelines, budget, business plans and similar matters. Furthermore, a large amount of information is exchanged with the company.

<sup>2)</sup> This holding has been classified as a joint venture since a joint controlling influence exists due to the owners jointly controlling the operations based on a legally enforceable requirement for consent.

## Note 25 Shares and participations

Carrying amount	31 Dec 2024	31 Dec 2023
Listed shares and participations	4,423	4,062
Unlisted shares and participations	3,816	3,367
<b>Total shares and participations</b>	<b>8,240</b>	<b>7,429</b>

	31 Dec 2024	31 Dec 2023
Fair value	8,240	7,429
Cost	4,135	4,129

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Note 26 Bonds and other interest-bearing securities**

Carrying amount	31 Dec 2024	31 Dec 2023
Swedish mortgage institutions	35,800	39,666
Other Swedish issuers	9,216	8,919
Foreign states	2,287	2,019
Other foreign issuers	8,585	9,042
<b>Total bonds and other interest-bearing securities</b>	<b>55,887</b>	<b>59,646</b>
Fair value	55,887	59,646
Amortised cost	54,285	59,572
Nominal value	54,943	59,788
Listed securities	54,658	58,381
Unlisted securities	1,229	1,264
<b>Carrying amounts of securities compared with nominal amounts</b>		
Total fixed-income funds	1,214	1,251
Total surplus	38	34
Total deficit	-308	-1,427

For loss allowance, refer to note 18 Credit losses.

**Note 27 Treasury bills and other eligible bills**

Carrying amount	31 Dec 2024	31 Dec 2023
Swedish government	11,214	10,706
Finnish government	-	136
German government	349	341
<b>Total treasury bills and other eligible bills</b>	<b>11,563</b>	<b>11,183</b>
Fair value	11,563	11,183
Amortised cost	11,684	11,425
Nominal value	11,717	11,397

For loss allowance, refer to note 18 Credit losses.

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

- Five-year summary
- Group
- Parent Company
- Auditor's report

**OTHER INFORMATION**

## Note 28 Offsetting

The table shows the financial instruments covered by a legally binding agreement regarding netting or a similar agreement, together with related collateral.

The Group has ISDA and CSA agreements with derivative counterparties for OTC derivatives not covered by central counterparty clearing. Corresponding netting agreements are in place for repurchase agreements, which means that all exposures are covered by these types of agreements. The agreements entitle the parties to offset liabilities and receivables in the event of suspension of payment or insolvency. The net amount comprises the amount that in the event of suspension of payment or insolvency would be received if the amount is an asset, or paid if the amount is a liability.

31 Dec 2024	Related amounts not offset in the statement of financial position					
	Gross amount	Offset in statement of financial position	Net amounts in statement of financial position	Netting framework agreement	Collateral Received (-) / Pledged (+)	Net amount
<b>Assets</b>						
Derivatives	7,637	-2,886	4,751	-55	-3,822	874
Repurchase agreements	770		770		-770	-
<b>Liabilities</b>						
Derivatives	-5,618	2,886	-2,732	55	1,028	-1,650
Repurchase agreements	-770		-770		770	0
<b>Total</b>	<b>2,019</b>	<b>-</b>	<b>2,019</b>	<b>-</b>	<b>-2,794</b>	<b>-775</b>

31 Dec 2023	Related amounts not offset in the statement of financial position					
	Gross amount	Offset in statement of financial position	Net amounts in statement of financial position	Netting framework agreement	Collateral Received (-) / Pledged (+)	Net amount
<b>Assets</b>						
Derivatives	8,942	-3,843	5,098	-27	-4,082	989
Repurchase agreements	109	-	109	-	-109	-
<b>Liabilities</b>						
Derivatives	-8,005	3,843	-4,162	27	2,727	-1,408
Repurchase agreements	-492	-	-492	-	492	-
<b>Total</b>	<b>553</b>	<b>-</b>	<b>553</b>	<b>-</b>	<b>-972</b>	<b>-419</b>

The Group uses derivative instruments to reduce risks or enhance management efficiency and, when used, these are recognised according to the policies for hedge accounting.

Disclosures on the Group's derivative instruments are provided in note 2 Risk and capital management.

## Note 29 Unit-linked insurance assets, policyholder bears the risk

	31 Dec 2024	31 Dec 2023
Equity funds	253,349	204,082
Fixed-income funds	16,281	17,554
<b>Total unit-linked insurance assets</b>	<b>269,630</b>	<b>221,636</b>
Amortised cost	172,088	155,867

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



## Note 30 Technical provisions

	2024			2023		
	Gross	Reinsurers' portion	Net	Gross	Reinsurers' portion	Net
<b>Unearned premiums</b>						
Opening balance, 1 January	4,180	500	3,680	3,918	442	3,475
Provisions for the period	367	22	345	276	58	218
Exchange-rate changes	68	2	66	-13	0	-14
<b>Closing balance, 31 December</b>	<b>4,616</b>	<b>525</b>	<b>4,091</b>	<b>4,180</b>	<b>500</b>	<b>3,680</b>
of which non-life insurance	4,616	525	4,091	-	-	-
<b>Unexpired risks</b>						
Opening balance, 1 January	70	62	8	65	55	10
Provisions for the period	29	3	26	5	7	-2
<b>Closing balance, 31 December</b>	<b>99</b>	<b>65</b>	<b>34</b>	<b>70</b>	<b>62</b>	<b>8</b>
of which non-life insurance	99	65	34	-	-	10
<b>Life-assurance provision</b>						
Opening balance, 1 January	2,834	-	2,834	2,550	-	2,550
Provisions for the period	10	-	10	9	-	9
Deposits	619	-	619	552	-	552
Payments	-180	-	-180	-115	-	-115
Difference between premiums paid and life-assurance provision for premiums paid during the fiscal year	-212	-	-212	-199	-	-199
Costs withdrawn	-8	-	-8	-9	-	-9
Change due to changed interest-rate assumption	-39	-	-39	121	-	121
Change due to changed expense assumption	-13	-	-13	-36	-	-36
Change due to changed transfer assumption	-54	-	-54	-53	-	-53
Other changes	9	-	9	15	-	15
<b>Closing balance, 31 December</b>	<b>2,965</b>	<b>-</b>	<b>2,965</b>	<b>2,834</b>	<b>-</b>	<b>2,834</b>
of which life assurance	2,965	-	2,965	2,834	-	2,834
<b>Claims outstanding</b>						
Claims incurred and reported	5,519	3,579	1,939	5,656	3,705	1,951
Claims incurred and not reported	5,314	3,369	1,945	5,647	3,615	2,032
Annuities	1,605	1,331	275	1,581	1,289	292
Claims adjustment costs	283	-	283	247	-	247
<b>Total opening balance, 1 January</b>	<b>12,721</b>	<b>8,278</b>	<b>4,442</b>	<b>13,130</b>	<b>8,609</b>	<b>4,522</b>
Provisions for the period	-1,411	-1,375	-37	-424	-329	-95
Effect of interest rate revaluations on provision for annuities	9	-	9	28	-	28
Exchange-rate changes	62	6	56	-13	-2	-12
<b>Closing balance, 31 December</b>	<b>11,380</b>	<b>6,910</b>	<b>4,471</b>	<b>12,721</b>	<b>8,278</b>	<b>4,442</b>
of which non-life insurance	10,677	6,828	3,849	12,057	8,216	3,841
of which life assurance	704	82	622	664	63	601
<b>Specification of closing balance claims outstanding</b>						
Claims incurred and reported	5,140	3,218	1,922	5,519	3,579	1,939
Claims incurred and not reported	4,365	2,375	1,990	5,314	3,369	1,945
Annuities	1,591	1,317	274	1,605	1,331	275
Claims adjustment costs	284	-	284	283	-	283
<b>Total closing balance, 31 December</b>	<b>11,380</b>	<b>6,910</b>	<b>4,471</b>	<b>12,721</b>	<b>8,278</b>	<b>4,442</b>
<b>Carrying amount at year-end</b>	<b>19,060</b>	<b>7,499</b>	<b>11,560</b>	<b>19,805</b>	<b>8,841</b>	<b>10,964</b>
of which non-life insurance	15,391	7,418	7,973	16,307	8,778	7,529
of which life assurance	3,669	82	3,587	3,498	63	3,435
<b>Run-off profit/loss, non-life insurance</b>	<b>1,471</b>	<b>-1,079</b>	<b>392</b>	<b>867</b>	<b>-387</b>	<b>480</b>

The discount rate curve defined by the EIOPA is used to calculate annuities, the life-assurance provision and disability annuities. This curve has been produced to correspond to a risk-free interest rate term structure and is based on market data for Swedish swap rates. A macroeconomic assumption of a long-term interest rate of 3.3% is also included. Other non-life insurance is not discounted.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



**Note 31 Receivables, direct insurance**

	31 Dec 2024	31 Dec 2023
Receivables, policyholders	3,818	3,427
Receivables, insurance brokers	111	62
Receivables, insurance companies	6	-0
<b>Total Receivables, direct insurance</b>	<b>3,935</b>	<b>3,489</b>

**Note 32 Loans to the public and leases**

Loan receivables are geographically attributable in their entirety to Sweden.

SEK M	31 Dec 2024	31 Dec 2023
Public sector	21,281	10,188
Corporate sector	28,773	26,765
Retail sector	374,477	356,010
Other	1,035	2,628
<b>Loans to the public before provisions</b>	<b>425,566</b>	<b>395,590</b>
Loss allowance	-528	-473
<b>Total loans to the public</b>	<b>425,038</b>	<b>395,117</b>
<b>Fixed-interest period</b>		
Remaining term of not more than 3 months	162,705	135,767
Remaining term of more than 3 months but not more than 1 year	215,057	181,097
Remaining term of more than 1 year but not more than 5 years	46,462	76,877
Remaining term of more than 5 years	815	1,375
<b>Total loans to the public</b>	<b>425,038</b>	<b>395,117</b>

Remaining term refers to loans with periodically restricted conditions.

31 Dec 2024	Gross carrying amount				Loss allowance				Net carrying amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Total loans to the public
Länsförsäkringar Hypotek AB	332,266	3,089	388	335,742	-3	-5	-7	-14	335,727
Länsförsäkringar Bank AB	62,055	1,376	292	63,723	-2	-4	-17	-23	63,700
Wasa Kredit AB	22,148	3,467	486	26,101	-56	-120	-314	-490	25,611
<b>Total</b>	<b>416,469</b>	<b>7,931</b>	<b>1,166</b>	<b>425,566</b>	<b>-60</b>	<b>-129</b>	<b>-339</b>	<b>-528</b>	<b>425,038</b>

31 Dec 2023	Gross carrying amount				Loss allowance				Net carrying amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Total loans to the public
Länsförsäkringar Hypotek AB	311,496	2,435	327	314,258	-2	-4	-5	-11	314,247
Länsförsäkringar Bank AB	53,678	1,166	293	55,138	-1	-4	-12	-18	55,120
Wasa Kredit AB	22,741	2,926	528	26,194	-36	-105	-303	-444	25,750
<b>Total</b>	<b>387,915</b>	<b>6,528</b>	<b>1,147</b>	<b>395,590</b>	<b>-39</b>	<b>-114</b>	<b>-321</b>	<b>-473</b>	<b>395,117</b>

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

- Group

Parent Company

Auditor's report

**OTHER INFORMATION**

**Note 32 Loans to the public and leases, cont.**  
Reconciliation of gross carrying amount and loss allowance

	Not credit-impaired				Credit-impaired		Total	
	Stage 1		Stage 2		Stage 3		Gross carry- ing amount	Loss allowance
	Gross carry- ing amount	Loss allowance	Gross carry- ing amount	Loss allowance	Gross carry- ing amount	Loss allowance		
<b>Opening balance, SEK M</b>								
<b>1 Jan 2023</b>	<b>376,450</b>	<b>-60</b>	<b>7,247</b>	<b>-102</b>	<b>963</b>	<b>-394</b>	<b>384,660</b>	<b>-556</b>
New loans	67,838	-31	48	-0	8	-1	67,894	-33
<b>Changes:</b>								
Change in loss allowance model or method	-	9	-	14	-	10	-	33
Repayment	-54,639	20	-1,654	25	-201	82	-56,494	127
Change in risk parameters	-	-105	-	-59	-	-70	-	-234
Other	92	0	-62	2	-4	1	26	4
Sales	-0	0	-81	12	-264	153	-345	165
<b>Transfer between stages:</b>								
Transfer from stage 1 to stage 2	-4,813	42	4,813	-80	-	-	-	-38
Transfer from stage 2 to stage 1	3,480	-4	-3,480	12	-	-	-	8
Transfer to stage 3	-554	89	-349	64	902	-233	-0	-79
Transfer from stage 3	60	-0	46	-1	-106	8	-0	7
Write-off	-	-	-	-	-151	124	-151	124
<b>Closing balance</b>								
<b>31 Dec 2023</b>	<b>387,915</b>	<b>-40</b>	<b>6,528</b>	<b>-114</b>	<b>1,147</b>	<b>-321</b>	<b>395,590</b>	<b>-473</b>

	Not credit-impaired				Credit-impaired		Total	
	Stage 1		Stage 2		Stage 3		Gross carry- ing amount	Loss allowance
	Gross carry- ing amount	Loss allowance	Gross carry- ing amount	Loss allowance	Gross carry- ing amount	Loss allowance		
<b>Opening balance, SEK M</b>								
<b>1 Jan 2024</b>	<b>387,915</b>	<b>-40</b>	<b>6,528</b>	<b>-114</b>	<b>1,147</b>	<b>-321</b>	<b>395,590</b>	<b>-473</b>
New loans	91,446	-30	16	-0	10	-1	91,471	-31
<b>Changes:</b>								
Change in loss allowance model or method	-	-6	-	-3	-	-5	-	-13
Repayment	-59,045	14	-1,729	33	-335	82	-61,108	129
Change in risk parameters	-	-104	-	-53	-	-83	-	-239
Other	21	0	-78	1	-6	0	-63	2
Sales	-	-	-49	8	-146	65	-195	73
<b>Transfer between stages:</b>								
Transfer from stage 1 to stage 2	-5,203	44	5,203	-78	-	-	-	-34
Transfer from stage 2 to stage 1	1,628	-2	-1,628	5	-	-	-	2
Transfer to stage 3	-352	63	-399	73	752	-207	-	-72
Transfer from stage 3	61	-0	68	-1	-128	15	-	14
Write-off	-	-	-	-	-129	115	-129	115
<b>Closing balance</b>								
<b>31 Dec 2024</b>	<b>416,469</b>	<b>-60</b>	<b>7,931</b>	<b>-129</b>	<b>1,166</b>	<b>-338</b>	<b>425,566</b>	<b>-527</b>

INTRODUCTION

STRATEGY

OUR OPERATIONS

BOARD OF DIRECTORS' REPORT

FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

OTHER INFORMATION



## Note 32 Loans to the public and leases, cont.

SEK M	Not credit-impaired		Credit-impaired	Net carrying amount	
	Stage 1	Stage 2	Stage 3	Total	
<b>Loans to the public before provisions</b>					
<b>31 Dec 2023</b>	<b>387,915</b>	<b>6,528</b>	<b>1,147</b>	<b>395,590</b>	
Credit reserve requirement	-52	-147	-391	-590	
Withheld remuneration to the regional insurance companies	13	33	70	116	
Recognised loss allowance	-39	-114	-321	-474	
<b>Total loans to the public</b>					
<b>31 Dec 2023</b>	<b>387,876</b>	<b>6,414</b>	<b>827</b>	<b>395,117</b>	

Loans to the public before provisions	Not credit-impaired		Credit-impaired	Net carrying amount	
	Stage 1	Stage 2	Stage 3	Total	
<b>31 Dec 2024</b>	<b>416,469</b>	<b>7,931</b>	<b>1,166</b>	<b>425,566</b>	
Credit reserve requirement	-77	-165	-435	-676	
Withheld remuneration to the regional insurance companies	16	36	97	149	
Recognised loss allowance	-60	-129	-339	-528	
<b>Total loans to the public</b>					
<b>31 Dec 2024</b>	<b>416,409</b>	<b>7,803</b>	<b>1,262</b>	<b>425,038</b>	

A condition for full payment of the regional insurance companies' remuneration by the Bank Group is that the loans generated by each regional insurance company for the Bank Group (excluding Wasa Kredit) are of high quality. If this is not the case, up to 80% of any credit losses are offset against the accrued remuneration to the regional insurance companies. This model for settlement of credit losses is kept separate and is taken into consideration when the provisions are established.

The loss allowance increased SEK 54.1 M (82.2) during the year. The increase was primarily attributable to Wasa Kredit AB, and mainly due to the negative change in risk parameters and transfer of credits to stage 3. The contractual amounts outstanding for financial assets that were written off during the reporting period and that are still encompassed by compliance measures amount to SEK 53.6 M (166.5) as per 31 December 2024. The table below shows the forward-looking macroeconomic scenarios used for calculating the loss allowance. The macroeconomic scenarios applied in the model calculations were updated in the fourth quarter to reflect the current macroeconomic situation. Three potential macroeconomic scenarios are considered when calculating expected credit losses: a base scenario that is currently weighted at 60%, and a more positive scenario and a more negative scenario that are both weighted at 20%.

	31 Dec 2024	31 Dec 2023
<b>Loan receivables, gross</b>		
Loans to the public	19,010	18,302
Lease assets without residual value risk	7,091	7,893
<b>Total loan receivables, gross</b>	<b>26,101</b>	<b>26,194</b>
<b>Less provisions</b>		
Loans to the public	-323	-287
Lease assets without residual value risk	-167	-157
<b>Total less provisions</b>	<b>-490</b>	<b>-444</b>
<b>Loan receivables, net carrying amount</b>		
Loans to the public	18,687	18,015
Leases without residual value risk	6,924	7,735
<b>Total loan receivables, net carrying amount</b>	<b>25,611</b>	<b>25,750</b>
<b>Terms</b>		
Remaining term of not more than 3 months	25,410	25,556
Remaining term of >3 months - 1 year	89	79
Remaining term of >1 year - 5 years	103	89
Remaining term of >5 years	8	27
<b>Total</b>	<b>25,611</b>	<b>25,750</b>
<b>Total lease assets with residual value risk</b>	<b>429</b>	<b>102</b>
<b>Total terms</b>	<b>26,039</b>	<b>25,750</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

### OTHER INFORMATION



## Note 32 Loans to the public and leases, cont.

SEK M	Base scenario			Negative scenario			Positive scenario		
	2025	2026	2027	2025	2026	2027	2025	2026	2027
House prices, annual change in %	6.5	4.3	4.0	0.2	4.3	4.0	13.7	4.3	4.0
GDP, annual change in %	2.2	2.6	1.7	1.6	1.3	2.2	2.8	3.9	1.2
Unemployment, level in %	8.3	7.6	7.4	8.7	8.2	7.6	7.9	7.4	7.4

### Modified loan receivables in loans to the public

SEK M	31 Dec 2024	31 Dec 2023
Loan receivables modified during the period that were in stages 2 and 3 when they were modified		
Amortised cost before modification	136	101
Modification gain/loss	-1	0
Gross carrying amount of loan receivables that have been modified since initial recognition and were in stage 2 or 3 at the time of modification and have been transferred to stage 1 during the period	37	62

### Note 33 Change in value of hedge portfolios

	31 Dec 2024	31 Dec 2023
<b>Assets</b>		
Carrying amount, 1 January	-1,553	-4,846
Changes during the year attributable to lending	1,353	3,293
Changes during the year attributable to funding	-	-
<b>Carrying amount, 31 December</b>	<b>-200</b>	<b>-1,553</b>
<b>Liabilities</b>		
Carrying amount, 1 January	-4,197	-12,010
Changes during the year attributable to deposits	172	399
Changes during the year attributable to funding	2,002	7,414
Changes during the year attributable to lending	-	-
<b>Carrying amount, 31 December</b>	<b>-2,023</b>	<b>-4,197</b>

### Note 34 Other receivables

	31 Dec 2024	31 Dec 2023
Accounts receivable	545	559
Ongoing fund trading and fund changes	508	454
Other receivables	1,906	1,025
<b>Total other receivables</b>	<b>2,958</b>	<b>2,037</b>

Accounts receivable related to contracts with customers amounted to SEK 218 M (216) in the Parent Company and SEK 0 M (0) in Länsförsäkringar Fondliv. Accounts receivable pertaining to leases amounted to SEK 232 M (227).

Other receivables related to contracts with customers amounted to SEK 10 M (31) in the Parent Company and SEK 641 M (665) in Länsförsäkringar Fondliv.

In its calculation of loss allowance for other financial assets, the Group uses the simplified method that is described in more detail in note 1 Accounting policies. For loss allowance, refer to note 18 Credit losses.

### Note 35 Property and equipment, leases and other

2024	Leases	Other	Total
<b>Cost</b>			
Opening cost, 1 January	13,981	536	14,517
Reclassification	-	0	0
Acquisitions	2,741	39	2,780
Divestments/disposals	-3,419	-18	-3,437
Exchange-rate differences	-	2	2
<b>Closing cost, 31 December</b>	<b>13,303</b>	<b>560</b>	<b>13,862</b>
<b>Depreciation</b>			
Opening accumulated depreciation, 1 January	-5,986	-110	-6,096
Depreciation	-2,289	-110	-2,399
Divestments/disposals	2,492	12	2,504
Exchange-rate differences	-	-2	-2
<b>Closing accumulated depreciation, 31 December</b>	<b>-5,783</b>	<b>-210</b>	<b>-5,993</b>
<b>Impairment</b>			
Opening accumulated impairment, 1 January	-157	-	-157
Impairment	-10	-	-10
<b>Closing accumulated impairment, 31 December</b>	<b>-167</b>	<b>-</b>	<b>-167</b>
<b>Carrying amount, 31 December</b>	<b>7,353</b>	<b>350</b>	<b>7,702</b>

2023	Leases	Other	Total
<b>Cost</b>			
Opening cost, 1 January	13,970	382	14,351
Reclassification	-	-	-
Acquisitions	3,579	174	3,753
Divestments/disposals	-3,568	-20	-3,588
Exchange-rate differences	-	1	1
<b>Closing cost, 31 December</b>	<b>13,981</b>	<b>536</b>	<b>14,517</b>
<b>Depreciation</b>			
Opening accumulated depreciation, 1 January	-6,079	-64	-6,143
Depreciation	-2,447	-62	-2,508
Divestments/disposals	2,540	16	2,556
Exchange-rate differences	-	0	0
<b>Closing accumulated depreciation, 31 December</b>	<b>-5,986</b>	<b>-110</b>	<b>-6,096</b>
<b>Impairment</b>			
Opening accumulated impairment, 1 January	-149	-	-149
Impairment	-8	-	-8
<b>Closing accumulated impairment, 31 December</b>	<b>-157</b>	<b>-</b>	<b>-157</b>
<b>Carrying amount, 31 December</b>	<b>7,837</b>	<b>427</b>	<b>8,264</b>

The useful life for computer equipment is estimated to be three years and five years for office equipment and cars.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



### Note 36 Cash and bank balances

	31 Dec 2024	31 Dec 2023
Cash and balances with central banks	35	5,786
Balances with other banks	4,791	2,786
<b>Total cash and cash equivalents</b>	<b>4,826</b>	<b>8,572</b>

For loss allowance, refer to note 18 Credit losses.

### Note 37 Deferred tax assets and liabilities

Recognised deferred tax assets and tax liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Net	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Intangible assets		-1		-		-1
Receivables	-75	-68		-	-75	-68
Other assets		-	71	59	71	59
Liabilities		-	12	7	12	7
Untaxed reserves		-	1,096	1,008	1,096	1,008
Cash flow hedges	-54	-15		-	-54	-15
<b>Deferred tax assets (-) / deferred tax liability (+)</b>	<b>-129</b>	<b>-84</b>	<b>1,178</b>	<b>1,074</b>	<b>1,049</b>	<b>991</b>
<b>Net deferred tax assets (-) / deferred tax liability (+)</b>	<b>-129</b>	<b>-84</b>	<b>1,178</b>	<b>1,074</b>	<b>1,049</b>	<b>991</b>

Deferred tax assets have been recognised for tax loss carryforwards. It is anticipated that the loss carryforwards will be utilised within one year.

#### Change in deferred tax in temporary differences and loss carryforwards

	Amount on 1 January	Adjusted opening balance	Recognised In profit or loss	Recognised in other comprehensive income	Amount on 31 December
<b>2024</b>					
Intangible assets	-1	1			
Financial assets	-				
Receivables	-68	-1	-6	-1	-75
Other assets	59		12	0	71
Liabilities	7		5		12
Loss carryforwards					
Untaxed reserves	1,008		87		1,096
Cash flow hedges	-15			-39	-54
<b>Deferred tax assets (-) / deferred tax liabilities (+)</b>	<b>991</b>	<b>-</b>	<b>98</b>	<b>-40</b>	<b>1,049</b>

	Amount on 1 January	Adjusted opening balance	Recognised In profit or loss	Recognised in other comprehensive income	Amount on 31 December
<b>2023</b>					
Intangible assets	-11	-	11	-	-1
Financial assets	-	-	-	-	-
Receivables	-51	-	-18	1	-68
Other assets	55		3	0	59
Liabilities	-	-	7	-	7
Loss carryforwards	-	-	-	-	-
Untaxed reserves	943	-	66	-	1,008
Cash flow hedges	8	-	-	-23	-15
<b>Deferred tax assets (-) / deferred tax liabilities (+)</b>	<b>944</b>	<b>-</b>	<b>69</b>	<b>-22</b>	<b>991</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Note 38 Prepaid expenses and accrued income**

	31 Dec 2024	31 Dec 2023
Accrued interest and rental income	90	90
Deferred acquisition costs	3,061	2,905
Other accrued income	462	378
Other prepaid expenses	650	641
<b>Total prepaid expenses and accrued income</b>	<b>4,262</b>	<b>4,014</b>
<b>Opening balance deferred acquisition costs, 1 January</b>	<b>2,905</b>	<b>2,744</b>
Capitalised acquisition costs	1,599	1,455
Depreciation	-1,433	-1,290
Impairment	-11	-3
<b>Closing balance deferred acquisition costs, 31 December</b>	<b>3,061</b>	<b>2,905</b>

**Note 39 Equity**

SEK M	Restricted equity		Non-restricted equity including comprehensive income for the year	Total equity
	Share capital	Restricted reserves		
<b>Opening equity, 1 January 2023</b>	<b>200</b>	<b>383</b>	<b>34,393</b>	<b>34,976</b>
Dividends paid	-	-	-698	-698
Net profit for the year	-	-	2,195	2,195
Change in translation reserve	-	6	3	9
Change in fair value reserve	-	-	-43	-43
Change in hedging reserve	-	-	-89	-89
Tax on items recognised in other comprehensive income	-	-	-	-
<b>Total other comprehensive income</b>		<b>6</b>	<b>-130</b>	<b>-124</b>
<b>Comprehensive income for the year</b>	<b>-</b>	<b>6</b>	<b>2,066</b>	<b>2,072</b>
Dividends, etc., on Additional Tier 1 instruments	-	-	-151	-151
Transfer between restricted and non-restricted equity	-	271	-271	-
<b>Closing equity, 31 December 2023</b>	<b>200</b>	<b>660</b>	<b>35,338</b>	<b>36,198</b>
<b>Opening equity, 1 January 2024</b>	<b>200</b>	<b>660</b>	<b>35,338</b>	<b>36,198</b>
Dividends paid	-	-	-698	-698
Net profit for the year	-	-	2,476	2,476
Change in translation reserve	-	22	11	32
Change in fair value reserve	-	-	40	40
Change in hedging reserve	-	-	-149	-149
<b>Total other comprehensive income</b>		<b>22</b>	<b>-98</b>	<b>-77</b>
<b>Comprehensive income for the year</b>				<b>2,400</b>
Dividends, etc., on Additional Tier 1 instruments	-	-	142	142
Transfer between restricted and non-restricted equity	-	356	-356	-
<b>Closing equity, 31 December 2024</b>	<b>200</b>	<b>1,038</b>	<b>36,803</b>	<b>38,041</b>

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

- Five-year summary
- Group
- Parent Company
- Auditor's report

**OTHER INFORMATION**

## Note 39 Equity, cont.

### Specification of reserves in equity

Changes in these reserves are included in other comprehensive income

	2024	2023
<b>Translation reserve</b>		
Opening translation reserve, 1 January	-7	-17
Translation differences for the year	33	9
<b>Closing translation reserve 31 December</b>	<b>25</b>	<b>-7</b>
<b>Fair value reserve</b>		
Opening fair value reserve, 1 January	-509	-466
Change for the year in financial assets measured at FVOCI	51	-54
Tax attributable to change for the year	-11	11
<b>Closing fair value reserve 31 December</b>	<b>-469</b>	<b>-509</b>
<b>Hedging reserve</b>		
Opening hedging reserve, 1 January	-58	31
Change for the year in cash flow hedges	-188	-112
Tax attributable to change for the year	39	23
<b>Closing hedging reserve 31 December</b>	<b>-207</b>	<b>-58</b>

### Translation reserve

The translation reserve includes all exchange-rate differences arising on the translation of the financial statements from foreign operations that have prepared their financial statements in a different currency to the currency in which the consolidated financial statements are presented. The Parent Company and Group present their financial statements in Swedish kronor (SEK).

### Fair value reserve

The fair value reserve comprises the accumulated net change in financial assets measured at FVOCI until the asset is derecognised from the statement of financial position.

### Hedging reserve

The hedging reserve comprises hedges of variable interest rates against fixed interest rates pertaining to the Parent Company's debt securities in issue and hedges of currency risks in future cash flows pertaining to the Bank Group's debt securities in issue in foreign currency.

### Other capital contributed

Other capital contributed refers to equity that has been provided by the owners. The item includes surpluses paid in conjunction with issues.

### Restricted reserves

Restricted reserves may not be reduced through profit distribution. The statement of changes in equity for the Group includes some restricted reserves in other capital contributed and the remainder in retained earnings.

### Retained earnings, including net profit for the year

Retained earnings, including net profit for the year, includes profit in the Parent Company, subsidiaries and associated companies.

### Dividends paid

A dividend of SEK 698 M is proposed for 2024. All capital that is not required for Länsförsäkringar AB's operations is returned over time to the shareholders in the form of dividends. A prerequisite for the payment of dividends is that a credit rating of A can be justified for the Group's credit-rated companies.

## Note 40 Subordinated liabilities

	31 Dec 2024	31 Dec 2023
Subordinated debts with three-month variable interest rates	1,897	1,896
Subordinated debts with a fixed interest rate	1,198	1,197
<b>Total subordinated liabilities</b>	<b>3,095</b>	<b>3,093</b>

The subordinated debt is listed and can be redeemed on 25 February 2026 and 1 March 2028 the earliest. These loans fall due on 25 February 2031 and 1 March 2033. Interest on the variable loans on 31 December 2024 was 3.6% (5.1) and 4.4% (5.9), respectively. The interest rate on fixed loans is 1.2% and 4.9%, respectively. For more information, see note 2 Risk and capital management

## Note 41 Provisions, policyholder bears the risk

Unit-linked insurance commitments	31 Dec 2024	31 Dec 2023
Opening balance	222,086	192,289
Deposits	28,290	19,668
Migrations, repurchases and cancellations	-13,676	-10,316
Claims paid	-4,794	-4,117
Costs withdrawn	-873	-814
Change in value	39,978	25,810
Yield tax	-897	-472
Other changes	9	39
<b>Closing balance, unit-linked insurance commitments</b>	<b>270,123</b>	<b>222,086</b>
Conditional bonus Guarantee management	4,263	3,506
<b>Total provisions</b>	<b>274,386</b>	<b>225,593</b>

## Note 42 Other provisions

	31 Dec 2024	31 Dec 2023
Provisions for pensions	72	76
Current tax liabilities	491	395
Deferred tax liabilities	1,178	1,074
Other provisions	63	74
<b>Total other provisions</b>	<b>1,805</b>	<b>1,620</b>

### Defined-benefit pension plans

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

### Defined-contribution pension plans

Defined-contribution pension plans are plans according to which the company pays fixed contributions to a separate legal entity and does not have a legal or informal obligation to pay additional contributions. The Group's payments to defined-contribution plans are recognised as expenses during the period in which the employee performed the services to which the contributions refer. Primarily, contributions to the Insurance Industry's Pension Fund (FPK) are recognised here. This pension plan encompasses all employees except for a few individuals who have individual solutions. The pension agreement for the insurance industry, the FTP plan, through insurance with the FPK, is a multi-employer defined-benefit pension plan. According to IAS 19 Employee Benefits, this pension plan entails that a company is, as a rule, to recognise its proportional share of the defined-benefit pension commitment and the plan assets and expenses associated with the pension commitment. Disclosures are also to be presented in the accounts according to the requirements for defined-benefit pension plans. FPK is unable to provide necessary information which is why the pension plans above are recognised as defined-contribution plans in accordance with IAS 19. Nor is any information available on surpluses and deficits in the plan or whether these would then affect the annual contributions to the plan in future years. FTP plan contributions for 2024 are expected to total SEK 118 M.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Note 42 Other provisions, cont.**

	31 Dec 2024	31 Dec 2023
Expenses for defined-contribution plans	353	326

**Note 43 Liabilities, direct insurance**

	31 Dec 2024	31 Dec 2023
Liabilities to policyholders	873	801
Liabilities to insurance brokers	112	123
Liabilities to insurance companies	5	4
<b>Total Liabilities, direct insurance</b>	<b>990</b>	<b>928</b>

**Note 44 Due to credit institutions**

	31 Dec 2024	31 Dec 2023
Swedish banks	10,803	5,895
<b>Total liabilities due to credit institutions</b>	<b>10,803</b>	<b>5,895</b>
Payable on demand	1	5

Genuine repurchase transactions amounted to SEK 770 M (492).

**Note 45 Deposits from the public**

	31 Dec 2024	31 Dec 2023
Deposits from insurance companies	899	1,361
Deposits from households	131,238	128,190
Deposits from other Swedish public	20,763	19,327
<b>Total deposits from the public</b>	<b>152,900</b>	<b>148,878</b>

**Note 46 Debt securities in issue**

	31 Dec 2024	31 Dec 2023
Commercial paper	1,007	565
Bond loans	279,972	265,749
<i>of which, green bonds</i>	5,781	5,598
<i>of which, covered bonds</i>	237,915	230,721
Senior non-preferred debt	11,903	13,473
<i>of which, green bonds</i>	2,997	3,795
Cashier's cheques issued	15	17
<b>Total debt securities in issue</b>	<b>292,897</b>	<b>279,804</b>

**Note 47 Other liabilities**

	31 Dec 2024	31 Dec 2023
Liabilities to Länsförsäkringar Liv Försäkrings AB	14	19
Accounts payable	260	438
Ongoing fund trading and fund changes	508	454
Other liabilities	1,535	1,540
<b>Total other liabilities</b>	<b>2,317</b>	<b>2,450</b>

**Note 48 Accrued expenses and deferred income**

	31 Dec 2024	31 Dec 2023
Accrued interest expense	2,442	2,114
Other accrued expenses	3,658	3,376
Prepaid rent	279	273
Contract liabilities	19	32
Other deferred income	999	976
<b>Total accrued expenses and deferred income</b>	<b>7,397</b>	<b>6,771</b>

Contract liabilities refer to advance payments that Länsförsäkringar Bank received when its card provider was replaced. These contract liabilities will be reduced over time as the bank meets the previously set transaction volumes. During the year, the contract liabilities decreased by SEK 13 M, which corresponded to the dissolution for the year.

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

– Group

Parent Company

Auditor's report

**OTHER INFORMATION**

## Note 49 Pledged assets, contingent liabilities and contingent assets

	31 Dec 2024	31 Dec 2023
<b>Pledged assets</b>		
<b>Registered assets on behalf of policyholders<sup>1)</sup></b>		
Shares and participations in associated companies	186	195
Unit-linked insurance assets, policyholder bears the risk	269,630	221,636
Shares and participations	6,088	5,418
Bonds and other interest-bearing securities	5,996	8,072
Derivatives	-2	-1
Other receivables	610	546
Cash and cash equivalents	3,230	1,260
<b>Total registered assets</b>	<b>285,739</b>	<b>237,126</b>
<b>Other pledged assets</b>		
Pledged securities in the Riksbank	2,428	2,370
Pledged securities in Euroclear	1,977	1,913
Loan receivables, covered bonds	311,482	293,569
Loan receivables, substitute collateral	7,910	10,790
Collateral paid due to repurchase agreement	770	492
Securities collateral paid for derivatives	5,457	6,873
Pledged bank funds	38	66
<b>Total other pledged assets</b>	<b>330,063</b>	<b>316,072</b>
<b>Total pledged assets</b>	<b>615,802</b>	<b>553,198</b>

<sup>1)</sup> In an insolvency situation, preferential rights accrue to policyholders to the extent stipulated in the Insurance Business Act. Assets in the preferential rights register are to be used to cover commitments to policyholders. The Group's technical provisions in the Solvency II balance sheet amounted to SEK 268,965 M on 31 December 2024. The amounts in the table are for assets measured at fair value according to the Insurance Business Act.

	31 Dec 2024	31 Dec 2023
<b>Contingent liabilities</b>		
Guarantees and other contingent liabilities	41	42
<b>Total contingent liabilities</b>	<b>41</b>	<b>42</b>
<b>Other commitments</b>		
Loans approved but not disbursed	23,490	19,063
Unutilised portion of overdraft facilities	2,691	2,647
Amounts outstanding to invest in investment assets	887	911
Committed but unutilised portion of credit card facilities	2,284	2,116
<b>Total other commitments</b>	<b>29,352</b>	<b>24,737</b>

Registered assets follow the regulations stipulated in the Swedish Insurance Business Act. In the event of insolvency, the policyholders have preferential rights to the registered assets. During the course of the operations, the company has the right to add and withdraw assets from the register as long as all insurance commitments are covered for liabilities in accordance with the Insurance Business Act.

Loans to the public were provided as collateral for the issuance of covered bonds and mortgage bonds. In the event of the company's insolvency, bond holders have preferential rights to the assets that are registered as cover pool.

Other pledged securities will be transferred to the pledgee in the event of bankruptcy.

Länsförsäkringar AB and Länsförsäkringar Fondliv AB have signed a service agreement with Länsförsäkringar Liv Försäkrings AB due to Länsförsäkringar Liv Försäkrings AB's run-off. Länsförsäkringar AB and Länsförsäkringar Fondliv undertake to deliver services at a predetermined price per year. The remuneration levels in the agreement reflect these companies' plans to gradually reduce the costs for the services rendered. The agreement includes a renegotiation clause that entails that the parties can review the remuneration level every 36 months if the circumstances have significantly changed. The agreement resulted in an increase of -0.5 of a percentage point in the Länsförsäkringar AB Group's solvency ratio, primarily as a result of the agreement's effect on Länsförsäkringar Fondliv's assumption regarding operating-expense cash flow.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



## Note 49 Pledged assets and contingent liabilities, cont.

### Reconciliation of gross carrying amount and loss allowance for commitments

SEK M	Not credit-impaired				Credit-impaired		Total	
	Stage 1		Stage 2		Stage 3		Credit risk exposure	Loss allowance
	Credit risk exposure	Loss allowance	Credit risk exposure	Loss allowance	Credit risk exposure	Loss allowance		
<b>Opening balance, 1 January 2023</b>	<b>24,304</b>	<b>-11</b>	<b>457</b>	<b>-9</b>	<b>33</b>	<b>-6</b>	<b>24,795</b>	<b>-25</b>
New loan commitments and increase in existing credit commitments	77,457	-7	90	-3	8	-16	77,554	-26
<b>Changes:</b>								
Change in loss allowance model or method	-	4	-	1	-	-	-	5
Net change in existing loan commitments and credit commitments (utilised and repaid)	-30,045	3	-87	1	-9	2	-30,141	5
Change in risk parameters	-	-4	-	1	-	6	-	3
<b>Transfer of loan commitments and credit commitments</b>								
Transfer from stage 1 to stage 2	-474	3	474	-10	-	-	-	-7
Transfer from stage 2 to stage 1	327	-4	-327	5	-	-	-	1
Transfer to stage 3	-32	1	-9	1	41	-4	-	-3
Transfer from stage 3	10	-1	4	-	-14	1	-	1
Expired loan commitments	-48,204	9	-191	2	-37	12	-48,432	22
<b>Closing balance, 31 December 2023</b>	<b>23,344</b>	<b>-7</b>	<b>410</b>	<b>-11</b>	<b>22</b>	<b>-5</b>	<b>23,776</b>	<b>-24</b>
<b>Opening balance, 1 January 2024</b>	<b>23,344</b>	<b>-7</b>	<b>410</b>	<b>-11</b>	<b>22</b>	<b>-5</b>	<b>23,776</b>	<b>-24</b>
New loan commitments and increase in existing credit commitments	80,257	-5	125	-4	10	-10	80,393	-19
<b>Changes:</b>								
Change in loss allowance model or method	-	-0	-	1	-	-0	-	0
Net change in existing loan commitments and credit commitments (utilised and repaid)	-19,325	2	-65	2	-4	4	-19,394	8
Change in risk parameters	-	-5	-	1	-	0	-	-4
<b>Transfer of loan commitments and credit commitments</b>								
Transfer from stage 1 to stage 2	-366	3	366	-6	23	-3	-	-4
Transfer from stage 2 to stage 1	179	-1	-179	2	-8	1	-	1
Transfer to stage 3	-12	1	-10	1	-21	10	0	-1
Transfer from stage 3	4	-0	4	-0	-	-	-	1
Expired loan commitments	-56,316	4	-173	2	-	-	-56,510	16
<b>Closing balance, 31 December 2024</b>	<b>27,766</b>	<b>-10</b>	<b>478</b>	<b>-12</b>	<b>21</b>	<b>-4</b>	<b>28,265</b>	<b>-27</b>

The loss allowance increased SEK 3.0 M (-2.6) during the year. The increase was mainly due to higher volumes of new loan commitments. On 31 December 2024, the total loss allowance requirement for commitments amounted to SEK 34.0 M (29.6), of which the Bank Group's recognised loss allowance amounted to SEK 26.8 M (23.8) and the remainder of SEK 7.2 M (5.8) was settled against remuneration to the regional insurance companies. For information on the regional insurance companies' remuneration and settlement of any credit losses, refer to note 32 Loans to the public.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



## Note 50 Anticipated recovery and settlement periods for assets and liabilities

Amount expected to be recovered	31 Dec 2024			31 Dec 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
Goodwill	-	10	10	34	47	81
Other intangible assets	396	4,224	4,620	455	3,791	4,246
Deferred tax assets	55	74	129	16	67	84
Property and equipment, leases	738	6,615	7,353	581	7,256	7,837
Property and equipment, other	107	263	369	61	387	448
Shares in Länsförsäkringar Liv Försäkrings AB	-	8	8	-	8	8
Shares and participations in associated companies and joint ventures	-	203	203	-	210	210
Reinsurers' portion of technical provisions	1,243	6,256	7,499	1,534	7,307	8,841
Loans to the public	31,147	386,967	418,115	21,624	365,757	387,381
Unit-linked insurance assets, policyholder bears the risk	16,783	252,847	269,630	12,660	208,975	221,636
Shares and participations		8,240	8,240	-	7,429	7,429
Bonds and other interest-bearing securities	17,801	38,087	55,887	18,655	40,991	59,646
Treasury bills and other eligible bills	6,397	5,166	11,563	5,793	5,390	11,183
Derivatives	1,347	3,403	4,751	2,213	2,885	5,098
Change in value of hedge portfolios	-200	-	-200	-1,553	-	-1,553
Other receivables	7,583	1	7,584	6,321	1	6,322
Prepaid expenses and accrued income	2,238	2,024	4,262	1,961	2,054	4,014
Cash and bank balances	4,826	-	4,826	8,572	-	8,572
<b>Total assets</b>	<b>90,461</b>	<b>714,389</b>	<b>804,850</b>	<b>78,926</b>	<b>652,557</b>	<b>731,483</b>

### Amount expected to be recovered

<b>Liabilities</b>						
Subordinated liabilities	-	3,095	3,095	-	3,093	3,093
Technical provisions	7,354	11,705	19,060	7,151	12,653	19,805
Unit-linked insurance liabilities policyholder bears the risk	17,079	257,307	274,386	12,887	212,706	225,592
Deferred tax liabilities	1	1,177	1,178	2	1,073	1,074
Other provisions	4	131	135	2	147	150
Debt securities in issue	47,338	245,559	292,897	42,398	237,406	279,804
Deposits from the public	152,208	692	152,900	147,907	971	148,878
Due to credit institutions	10,803	-	10,803	5,895	-	5,895
Derivatives	1,219	1,513	2,732	705	3,457	4,162
Change in value of hedge portfolios	-2,023	-	-2,023	-4,197	-	-4,197
Other liabilities	4,174	69	4,243	4,199	53	4,252
Accrued expenses and deferred income	7,403	-	7,403	6,776	-	6,776
<b>Total liabilities</b>	<b>245,561</b>	<b>521,248</b>	<b>766,809</b>	<b>223,726</b>	<b>471,559</b>	<b>695,285</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



## Note 51 Classification of financial assets and liabilities

	Financial assets measured at FVPL			Financial assets measured at FVPL			Fair value
	Measured at FVPL	Derivatives used in hedge accounting	Financial assets measured at amortised cost	Debt instruments measured at FVOCI	Equity instruments	Total carrying amount	
<b>31 Dec 2024</b>							
<b>Assets</b>							
Shares in Länsförsäkringar Liv Försäkrings AB	-	-	-	-	8	8	8
Loans to the public	-	-	418,115	-	-	418,115	418,480
Unit-linked insurance assets, policyholder bears the risk	269,630	-	-	-	-	269,630	269,630
Shares and participations	7,952	-	-	-	288	8,240	8,240
Shares and participations in associated companies	198	-	-	-	-	198	198
Bonds and other interest-bearing securities	5,980	-	-	49,907	-	55,887	55,887
Treasury bills and other eligible bills	-	-	-	11,563	-	11,563	11,563
Derivatives	65	4,685	-	-	-	4,751	4,751
Other receivables	-	-	2,359	-	-	2,359	2,359
Prepaid expenses and accrued income	-	-	462	-	-	462	462
Cash and bank balances	-	-	4,826	-	-	4,826	4,826
<b>Total assets</b>	<b>283,825</b>	<b>4,685</b>	<b>425,761</b>	<b>61,470</b>	<b>296</b>	<b>776,037</b>	<b>776,403</b>

### Financial liabilities measured at FVPL

	Financial liabilities measured at FVPL			Financial liabilities measured at amortised cost	Total carrying amount	Fair value
	Measured at FVPL	Identified at FVPL	Derivatives used in hedge accounting			
<b>31 Dec 2024</b>						
<b>Liabilities</b>						
Subordinated liabilities	-	-	-	3,095	3,095	3,120
Debt securities in issue	-	-	-	292,897	292,897	293,369
Unit-linked insurance commitments	-	270,123	-	-	270,123	270,123
Deposits from the public	-	-	-	152,900	152,900	157,572
Due to credit institutions	-	-	-	10,803	10,803	10,803
Derivatives	206	-	2,526	-	2,732	2,732
Other liabilities	-	-	-	924	924	925
Accrued expenses and deferred income	-	-	-	3,195	3,195	3,195
<b>Total liabilities</b>	<b>206</b>	<b>270,123</b>	<b>2,526</b>	<b>463,814</b>	<b>736,669</b>	<b>741,839</b>

The carrying amount of other receivables, cash and bank balances, due to credit institutions and other liabilities is deemed to comprise a reasonable approximation of their fair value since these assets and liabilities have short terms.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

– Group

Parent Company

Auditor's report

## OTHER INFORMATION



**Note 51 Classification of financial assets and liabilities, cont.**

31 Dec 2023	Financial assets measured at FVPL			Financial assets measured at FVOCI			Total carrying amount	Fair value
	Measured at FVPL	Derivatives used in hedge accounting	Financial assets measured at amortised cost	Debt instruments measured at FVOCI	Equity instruments			
<b>Assets</b>								
Shares in Länsförsäkringar Liv Försäkrings AB	-	-	-	-	8	8	8	8
Loans to the public	-	-	387,381	-	-	387,381	384,608	384,608
Unit-linked insurance assets, policyholder bears the risk	221,636	-	-	-	-	221,636	221,636	221,636
Shares and participations	7,224	-	-	-	204	7,429	7,429	7,429
Shares and participations in associated companies	205	-	-	-	-	205	205	205
Bonds and other interest-bearing securities	8,123	-	-	51,523	-	59,646	59,646	59,646
Treasury bills and other eligible bills	-	-	-	11,183	-	11,183	11,183	11,183
Derivatives	135	4,964	-	-	-	5,098	5,098	5,098
Other receivables	-	-	1,723	-	-	1,723	1,723	1,723
Prepaid expenses and accrued income	-	-	435	-	-	435	435	435
Cash and bank balances	-	-	8,572	-	-	8,572	8,572	8,572
<b>Total assets</b>	<b>237,323</b>	<b>4,964</b>	<b>398,111</b>	<b>62,706</b>	<b>212</b>	<b>703,316</b>	<b>700,543</b>	<b>700,543</b>

31 Dec 2023	Financial liabilities measured at FVPL				Total carrying amount	Fair value
	Measured at FVPL	Identified at FVPL	Derivatives used in hedge accounting	Financial liabilities measured at amortised cost		
<b>Liabilities</b>						
Subordinated liabilities	-	-	-	3,093	3,093	3,077
Debt securities in issue	-	-	-	279,804	279,804	276,650
Unit-linked insurance commitments	-	222,086	-	-	222,086	222,086
Deposits from the public	-	-	-	148,878	148,878	152,239
Due to credit institutions	-	-	-	5,895	5,895	5,895
Derivatives	60	-	4,102	-	4,162	4,162
Other liabilities	-	-	-	1,279	1,279	1,279
Accrued expenses and deferred income	-	-	-	2,812	2,812	2,812
<b>Total liabilities</b>	<b>60</b>	<b>222,086</b>	<b>4,102</b>	<b>441,762</b>	<b>668,011</b>	<b>668,201</b>

The carrying amount of other receivables, cash and cash equivalents, due to credit institutions and other liabilities is deemed to comprise a reasonable approximation of their fair value since these assets and liabilities have short terms.

**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

**FINANCIAL STATEMENTS**

Five-year summary

– Group

Parent Company

Auditor's report

**OTHER INFORMATION**



## Note 52 Fair value valuation techniques

Financial assets and liabilities measured at fair value in the balance sheet are presented in the table based on the valuation techniques applied, where:

Level 1 refers to prices determined from prices listed in an active market.

Level 2 refers to prices determined by calculated prices of observable market data.

Level 3 refers to prices based on own assumptions and judgements.

	31 Dec 2024				31 Dec 2023			
	Level 1	Level 2	Level 3	Total carrying amount	Level 1	Level 2	Level 3	Total carrying amount
<b>Assets</b>								
Shares in Länsförsäkringar Liv Försäkrings AB	-	-	8	8	-	-	8	8
Unit-linked insurance assets, policyholder bears the risk	269,531	-	100	269,630	221,551	-	85	221,636
Shares and participations	4,423	37	3,779	8,240	4,062	28	3,339	7,429
Shares and participations in associated companies	-	-	198	198	-	-	205	205
Bonds and other interest-bearing securities	54,658	-	1,229	55,887	58,381	-	1,264	59,646
Treasury bills and other eligible bills	6,566	4,997	-	11,563	7,184	3,999	-	11,183
Derivatives	-	4,751	-	4,751	0	5,098	-	5,098
<b>Liabilities</b>								
Derivatives	2	2,730	-	2,732	1	4,161	-	4,162

	Shares in Länsförsäkringar Liv Försäkrings AB	Unit-linked insurance assets	Shares and participations	Shares and participations in associated companies	Bonds and other interest-bearing securities	Total carrying amount
<b>Change Level 3</b>						
<b>Opening balance, 1 January 2023</b>	<b>8</b>	<b>144</b>	<b>3,320</b>	<b>139</b>	<b>1,259</b>	<b>4,871</b>
Transferred from Level 1 to Level 3 <sup>1)</sup>	-	-	-	-	-	-
Acquisitions	-	-	156	80	69	304
Divestments and reclassifications	-	-	-15	-28	-44	-87
Recognised in profit or loss	-	-59	-116	14	-19	-180
Recognised in other comprehensive income	-	-	-6	-	-	-6
<b>Closing balance, 31 December 2023</b>	<b>8</b>	<b>85</b>	<b>3,339</b>	<b>205</b>	<b>1,264</b>	<b>4,902</b>
<b>Opening balance, 1 January 2024</b>	<b>8</b>	<b>85</b>	<b>3,339</b>	<b>205</b>	<b>1,264</b>	<b>4,902</b>
Transferred from Level 1 to Level 3	-	-	-	-	-	-
Acquisitions	-	-	113	-	57	169
Divestments and reclassifications	-	-	-24	-	-86	-110
Recognised in profit or loss	-	15	280	-8	-6	282
Recognised in other comprehensive income	-	-	72	-	-	72
<b>Closing balance, 31 December 2024</b>	<b>8</b>	<b>100</b>	<b>3,779</b>	<b>198</b>	<b>1,229</b>	<b>5,314</b>

Shares and participations and other assets in Level 3 are measured at fair value. Since there is no active market for these shares, the fair value cannot be calculated reliably based on such a listing. Instead, regular valuations are performed based on, for example, recent company reports and forecast results. The fair value of Level 2 shares and participations that pertain to unlisted Series B shares in Mastercard Incorporated (MA) is measured based on the price of the Series A share on the balance-sheet date. Derivatives in Level 2 essentially refer to swaps for which fair value is calculated by discounting expected future cash flows. Commercial paper recognised as "Treasury bills and other eligible bills" and "Bonds and other interest-bearing securities" is classified as Level 2.

The valuation was determined by calculated prices of observable market data. Holdings in Level 3 primarily comprise holdings of a strategic nature.

Shares in Länsförsäkringar Liv in Level 3 are measured at the company's share capital. Länsförsäkringar Liv is operated according to mutual principles and earnings are not distributed to the owner; instead they accrue in their entirety to the policyholders. Derivatives in Level 2 essentially refer to swaps for which fair value is calculated by discounting expected future cash flows.

Bonds and other interest-bearing securities in Level 3 that are not listed in an active market comprise interest-bearing, unlisted loans. Valuations are performed by external managers based on generally accepted valuation techniques, which means that the underlying holdings held by the issuer of the loan are valued based on relevant observable market data wherever available. Holdings for which market data is not available are measured at a fair value corresponding to the cost adjusted for impairment.

### Financial instruments measured at amortised cost in the statement of financial position

Fair values for deposits from the public (Level 2) and loans to the public (Level 3) have been calculated using discounted expected cash flows where the discount rates applied are the current deposit and lending rates (including discounts).

Fair value (Level 2) for debt securities in issue and subordinated liabilities is determined based on listed prices. Parts of debt securities in issue that are considered to be illiquid are adjusted based on expected current issue prices. Commercial paper does not have external market prices and the fair value is determined based on the yield curve of each currency.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group

Parent Company

Auditor's report

## OTHER INFORMATION



### Note 53 Disclosures on related parties

The 23 regional insurance companies have chosen to organise joint operations in the Länsförsäkringar AB Group. Länsförsäkringar AB has been assigned by the regional insurance companies to conduct operations in areas in which economies of scale constitute a decisive competitive advantage and to provide such service to the regional insurance companies, which, for reasons of efficiency, are to be produced and provided jointly within the Länsförsäkringar Alliance.

The assessment of whether a close relationship exists or not is based on the financial significance of the relationship and not only ownership. Accordingly, this includes the 23 regional insurance companies and their subsidiaries, and 14 local insurance companies in other related parties, which together own 100% of Länsförsäkringar AB. Other related parties also include Länsförsäkringar Mäklarservice AB, Länsförsäkringar Fastighetsförmedling AB, Humlegården Fastigheter AB and Hällefors & Tierp Skogar AB since these companies are wholly owned in the Länsförsäkringar Alliance. Länsförsäkringar Liv Försäkrings AB and all associated companies and joint ventures are also considered to be legal entities closely related to the Länsförsäkringar AB Group. Related key persons are Board members, senior executives and their close family members.

#### Policies for transactions

Transactions between closely related parties occur both as transactions of a non-recurring nature and transactions on a continuous basis.

Transactions of a non-recurring nature comprise the acquisitions and divestment of assets and similar transactions. These are limited in scope. In non-recurring transactions, the transactions are based on written agreements that comply with market standards and terms.

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

#### Pricing

Pricing for service operations within the Länsförsäkringar Alliance is based on direct and indirect costs. Overall, pricing is intended to distribute costs fairly within the Länsförsäkringar Alliance based on consumption. Joint development projects and joint service are financed collectively and invoiced based on an established distribution key.

#### Process and decision-making process

Corporate management within Länsförsäkringar AB, jointly with a service committee with representatives from the regional insurance

companies, deals with the service levels and price lists for the sale of goods and services to related companies. Based on these discussions, the Board of Länsförsäkringar AB makes decision on the service levels and price lists to related companies.

#### Related-party transactions in the Group 2024

##### Regional insurance companies and local insurance companies

Länsförsäkringar AB is wholly owned by the 23 regional insurance companies, together with 14 local insurance companies. A large portion of the Group's customer contact takes place through the regional insurance companies and the local insurance companies. Remuneration for the mediation of the Länsförsäkringar AB Group's insurance products is regulated in commission agreements between these parties. Commission is also paid to regional insurance companies for their work with Länsförsäkringar Bank's, Länsförsäkringar Hypotek's and Länsförsäkringar Fondförvaltning's customer-related issues in the geographical area of operations of each regional insurance company. The assignment and remuneration are regulated in partnership agreements signed by the parties. This solution creates a unique local presence and market awareness.

Länsförsäkringar AB Group manages and reconciles the Länsförsäkringar Alliance's internal and external reinsurance. The Group also carries out development projects and service for the regional insurance companies in a number of areas, such as personal injury claims adjustment, legal affairs and actuarial services, product and concept development and the development of IT support and other IT services.

##### Länsförsäkringar Mäklarservice AB

Länsförsäkringar Mäklarservice AB is jointly owned by the regional insurance companies and Länsförsäkringar AB. The company works on behalf of the regional insurance companies and Länsförsäkringar AB within non-life insurance, and on behalf of the regional insurance companies within life assurance.

##### Länsförsäkringar Liv Försäkrings AB

Länsförsäkringar Liv Försäkrings AB is wholly owned by the Länsförsäkringar AB. The operations are conducted according to mutual policies and, accordingly, are not consolidated in the Länsförsäkringar AB Group.

Länsförsäkringar Liv Försäkrings AB purchases development and service from Länsförsäkringar AB. The primary task of the service operations is to provide service mainly within the areas of business analysis, accounting, office services, HR and communication.

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

---

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION

---



## Note 53 Disclosures on related parties, cont.

Related-party transactions 2024	Income	Expenses	Receivables	Liabilities	Commitments
Associated companies and joint ventures	0	24	188	-	-
Länsförsäkringar Liv Försäkrings AB	340	122	358	2,167	-
<b>Owners</b>					
Regional insurance companies	3,462	4,305	5,533	9,344	7
<b>Other related parties</b>					
Länsförsäkringar Mäklarservice AB	28	10	81	1	-
Länsförsäkringar Fastighetsförmedling AB	1	0	30	-	7
Other	4	197	18	-	-
<b>Total other related parties</b>	<b>34</b>	<b>207</b>	<b>129</b>	<b>1</b>	<b>7</b>

Interest income and interest expense 2024	Interest income	Interest expense
Regional insurance companies	-	111
Länsförsäkringar Liv Försäkrings AB	-	61
Other related parties	3	3

Related-party transactions 2023	Income	Expenses	Receivables	Liabilities	Commitments
Associated companies and joint ventures	6	27	3	3	-
Länsförsäkringar Liv Försäkrings AB	271	165	375	2,005	-
<b>Owners</b>					
Regional insurance companies	3,203	4,292	7,742	10,519	13
<b>Other related parties</b>					
Länsförsäkringar Mäklarservice AB	33	11	5	58	-
Länsförsäkringar Fastighetsförmedling AB	1	0	3	9	7
Other	-11	201	32	6	0
<b>Total other related parties</b>	<b>23</b>	<b>211</b>	<b>40</b>	<b>73</b>	<b>7</b>

Interest income and interest expense 2023	Interest income	Interest expense
Regional insurance companies	-	118
Länsförsäkringar Liv Försäkrings AB	-	46
Other related parties	2	2

Receivables from and liabilities to regional insurance companies include technical provisions.

### Agreements

Länsförsäkringar Liv Försäkrings AB has a run-off agreement with Länsförsäkringar AB and Länsförsäkringar Fondliv for Länsförsäkringar Liv Försäkrings AB's run off. Note 49 Pledged assets and contingent liabilities provides additional information about this agreement.

Significant agreements for the Länsförsäkringar AB Group primarily comprise agreements with the 23 regional insurance companies regarding commission agreements, claims adjustment agreements, and development and management agreements.

Another significant agreement for the Länsförsäkringar AB Group is the sales agreement with Länsförsäkringar Mäklarservice AB.

### Transactions between the Länsförsäkringar AB Group and its Board and management

For information regarding remuneration of closely related key persons such as Board members and senior executives see note 11 Employees, staff costs and remuneration of senior executives. In all other respects, no transactions took place between these individuals and their related parties apart from normal customer transactions.

For Länsförsäkringar Liv Försäkrings AB's transactions with related parties, see the company's 2024 Annual Report.

## Note 54 Events after balance-sheet date

The bonus rate for New Trad was raised from 9% to 10% from 1 January 2025 and for Old Trad from 8% to 9%, due to strong key figures and healthy returns on investment assets. The merger between the insurance broker Capstone Financial Services Ltd and Agria, decided in 2024, was completed on 28 February 2025.

## Note 55 Information regarding the Parent Company

Länsförsäkringar AB (publ) is a limited liability company registered in Sweden with its registered offices in Stockholm. Corporate Registration Number 502010-9681. The office address is Tegeluddsvägen 11-13, Stockholm, Sweden. The postal address is SE-106 50 Stockholm. The 2024 consolidated financial statements comprise the Parent Company and its subsidiaries. The Länsförsäkringar AB Group also included participations owned in associated companies. Länsförsäkringar AB (publ) is wholly owned by the 23 regional insurance companies and the 14 local insurance companies.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



<b>Five-year summary, Parent Company</b>					
<b>Amounts in SEK M unless otherwise stated</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>EARNINGS</b>					
Premiums earned (after ceded reinsurance)	2,771	2,613	2,585	2,447	2,339
Investment income transferred from financial operations	139	107	9	3	8
Claims payments (after ceded reinsurance) <sup>1)</sup>	-1,860	-1,890	-1,876	-1,769	-1,819
Operating expenses	-544	-541	-499	-474	-439
Other technical revenue and expenses	-1	-2	-2	-1	-1
<b>Technical result for insurance operations</b>	<b>504</b>	<b>288</b>	<b>217</b>	<b>206</b>	<b>88</b>
Remaining investment income	1,762	1,025	1,755	1,644	136
Other income	4,241	4,147	3,684	3,290	-
Other expenses	-4,579	-4,749	-4,309	-3,657	-
<b>Profit before appropriations and tax</b>	<b>1,749</b>	<b>711</b>	<b>1,347</b>	<b>1,484</b>	<b>224</b>
Net profit for the year	1,472	622	1,321	1,446	162
<b>Premium income (after ceded reinsurance)</b>					
Non-life insurance	2,846	2,643	2,625	2,497	2,407
<b>FINANCIAL POSITION</b>					
Investment assets measured at fair value	44,909	43,676	43,950	46,395	6,075
Technical provisions (after ceded reinsurance)	4,254	4,217	4,230	4,006	3,802
<b>Solvency capital</b>					
Equity	21,059	20,283	18,497	19,059	547
Deferred tax	-9	-11	-11	-10	-7
Untaxed reserves	1,407	1,238	1,188	1,174	1,154
Surplus values	22,967	20,403	23,908	24,138	1,685
<b>Solvency capital</b>	<b>45,424</b>	<b>41,913</b>	<b>43,582</b>	<b>44,361</b>	<b>3,379</b>
<b>Solvency margin, %</b>	<b>1,596</b>	<b>1,248</b>	<b>1,660</b>	<b>1,776</b>	<b>140</b>
<b>Own funds <sup>2)</sup></b>	<b>21,304</b>	<b>19,847</b>	<b>20,548</b>	<b>24,381</b>	<b>3,825</b>
<b>Minimum capital requirement</b>	<b>3,306</b>	<b>2,888</b>	<b>2,633</b>	<b>3,375</b>	<b>875</b>
<b>Solvency capital requirement</b>	<b>10,749</b>	<b>9,385</b>	<b>9,215</b>	<b>13,499</b>	<b>1,944</b>
<b>Solvency ratio, %</b>	<b>198</b>	<b>211</b>	<b>223</b>	<b>181</b>	<b>197</b>
<b>Own funds for insurance group</b>	<b>66,775</b>	<b>62,634</b>	<b>59,099</b>	<b>65,203</b>	<b>57,412</b>
<b>Solvency capital requirement for insurance group</b>	<b>49,370</b>	<b>46,066</b>	<b>41,836</b>	<b>45,368</b>	<b>39,186</b>
<b>Solvency ratio, % for insurance group</b>	<b>135</b>	<b>136</b>	<b>141</b>	<b>144</b>	<b>147</b>
<b>KEY FIGURES</b>					
<b>Insurance operations</b>					
Claims ratio	67	72	73	72	77
Expense ratio	20	21	19	20	19
Combined ratio	87	93	92	92	96
<b>Asset management</b>					
Direct yield	1.86	0.45	0.40	0.20	0.20
Total return ratio	5.70	2.87	-0.10	8.50	3.40

<sup>1)</sup> Includes claims adjustment costs from 2021. Previous comparative periods are excluding claims adjustment costs.

<sup>2)</sup> Of which SEK 21,304 M (19,847) is Tier 1 capital.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



# Contents – Parent Company

<b>Financial statements</b> .....	219
Income statement.....	219
Performance analysis.....	220
Balance sheet.....	222
Statement of changes in equity.....	224
<b>Notes to the financial statements</b> .....	225
Note 1 Accounting policies.....	225
Note 2 Risks and risk management.....	226
Note 3 Premium income.....	230
Note 4 Investment income transferred from financial operations.....	230
Note 5 Claims payments.....	230
Note 6 Operating expenses.....	230
Note 7 Leases.....	230
Note 8 Fees and remuneration of auditors.....	230
Note 9 Employees, staff costs and remuneration of senior executives.....	231
Note 10 Investment income, net.....	234
Note 11 Other income and expenses.....	234
Note 12 Taxes.....	234
Note 13 Goodwill.....	235
Note 14 Other intangible assets.....	236
Note 15 Shares and participations in Group companies, cont.....	237
Note 16 Interest-bearing securities issued by Group companies and loans to Group companies.....	237
Note 17 Shares and participations in associated companies, cont.....	237
Note 18 Shares and participations.....	238
Note 19 Bonds and other interest-bearing securities.....	238
Note 20 Derivatives.....	238
Note 21 Information about offsetting.....	239
Note 22 Receivables, direct insurance.....	239
Note 23 Other receivables.....	239
Note 24 Prepaid expenses and accrued income.....	239
Note 25 Property and equipment.....	240
Note 26 Deferred acquisition costs.....	240
Note 27 Equity.....	240
Note 28 Unearned premiums and unexpired risks.....	241
Note 29 Claims outstanding.....	242
Note 30 Pensions and similar commitments.....	242
Note 31 Other provisions.....	242
Note 32 Liabilities, direct insurance.....	242
Note 33 Other liabilities.....	242
Note 34 Other accrued expenses and deferred income.....	243
Note 35 Classification of financial assets and liabilities.....	243
Note 36 Anticipated recovery and settlement periods, amounts expected to be recovered.....	246
Note 37 Pledged assets and contingent liabilities.....	247
Note 38 Disclosures on related parties.....	247
Note 39 Supplementary disclosures on income-statement items by insurance class.....	248
Note 40 Off-balance sheet financial arrangements.....	248
Note 41 Significant events after the end of the fiscal year.....	248
Note 42 Appropriation of profit.....	248

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

---

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION

---



# Länsförsäkringar AB Parent Company

## Financial statements

### Income statement

SEK M	Note	2024	2023
<b>Technical recognition of non-life insurance operations</b>			
<b>Premiums earned (after ceded reinsurance)</b>			
Premium income	3	4,714	4,449
Premiums for ceded reinsurance		-1,868	-1,806
Change in Provision for unearned premiums and unexpired risks		-100	-94
Reinsurers' portion of Change in provision for unearned premiums and unexpired risks		25	65
<b>Total</b>		<b>2,771</b>	<b>2,613</b>
Investment income transferred from financial operations	4	139	107
<b>Claims payments (after ceded reinsurance)</b>			
Claims paid			
Before ceded reinsurance		-3,393	-3,915
Reinsurers' portion		1,433	1,965
<b>Total</b>	5	<b>-1,960</b>	<b>-1,949</b>
<b>Change in Provision for claims outstanding</b>			
Before ceded reinsurance		1,449	425
Reinsurers' portion		-1,350	-365
<b>Total</b>		<b>99</b>	<b>59</b>
<b>Claims payments (after ceded reinsurance)</b>			
Operating expenses	6,8,9	-544	-541
Other technical expenses		-1	-2
<b>Technical result for non-life insurance operations</b>		<b>504</b>	<b>288</b>
<b>Non-technical recognition</b>			
Technical result for non-life insurance operations		504	288
Investment income, revenue	10	1,809	1,660
Unrealised gains on investment assets	10	196	163
Investment income, expenses	10	-88	-554
Unrealised losses on investment assets	10	-9	-116
Investment income transferred to non-life insurance operations		-146	-127
Other income	7, 11	4,241	4,147
Other expenses	7, 11	-4,759	-4,749
<b>Profit before appropriations</b>		<b>1,749</b>	<b>711</b>
<b>Appropriations</b>			
Tax allocation reserve		-169	-50
<b>Profit before tax</b>		<b>1,580</b>	<b>661</b>
Tax on net profit for the year	12	-109	-39
<b>Net profit for the year</b>		<b>1,472</b>	<b>622</b>

Statement of comprehensive income, SEK M	2024	2023
<b>Net profit for the year</b>	<b>1,472</b>	<b>622</b>
<b>Other comprehensive income</b>		
Items that cannot be transferred to profit for the period		
Change in fair value of equity instruments measured at FVOCI	4	-6
Tax attributable to items that cannot be reversed to profit or loss	-1	1
<b>Total comprehensive income</b>	<b>1,475</b>	<b>617</b>

#### INTRODUCTION

#### STRATEGY

#### OUR OPERATIONS

#### BOARD OF DIRECTORS' REPORT

#### FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

#### OTHER INFORMATION



## Performance analysis

2024							
SEK M	Total	Accident and health	Health care	Com-mercial	Legal expenses	Liability	Motor third-party liability
<b>Technical result for non-life insurance operations</b>							
Premiums earned (after ceded reinsurance)	2,771	433	1,024	150	2	284	39
Investment income transferred from financial operations	139	31	20	8	-	21	3
Claims payments (after ceded reinsurance)	-1,860	-167	-865	-57	-3	-156	-30
Operating expenses	-544	-101	-208	-23	-1	-55	-7
Other technical expenses	-1	-	-	-	-	-	-1
<b>Technical result for non-life insurance operations, 2024</b>	<b>504</b>	<b>196</b>	<b>-29</b>	<b>78</b>	<b>-2</b>	<b>94</b>	<b>4</b>
Technical result for non-life insurance operations, 2023	288	159	-97	30	-	118	-26
Run-off result (before ceded reinsurance) 2024 <sup>1) 2)</sup>	1,489	69	13	39	-2	63	100
Run-off result (after ceded reinsurance) 2024	382	71	13	36	-2	82	24
<b>Technical provisions before ceded reinsurance</b>							
Provision for unearned premiums and unexpired risks	1,432	90	285	81	1	188	20
Provision for claims outstanding	10,231	726	90	225	2	912	1,596
<b>Total technical provisions, before ceded reinsurance</b>	<b>11,663</b>	<b>816</b>	<b>375</b>	<b>306</b>	<b>3</b>	<b>1,110</b>	<b>1,616</b>
<b>Reinsurers' portion of technical provisions</b>							
Provision for unearned premiums and unexpired risks	590	-	-	16	-	5	-
Provision for claims outstanding	6,819	10	-	42	-	29	1,460
<b>Total reinsurers' portion of technical provisions</b>	<b>7,409</b>	<b>10</b>	<b>-</b>	<b>58</b>	<b>-</b>	<b>34</b>	<b>1,460</b>

<sup>1)</sup> Most of the run-off result (before ceded reinsurance) derived from ceded reinsurance from the regional insurance companies' motor third-party liability business (Trafikpoolen) and the motor third-party liability run-off business that is business which was distributed by the companies but under-written by Länsförsäkringar AB until 2004, including Wasa Kredit and Lita, and from internationally assumed reinsurance.

<sup>2)</sup> The risk margin is included as part of the Provision for claims outstanding and calculated as an addition to the undiscounted best estimate of the provision for claims payments per claim year. The risk margin is calculated and recognised in each claim year and there are expected run-off gains for previous claim years since the best estimate of the provision for claims payments is recognised as expected future costs and the risk margin comprises an addition to these. At the same time that the risk margin is discontinued for prior years' claims as a function of the discontinuation of the best estimate of the provision for claims payments for each claim year, a provision is made for the risk margin for this year's claims and thus affects the result from claims for the year.

## Notes to Performance analysis

SEK M	Total	Accident and health	Health care	Com-mercial	Legal expenses	Liability	Motor third-party liability
<b>Note A Premiums earned (after ceded reinsurance)</b>							
Premium income	4,714	442	1,060	190	2	316	44
Premiums for ceded reinsurance	-1,868	-1	-	-39	-	-16	-4
Change in Provision for unearned premiums and unexpired risks	-100	-8	-36	4	-	-17	-
Reinsurers' portion of change in provision for unearned premiums and unexpired risks	25	-	-	-5	-	-	-
<b>Premiums earned (after ceded reinsurance)</b>	<b>2,771</b>	<b>433</b>	<b>1,024</b>	<b>150</b>	<b>2</b>	<b>284</b>	<b>39</b>
<b>Note B Claims payments (after ceded reinsurance)</b>							
<b>Claims paid</b>							
Before ceded reinsurance	-3,393	-221	-884	-87	-3	-143	-121
Reinsurers' portion	1,433	-	-	6	-	7	63
<b>Change in provision for claims outstanding</b>							
Before ceded reinsurance	1,449	51	19	18	-1	-32	129
Reinsurers' portion	-1,350	3	-	6	-	13	-101
<b>Claims payments (after ceded reinsurance)</b>	<b>-1,860</b>	<b>-167</b>	<b>-865</b>	<b>-57</b>	<b>-3</b>	<b>-156</b>	<b>-30</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

### OTHER INFORMATION



## Performance analysis 2024, cont.

SEK M	Motor	Transit	Household and homeowner	Credit and Guarantees	Direct insurance, Swedish risks	Direct insurance foreign risks	Total assumed reinsurance
<b>Technical result for non-life insurance operations</b>							
Premiums earned (after ceded reinsurance)	138	190	-	3	2,264	8	499
Investment income transferred from financial operations	4	8	-	-	95	-	44
Claims payments (after ceded reinsurance)	-161	-124	-	-1	-1,564	-3	-293
Operating expenses	-28	-46	-	-	-470	-1	-73
Other technical expenses	-	-	-	-	-1	-	-
<b>Technical result for non-life insurance operations, 2024</b>	<b>-47</b>	<b>28</b>	<b>-</b>	<b>2</b>	<b>324</b>	<b>4</b>	<b>177</b>
Technical result for non-life insurance operations, 2023	-58	15	-	2	143	4	140
Run-off result (before ceded reinsurance) 2024 <sup>1) 2)</sup>	-12	42	-	8	319	-	1,170
Run-off result (after ceded reinsurance) 2024	7	45	-	2	280	-	102
<b>Technical provisions before ceded reinsurance</b>							
Provision for unearned premiums and unexpired risks	552	66	1	32	1,317	4	111
Provision for claims outstanding	162	229	1	12	3,956	4	6,271
<b>Total technical provisions, before ceded reinsurance</b>	<b>714</b>	<b>295</b>	<b>2</b>	<b>44</b>	<b>5,273</b>	<b>8</b>	<b>6,382</b>
<b>Reinsurers' portion of technical provisions</b>							
Provision for unearned premiums and unexpired risks	476	3	-	26	526	2	62
Provision for claims outstanding	106	55	-	8	1,711	-	5,108
<b>Total reinsurers' portion of technical provisions</b>	<b>582</b>	<b>58</b>	<b>-</b>	<b>34</b>	<b>2,237</b>	<b>2</b>	<b>5,170</b>

<sup>1)</sup> Most of the run-off result (before ceded reinsurance) derived from ceded reinsurance from the regional insurance companies' motor third-party liability business (Trafikpoolen) and the motor third-party liability run-off business that is business which was distributed by the companies but underwritten by Länsförsäkringar AB until 2004, including Wasa and Lita, and from internationally assumed reinsurance.

<sup>2)</sup> The risk margin is included as part of the Provision for claims outstanding and calculated as an addition to the undiscounted best estimate of the provision for claims payments per claim year. The risk margin is calculated and recognised in each claim year and there are expected run-off gains for previous claim years since the best estimate of the provision for claims payments is recognised as expected future costs and the risk margin comprises an addition to these. At the same time that the risk margin is discontinued for prior years' claims as a function of the discontinuation of the best estimate of the provision for claims payments for each claim year, a provision is made for the risk margin for this year's claims and thus affects the result from claims for the year.

## Notes to Performance analysis

SEK M	Motor	Transit	Household and homeowner	Credit and Guarantees	Direct insurance, Swedish risks	Direct insurance foreign risks	Total assumed reinsurance
<b>Note A Premiums earned (after ceded reinsurance)</b>							
Premium income	417	206	-	19	2,696	14	2,004
Premiums for ceded reinsurance	-264	-12	-	-15	-351	-6	-1,511
Change in Provision for unearned premiums and unexpired risks	-32	-4	-	-5	-99	1	-2
Reinsurers' portion of change in provision for unearned premiums and unexpired risks	17	1	-	4	17	-	8
<b>Premiums earned (after ceded reinsurance)</b>	<b>138</b>	<b>190</b>	<b>-</b>	<b>3</b>	<b>2,264</b>	<b>8</b>	<b>499</b>
<b>Note B Claims payments (after ceded reinsurance)</b>							
<b>Claims paid</b>							
Before ceded reinsurance	-531	-113	-	-23	-2,125	-3	-1,265
Reinsurers' portion	362	8	-	18	464	-	969
<b>Change in provision for claims outstanding</b>							
Before ceded reinsurance	-13	-42	-	22	151	-	1,298
Reinsurers' portion	21	23	-	-18	-55	-	-1,295
<b>Claims payments (after ceded reinsurance)</b>	<b>-161</b>	<b>-124</b>	<b>-</b>	<b>-1</b>	<b>-1,564</b>	<b>-3</b>	<b>-293</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



## Balance sheet

SEK M	Note	31 Dec 2024	31 Dec 2023
<b>ASSETS</b>			
<b>Intangible assets</b>			
Goodwill	13	-	-
Other intangible assets	14	715	524
<b>Total</b>		<b>715</b>	<b>524</b>
<b>Investment assets</b>			
Investments in Group and associated companies			
Shares and participations in Group companies	15	18,085	17,855
Interest-bearing securities issued by Group companies and loans to Group companies	16	24	87
Shares in Länsförsäkringar Liv Försäkrings AB		8	8
Shares and participations in associated companies	17	183	192
Shares and participations	18	1,172	1,084
Bonds and other interest-bearing securities	19	2,340	3,897
Derivatives	20.21	24	14
Deposits with companies that have ceded reinsurance		104	136
<b>Total</b>		<b>21,942</b>	<b>23,272</b>
<b>Reinsurers' portion of Technical provisions</b>			
Unearned premiums and unexpired risks	28	590	562
Claims outstanding	29	6,819	8,163
<b>Total</b>		<b>7,409</b>	<b>8,725</b>
<b>Receivables</b>			
Receivables, direct insurance	22	644	590
Receivables, reinsurance		359	380
Other receivables	23	829	541
<b>Total</b>		<b>1,832</b>	<b>1,511</b>
<b>Other assets</b>			
Property and equipment	25	312	381
Cash and bank balances		4,696	2,460
Deferred tax	12	20	18
Other assets		18	86
<b>Total</b>		<b>5,047</b>	<b>2,946</b>
<b>Prepaid expenses and accrued income</b>			
Deferred acquisition costs	26	70	66
Other prepaid expenses and accrued income	24	445	441
<b>Total</b>		<b>515</b>	<b>507</b>
<b>TOTAL ASSETS</b>		<b>37,460</b>	<b>37,486</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

### OTHER INFORMATION



Balance sheet, cont. SEK M	Note	31 Dec 2024	31 Dec 2023
<b>EQUITY, PROVISIONS AND LIABILITIES</b>			
<b>Equity</b>	27		
Share capital (10,424,582 shares)		200	200
Development Expenditures Fund		715	524
Statutory reserve		4	4
Fair value reserve		-472	-475
Retained earnings		19,140	19,409
Net profit for the year		1,472	622
<b>Total</b>		<b>21,059</b>	<b>20,283</b>
<b>Untaxed reserves</b>			
Contingency reserve		1,139	1,139
Tax allocation reserve		268	99
<b>Total</b>		<b>1,407</b>	<b>1,238</b>
<b>Technical provisions (before ceded reinsurance)</b>			
Unearned premiums and unexpired risks	28	1,432	1,321
Claims outstanding	29	10,231	11,621
<b>Total</b>		<b>11,663</b>	<b>12,943</b>
<b>Other provisions</b>			
Pensions and similar commitments	30	69	72
Deferred tax liabilities	12	12	7
Other provisions	31	23	24
<b>Total</b>		<b>103</b>	<b>103</b>
<b>Deposits from reinsurers</b>			
		<b>15</b>	<b>9</b>
<b>Liabilities</b>			
Liabilities, direct insurance	32	523	591
Liabilities, reinsurance		343	399
Derivatives	20.21	36	29
Other liabilities	33	1,603	1,202
<b>Total</b>		<b>2,505</b>	<b>2,222</b>
<b>Accrued expenses and deferred income</b>			
Reinsurers' portion of deferred acquisition costs	26	6	5
Other accrued expenses and deferred income	34	702	683
<b>Total</b>		<b>708</b>	<b>689</b>
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>		<b>37,460</b>	<b>37,486</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



## Statement of changes in equity

SEK M	Restricted equity			Non-restricted equity			Total equity
	Share capital	Development Expenditures Fund	Statutory reserve	Fair value reserve	Retained earnings	Net profit for the year	
Opening equity, 1 January 2023	200	245	4	-470	19,064	1,321	20,364
Appropriation of profit	-	-	-	-	1,321	-1,321	-
Dividends paid	-	-	-	-	-698	-	-698
Net profit for the year	-	-	-	-	-	622	622
Other comprehensive income for the year	-	-	-	-5	-	-	-5
Realised gain/loss from sale of shares	-	-	-	-	-	-	-
Capitalised internally generated development expenditures	-	278	-	-	-278	-	-
<b>Closing equity, 31 December 2023</b>	<b>200</b>	<b>524</b>	<b>4</b>	<b>-475</b>	<b>19,409</b>	<b>622</b>	<b>20,283</b>
Opening equity, 1 January 2024	200	524	4	-475	19,409	622	-
Appropriation of profit	-	-	-	-	622	-622	-
Dividends paid	-	-	-	-	-698	-	-698
Net profit for the year	-	-	-	-	-	1,472	1,472
Other comprehensive income for the year	-	-	-	3	-	-	3
Realised gain/loss from sale of shares	-	-	-	-	-	-	-
Capitalised internally generated development expenditures	-	191	-	-	-191	-	-
<b>Closing equity, 31 December 2024</b>	<b>200</b>	<b>715</b>	<b>4</b>	<b>-472</b>	<b>19,140</b>	<b>1,472</b>	<b>21,059</b>

### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

### OTHER INFORMATION



# Notes to the financial statements

All figures in SEK M unless otherwise stated.

## Note 1 Accounting policies

### Company information

The Annual Report for Länsförsäkringar AB (publ), Corp. Reg. No. 502010-9681 (the "Parent Company"), pertains to the fiscal year 1 January–31 December 2024. The Parent Company is an insurance company registered in Sweden, with its registered office in Stockholm. The address of the head office is Tegeluddsvägen 11-13, SE-106 50 Stockholm, Sweden. The company is wholly owned by the 23 regional insurance companies and 14 local insurance companies.

### Compliance with standards and legislation

The Parent Company's Annual Report was prepared in accordance with the Annual Accounts Act for Insurance Companies (1995:1560) (ÅRFL), the Swedish FSA's regulations and general guidelines regarding annual accounts at insurance undertakings and institutions for occupational retirement provision (FFFS 2019:23), and the Swedish Corporate Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

### Conditions relating to the preparation of the company's financial statements

The Parent Company's functional currency is Swedish kronor (SEK), which is also the presentation currency of the company. Accordingly, the financial statements are presented in SEK, rounded to the nearest million (SEK M), unless otherwise stated. Assets and liabilities are recognised at cost, except for most of the company's financial assets and liabilities that are measured at fair value or amortised cost. The accounting policies stated below have been applied to all periods presented in the financial statements, unless otherwise stated.

### Estimates and judgements in the financial statements

Corporate management makes judgements and estimates, and make assumptions that affect the application of the accounting policies and the recognised amounts of income, expenses, assets, liabilities, contingent liabilities and provisions. These estimates and judgements are based on historic experiences and the best information available on the balance-sheet date. The actual outcome may deviate from these judgements and estimates, but estimates are regularly evaluated to reduce deviations. Changes in the abovementioned estimates are recognised in the period in which the change is made if the change only affected that period, or in the period in which the change is made and future periods if the change affects the period in question and future periods.

Important judgements made in the application and selection of accounting policies are primarily related to:

- The valuation techniques described in the Group note 1, Accounting policies are used in the measurement of financial assets for which no observable market data is available.

Significant sources of estimation uncertainty are primarily related to:

- Provisions for claims outstanding entail a certain degree of uncertainty. To calculate the technical provisions, an actuarial estimate is made of anticipated costs for claims for which final settlement has not been completed, including claims that have occurred but have not yet been reported to the company. The provision also reflects anticipated future cost increases and expenses for claims adjustment. The valuation of the provisions is described in the section on the recognition of technical provisions in the Group note 1 Accounting policies and in note 2 Risks and risk management.
- There is some uncertainty regarding the depreciation period for deferred acquisition costs. The assumption for the depreciation period for deferred acquisition costs is based on statistics relating to the terms of the insurance contracts.
- Recognition of current tax due to the Länsförsäkringar AB Group becoming subject to the law on top-up tax for companies in large groups (the "Top-up Tax Act").

- The Parent Company intends to apply the simplification rules, which means that no current tax is recognised for the 2024-2026 fiscal years. For a more detailed description of the company's exposure to paying top-up tax, refer to Group note 19 Tax.

### New or amended accounting policies applied from 1 January 2024

New or amended standards and interpretations that are effective for fiscal years beginning on or after 1 January 2024 are not expected to have a material impact on the Parent Company's financial statements, capital requirements, own funds or other circumstances under the applicable regulatory requirements.

### New IFRSs and interpretations that have not yet been applied

New or amended standards and interpretations that come into effect for fiscal years beginning on or after 1 January 2025 were not applied in advance when this financial statement was prepared. The expected effects of the application on the financial reporting are described below.

### IFRS 18 Presentation and Disclosure in Financial Statements

On 9 April 2024, the IASB published IFRS 18 Presentation and Disclosure in Financial Statements that will replace IAS 1 Presentation of Financial Statements on 1 January 2027. The standard has not yet been endorsed by the EU but is expected to be adopted before it comes into effect. IFRS 18 introduces new requirements for the presentation and disclosure in financial statements, with a particular focus on the income statement and disclosures of management-defined performance measures. The standard is not expected to have any financial impact on the company, but could result in new requirements for presentation and disclosure in the financial statements. The company intends to start work on the standard in pace with the FSA incorporating any changes to regulation FFFS 2019:23 on annual accounts.

### Differences between the Group's and the Parent Company's accounting policies

#### Shares and participations in Group companies

Shares and participations in Group companies are measured at fair value or cost based on the purpose of the subsidiary's operations. Subsidiaries held for the purpose of generating investment income through capital growth solely by investing funds in investment assets are measured at fair value through profit or loss, while other subsidiaries are measured according to the cost method. Dividends from subsidiaries are recognised as Investment income, revenue when the right to receive dividends is deemed to be certain and can be reliably calculated.

The Parent Company's holdings in LF Sak Fastighets AB are held for an investment income purpose and thus are measured at fair value.

The Parent Company's holdings in other subsidiaries are valued according to the cost method.

#### Shares and participations in associated companies

Shares and participations in associated companies are measured at fair value through profit or loss. Dividends are recognised in profit or loss under Investment income, revenue.

#### Shareholders' and Group contributions

Shareholders' contributions provided are recognised as shares and participations in Group companies. The receiving subsidiary recognises the shareholders' contribution in equity.

Group contributions are recognised in accordance with the main rule of RFR 2. Group contributions received by the Parent Company from a Group company are recognised according to the same policies as dividends. Group contributions paid to subsidiaries are recognised as an increase in the cost of shares and participations in Group companies.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



## Note 2 Risks and risk management

The Parent Company's risk-management system is part of the Group-wide risk-management system and the company's organisation, distribution of responsibilities and risk-management methods are thus described in note 2 Risk and capital management in the Länsförsäkringar AB Group.

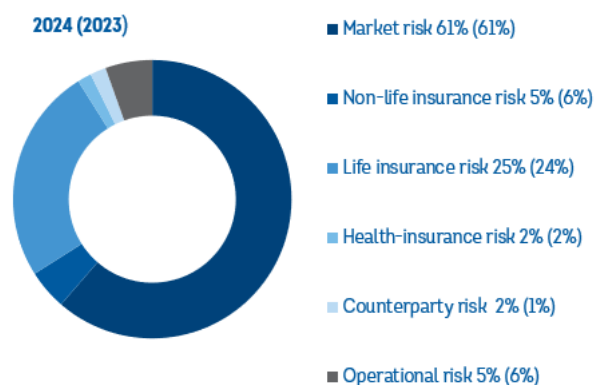
This note describes the risks in the Parent Company's insurance business and how they are managed. The exposures and sensitivities presented refer to the Parent Company's own insurance business and management of the company's own investment assets. However, since the Parent Company's solvency capital requirement is calculated using internal models for consolidated data, the solvency capital requirement does not include the risks in the consolidated subsidiaries Agria, Länsförsäkringar Gruppliv and Länsförsäkringar Fondliv.

### Risk map and capital requirements

The following points describe the Parent Company's operations and risk-taking:

- The company conducts non-life insurance operations using reinsurance where deemed necessary from a risk and business perspective.
- The operations largely comprise short-tail business, with elements of more long-term commitments in, for example, liability insurance.
- The operations primarily focus on small and medium-sized businesses and private individuals.
- The company manages the reinsurance cover for the entire Länsförsäkringar Alliance, which entails non-life insurance risk and significant gross counterparty exposure but no major net risks.
- The operations include internationally assumed reinsurance and some international operations via fronting<sup>1</sup> and FOS business<sup>2</sup>.
- The company is exposed to volatility in the financial markets through the management of investment assets.

Figure 1. Regulatory capital requirements per risk type including diversification



The Parent Company's largest net risk exposure is found in the investment assets that the company manages and is thus included in market risk. The largest gross insurance-risk exposure is the company's commitments in the joint reinsurance cover for the Länsförsäkringar Alliance. These exposures are restricted by external reinsurance cover.

### Insurance risks

#### Risk exposure

The Parent Company underwrites liability, cargo, property, completion and motor insurance as well as assumed international reinsurance. The company also has a share of the pools that comprise the Länsförsäkringar Alliance's joint reinsurance solution. Furthermore, the company has insurance commitments in accident and health insurance as well as health care insurance.

Insurance risk in the Parent Company is dominated by non-life insurance risk, followed by health-insurance risk and some life-assurance risk. The company is also exposed to catastrophe risk, but the use of reinsurance cover with relatively low retention limits the exposure. The company is also exposed to cancellation risk since expected profit from future premiums for existing insurance contracts is included in the company's own funds.

#### Risk management

The company endeavours to have a well-diversified portfolio with a well-defined structure of insurance terms and conditions, risk selection criteria and risk inspections depending on the business line. The company has also insured itself against the risk of very large claims through ceded reinsurance. The criteria for selecting the reinsurer, limits per counterpart and limits for retention are regulated in governance documents. The international reinsurance market has been very challenging as a result of claims related to, for example, climate change, inflation and uncertainty in the finance markets. This means that reinsurance cover has become more expensive and Länsförsäkringar AB thus retains more risk in its own books for some business through higher retention in the external reinsurance cover.

#### Risk sensitivity

Table 1 shows the sensitivity of the company's earnings and equity to changes in claims frequency and claims inflation. The sensitivities are not included in the insurance commitments of the subsidiaries.

Table 1. Sensitivity analysis, insurance risk

Assumption		2024		2023	
		Impact on earnings before tax	Impact on equity	Impact on earnings before tax	Impact on equity
Insurance risk	10% increased claims frequency or average claim	-186	-148	-189	-150
Claims inflation	1% higher annual claims inflation	-142	-113	-146	-116

<sup>1</sup> Mutual undertakings which pursue non-life insurance operations and which have concluded with other mutual undertakings an agreement which provides for the full reinsurance of the insurance policies issued by them or under which the accepting undertaking is to meet the liabilities arising under such policies in the place of the ceding undertaking.

<sup>2</sup> Freedom of service entails the possibility of taking out legal insurance abroad directly from Sweden as part of the EU free movement of goods and services in the EU/EEA.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



Table 2 shows the annual trend for estimated final claims costs from the end of the claim year and beyond, gross and for own account. The table includes claims paid and the provision for claims payments including the provision for unknown claims (claims incurred but not reported (IBNR)). Claims adjustment costs and payments of determined annuities are included in the table. However, the claims adjustment reserve and annuity reserve are recognised on separate lines. Assumed reinsurance taken out on an underwriting annual basis<sup>1)</sup> and for which historical information about the claim year is not available is excluded from the table and reported on a separate row. Amounts in different currencies have all been converted at the closing-day rate. The average duration of Parent Company's insurance portfolio is 2.8 years (2.9).

**Table 2. Estimated claims costs gross and for own account**

<b>Estimated claims costs gross</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
At end of claim year	2,468	2,503	3,452	3,139	2,609	3,071	2,815	
One year later	2,181	2,433	3,272	3,429	3,099	3,019		
Two years later	2,138	2,429	3,244	3,460	2,946			
Three years later	2,078	2,363	3,146	3,369				
Four years later	2,037	2,335	3,058					
Five years later	2,016	2,259						
Six years later	1,971							
Estimated claims costs	1,971	2,259	3,058	3,369	2,946	3,019	2,815	
Accumulated claims payments	1,707	1,994	2,693	2,888	2,418	2,159	1,293	
Provision for claims payments	264	265	365	481	528	859	1,522	<b>4,284</b>
Provision for claims payments, older year classes								2,865
Provision for claims payments for assumed reinsurance								1,230
<b>Total provision for claims payments, gross</b>								<b>8,378</b>
Annuity reserve, gross								1,592
Claims adjustment reserve, gross								262
<b>Provision for claims outstanding, gross</b>								<b>10,231</b>
<b>Estimated claims costs for own account</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
At end of claim year	1,259	1,212	1,308	1,396	1,537	1,717	1,719	
One year later	1,166	1,156	1,226	1,343	1,513	1,639		
Two years later	1,134	1,136	1,263	1,314	1,462			
Three years later	1,120	1,105	1,250	1,269				
Four years later	1,092	1,097	1,224					
Five years later	1,095	1,083						
Six years later	1,096							
Estimated claims costs	1,096	1,083	1,224	1,269	1,462	1,639	1,719	
Accumulated claims payments	1,039	1,025	1,098	1,132	1,218	1,283	956	
Provision for claims payments	57	58	126	137	244	356	763	1,741
Provision for claims payments, older year classes								342
Provision for claims payments for assumed reinsurance								804
<b>Total provision for claims payments, for own account</b>								<b>2,887</b>
Annuity reserve, for own account								275
Claims adjustment reserve, for own account								262
<b>Provision for claims outstanding, for own account</b>								<b>3,423</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



## Market risk

The Parent Company's exposure to and management of market risk is described in note 2 Risk and capital management of the Länsförsäkringar AB Group.

## Risk sensitivity

Table 3 shows how changes in the financial markets affect the company's earnings and equity.

Table 4 shows sensitivity to exchange-rate changes.

**Table 3. Sensitivity analysis, market risk**

Assumption		2024			2023		
		Impact on profit before tax	Of which impact on other comprehensive income before tax	Impact on equity	Impact on profit before tax	Of which impact on other comprehensive income before tax	Impact on equity
Interest-rate risk net <sup>1) 5) 6)</sup>	100 bp higher nominal market interest rates	11	-	8	-10	-	-8
Interest-rate risk net <sup>1) 5) 6)</sup>	100 bp lower nominal market interest rates	-14	-	-12	7	-	5
Equities risk <sup>2) 6)</sup>	10% lower share prices	-136	-16	-108	-128	-15	-101
Credit-spread risk <sup>5) 6)</sup>	100 bp increased credit-spread risk	-16	-	-13	-28	-	-22
Currency risk <sup>3) 5) 6)</sup>	10% strengthening of SEK	-32	-	-25	-51	-	-40
Property risk <sup>4) 5) 6)</sup>	10% lower property prices	-253	-	-201	-261	-	-207

<sup>1)</sup> Change in value of investment assets less change in technical provisions.

<sup>2)</sup> Shares and participations measured at fair value excluding unlisted property equities

<sup>3)</sup> Currency exposure from investment assets including indirect exposure via a look-through approach of funds, less technical provisions in foreign currency

<sup>4)</sup> Based on property exposure in unlisted property equities

<sup>5)</sup> Including indirect exposure via a look-through approach.

<sup>6)</sup> Figures for 2023 have been adjusted due to a change in method. Property risk is now based on underlying property values instead of net asset value, which increases the impact on profit before tax by just under 50%. The equities risk has been adjusted by excluding shares in property companies that are included in property risk, and by making some corrections to the inclusion of associated companies and trading books. The adjustment of equities risk increased the impact on profit before tax by just under 20%. The change in method also affects interest-rate risk, credit-spread risk and currency risk.

**Table 4. Net currency distribution, including derivatives**

Currency	2024	2023
USD	478	277
DKK	143	172
EUR	-127	82
NOK	-52	2
INR	-39	1
CNY	-29	-27
ISK	-19	-6
CHF	-11	36
JPY	11	20
TWD	-10	-14
Other currencies	-30	-35
<b>Total</b>	<b>316</b>	<b>509</b>

The table refers to currency exposure net of assets less liabilities. Assets include directly owned holdings and indirect exposure via a look-through approach of funds. Figures for 2023 have been adjusted due to a change in method. – see note under table 3 Sensitivity analysis, market risks.

## Counterparty risk

The Parent Company's exposure to and management of counterparty risk is described in note 2 Risk and capital management of the Länsförsäkringar AB Group.

## Risk sensitivity

Table 5 presents cash and bank balances as well as cash and cash equivalents, bonds and other interest-bearing securities, derivatives and reinsurance per credit quality step.

**Table 5. Exposure by credit quality step**

	Market value	
	2024	2023
<b>Cash and bank balances and cash and cash equivalents classified as other receivables</b>		
A	3,442	1,718
<b>Total</b>	<b>3,442</b>	<b>1,718</b>
<b>Bonds and other interest-bearing securities<sup>1)</sup></b>		
AAA – Swedish Government	-	-
AAA – other states	-	3,203
AAA – Other	1,720	-
AA	165	164
A	-	-
BBB	-	-
BB or lower	-	-
No rating available	456	530
<b>Total bonds and other interest-bearing securities</b>	<b>2,340</b>	<b>3,897</b>
<b>Derivatives<sup>2)</sup></b>		
Clearing via central counterparty	-	-
AA	5	3
A	-	1
BB	-	-
<b>Total derivatives</b>	<b>5</b>	<b>4</b>
<b>Reinsurance</b>		
Regional insurance companies	7,224	8,107
AA	8	148
A	125	399
BBB or lower	52	71
<b>Total reinsurance</b>	<b>7,409</b>	<b>8,725</b>
<b>Total</b>	<b>13,196</b>	<b>14,344</b>

<sup>1)</sup> Market value including interest for directly owned holdings, which also include analysed fixed-income funds.

<sup>2)</sup> Net after taking collateral into account. Only net claims on counterparties are included.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



### Liquidity risk

The Parent Company's exposure to and management of liquidity risk is described in note 2 Risk and capital management of the Länsförsäkringar AB Group.

### Risk sensitivity

Table 6 shows the actual cash flows that will occur in each period, based on the remaining contractual maturities. The amounts presented in maturities are undiscounted cash flows. Most of the bonds and interest-bearing securities can be realised at short notice to cover contractual commitments at any time on the liabilities side.

Table 6. Maturity analysis for financial assets and liabilities and insurance undertakings

	2024						2023					
	<3 months	3 months - 1 year	1-5 years	5-10 years	>10 years	Total	<3 months	3 months - 1 year	1-5 years	5-10 years	>10 years	Total
<b>Assets</b>												
Interest-bearing securities issued by Group companies and loans to Group companies	-	-	26	-	-	26	0	1	91	2	-	94
Bonds and other interest-bearing securities <sup>1)</sup>	59	154	1,674	150	-	2,037	47	2,087	1,309	115	-	3,558
Reinsurers' portion of technical provisions	321	902	2,658	1,094	2,434	7,409	409	1,064	2,985	1,329	2,939	8,725
Other receivables	341	-	-	-	-	341	89	-	-	-	-	89
Prepaid expenses and accrued income	55	-	-	-	-	55	35	-	-	-	-	35
<b>Total assets<sup>2)</sup></b>	<b>776</b>	<b>1,056</b>	<b>4,358</b>	<b>1,244</b>	<b>2,434</b>	<b>9,868</b>	<b>580</b>	<b>3,152</b>	<b>4,385</b>	<b>1,446</b>	<b>2,939</b>	<b>12,501</b>
<b>Liabilities</b>												
Technical provisions <sup>3)</sup>	1,139	2,225	4,075	1,466	2,758	11,663	1,197	2,339	4,424	1,706	3,276	12,943
Other liabilities	1,461	-	-	-	-	1,461	819	-	-	-	-	819
Accrued expenses and deferred income	217	-	-	-	-	217	9	-	-	-	-	9
<b>Total liabilities</b>	<b>2,817</b>	<b>2,225</b>	<b>4,075</b>	<b>1,466</b>	<b>2,758</b>	<b>13,341</b>	<b>2,025</b>	<b>2,339</b>	<b>4,424</b>	<b>1,706</b>	<b>3,276</b>	<b>13,770</b>
Derivatives, in and outflows, net	-11	-	-	-	-	-11	-15	-	-	-	-	-15
<b>Total derivatives</b>	<b>-11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-11</b>	<b>-15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-15</b>

<sup>1)</sup>The balance-sheet item Bonds and other interest-bearing securities includes Fixed-income funds. These have no contractual maturities and have been excluded from the table. The recovery periods for securities do not reflect the liquidity in the portfolio but rather the final maturity of the securities. These are realisable at any time.

<sup>2)</sup>Note that the table shows financial assets and not the total assets corresponding to the commitments, which would include, for example, premium receivables and the company's property holdings.

<sup>3)</sup>Technical provisions are recognised gross, before ceded reinsurance.

### Capital management

Länsförsäkringar AB has own funds that exceed the capital requirement under the rules on insurance operations by a healthy margin, as shown in table 7.

Refer also to the Länsförsäkringar AB Group's note 2 Risk and capital management.

Table 7. Capital position under Solvency II

	2024	2023
Own funds	21,304	19,847
Capital requirement	10,749	9,385
Solvency ratio	198%	211%

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



### Note 3 Premium income

	2024	2023
Direct insurance, Sweden	2,697	2,554
Direct insurance, other EEA	14	15
Assumed reinsurance	2,004	1,880
<b>Total</b>	<b>4,714</b>	<b>4,449</b>

### Note 4 Investment income transferred from financial operations

	2024	2023
Transferred investment income	139	107
<b>Interest rates, %</b>		
Provisions for insurance policies with long-term claims in run-off	2.65	2.33
Provisions for insurance policies with short-term claims in run-off	3.20	2.20

The estimated return on the assets corresponding to the technical provisions is transferred from the financial operations to the technical result. The transferred investment income is calculated on the basis of half the premiums earned after ceded reinsurance and on the basis of the average of opening and closing provisions for claims outstanding after ceded reinsurance during the year. The investment income is divided into two parts. One part is added to the annuities result by reducing the cost for the upward adjustment of the provision for annuities, and one part is recognised as transferred investment income.

### Note 5 Claims payments

	2024	2023
Claims paid	-1,727	-1,730
Operating expenses for claims adjustment	-256	-241
Claims adjustment reinsurance	23	22
<b>Total</b>	<b>-1,960</b>	<b>-1,949</b>

### Note 6 Operating expenses

	2024	2023
<b>Procurement and administration</b>		
Acquisition costs <sup>1)</sup>	-385	-367
Change in deferred acquisition costs	4	-10
Reinsurers' portion of change deferred acquisition costs	-2	0
Administration expenses	-197	-197
Commission and profit shares in ceded reinsurance	35	33
<b>Total</b>	<b>-544</b>	<b>-541</b>
<b>Other operating expenses</b>		
Operating expenses in asset management	-35	-67
Operating expenses for claims adjustment	-256	-241
Expenses for support and service operations	-4,759	-4,750
<b>Total</b>	<b>-5,049</b>	<b>-5,058</b>
<b>Total</b>	<b>-5,593</b>	<b>-5,599</b>
1) Of which, commission for direct insurance	-177	-169

<b>Total operating expenses by type of cost</b>	<b>2024</b>	<b>2023</b>
Staff costs	-1,920	-1,733
Costs for premises	-221	-260
Depreciation	-112	-108
IT costs	-2,262	-2,505
Other expenses	-1,079	-993
<b>Total</b>	<b>-5,593</b>	<b>-5,599</b>

### Note 7 Leases

#### Lease agreements in which the company is the lessee

Non-cancellable lease payments amount to:

	2024	2023
Up to 1 year	-256	-198
1-5 years	-755	-597
More than 5 years	-5	-117
<b>Total</b>	<b>-1,017</b>	<b>-912</b>

A rental charge of SEK -165 M (-206) was recognised in profit for 2024. The leases are valid for three and ten years until 31 October 2027 and 2029, respectively. Every time that lease contracts are renewed, a basic rent level is established that is subsequently index-linked to the consumer price index.

#### Leases in which the company is the lessor

Future non-cancellable lease payments pertaining to rent for premises:

	2024	2023
Up to 1 year	121	121
<b>Total</b>	<b>121</b>	<b>121</b>

In 2024, rental income of SEK 121 M (121) was recognised. The company leases premises to Group companies.

### Note 8 Fees and remuneration of auditors

The following fees have been paid to auditors	2024	2023
Deloitte AB, audit assignment	-7	-7
Deloitte AB, other services	-1	-1
<b>Total</b>	<b>-8</b>	<b>-8</b>

Audit assignments pertain to a review of the Annual Report and accounts, and the administration by the Board of Directors and President, other work assigned to the company's auditors, and advice or other assistance required due to observations made during the review or implementation of such other assignments. Everything else comes under Other assignments.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



## Note 9 Employees, staff costs and remuneration of senior executives

Average number of employees, Sweden	2024	2023
Men	685	622
Women	708	649
<b>Total number of employees</b>	<b>1,393</b>	<b>1,271</b>
Salaries and other remuneration, as well as social security expenses, other employees	2024	2023
Salaries and remuneration	1,171	1,018
of which, variable salary	-	-
Social security expenses	638	592
of which, pension costs	212	217
<b>Total</b>	<b>1,809</b>	<b>1,610</b>

Board of Directors and senior executives, 19 (21)	2024	2023
Salaries and remuneration	31	25
of which, fixed salary to President	11	9
of which, variable salary to President	-	-
of which, fixed salary to other senior executives	20	12
of which, variable salary to other senior executives	-	-
Social security expenses	22	16
of which, pension costs	9	7
<b>Total</b>	<b>53</b>	<b>41</b>

Total salaries, other remuneration and social security expenses	2024	2023
Salaries and remuneration	1,202	1,043
of which, variable salary	-	-
Social security expenses	660	608
of which, pension costs	221	223
<b>Total</b>	<b>1,862</b>	<b>1,651</b>

### Remuneration of the Board

Directors' fees are payable to the Chairman and members of the Board in accordance with a decision of the Annual General Meeting. Employee representatives and Board members of the Länsförsäkringar AB Group do not receive any directors' fees.

### Remuneration of senior executives

Remuneration of the President and other senior executives comprises basic salary and other benefits. Pension benefits and other benefits paid to the President and other senior executives are included as part of total remuneration. Other senior executives are the individuals who, together with the President, comprise corporate management.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



## Note 9 Employees, staff costs and remuneration of senior executives, cont.

### Remuneration and other benefits for senior executives

2024	Basic salary	Other remuneration	Pension costs	Total	Pension costs as a percentage of pensionable salary, % Defined-contribution
Mathias Collén, President and CEO	6.7	0.3	2.4	9.4	35
Björn Dalemo, Executive Vice President	4.2	0	1.5	5.6	35
Maria Engholm, Chairman of the Board	0.8	-	-	0.8	-
Eva Julin Dombrowe, Deputy Chairman of the Board	0.5	-	-	0.5	-
Örian Söderberg, Board member	0.5	-	-	0.5	-
Ricard Robbstål, Board member	0.4	-	-	0.4	-
Christian Bille, Board member	0.4	-	-	0.4	-
Karin Mattsson, Board member	0.5	-	-	0.5	-
Stig Högberg, Board member	0.3	-	-	0.3	-
Åsa Odell, Board member	0.3	-	-	0.3	-
Beatrice Kämpe Nikolausson, Board member	0.4	-	-	0.4	-
Maria Wallin Wällberg, former Board member	0.3	-	-	0.3	-
Lennart Käll, former Board member	0.2	-	-	0.2	-
<b>Other senior executives</b>					
Parent Company (5 individuals)	15.3	0.1	5.4	20.8	35
Subsidiaries (4 individuals)	12.4	0.8	4.4	17.5	35
<b>Total 2024</b>	<b>43.2</b>	<b>1.1</b>	<b>13.6</b>	<b>57.9</b>	
<b>Total remuneration from Parent Company</b>	<b>30.8</b>	<b>0.4</b>	<b>9.2</b>	<b>40.4</b>	
<b>Total remuneration from subsidiaries</b>	<b>12.4</b>	<b>0.8</b>	<b>4.4</b>	<b>17.5</b>	

2023	Basic salary	Other remuneration	Pension costs	Total	Pension costs as a percentage of pensionable salary, % Defined-contribution
Mathias Collén, President and CEO	6.0	0.2	2.1	8.3	35
Björn Dalemo, Executive Vice President from June	2.3	-	0.8	3.1	35
Maria Engholm, Chairman of the Board	1.0	-	-	1.0	-
Eva Julin Dombrowe, Deputy Chairman of the Board	0.3	-	-	0.3	-
Erik Grimlund, former Deputy Chairman of the Board	0.2	-	-	0.2	-
Örian Söderberg, Board member	0.3	-	-	0.3	-
Ricard Robbstål, Board member	0.2	-	-	0.2	-
Christian Bille, Board member	0.3	-	-	0.3	-
Lennart Käll, Board member	0.5	-	-	0.5	-
Karin Mattsson, Board member	0.5	-	-	0.5	-
Beatrice Kämpe Nikolausson, Board member	0.4	-	-	0.4	-
Maria Wallin Wällberg, Board member	0.4	-	-	0.4	-
Bengt-Erik Jansson, former Board member	0.2	-	-	0.2	-
Susanne Båsk, former Board member	0.2	-	-	0.2	-
<b>Other senior executives</b>					
Parent Company (6 individuals)	11.6	0.1	3.9	15.6	37
Subsidiaries (2 individuals)	11.6	0.3	4.1	16.0	35
<b>Total 2023</b>	<b>36.1</b>	<b>0.6</b>	<b>10.8</b>	<b>47.5</b>	
<b>Total remuneration from Parent Company</b>	<b>24.5</b>	<b>0.2</b>	<b>6.8</b>	<b>31.5</b>	
<b>Total remuneration from subsidiaries</b>	<b>11.6</b>	<b>0.3</b>	<b>4.1</b>	<b>16.0</b>	

Pension costs pertain to the impact on net profit for the year.

#### INTRODUCTION

#### STRATEGY

#### OUR OPERATIONS

#### BOARD OF DIRECTORS' REPORT

#### FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

#### OTHER INFORMATION



### Pensions

The retirement age for the President is 65. The pension is a defined-contribution plan and the pension premium is to amount to 35% of the monthly salary. The retirement age for the Executive Vice President is 65. The pension is a defined-contribution plan and the pension premium is to amount to 35% of the monthly salary. The retirement age for other senior executives is 65. The pension is a defined-contribution plan and pension premium is to amount to 35% of monthly salary.

### Severance pay

A mutual period of notice of six months applies to the President. If the company terminates employment, 12-months severance pay is paid during the period of notice. A mutual period of notice of six months applies to the Executive Vice President. If the company terminates employment, 12-months severance pay is paid during the period of notice. A mutual period of notice of six months applies to the other senior executives. If the company terminates employment, 12-months severance pay is paid during the period of notice.

### Preparation and decision-making process applied in relation to the issue of remuneration of corporate management

A Remuneration Policy for the Länsförsäkringar AB Group regulates the preparation and decision-making process for remuneration of corporate management. The Remuneration Committee prepares important remuneration decisions and decisions on measures for following up the application of the Remuneration Policy. The Board decides on remuneration and other terms of employment for corporate management and employees with overall responsibility for one of the company's control functions.

### Composition and mandate of Remuneration Committee

The composition and duties of the Remuneration Committee are regulated in the Board's formal work plan. The Remuneration Committee comprises the Chairman and one Board member.

### Policies for remuneration of corporate management

Senior executives in the Länsförsäkringar AB Group are to have market-based employment terms and conditions. The total remuneration must be on par with the industry. The structure and level of remuneration should correspond to the company's values, meaning that it should be reasonable, moderate and well-balanced, and also contribute

to good ethics and organisational culture, characterised by openness and transparency.

### Fixed remuneration

Fixed remuneration is paid according to the general policy above.

### Pensions

Pensions should comply with the terms of the collective agreements between the Swedish Insurance Employers' Association (FAO), Forena and the Swedish Confederation of Professional Associations (SACO).

### Other benefits

In addition to the above benefits, a company car, health care insurance and other benefits are offered to all employees.

Loans to senior executives	31 Dec 2024	31 Dec 2023
Board members	32	25
President and Executive Vice President	14	16
Other senior executives	11	14
<b>Total</b>	<b>57</b>	<b>55</b>

Personnel mortgages granted comprise personnel loans and unsecured loans. Personnel loans and unsecured loans carry terms comparable to what applies for other customers. The interest rate for personnel mortgages is based on the best customer rate in LF, but is also adjusted to current market rates. The interest for unsecured loans is the government funding rate on 30 November last year, plus 1.5%.

Number of women among senior executives, %	31 Dec 2024	31 Dec 2023
Board members	58	50
Other senior executives	43	29

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



**Note 10 Investment income, net**

	2024	2023
<b>Dividends</b>		
Dividends received on shares and participations	1	3
Dividends received on shares and participations, Group companies and Group contributions received from Group and associated companies	1	1
	1,494	926
<b>Total dividends</b>	<b>1,497</b>	<b>930</b>
<b>Interest income</b>		
Bonds and other interest-bearing securities	132	107
Interest-bearing securities issued by Group companies	2	1
Derivatives	3	7
Financial assets that are not measured at fair value through profit or loss	14	17
Other interest income	5	-
Other interest income Group companies	45	51
<b>Total interest income</b>	<b>200</b>	<b>182</b>
<b>Realised profit, net</b>		
Shares and participations	107	50
Bonds and other interest-bearing securities	0	8
Interest-bearing securities issued by Group companies	0	-0
Derivatives	-2	12
<b>Total realised profit, net</b>	<b>105</b>	<b>70</b>
<b>Unrealised profit, net</b>		
Shares and participations	97	116
Shares and participations in Group companies	80	-117
Bonds and other interest-bearing securities	9	46
Interest-bearing securities issued by Group companies	1	2
Derivatives	0	1
<b>Total unrealised profit, net</b>	<b>187</b>	<b>47</b>
<b>Exchange-rate gains/losses, net</b>	<b>-26</b>	<b>18</b>
<b>Interest expense</b>		
Derivatives	-5	-9
Financial liabilities that are not measured at fair value through profit or loss	-8	-9
Other interest expense	-2	-0
<b>Total interest expense</b>	<b>-16</b>	<b>-18</b>
<b>Asset management expenses</b>	<b>-35</b>	<b>-67</b>
<b>Other financial expenses</b>	<b>-1</b>	<b>-2</b>
<b>Translation, annuity reserve</b>	<b>-2</b>	<b>-8</b>
<b>Total investment income, net</b>	<b>1,908</b>	<b>1,153</b>
<b>Investment income by measurement category</b>		
Financial assets measured at FVPL	348	345
Financial assets measured at FVPL, Group companies	84	-113
Financial assets measured at amortised cost	13	17
Financial assets measured at amortised cost, Group companies	0	-
Financial liabilities measured at amortised cost	-8	-9
<b>Items not specified by category</b>		
Other items	-68	-60
Other items, Group companies	1,539	973
<b>Total investment income, net</b>	<b>1,908</b>	<b>1,153</b>

**Note 11 Other income and expenses**

	2024	2023
Income from service operations <sup>1)</sup>	4,241	4,147
Expenses for service operations	-4,759	-4,749
<b><sup>1)</sup> Income from contracts with customers</b>	<b>2024</b>	<b>2023</b>
Income from companies in the Länsförsäkringar AB Group	1,511	1,485
Income from Länsförsäkringar Liv	133	163
Income from the regional insurance companies	2,521	2,409
Income from external customers	76	90
<b>Total income from contracts with customers</b>	<b>4,241</b>	<b>4,147</b>

Other income was, in its entirety, classified as income from contracts with customers.

**Note 12 Taxes**

	2024	2023
Current tax	-106	-40
<b>Total current tax</b>	<b>-106</b>	<b>-40</b>
<b>Deferred tax</b>		
Deferred tax expense pertaining to temporary differences	-3	1
<b>Total deferred tax</b>	<b>-3</b>	<b>1</b>
<b>Total recognised tax income/expense</b>	<b>-109</b>	<b>-39</b>
	<b>2024</b>	<b>2023</b>
<b>Reconciliation of effective tax rate</b>		
Profit before tax	1,580	661
Tax at applicable tax rate	-326	-136
Tax on non-deductible costs	-15	-58
Tax on non-taxable income	236	155
Tax attributable to earlier years	-1	-1
Reversal of deferred tax liabilities	-3	1
<b>Total tax on net profit for the year</b>	<b>-109</b>	<b>-39</b>
Current tax rate, %	20.6	20.6
Effective tax rate, %	6.9	6.0
<b>Tax items recognised in other comprehensive income</b>		
Tax on financial assets measured at FVOCI	-1	1
<b>Total Tax attributable to other comprehensive income</b>	<b>-1</b>	<b>1</b>

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

Group

- Parent Company

Auditor's report

**OTHER INFORMATION**

## Note 12 Taxes, cont.

Recognised deferred tax assets and tax liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Net	
	2024	2023	2024	2023	2024	2023
<b>31 December</b>						
Pension provisions	-20	-18			-20	-18
Liabilities			12	7	12	7
<b>Deferred tax assets (-) / tax liabilities (+)</b>	<b>-20</b>	<b>-18</b>	<b>12</b>	<b>7</b>	<b>-9</b>	<b>-11</b>
<b>Net deferred tax assets (-) / tax liabilities (+)</b>	<b>-20</b>	<b>-18</b>	<b>12</b>	<b>7</b>	<b>-9</b>	<b>-11</b>

The company has no temporary differences with tax effects in Group and associated companies.

### Change in deferred tax in temporary differences

	Amount on 1 January	Recognised in equity	Recognised in profit	Amount on 31 December
<b>2024</b>				
Pension provisions	-18	-	-2	-20
Liabilities	7	-	4	11
<b>Deferred tax assets (-) / tax liabilities (+)</b>	<b>-11</b>	<b>-</b>	<b>2</b>	<b>-9</b>

	Amount on 1 January	Recognised in equity	Recognised in profit	Amount on 31 December
<b>2023</b>				
Pension provisions	-11	-	-8	-18
Liabilities	-	-	7	7
<b>Deferred tax assets (-) / tax liabilities (+)</b>	<b>-11</b>	<b>-</b>	<b>0</b>	<b>-11</b>

## Note 13 Goodwill

	2024	2023
Opening and closing acquisition	144	144
Opening and closing amortisation	-144	-144
<b>Carrying amount at year-end</b>	<b>-</b>	<b>-</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



## Note 14 Other intangible assets

Capitalised expenditure for development and acquired intangible assets

Capitalised expenses	Internally generated IT systems	Acquired IT systems	Acquired customer-based assets	Total
<b>Cost</b>				
Opening cost, 1 January 2023	895	205	323	1,423
Acquisitions	243	-	-	243
Divestments/disposals	-	-	-	-
<b>Closing cost, 31 December 2023</b>	<b>1,138</b>	<b>205</b>	<b>323</b>	<b>1,666</b>
Opening cost, 1 January 2024	1,138	205	323	1,666
Acquisitions	233	-	-	233
Divestments/disposals	-	-	-	-
<b>Closing cost, 31 December 2024</b>	<b>1,371</b>	<b>205</b>	<b>323</b>	<b>1,899</b>
<b>Amortisation</b>				
Opening accumulated amortisation, 1 January 2023	-179	-126	-323	-629
Amortisation	-3	-40	-	-43
Divestments/disposals	-	-	-	-
<b>Closing accumulated amortisation, 31 December 2023</b>	<b>-182</b>	<b>-166</b>	<b>-323</b>	<b>-672</b>
Opening accumulated amortisation, 1 January 2024	-182	-166	-323	-672
Amortisation	-39	-3	-	-42
Reclassification	-37	37	-	-
Divestments/disposals	-	-	-	-
<b>Closing accumulated amortisation, 31 December 2024</b>	<b>-258</b>	<b>-132</b>	<b>-323</b>	<b>-714</b>
<b>Impairment</b>				
Opening accumulated impairment, 1 January 2023	-406	-65	-	-470
Impairment	-	-	-	-
<b>Closing accumulated impairment, 31 December 2023</b>	<b>-406</b>	<b>-65</b>	<b>-</b>	<b>-470</b>
Opening accumulated impairment, 1 January 2024	-406	-65	-	-470
Impairment	-	-	-	-
<b>Closing accumulated impairment, 31 December 2024</b>	<b>-406</b>	<b>-65</b>	<b>-</b>	<b>-470</b>
<b>Carrying amount, 31 December</b>				
2023	551	-26	-	525
<b>2024</b>	<b>707</b>	<b>8</b>	<b>-</b>	<b>715</b>

The periods of amortisation for internally generated and acquired IT systems are determined based on a useful life that varies between three and 20 years. Acquired customer-based assets are amortised over a period of 8 or 25 years. Straight-line amortisation is applied consistently and all amortisation and impairment are recognised in profit or loss as Other administration expenses.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



## Note 15 Shares and participations in Group companies, cont.

Company name	Corporate Registration Number	Registered office	Number of shares and participations	Participating interest	Equity 31 Dec 2024	Of which profit 2024	Carrying amount 31 Dec 2024	Cost	Fair value <sup>1)</sup>
Försäkringsaktiebolaget Agria (publ)	516401-8003	Stockholm	40,000	100	1,627	84	1,104	1,104	1,878
Lf Sak Fastighets AB	556683-6416	Stockholm	1,000	100	343	0	1,868	68	1,868
Länsförsäkringar Bank AB (publ)	516401-9878	Stockholm	9,548,708	100	22,436	1,771	9,230	9,230	23,141
Länsförsäkringar Fondliv Försäkrings AB (publ)	516401-8219	Stockholm	10,000	100	3,588	511	5,555	5,555	14,266
Grupplivförsäkringsaktiebolag (publ)	516401-6692	Stockholm	28,000	100	92	62	239	239	192
Länsförsäkringar Hälsojänster AB	559459-6164	Stockholm	100,000	100	95	-19	90	90	69
<b>Total, 31 Dec 2024</b>					<b>28,182</b>	<b>2,409</b>	<b>18,085</b>	<b>16,286</b>	<b>41,414</b>
<b>Total, 31 Dec 2023</b>					<b>27,234</b>	<b>2,547</b>	<b>17,855</b>	<b>16,136</b>	<b>39,004</b>

<sup>1)</sup> The valuation technique for calculating fair value is described in note 35 Classification of financial assets and liabilities.

Cost	31 Dec 2024	31 Dec 2023
Opening balance	16,236	16,236
Acquisition of Länsförsäkringar Hälsojänster AB	0	-
Shareholders' contributions, Länsförsäkringar Hälsojänster AB	60	-
Group contributions, Länsförsäkringar Hälsojänster AB	30	-
Group contributions, Försäkringsaktiebolaget Agria (publ)	60	-
<b>Closing balance</b>	<b>16,386</b>	<b>16,236</b>
<b>Accumulated impairment</b>	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
Opening balance	-100	-100
<b>Closing balance</b>	<b>-100</b>	<b>-100</b>
<b>Carrying amount</b>	<b>16,286</b>	<b>16,136</b>

## Note 16 Interest-bearing securities issued by Group companies and loans to Group companies

	31 Dec 2024	31 Dec 2023
Listed bonds,	-	-
Länsförsäkringar Hypotek AB (publ)	24	87
<b>Total fair value</b>	<b>24</b>	<b>87</b>
Amortised cost	24	87

## Note 17 Shares and participations in associated companies, cont.

Company name	Corporate Registration Number	Registered office	Number of shares and participations	Participating interest	Equity 31 Dec 2024 <sup>2)</sup>	Of which profit 2024 <sup>2)</sup>	Carrying amount 31 Dec 2024 <sup>3)</sup>	Carrying amount 31 Dec 2023 <sup>3)</sup>	Cost
Baby Journey AB <sup>1)</sup>	559214-9966	Stockholm	907	16.7	34.6	1.8	50.6	51.8	50.0
CAB Group AB	556131-2223	Örebro	1,582	28.8	141.6	-6.0	40.1	45.4	10.7
European Alliance Partners Company AG <sup>1)</sup>	CH-0203026423-1	Zurich	9,248	12.5	80.0	-11.3	13.6	12.8	6.0
Omocom AB	559097-2377	Stockholm	2,270,147	39.6	108.7	4.4	78.8	81.6	80.0
<b>Total</b>						<b>-11.1</b>	<b>183.0</b>	<b>191.6</b>	<b>146.7</b>

<sup>1)</sup> The reason that European Alliance Partners Company AG and Baby Journey AB are classified as associated companies despite the fact that the participating interests are less than 20% is that Länsförsäkringar AB is deemed to have a significant influence in the companies. Länsförsäkringar AB is represented on the companies' Boards and is entitled to participate in all decisions to be made, including strategic issues and issues regarding guidelines, budget and business plans. Furthermore, a large amount of information is exchanged with the companies.

<sup>2)</sup> 100% of the associated companies' equity and earnings.

<sup>3)</sup> The amounts stated refer to Länsförsäkringar AB's equity share calculated according to IFRS.

All shares and participations are unlisted.



### INTRODUCTION

### STRATEGY

### OUR OPERATIONS

### BOARD OF DIRECTORS' REPORT

### FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

### OTHER INFORMATION

**Note 17 Shares and participations in associated companies, cont.**

	31 Dec 2024	31 Dec 2023
<b>Cost</b>		
Opening balance	147	95
Added and deducted assets	-	52
<b>Closing balance</b>	<b>147</b>	<b>147</b>
<b>Cost</b>	<b>147</b>	<b>147</b>
<b>Carrying amount</b>	<b>183</b>	<b>192</b>

**Note 18 Shares and participations**

	31 Dec 2024	31 Dec 2023
Listed shares and participations	1,015	934
Unlisted shares and participations	157	150
<b>Total shares and participations</b>	<b>1,172</b>	<b>1,084</b>
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
Fair value	1,172	1,084
Cost	755	778

**Note 20 Derivatives**

	Fair values 31 Dec 2024	Nominal amount 31 Dec 2024	Fair values 31 Dec 2023	Nominal amount 31 Dec 2023
<b>Derivatives with positive values or valued at zero</b>				
Interest-rate derivatives	-	-	-	-
Currency derivatives	24	506	14	256
	<b>24</b>	<b>506</b>	<b>14</b>	<b>256</b>
<b>Derivatives with negative values</b>				
Interest-rate derivatives	-	-	0	269
Currency derivatives	36	495	29	670
	<b>36</b>	<b>495</b>	<b>29</b>	<b>939</b>

**Note 19 Bonds and other interest-bearing securities**

	31 Dec 2024	31 Dec 2023
<b>Issuer</b>		
Swedish mortgage institutions	471	1,523
Other Swedish issuers	835	1,433
Foreign states	76	77
Other foreign issuers	958	864
<b>Total fair value</b>	<b>2,340</b>	<b>3,897</b>
Amortised cost	2,329	3,895
<b>Market status</b>		
Listed securities	1,885	3,367
Unlisted securities	456	530
<b>Total</b>	<b>2,340</b>	<b>3,897</b>
<b>Carrying amounts compared with nominal amounts</b>		
<b>Total surplus</b>	<b>17</b>	<b>13</b>
<b>Total deficit</b>	<b>-46</b>	<b>-99</b>

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

Group

– Parent Company

Auditor's report

**OTHER INFORMATION**

## Note 21 Information about offsetting

The table shows the financial instruments covered by a legally binding agreement regarding netting or a similar agreement, together with related collateral. The company has ISDA and CSA agreements with all derivative counterparties, which means that all exposures are covered by these types of agreements. The agreements entitle the parties to offset liabilities and receivables in the event of suspension of payment or insolvency. The net amount comprises the amount that in the event of suspension of payment or insolvency would be received if the amount is an asset, or paid if the amount is a liability.

### Financial assets and liabilities that are offset or subject to netting agreements

31 Dec 2024	Gross amount	Offset in balance sheet	Related amounts not offset in the balance sheet			Net amount
			Net amounts in balance sheet	Netting frame-work agreement	Collateral Received (-) / Pledged (+)	
<b>Assets</b>						
Derivatives	24	-	24	-12	21	34
<b>Liabilities</b>						
Derivatives	-36	-	-36	12	-9	-33
<b>Total</b>	<b>-11</b>	<b>-</b>	<b>-11</b>	<b>-</b>	<b>12</b>	<b>1</b>

### Financial assets and liabilities that are offset or subject to netting agreements

31 Dec 2023	Gross amount	Offset in balance sheet	Related amounts not offset in the balance sheet			Net amount
			Net amounts in balance sheet	Netting frame-work agreement	Collateral Received (-) / Pledged (+)	
<b>Assets</b>						
Derivatives	14	-	14	-10	20	24
<b>Liabilities</b>						
Derivatives	-29	-	-29	10	-4	-23
<b>Total</b>	<b>-15</b>	<b>-</b>	<b>-15</b>	<b>-</b>	<b>16</b>	<b>1</b>

## Note 22 Receivables, direct insurance

	31 Dec 2024	31 Dec 2023
Receivables, policyholders	528	528
Receivables, insurance brokers	111	62
Receivables, insurance companies	6	0
<b>Total</b>	<b>644</b>	<b>590</b>

## Note 24 Prepaid expenses and accrued income

	2024	2023
Other accrued income	55	48
Prepaid expenses	390	393
<b>Total</b>	<b>445</b>	<b>441</b>

## Note 23 Other receivables

	31 Dec 2024	31 Dec 2023
Receivables, Group companies	571	289
Other receivables	258	252
<b>Total</b>	<b>829</b>	<b>541</b>

The company does not have any loss allowance for financial receivables as per 31 December 2024.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



## Note 25 Property and equipment

Leasehold improvements	2024	2023
<b>Cost</b>		
Opening cost, 1 January	354	230
Acquisitions	17	124
Divestments/disposals	-	-
<b>Closing cost, 31 December</b>	<b>371</b>	<b>354</b>
<b>Depreciation</b>		
Opening accumulated depreciation		
1 January	-40	-10
Depreciation	-69	-30
Divestments/disposals	-	-
<b>Closing accumulated depreciation 31 December</b>	<b>-109</b>	<b>-40</b>
<b>Impairment</b>		
Opening accumulated impairment		
1 January	-	-
<b>Closing accumulated impairment 31 December</b>	<b>-</b>	<b>-</b>
<b>Carrying amount, 31 December</b>	<b>262</b>	<b>314</b>
<b>Equipment</b>		
<b>Cost</b>		
Opening cost, 1 January	87	59
Acquisitions	7	32
Divestments/disposals	-5	-4
<b>Closing cost, 31 December</b>	<b>89</b>	<b>87</b>
<b>Depreciation</b>		
Opening accumulated depreciation		
1 January	-20	-10
Depreciation	-22	-13
Divestments/disposals	3	3
<b>Closing accumulated depreciation 31 December</b>	<b>-39</b>	<b>-20</b>
<b>Impairment</b>		
Opening accumulated impairment		
1 January	-	-
<b>Closing accumulated impairment, 31 December</b>	<b>-</b>	<b>-</b>
Carrying amount, 31 December	50	67
	2024	2023
<b>Total carrying amount, 31 December</b>	<b>312</b>	<b>381</b>

Equipment includes SEK 2 M (2) representing works of art that are not depreciated. Accumulated impairment for art amounted to SEK 0 M (0).

## Note 26 Deferred acquisition costs

	31 Dec 2024	31 Dec 2023
Opening deferred acquisition costs	66	76
Depreciation for the year	-167	-171
Capitalisation for the year	171	161
<b>Total</b>	<b>70</b>	<b>66</b>
Opening Reinsurers' portion of deferred acquisition costs	5	5
Depreciation for the year	-14	-14
Capitalisation for the year	16	14
<b>Total</b>	<b>6</b>	<b>5</b>
<b>Total</b>	<b>63</b>	<b>61</b>

All acquisition costs have a depreciation period of less than one year.

## Note 27 Equity

A specification of changes in equity is presented on the Statement of changes in equity

		31 Dec 2024
Shares at a quotient value of SEK 19.19	Votes per share	Number
Series A	10	1,532,678
Series B	1	8,885,949
Series C	1	5,955
<b>Number of shares outstanding</b>		<b>10,424,582</b>

		31 Dec 2023
Shares at a quotient value of SEK 19.19	Votes per share	Number
Series A	10	1,532,678
Series B	1	8,885,949
Series C	1	5,955
<b>Number of shares outstanding</b>		<b>10,424,582</b>

### Restricted reserves

Restricted reserves may not be reduced through profit distribution.

### Development Expenditures Fund

Provisions to the Development Expenditures Fund include expenses for internally generated intangible assets. The fund is dissolved as the intangible assets are amortised.

### Statutory reserve

The aim of the statutory reserve is to save a portion of the net profit that is not utilised to cover losses brought forward. The statutory reserve comprises restricted equity. No new transfers to the statutory reserve are required, although transfers can be made voluntarily.

### Non-restricted equity

#### Fair value reserve

The fair value reserve comprises the accumulated net change in the fair value of financial assets measured at FVOCI until the asset is de-recognised from the balance sheet.

#### Retained earnings

Retained earnings comprises profit brought forward from the preceding year after deductions for any dividends paid during the year.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



**Note 27 Equity, cont.****Shareholdings in Länsförsäkringar AB****Number of shares**

<b>Company</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>Sharer of equity, %</b>
Länsförsäkringar Skåne	141,849	882,046	-	9.8%
Länsförsäkringar Stockholm	129,212	802,382	-	8.9%
Länsförsäkringar Östgöta	114,155	663,463	-	7.5%
Dalarnas Försäkringsbolag	104,708	609,639	-	6.9%
Länsförsäkringar Göteborg och Bohuslän	87,010	605,143	821	6.6%
Länsförsäkringar Älvsborg	100,176	581,374	-	6.5%
Länsförsäkringar Bergslagen	86,351	495,089	-	5.6%
Länsförsäkringar Jönköping	82,812	474,021	-	5.3%
Länsförsäkringar Uppsala	73,298	424,791	-	4.8%
Länsförsäkringar Västerbotten	57,195	330,919	-	3.7%
Länsförsäkringar Halland	56,785	329,857	-	3.7%
Länsförsäkringar Södermanland	58,117	323,139	-	3.7%
Länsförsäkringar Göinge-Kristianstad	49,982	322,347	-	3.6%
Länsförsäkringar Kalmar län	56,717	295,878	-	3.4%
Länsförsäkringar Gävleborg	60,058	281,083	-	3.3%
Länsförsäkringar Skaraborg	64,058	253,172	-	3.0%
Länsförsäkringar Västernorrland	50,186	257,122	-	2.9%
Länsförsäkringar Jämtland	35,795	226,453	-	2.5%
Länsförsäkring Kronoberg	36,701	203,130	-	2.3%
Länsförsäkringar Värmland	31,160	202,208	-	2.2%
LF Norrbotten	16,960	127,878	-	1.4%
Länsförsäkringar Blekinge	23,088	120,500	-	1.4%
Länsförsäkringar Gotland	16,305	74,315	-	0.9%
14 local insurance companies	-	-	5,134	0.0%
<b>Total number of shares</b>	<b>1,532,678</b>	<b>8,885,949</b>	<b>5,955</b>	<b>100.0%</b>

**Note 28 Unearned premiums and unexpired risks**

	31 Dec 2024			31 Dec 2023		
	Gross	Reinsurers' portion	Net	Gross	Reinsurers' portion	Net
<i>Unearned premiums</i>						
Opening balance	1,252	500	751	1,160	442	718
Provisions for the period	71	22	49	89	58	32
Exchange-rate changes	10	2	8	2	0	2
<b>Closing balance</b>	<b>1,333</b>	<b>525</b>	<b>808</b>	<b>1,252</b>	<b>500</b>	<b>751</b>
<i>Unexpired risks</i>						
Opening balance	70	62	8	65	55	10
Provisions for the period	29	3	26	5	7	-2
<b>Closing balance</b>	<b>99</b>	<b>65</b>	<b>34</b>	<b>70</b>	<b>62</b>	<b>8</b>
<b>Total unearned premiums and unexpired risks</b>	<b>1,432</b>	<b>590</b>	<b>842</b>	<b>1,321</b>	<b>562</b>	<b>759</b>

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

Group

– Parent Company

Auditor's report

**OTHER INFORMATION**

## Note 29 Claims outstanding

	31 Dec 2024			31 Dec 2023		
	Gross	Reinsurers' portion	Net	Gross	Reinsurers' portion	Net
Claims incurred and reported	5,054	3,487	1,567	5,243	3,650	1,593
Claims incurred and not reported	4,708	3,345	1,364	4,992	3,590	1,402
Annuities	1,605	1,331	275	1,555	1,289	266
Claims adjustment costs	253	-	253	242	-	242
<b>Total opening balance</b>	<b>11,621</b>	<b>8,163</b>	<b>3,458</b>	<b>12,032</b>	<b>8,530</b>	<b>3,503</b>
Provisions for the period	-1,449	-1,350	-99	-425	-365	-60
Exchange-rate changes	50	6	44	-14	-2	-12
Effect of interest rate revaluations for annuities	9	-	9	28	-	28
<b>Total change for the year</b>	<b>-1,390</b>	<b>-1,344</b>	<b>-46</b>	<b>-411</b>	<b>-367</b>	<b>-44</b>
Claims incurred and reported	4,617	3,151	1,466	5,054	3,487	1,567
Claims incurred and not reported	3,761	2,351	1,411	4,709	3,345	1,364
Annuities	1,591	1,317	274	1,605	1,331	274
Claims adjustment costs	261	-	261	253	-	253
<b>Total closing balance</b>	<b>10,231</b>	<b>6,819</b>	<b>3,412</b>	<b>11,621</b>	<b>8,163</b>	<b>3,458</b>

The provision for claims outstanding should cover anticipated future payments for all claims incurred, including claims that have not yet been reported to the company, known as IBNR provisions. The provision also includes anticipated future payments including all expenses for claims adjustment. Accepted actuarial methods are used as a basis for estimating provision requirements. The discount rate curve defined by the EIOPA is used to calculate annuities. This curve has been produced to correspond to a risk-free interest rate term structure and is based on market data for Swedish swap rates. A macroeconomic assumption of a long-term interest rate of 3.3% is also included. Other insurance is not discounted.

## Note 30 Pensions and similar commitments

	31 Dec 2024	31 Dec 2023
Provisions for pensions	61	63
Other provisions	8	9
<b>Total provisions for pensions</b>	<b>69</b>	<b>72</b>

Pension provisions of SEK 61 M (63) are encompassed by the Pension Obligations Vesting Act.

### Defined-benefit pension plans

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

### Defined-contribution pension plans

Defined-contribution pension plans are plans according to which the company pays fixed contributions to a separate legal entity and does not have a legal or informal obligation to pay additional contributions. The Group's payments to defined-contribution plans are recognised as expenses during the period in which the employee performed the services to which the contributions refer. Primarily, contributions to the Insurance Industry's Pension Fund (FPK) are recognised here. This plan encompasses all employees except for a few individuals who have individual solutions. The pension agreement for the insurance industry, the FTP plan, through insurance with the FPK, is a multi-employer defined-benefit pension plan. According to IAS 19 Employee Benefits, this pension plan entails that a company is, as a rule, to recognise its proportional share of the defined-benefit pension commitment and the plan assets and expenses associated with the pension commitment. FTP plan contributions for 2025 are expected to total SEK 55 M.

	2024	2023
<b>Expenses for defined-contribution plans</b>	<b>193</b>	<b>179</b>

## Note 31 Other provisions

	31 Dec 2024	31 Dec 2023
Provision for interest subsidies for personal loans to former employees who have retired	10	12
Other provisions	13	12
<b>Total</b>	<b>23</b>	<b>24</b>

## Note 32 Liabilities, direct insurance

	31 Dec 2024	31 Dec 2023
Liabilities to policyholders	514	579
Liabilities to insurance brokers	5	8
Liabilities to insurance companies	5	4
<b>Total</b>	<b>523</b>	<b>591</b>

## Note 33 Other liabilities

	31 Dec 2024	31 Dec 2023
Liabilities, Group companies	1,419	817
Liabilities, Länsförsäkringar Liv Försäkrings AB	4	8
Other liabilities	180	377
<b>Total</b>	<b>1,603</b>	<b>1,202</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



**Note 34 Other accrued expenses and deferred income**

	31 Dec 2024	31 Dec 2023
Accrued holiday and overtime remuneration	118	107
Social security expenses	49	39
Special employer's contribution	53	48
Provisions for staff costs	28	16
Premiums, received but not due	185	131
Other accrued expenses	217	286
Other deferred income	52	56
<b>Total</b>	<b>702</b>	<b>683</b>

**Note 35 Classification of financial assets and liabilities**

	Financial assets measured at FVPL	Financial assets measured at FVOCI			Total carrying amount	Fair value
	Measured at FVPL	Financial assets measured at amortised cost	Debt instruments measured at FVOCI	Equity instruments		
<b>31 Dec 2024</b>						
<b>ASSETS</b>						
Interest-bearing securities issued by Group companies and loans to Group companies	24	-	-	-	24	24
Shares and participations	1,015	-	-	157	1,172	1,172
Shares in Länsförsäkringar Liv Försäkrings AB <sup>1)</sup>	-	-	-	8	8	8
Shares and participations in Group companies	1,868	-	-	-	1,868	1,868
Shares and participations in associated companies	183	-	-	-	183	183
Bonds and other interest-bearing securities	2,340	-	-	-	2,340	2,340
Derivatives	24	-	-	-	24	24
Other receivables	-	341	-	-	341	341
Cash and bank balances	-	4,696	-	-	4,696	4,696
Prepaid expenses and accrued income	-	55	-	-	55	55
<b>Total</b>	<b>5,455</b>	<b>5,092</b>	<b>-</b>	<b>165</b>	<b>10,713</b>	<b>10,713</b>

	Financial liabilities measured at FVPL	Financial liabilities measured at amortised cost	Total carrying amount	Fair value
<b>LIABILITIES</b>				
Derivatives	36	-	36	36
Other liabilities	-	1,461	1,461	1,461
Accrued expenses and deferred income	-	217	217	217
<b>Total</b>	<b>36</b>	<b>1,678</b>	<b>1,714</b>	<b>1,714</b>

The carrying amounts of assets classified as Financial assets measured at amortised cost and liabilities classified as Financial liabilities measured at amortised cost comprise a reasonable approximation of the fair value based on the cost of the assets and liabilities since these assets and liabilities have short terms.

**INTRODUCTION****STRATEGY****OUR OPERATIONS****BOARD OF DIRECTORS' REPORT****FINANCIAL STATEMENTS**

Five-year summary

Group

– Parent Company

Auditor's report

**OTHER INFORMATION**

## Note 35 Classification of financial assets and liabilities, cont.

31 Dec 2023	Financial assets measured at FVPL		Financial assets measured at FVOCI			Total carrying amount	Fair value
	Measured at FVPL	Financial assets measured at amortised cost	Debt instruments measured at FVOCI	Equity instruments			
<b>ASSETS</b>							
Interest-bearing securities issued by Group companies and loans to Group companies	87	-	-	-	87	87	
Shares and participations	934	-	-	150	1,084	1,084	
Shares in Länsförsäkringar Liv Försäkrings AB <sup>1)</sup>	-	-	-	8	8	8	
Shares and participations in Group companies	1,788	-	-	-	1,788	1,788	
Shares and participations in associated companies	192	-	-	-	192	192	
Bonds and other interest-bearing securities	3,897	-	-	-	3,897	3,897	
Derivatives	14	-	-	-	14	14	
Other receivables	-	336	-	-	336	336	
Cash and bank balances	-	2,460	-	-	2,460	2,460	
Prepaid expenses and accrued income	-	48	-	-	48	48	
<b>Total</b>	<b>6,910</b>	<b>2,844</b>	<b>-</b>	<b>159</b>	<b>9,913</b>	<b>9,913</b>	

	Financial liabilities measured at FVPL	Financial liabilities measured at amortised cost	Total carrying amount	Fair value
<b>LIABILITIES</b>				
Derivatives	29	-	29	29
Other liabilities	-	1,152	1,152	1,152
Accrued expenses and deferred income	-	286	286	286
<b>Total</b>	<b>29</b>	<b>1,438</b>	<b>1,467</b>	<b>1,467</b>

The carrying amounts of assets classified as Financial assets measured at amortised cost and liabilities classified as Financial liabilities measured at amortised cost comprise a reasonable approximation of the fair value based on the cost of the assets and liabilities since these assets and liabilities have short terms.

### Fair value valuation techniques

Financial assets and liabilities measured at fair value in the balance sheet are presented in the table based on the valuation techniques applied:

Level 1 refers to prices determined from prices listed in an active market.

Level 2 refers to prices determined by calculated prices of observable market data.

Level 3 refers to prices based on own assumptions and judgements.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



## Note 35 Classification of financial assets and liabilities, cont.

	31 Dec 2024				31 Dec 2023			
ASSETS	Level 1	Level 2	Level 3	Total carrying amount	Level 1	Level 2	Level 3	Total carrying amount
Interest-bearing securities issued by Group companies and loans to Group companies	24	-	-	24	87	-	-	87
Shares and participations	1,015	-	157	1,172	934	-	150	1,084
Shares and participations in Group companies	-	-	1,868	1,868	-	-	1,788	1,788
Shares and participations in associated companies	-	-	183	183	-	-	192	192
Shares in Länsförsäkringar Liv AB	-	-	8	8	-	-	8	8
Bonds and other interest-bearing securities	1,885	-	456	2,341	3,367	-	530	3,897
Derivatives	-	24	-	24	-	14	-	14
<b>LIABILITIES</b>								
Derivatives	-	36	-	36	0	29	-	29

There were no significant transfers between Level 1 and Level 2 in 2024. There were no transfers from Level 3 in 2024. Most of the holdings in Level 3 comprise directly owned equities, associated companies and Group companies 83% (80). The remainder of Level 3 comprises Private Debt funds 17% (20). Shares and participations in Level 3 are measured at equity per share based on the most recent company report. Shares in Länsförsäkringar Liv Försäkrings AB are valued at the company's share capital. The life-assurance operations are conducted according to mutual principles through Länsförsäkringar Liv Försäkrings AB, whose earnings are not distributed to the owner; instead they accrue in their entirety to the policyholders. Delisted, insolvent companies are measured at zero, if no other listing can be found. Bonds and other interest-bearing securities that are not listed in an active market comprise interest-bearing, unlisted loans that are valued using unobservable market data and are classified according to measurement Level 3. Valuations are performed by external managers based on generally accepted valuation techniques, which means that the underlying holdings held by the issuer of the loan are valued based on relevant observable market data wherever available, and holdings for which market data is not available are measured at a fair value corresponding to the cost adjusted for any impairment. Gains and losses are recognised in profit or loss under Investment income, revenue and Investment income, expenses.

### Shares and participations measured at cost in the balance sheet

The fair value (Level 3) of shares and participations was measured at equity per share based on the most recent company report and, where appropriate, plus outstanding acquired goodwill or surpluses in properties.

Change Level 3	Shares in Länsförsäkringar Liv Försäkrings AB	Shares and participations	Bonds and other interest-bearing securities	Shares and participations in Group companies	Shares and participations in associated companies	Total
Opening balance, 1 January 2023	8	156	573	1,905	126	2,768
Acquisitions	-	-	5	-	80	85
Divestments	-	-	-34	-	-28	-62
Recognised in profit or loss	-	-6	-14	-116	15	-121
<b>Closing balance, 31 December 2023</b>	<b>8</b>	<b>150</b>	<b>530</b>	<b>1,789</b>	<b>193</b>	<b>2,670</b>
Opening balance, 1 January 2024	8	150	530	1,789	193	2,670
Acquisitions	-	2	1	-	-	3
Divestments	-	-	-62	-	-	-62
Recognised in profit or loss	-	-	-13	80	-9	58
Recognised in other comprehensive income	-	4	-	-	-	4
<b>Closing balance, 31 December 2024</b>	<b>8</b>	<b>157</b>	<b>456</b>	<b>1,868</b>	<b>183</b>	<b>2,674</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



### Note 36 Anticipated recovery and settlement periods, amounts expected to be recovered

	31 Dec 2024			31 Dec 2023		
	Not more than 1 year	More than 1 year	Total	Not more than 1 year	More than 1 year	Total
<b>Assets</b>						
Other intangible assets <sup>1)</sup>	42	674	715	43	481	524
Shares and participations in Group companies	-	18,085	18,085	-	17,855	17,855
Shares and participations in associated companies	-	183	183	-	192	192
Shares in Länsförsäkringar Liv Försäkrings AB	-	8	8	-	8	8
Interest-bearing securities issued by Group companies and loans to Group companies	-	24	24	-	87	87
Shares and participations	-	1,172	1,172	-	1,084	1,084
Bonds and other interest-bearing securities	181	2,159	2,340	2,051	1,846	3,897
Derivatives	24	-	24	14	-	14
Deposits with companies that have ceded reinsurance	104	-	104	136	-	136
Reinsurers' portion of technical provisions	1,223	6,186	7,409	1,473	7,253	8,725
Receivables pertaining to direct insurance	644	-	644	590	-	590
Receivables, reinsurance	359	-	359	380	-	380
Other receivables	829	-	829	541	-	541
Property and equipment <sup>1)</sup>	92	221	312	43	338	381
Cash and bank balances	4,696	-	4,696	2,460	-	2,460
Deferred tax assets	-	20	20	-	18	18
Other assets	18	-	18	86	-	86
Prepaid expenses and accrued income	515	-	515	507	-	507
<b>Total assets</b>	<b>8,728</b>	<b>28,733</b>	<b>37,460</b>	<b>8,325</b>	<b>29,161</b>	<b>37,486</b>
<b>Liabilities</b>						
Technical provisions	3,364	8,299	11,663	3,536	9,407	12,943
Other provisions	-	92	92	-	96	96
Deposits from reinsurers	15	-	15	9	-	9
Deferred tax liabilities	-	12	12	-	7	7
Liabilities, direct insurance	523	-	523	591	-	591
Liabilities, reinsurance	343	-	343	399	-	399
Derivatives recognised as liabilities	36	-	36	29	-	29
Other liabilities	1,603	-	1,603	1,202	-	1,202
Accrued expenses and deferred income	708	-	708	689	-	689
<b>Total liabilities</b>	<b>6,592</b>	<b>8,402</b>	<b>14,994</b>	<b>6,456</b>	<b>9,510</b>	<b>15,965</b>

<sup>1)</sup> The amount that is expected to be recovered within 12 months corresponds to depreciation for the year.

The recovery periods for securities do not reflect the liquidity in the portfolio but rather the final maturity of the securities.

#### INTRODUCTION

#### STRATEGY

#### OUR OPERATIONS

#### BOARD OF DIRECTORS' REPORT

#### FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

#### OTHER INFORMATION



## Note 37 Pledged assets and contingent liabilities

	31 Dec 2024	31 Dec 2023
<b>Pledged assets</b>		
<b>Registered assets on behalf of policyholders<sup>1)</sup></b>		
Shares and participations in Group companies	41,052	38,259
Shares and participations in associated companies	183	192
Shares and participations	1,172	1,084
Interest-bearing securities issued by Group companies and loans to Group companies	24	87
Bonds and other interest-bearing securities	2,348	3,897
Derivatives	-	-0
Receivables, direct insurance	416	345
Cash and bank balances	2,852	1,024
<b>Total registered assets</b>	<b>48,047</b>	<b>44,887</b>

<sup>1)</sup> In an insolvency situation, preferential rights accrue to policyholders to the extent stipulated in the Insurance Business Act. Assets in the preferential rights register are to be used to cover commitments to policyholders. The company's technical provisions in the Solvency II balance sheet amounted to SEK 3,506 M on 31 December 2024. The amounts in the table are for assets measured at fair value according to the Insurance Business Act.

	31 Dec 2024	31 Dec 2023
<b>Other pledged assets</b>		
Pledged bank funds	0	8
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
<b>Commitments</b>		
Amounts outstanding to invest in investment assets	105	86

Agreement with Länsförsäkringar Liv  
Länsförsäkringar AB and Länsförsäkringar Fondliv have signed a service agreement with Länsförsäkringar Liv due to Länsförsäkringar Liv's run-off. For further information, refer to the Group note 49 Pledged assets and contingent liabilities.

## Note 38 Disclosures on related parties

### Organisation

Länsförsäkringar AB is owned by the 23 regional insurance companies and 14 local insurance companies. The operations of Länsförsäkringar AB and its subsidiaries are organised into five business units: Non-life, Agria, Bank, Life and Traditional Life Assurance, and with the following units: Change Management and Communication, Economy and Finance, Customer and Channel Support, IT and Legal Affairs.

Länsförsäkringar AB purchases and owns equipment that is subsequently leased to Group companies and Länsförsäkringar Liv.

Länsförsäkringar AB leases office premises from the property owner Utile Dulci 2 HB and, in turn, lets parts of these premises to the Group companies and Länsförsäkringar Liv.

Länsförsäkringar Bank manages subsidised loans to employees on behalf of the Parent Company Länsförsäkringar AB, issued after the bank performs standard credit rating checks.

For information regarding remuneration of related key persons, such as Board members and senior executives, see note 9 Employees, staff costs and remuneration of senior executives.

Länsförsäkringar AB and Länsförsäkringar Fondliv have signed a service agreement with Länsförsäkringar Liv due to Länsförsäkringar Liv's run-off. For further information, refer to the Group note 49 Pledged assets and contingent liabilities.

### Related parties

Legal entities closely related to Länsförsäkringar AB include all of the Group companies, Länsförsäkringar Liv, the regional insurance companies and their subsidiaries, the local insurance companies and Länsförsäkringar Mäklarservice AB. Related key persons are Board members, senior executives and their close family members and companies owned by them.

### Pricing

Pricing for service operations within the Länsförsäkringar Alliance is based on direct and indirect costs. A price list is established in conjunction with the target process. Overall, pricing is intended to distribute costs within the corporate group based on consumption. Joint development projects and joint service are financed collectively and invoiced based on an established distribution key.

### Agreements

Significant agreements for Länsförsäkringar AB are primarily outsourcing agreements with Länsförsäkringar Liv regarding asset management, IT, service and development. Furthermore, agreements have been entered into with Länsförsäkringar Mäklarservice AB regarding sales and with the regional insurance companies regarding reinsurance contracts for the Länsförsäkringar Alliance in addition to agreements regarding commission for sales, claims adjustment and reinsurance management.

### Related-party transactions

2024			Receivables	
	Income	Expenses	Liabilities	
Group companies	2,799	20	2,797	1,429
Associated companies	-	24	188	-
Länsförsäkringar Liv	134	48	13	4
Regional insurance companies	3,175	157	5,438	4,156
Other related parties	29	207	3	1

2023			Receivables	
	Income	Expenses	Liabilities	
Group companies	2,419	137	1,827	826
Associated companies	5	27	3	3
Länsförsäkringar Liv	162	79	12	13
Regional insurance companies	2,965	157	7,619	5,556
Other related parties	31	211	21	1

Bank balances from Länsförsäkringar Bank AB amount to:

	2024	2023
Cash and cash equivalents with Länsförsäkringar Bank AB	2,153	1,402

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

- Parent Company

Auditor's report

## OTHER INFORMATION



## Note 39 Supplementary disclosures on income-statement items by insurance class

2024	Total	Accident and health	Motor third-party liability	Motor other classes	Marine, air and cargo	Fire and other property damage	General liability	Legal expenses	Credit and guarantee insurance	Total, direct-insurance	Assumed reinsurance
Premiums earned, gross	4,614	1,458	43	385	205	124	380	3	14	2,612	2,002
Claims payments, gross	-1,944	-1,035	8	-544	-157	-60	-183	-4	-1	-1,976	33
Operating expenses, gross	-579	-309	-7	-29	-47	-12	-69	-2	-5	-481	-99
Profit/loss from ceded reinsurance	-1,724	2	-42	137	19	-32	-	-	-6	79	-1,804
<b>Profit/loss</b>	<b>367</b>	<b>116</b>	<b>2</b>	<b>-51</b>	<b>20</b>	<b>20</b>	<b>128</b>	<b>-3</b>	<b>2</b>	<b>234</b>	<b>132</b>
Premium income, gross	4,714	1,502	44	417	209	120	397	3	19	2,711	2,004

### Note 40 Off-balance sheet financial arrangements

Länsförsäkringar AB has external suppliers of IT operations at a cost of SEK 914 M (904). The costs also include machinery equipment for computer operations. Some regional insurance companies and Länsförsäkringar Liv are also included in the arrangement. Their remuneration to Länsförsäkringar AB is included in service revenue, which is recognised in Other income in non-technical result.

### Note 41 Significant events after the end of the fiscal year

No significant events took place between the end of the fiscal year and the submission of the Annual Report.

### Note 42 Appropriation of profit

According to the balance sheet for Länsförsäkringar AB, non-restricted equity totalling SEK 20,140,102,046 is at the disposal of the Annual General Meeting.

#### The Parent Company's non-restricted equity comprises (SEK)

Fair value reserve	-472,024,950
Retained earnings	19,140,362,139
Net profit for the year	1,471,764,857

**Non-restricted equity, 31 December 2024** **20,140,102,046**

The Board of Directors proposes that SEK 67 per share of the unappropriated earnings in the Parent Company be paid to the shareholders	698,446,994
To be carried forward	19,441,655,052
<b>Total</b>	<b>20,140,102,046</b>

The dividend is calculated on 10,424,582 shares.

Proposed appropriation of profit and statement by the Board  
According to the statement of financial position for Länsförsäkringar AB, non-restricted equity totalling SEK 21,140,102,046 is at the disposal of the Annual General Meeting.

The dividend from Länsförsäkringar AB's equity has been proposed after considering the rules on solvency capital requirement under the Swedish Insurance Business Act and the prudence rule of Chapter 17, Section 3 of the Swedish Companies Act. Länsförsäkringar AB's solvency ratio under Solvency II after the proposed appropriation of profit amounts to 198% (211). The corresponding solvency ratio for the insurance group amounts to 135% (136) after the proposed appropriation of profit. It is the Board's assessment that the proposed dividend will not prevent the company and other companies included in the Group from fulfilling their short or long-term commitments and is also not deemed to restrict the company's planned investments or expected liquidity requirements. Accordingly, the Board's overall assessment is that the proposed dividend is justified taking into consideration the demands on the amount of equity in the company and the Group imposed by the nature, scope and risks associated with the operations, and the company's and the Group's solvency requirements, liquidity and financial position. Of the Parent Company's total equity, SEK 1,777 M (1,621) is attributable to assets and liabilities being measured at fair value according to Chapter 4, Section 14a of the Swedish Annual Accounts Act (1995:1554).

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary

Group

– Parent Company

Auditor's report

## OTHER INFORMATION



# Statement from the Board

The Board of Directors and President affirm that this Annual Report was prepared in accordance with generally accepted accounting policies in Sweden and that the consolidated financial statements were prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parlia-

ment and the Council issued on 19 July 2002 on the application of international accounting standards. The Annual Report and consolidated financial statements provide a true and fair view of the Parent Company's and the Group's financial position and earnings. The Board of Directors' Report provides a true and fair overview of the Parent

Company's and the Group's operations, financial position and earnings, and describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Stockholm, the date stated on the electric signature.

Maria Engholm  
*Chairman*

Eva Julin Dombrowe  
*Deputy Chairman*

Christian Bille  
*Board member*

Stig Högberg  
*Board member*

Beatrice Kämpe Nikolausson  
*Board member*

Karin Mattsson  
*Board member*

Åsa Odell  
*Board member*

Ricard Robbstål  
*Board member*

Örjan Söderberg  
*Board member*

Susanne Lindberg  
*Employee representative*

Anna Sandqvist  
*Employee representative*

Mirek Swartz  
*Employee representative*

Mathias Collén  
*President and CEO*

As stated above, the Annual Report and the consolidated financial statements were approved for publishing by the Board on 27 March 2025. The Group's income statement, statement of comprehensive income and statement of financial position, as well as the Parent Company's income statement, statement of comprehensive income and balance sheet are subject to approval by the Annual General Meeting to be held on 16 May 2025.

Our auditor's report was submitted on the date stated on the electric signature  
Deloitte AB

Patrick Honeth  
*Authorised Public Accountant  
Auditor in Charge*

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

Five-year summary  
Group  
Parent Company  
Auditor's report

## OTHER INFORMATION



# Auditor's report

To the general meeting of the shareholders of Länsförsäkringar AB (publ) corporate identity number 502010-9681

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Länsförsäkringar AB (publ) for the financial year 2024 except for the sustainability report on pages 39–133 and the corporate governance report on pages 136–148. The annual accounts and consolidated accounts of the company are included on pages 24–38 and 136–249 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Insurance Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance for the year then ended in accordance with the Annual Accounts Act for Insurance Companies. The consolidated accounts have been prepared in accordance with the Annual Accounts Act for Insurance Companies and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial per-

formance for the year then ended in accordance with the Annual Accounts Act for Insurance Companies. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the

parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

---

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION

---



## Provision for claims outstanding

The Groups (parent company) provision for claims outstanding (gross of reinsurance) amounts to 11 380 MSEK (10 231) as of 31 December 2024 in the consolidated accounts.

The Group's provision for claims outstanding represents a material balance sheet item and is based on complex actuarial calculations and assumptions about future outcomes, primarily regarding the timing and size of claims incurred. The result of management's assessments regarding the requirement for provision for claims outstanding depends on inputs, the choice of actuarial methods and the precision of management judgment in determining actuarial assumptions. The key areas with the greatest impact on the recorded amount of the provision are assessments of settlement time, inflation, morbidity, mortality (annuity reserve), discount rate and claims settlement cost for attributable cash flows.

Note 1 to the Consolidated Accounts give a description of the accounting policies applied for the valuation of the Group's claims outstanding and Note 2 deals with the Group's exposure to and management of the insurance risks associated with the provision for claims outstanding. Note 30 further describes the methods applied by the Group in the valuation of the balance sheet item and the development of the provision for claims outstanding over time. The corresponding note in the parent company is note 29.

As the calculation of the provision for claims outstanding is significantly dependent on estimations and judgments this is an area of particular importance in our audit.

We have involved actuary specialists in our audit procedures and our audit procedures have included but were not limited to:

- Evaluated whether actuarial valuation methods and models for calculating provision for claims outstanding comply with generally accepted standards and practices.
- Evaluated the key controls deemed most relevant to the assessment of the choice of actuarial methods, assessment of assumptions and evaluation and analysis of historical claims development. We have also evaluated and examined a selection of general IT controls linked to relevant systems and applications assessed as critical to the data that forms the basis for the valuation of provision for claims outstanding.
- On a sample basis, examined input data used in the calculations of the provision for claims outstanding.
- Performed independent calculations based on actuarial methods for a substantial part of the provision for claims outstanding.
- Evaluated management's significant estimations and judgments.
- Evaluated whether the disclosures, for example regarding methods and assumptions applied, insurance risks and claims development, linked to the provision for claims outstanding are fair and complete based on applicable accounting policies.

## Provisions for expected credit losses

Accounting and valuation of loan receivables according to IFRS 9 is an area that largely affects Länsförsäkringar Banks financial reporting. IFRS 9 requires significant assessments to determine the size of the provisions for expected credit losses.

Key areas of judgment include:

- The interpretation of the requirements for determining the size of the provision for expected losses, which are reflected in the bank's model for calculating expected credit losses.
- Identification of exposures with a significant deterioration in credit quality.
- Assumptions that are applied in the model for calculating expected credit losses, such as the counterparty's financial position, expected future cash flows and forward-looking macroeconomic factors.

As of December 31, 2024, lending to the public for the Group amounted to 425 566 MSEK, with provisions for expected loan losses of 528 MSEK, after taking into account the offset against accrued remuneration to the regional insurance companies according to the distribution model.

Given the significant share of the total assets, the impact that the inherent uncertainty and subjectivity involved in the assessment of the need for provisions, and since the disclosure requirements are significant, we consider this to be a key audit matter for our audit.

The description of accounting principles for provisions for expected credit losses are included in note 1. Other related information on credit risk is included in note 2 and detailed information in note 18 and 32 in the annual report.

## Valuation of financial instruments at fair value

The Group's (Parent Company's) financial instruments recorded at fair value consist of shares and participations, bonds and other interest-bearing securities, treasury bills and other eligible bills and derivatives and amount to 80 441 (3 536) MSEK in assets and to 2 732 (36) MSEK in liabilities as of 31 December 2024.

Determination of fair value in accordance with level 3 is made via valuation techniques that builds on assumptions, estimates and judgements and on significant elements of input data that are not observable in the market. In note 52 (35) it is disclosed that the recorded value of financial instruments categorized as level 3 amount to 5 314 (613) MSEK, whereof 3 879 (157) MSEK consists of investments in shares and participations and 1 229 (456) MSEK of bonds and other interest-bearing securities.

Determination of fair value in accordance with level 3 is made via valuation techniques that builds on assumptions, estimates and judgements and on significant elements of input data that are not observable in the market. Incorrect assumptions, estimates, and judgments in connection with these valuations and/or incorrect input data can significantly affect the valuation and therefore this is considered an area of particular importance in our audit.

See the section on accounting principles in note 2, the section on risks and risk management regarding assumptions, estimates, and judgments in note 3, and related disclosures on financial instruments valued at fair value in notes 51 and 52 (note 35) for further details.

Our procedures have included, but not been limited to:

- We have tested selected control activities associated with valuation of financial instruments at fair value.
- We have tested general IT-controls associated with systems and applications deemed as critical for the data that form the basis for the valuation of financial instruments at fair value.
- We have, on a sample basis, reviewed input data used in connection with the valuation of financial instruments at fair value, including prices, exchange rates and data used for discounting purposes vis-à-vis data from external suppliers of financial market data and reconciled holdings against statements from the custodians.
- For a selection of the Group's (Parent Company's) alternative investments, we have reviewed the net asset value against valuation reports received from external fund managers and in connection with this considered the cash flows during the period as well as the effects from exchange rate conversion.
- In addition, we have assessed that the choice of valuation method has been made in accordance with established standards and industry practice.
- We have also evaluated whether disclosures associated with financial instruments recorded at fair value are fair and complete based on the Group's (Parent Company's) accounting principles.

## Our audit procedures

Our audit procedures included, but were not limited to:

- We have evaluated that relevant controls within the lending process have been appropriately designed, including controls for credit decision, credit review and identification and determination of the loans to be provisioned for.
- We have evaluated the modelling techniques and model methods against the requirements of IFRS 9. We have examined the appropriateness of the models developed for the calculation of the reserve for expected credit losses. We have involved our specialists in credit risk modelling in assessing whether credit risk modelling decisions are consistent with the requirements of IFRS 9. We have evaluated material assumptions and calculation methods and ensured the completeness of input data to the models.
- We examined a selection of credit commitments in detail and designed measures to evaluate whether credit commitments with a significant deterioration in credit quality are identified in time, and for significant commitments within stage 3 evaluated management assessment of the recoverable amount.
- We assessed the completeness and reliability of the disclosures relating to provisions for expected credit losses to assess compliance with disclosure requirements included in IFRS.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION



### **Other information than the annual accounts and consolidated account**

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–23, 39–133 and 254–258. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Board of Directors and the Managing Director**

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act for Insurance Companies. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

### **Report on other legal and regulatory requirements**

#### **Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Länsförsäkringar AB (publ) for the financial year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

## **INTRODUCTION**

---

## **STRATEGY**

---

## **OUR OPERATIONS**

---

## **BOARD OF DIRECTORS' REPORT**

---

## **FINANCIAL STATEMENTS**

---

- Five-year summary
- Group
- Parent Company
- Auditor's report

## **OTHER INFORMATION**

---



### **Basis for Opinions**

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### **Responsibilities of the Board of Directors and the Managing Director**

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### **Auditor's responsibility**

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Insurance Operations Act and the Annual Accounts Act for Insurance Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

### **The auditor's examination of the corporate governance statement**

The Board of Directors is responsible for that the corporate governance statement on pages 136–148 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard Rev 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

### **The auditor's opinion regarding the statutory sustainability report**

The Board of Directors is responsible for the statutory sustainability report on pages 39–133, and that it is prepared in accordance with the Annual Accounts Act according to the previous version applied before 1 July 2024.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

### **A corporate governance statement has been prepared.**

Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Deloitte AB, was appointed auditor of Länsförsäkringar AB (publ) by the general meeting of the shareholders on the 2024-05-17 and has been the company's auditor since 2022-05-06.

Stockholm, date according to electronic signature

Deloitte AB

*Signature on Swedish original*

Patrick Honeth  
*Authorised Public Accountant*

## INTRODUCTION

---

## STRATEGY

---

## OUR OPERATIONS

---

## BOARD OF DIRECTORS' REPORT

---

## FINANCIAL STATEMENTS

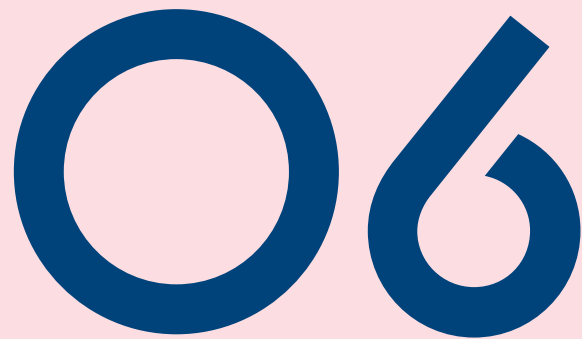
---

- Five-year summary
- Group
- Parent Company
- Auditor's report

## OTHER INFORMATION

---





## Other information

Definitions	255
Länsförsäkringar Liv income statement and balance sheet	256
Addresses	257
Financial calendar 2025	258



# Definitions

## Direct yield

The total of rental income och operating expenses for land and buildings, interest income, interest expense, dividends on shares and participations as well as other financial expenses, in relation to the average value for the period of investment assets (excluding shares and participations in Group companies and investment assets for which policyholder bears the risk) and cash and bank balances.

## Expense ratio, non-life insurance

Operating expenses in the insurance operations as a percentage of premiums earned after ceded reinsurance.

## Equity per share, SEK

Equity, excluding Additional Tier 1 Capital loans, per share.

## Management cost ratio, life assurance

Total operating expenses and claims adjustment costs as a percentage of average managed assets.

## Own funds, bank

Own funds comprises the sum of Tier 1 capital and Tier 2 capital, less items indicated in the capital adequacy rules. Own funds in relation to capital requirements.

## Own funds for the insurance group (FRL)

The group under the insurance-operation rules comprises the Parent Company Länsförsäkringar AB, all of the insurance companies in the Group, Länsförsäkringar Bank AB, Wasa Kredit AB, Länsförsäkringar Hypotek AB and Länsförsäkringar Fondförvaltning AB. Länsförsäkringar Liv Försäkrings AB is also included in the group, despite the company not being consolidated in the Länsförsäkringar AB Group. As stated in the EU Solvency II Directive, the calculations are made in accordance with the consolidation method, with Länsförsäkringar Liv included in accordance with the deduction and aggregation method as permitted by the Swedish Financial Supervisory Authority.

## Own funds for the financial conglomerate

The financial conglomerate comprises the same companies as the group according to the insurance-operation rules, see Own funds for the insurance group (FRL). The calculations for the financial conglomerate are made using the same methods as for the group in accordance with the insurance-operation rules. Unlike the group under the insurance-operation rules, the transferability of surpluses for the financial conglomerate is to also be tested in other regulated companies than the group's insurance companies.

## Capital adequacy ratio, bank

Closing own funds as a percentage of the closing risk-weighted amount.

## Cost/income ratio before credit losses

Total expenses before credit losses in relation to total income.

## Collective consolidation, life assurance

The ratio between the market value of total net assets and the company's total commitments to policyholders (guaranteed commitments and preliminarily distributed bonus) for the insurance policies that carry bonus rights.

## Solvency margin, non-life insurance

Solvency capital as a percentage of premium income after ceded reinsurance.

## Solvency capital

The sum of equity, untaxed reserves, deferred tax liabilities, subordinated debt as well as surplus values on assets.

## Credit losses net, bank

Confirmed credit losses and reserves for credit losses ("loss allowance") less recoveries of receivables and net expense for the year for credit losses for guarantees and other contingent liabilities.

## Credit losses in relation to loans, bank

Credit losses, net, for loan receivables (on an annual basis) in relation to loans to the public and credit institutions after provisions at the end of the period.

## Common Equity Tier 1 capital, bank

Total Tier 1 capital excluding Additional Tier 1 capital.

## Common Equity Tier 1 capital ratio, bank

Common Equity Tier 1 capital in relation to the total risk exposure amount.

## Liquidity Coverage Ratio

Qualitative liquid assets (12-month average) in relation to their net cash outflow measured over a period of 30 days.

## Investment margin, bank

Net interest income in relation to average total assets.

## Investment assets

Investment assets comprise properties, shares and participations in associated companies, shares and participations, bonds and other interest-bearing securities, derivatives (assets and liabilities), cash and bank balances, and interest-bearing liabilities.

## Tier 1 capital, bank

Tier 1 capital is part of own funds and comprises equity and Additional Tier 1 capital. Deductions are made for such items as deferred tax assets, goodwill and other intangible assets, investments in financial companies and the difference between expected losses and reserves established for probable credit losses.

## Tier 1 ratio, bank

Tier 1 capital in relation to the total risk exposure amount.

## Earnings per share

Profit/loss for the year attributable to the Parent Company shareholders in relation to the average number of shares during the year.

## Risk Exposure Amount, bank

The Risk Exposure Amount comprises assets in the balance sheet and off-balance sheet commitments valued in accordance with credit risk, market risk, operational risk and credit valuation adjustment risk in accordance with the capital adequacy rules.

## Return on equity, %

Operating profit less standard tax in relation to average equity, adjusted for items in equity recognised in other comprehensive income and for Additional Tier 1 Capital loans.

## Net interest income, bank

Interest income from loans to the public, credit institutions and income from interest-bearing securities less expenses for deposits and funding from the public, credit institutions and expenses for interest-bearing securities.

## Claims ratio

The ratio between claims payments, including claims adjustment costs and premiums earned after ceded reinsurance.

## Net Stable Funding Ratio

Available stable funding in relation to the assets that require stable funding over one year.

## Tier 2 capital, bank

Primarily comprises fixed-term subordinated debt.

## Total return, %

The total of the direct yield, realised and unrealised changes in the value of investment assets (excluding shares and participations in Group companies), in relation to the market value of the investment assets calculated on a daily basis according to the GIPS standard.

## Total capital ratio, Bank Group

Closing own funds as a percentage of the closing risk-weighted amount.

## Combined ratio, non-life insurance

The sum of operating expenses, claims payments and claims adjustment costs in relation to premiums earned after ceded reinsurance.

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION

### – Definitions

Länsförsäkringar Liv  
income statement and balance sheet

Addresses

Financial calendar 2025



# Länsförsäkringar Liv Försäkrings AB's income statement and balance sheet

## Income statement

SEK M	2024	2023
Premium income after ceded reinsurance	715	772
Investment income, net	9,482	9,430
Other technical revenue	61	108
Claims payments	-4,996	-4,971
Change in technical provisions	2,844	554
Operating expenses	-430	-341
Other technical expenses	-63	-102
<b>Technical result for insurance operations</b>	<b>7,614</b>	<b>5,450</b>
<b>Profit/loss before appropriations and tax</b>	<b>7,614</b>	<b>5,450</b>
Tax allocation reserve	7	-54
Tax	-420	-273
<b>Profit/loss for the period</b>	<b>7,200</b>	<b>5,122</b>
Other comprehensive income	-	-
<b>Net profit for the period</b>	<b>7,200</b>	<b>5,122</b>

## Balance sheet

SEK M	31 Dec 2024	31 Dec 2023
<b>Assets</b>		
Intangible assets	4	5
Investment assets	103,654	102,650
Receivables	1,716	752
Other assets	4,609	4,941
Prepaid expenses and accrued income	7	50
<b>Total assets</b>	<b>109,988</b>	<b>108,397</b>
<b>Equity, provisions and liabilities</b>		
Equity	44,298	39,190
Untaxed reserves	80	87
Technical provisions	62,704	65,662
Provisions for other risks and expenses	76	81
Liabilities	2,610	3,164
Accrued expenses and deferred income	220	213
<b>Total equity, provisions and liabilities</b>	<b>109,988</b>	<b>108,397</b>

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS


## OTHER INFORMATION

Definitions

- Länsförsäkringar Liv  
income statement and balance sheet

Addresses

Financial calendar 2025

 More information about Länsförsäkringar Liv's is available at <https://www.LF.se/om-oss/finansieellt/gemensamma-bolag/lansforsakringar-liv/>



# Addresses

## LF Norrbotten

Box 937  
SE-971 28 Luleå  
Visit: Köpmantorget  
Tel: +46 920 24 25 00  
E-mail: info@LFnorrboten.se

## LF Västerbotten

Box 153  
SE-901 04 Umeå  
Visit: Rådhusplanaden 11  
Tel: +46 90 10 90 00  
E-mail: info@LFvasterbotten.se

## LF Jämtland

Box 367  
SE-831 25 Östersund  
Visit: Prästgatan 18  
Tel: +46 63 19 33 00  
E-mail: info@lfz.se

## LF Västernorrland

Box 164  
SE-871 24 Härnösand  
Visit: Köpmangatan 13  
Tel: +46 611 36 53 00  
E-mail: info@lfy.se

## LF Gävleborg

Box 206  
SE-801 03 Gävle  
Visit: Drottninggatan 35  
Tel: +46 26 14 75 00  
E-mail: info@LFgavleborg.se

## LF Dalarnas

Box 3  
SE-791 21 Falun  
Visit: Slaggatan 7  
Tel: +46 23 930 00  
E-mail: info@dalarnas.se

## LF Värmland

Box 367  
SE-651 09 Karlstad  
Visit: Köpmannagatan 2A  
Tel: +46 54 775 15 00  
E-mail: info@lfvarmland.se

## LF Uppsala

Box 2147  
SE-750 02 Uppsala  
Visit: Muningatan 1  
Tel: +46 18 68 55 00  
E-mail: info.uppsala@lansforsakringar.se

## LF Bergslagen

Box 1046  
SE-721 26 Västerås  
Visit: Stora Gatan 41  
Tel: +46 21 19 01 00  
E-mail: info@lfbergslagen.se

## LF Stockholm

Box 27076  
SE-102 51 Stockholm  
Visit: Valhallavägen 215  
Tel: +46 8 562 830 00  
E-mail: stockholm@lansforsakringar.se

## LF Sörmland

Box 147  
SE-611 24 Nyköping  
Visit: Västra Storgatan 4  
Tel: +46 155 48 40 00  
E-mail: info@lfs.se

## Länsförsäkringar Göteborg och Bohuslän

SE-404 84 Gothenburg  
Visit: Vestagatan 6  
Tel: +46 31 63 80 00  
E-mail: info@gbg.lansforsakringar.se

## LF Skaraborg

Box 367  
SE-541 29 Skövde  
Visit: Rådhusgatan 8  
Tel: +46 500 77 70 00  
E-mail: info@lfskaraborg.se

## Länsförsäkringar Östgöta

Box 400  
SE-581 04 Linköping  
Visit: Platensgatan 11  
Tel: +46 13 29 00 00  
E-mail: info@lfofstgota.se

## LF Älvsborg

Box 1107  
SE-462 28 Vänersborg  
Visit: Vallgatan 21  
Tel: +46 521 27 30 00  
E-mail: info@alvsborg.lansforsakringar.se

## LF Gotland

Box 1224  
SE-621 23 Visby  
Visit: Österväg 17  
Tel: +46 498 28 18 50  
E-mail: info@lfgotland.se

## LF Jönköping

Box 623  
SE-551 18 Jönköping  
Visit: Barnarpsgatan 22  
Tel: +46 36 19 90 00  
E-mail: info@lfj.se

## LF Halland

Box 518  
SE-301 80 Halmstad  
Visit: Strandgatan 10  
Tel: +46 35 15 10 00  
E-mail: info@lfhalland.se

## Länsförsäkring Kronoberg

Box 1503  
SE-351 15 Växjö  
Visit: Kronobergsgatan 10  
Tel: +46 470 72 00 00  
E-mail: info@LFkronoberg.se

## LF Kalmar

Box 748  
SE-391 27 Kalmar  
Visit: Norra Långgatan 17  
Tel: +46 20 66 11 00  
E-mail: info@LFkalmar.se

## LF Blekinge

Box 24  
SE-374 21 Karlshamn  
Visit: Drottninggatan 56  
Tel: +46 454 30 23 00  
E-mail: info@lfblekinge.se

## LF Göinge-Kristianstad

Box 133  
SE-291 22 Kristianstad  
Visit: Tivoligatan 6  
Tel: +46 44 19 62 00  
E-mail: info.goinge-kristianstad@lansforsakringar.se

## LF Skåne

Box 4548  
SE-203 20 Malmö  
Visit: Stora Varvsgatan 11  
Tel: +46 42 633 80 00  
E-mail: info.skane@lansforsakringar.se

## JOINT COMPANIES

### Länsförsäkringar AB

SE-106 50 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 588 400 00  
E-mail: info@lansforsakringar.se

### Länsförsäkringar Liv

SE-106 50 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 588 400 00  
E-mail: info@lansforsakringar.se

### Länsförsäkringar Fondliv

SE-106 50 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 588 400 00  
E-mail: info@lansforsakringar.se

### Länsförsäkringar Bank

SE-106 50 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 588 400 00  
E-mail: info@lansforsakringar.se

### Länsförsäkringar Hypotek

SE-106 50 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 588 400 00  
E-mail: info@lansforsakringar.se

### Länsförsäkringar Fondförvaltning

SE-106 50 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 588 400 00  
E-mail: info@lansforsakringar.se

## Wasa Kredit

Box 6740  
SE-113 85 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 635 38 00  
E-mail: info@wasakredit.se

## Agria Djurförsäkring

Box 70306  
SE-107 23 Stockholm  
Visit: Tegeluddsvägen 11-13  
Tel: +46 8 588 421 00  
E-mail: info@agria.se

## Länsförsäkringar Fastighetsförmedling

SE-106 50 Stockholm  
Visit: Tegeluddsvägen 21  
Tel: +46 1 021 954 00  
E-mail: info@lansfast.se

## Länsförsäkringar Mäklarservice

Box 27120  
SE-102 52 Stockholm  
Visit: Tegeluddsvägen 21  
Tel: +46 8 588 490 00  
E-mail: redaktion.formedlare@lansforsakringar.se

## Humlegården Fastigheter

Box 5182  
SE-114 32 Stockholm  
Visit: Engelbrektsplan 1  
Tel: +46 8 678 92 00  
E-mail: info@humlegarden.se

## INTRODUCTION

## STRATEGY

## OUR OPERATIONS

## BOARD OF DIRECTORS' REPORT

## FINANCIAL STATEMENTS

## OTHER INFORMATION

- Definitions
- Länsförsäkringar Liv income statement and balance sheet
- Addresses
- Financial calendar 2025





**INTRODUCTION**

**STRATEGY**

**OUR OPERATIONS**

**BOARD OF DIRECTORS' REPORT**

**FINANCIAL STATEMENTS**

**OTHER INFORMATION**

- Definitions
- Länsförsäkringar Liv  
income statement and balance sheet
- Addresses
- Financial calendar 2025

**FINANCIAL CALENDAR 2025**

**FIRST QUARTER**

Interim report Länsförsäkringar Bank, January–March 2025 ..... **24 April**

**SECOND QUARTER**

Interim report Länsförsäkringar Bank, January–June 2025 ..... **22 July**

Interim report Länsförsäkringar Hypotek, January–June 2025 ..... **22 July**

Interim review Länsförsäkringar Alliance, January–June 2025 ..... **28 August**

**THIRD QUARTER**

Interim report Länsförsäkringar Bank, January–September 2025 ..... **23 October**

**PRODUCTION**

Länsförsäkringar AB in partnership with Hallvarsson & Halvarsson AB.

**Photo:** Länsförsäkringar's media bank, Jimmy Eriksson.

**Print:** Elanders Sverige AB.

We print on environmentally friendly paper.





Visit us at [LF.se](http://LF.se)