Futur Pension Försäkringsaktiebolag Annual Report and Sustainability Report 2022

Contents

A few words from the CEO

Introduction

Futur is putting a successful but macroeconomically and politically challenging 2022 behind it. The year was characterised by volatile stock markets and rising interest rates, which meant that most of our customers have seen a decrease in the value of their pensions and savings capital. Despite the difficult conditions, Futur has performed well as a company and at the mid-point of the year, for the first time, we became the largest life insurance company in Sweden measured in terms of premiums paid.

Volatile markets

After a very strong 2021, 2022 became significantly gloomier with falling stock market prices and a difficult capital market even for interest-bearing assets. Of course, the terrible war in Ukraine is one important factor, but the previously very low key interest rates and the strain on supply chains in recent years have also affected progress. Our customers' savings and pensions capital decreased in general despite the recovery at the end of the year.

A number of surveys of historical data have shown that it is difficult to "time" the stock market, which is why it pays to have regular savings and maintain an investment strategy. This applies to long-term pension savings in particular. During periods of great uncertainty, our partners play an important role by providing advice and experience of the financial markets.

We provide more people with a richer, more secure future

In 2022, Futur has continued to make progress towards our vision: to provide more people with a richer, more secure future. In our role as a savings and pension platform, we combine expertise, technology and ethics for the benefit of savers. By providing our partners with independent, fact-based analysis, we make it easier for our customers to obtain objective advice and achieve their savings goals.

A quality-assured, independent range of funds

During the year, Futur has continued to improve the range of funds and the strategy of offering funds from the best managers remains firmly in place. We are convinced that it is sufficient to have fewer funds if those funds are carefully selected. We continually monitor the performance of the funds and those that fail to meet our high standards in terms of returns, sustainability and fees are replaced. It may sound obvious, but we are alone in the Swedish market when it comes to independent selection.

By offering only a quality-assured, independent range, we have been able to provide our customers with collectively agreed occupational pensions with an average annual return of 13 per cent over the past 10 years. This is significantly higher than the performance of the Stockholm Stock Exchange (OMXS30), whose annual return was 10 per cent over the same period.

Sustainability

Our work on sustainability became more focused in 2022 and 99 per cent of Futur Pension's fund capital is now invested in funds that either have sustainability as a goal ("Article 9 funds") or that promote environmental or social characteristics ("Article 8 funds") according to SFDR. We have also tightened the entry requirements and the requirements for existing funds as far as investment policy and transparency are concerned. All new funds (28) are "Article 9" or "Article 8" funds.

Our partners and customers demand the ability to make informed choices and it is easy for Futur's customers to make an informed choice of fund by filtering the range of funds offered on the basis of several sustainability parameters in addition to history, fees, manager and risk.

Our work on sustainability has recently attracted the attention of Söderberg and Partners, among others, who gave only four companies, including Futur, a green light in an analysis of all unit-linked insurance companies on the Swedish market.

Futur 2023

Futur is putting a successful year behind us and we are proud, but not satisfied. The work to be our partners' first choice and to deliver good results to our customers will continue in 2023.

During the year, we plan to continue to simplify processes as part of the "A simpler Futur" initiative, launch new fully-digital customer journeys and develop our range of products and services in close collaboration with our partners. We will also improve our digital interfaces and share data-driven insights with our partners to a greater extent in order to improve returns, increase sustainability and reduce costs.

This is Futur

Futur makes savings and retirement solutions possible that put the needs of the individual first

For almost 25 years, we have been developing our platform in order, along with our partners, to quickly, easily and efficiently develop customer-friendly savings and pensions services providing individual advice. We allow our clients to choose how they want to be served and our partners' ranges include everything from automated savings coaching to customised occupational pensions solutions and professional wealth management.

Over the years, we have been a driving force for new customer-friendly solutions. For example, we have always had the right to freely move pensions and we were the first to provide discounted funds to savers.

Our partners and our platform

Futur's platform makes future-proof, transparent, efficient savings and pensions solutions possible and at the start of the year we managed almost SEK 170 billion in savings and pensions capital in close collaboration with around forty partners ranging from "fintechs" to private banks. Our range is backed up by personal commitment and great expertise. Everything we do is permeated by the simplicity and transparency of our approach to our customers and partners.

Our customers

There is a simple recipe for successful long-term pensions savings and security: effective, transparent products along with well-balanced advice adapted to suit the individual. Too few savers are offered a combination of professional advice and attractive products. We want to change that! During the year, we have welcomed more than 50,000 new occupational pension customers, which means that we currently have more than 250,000 customers with pensions and/or savings with us.

Our employees

Since Futur was founded, our employees have been the company's main asset and we are happy to report that their level of commitment, which we measure by means of the eNPS (Employee Net Promotor Score), rose to 51 during the year, from a previous high of 48, which is well above the average of 21 for Nordic companies. We are proud that we have succeeded in strengthening our culture while welcoming around 20 new employees.

Our owners

Futur is owned by Polaris, a Danish capital fund which focuses on investments in Nordic companies, and Acathia, a German capital fund which focuses on investments in life insurance companies. For Futur, it means the long-term approach and financial strength to make extensive investments in our business for the benefit of partners and customers.

Futur in short

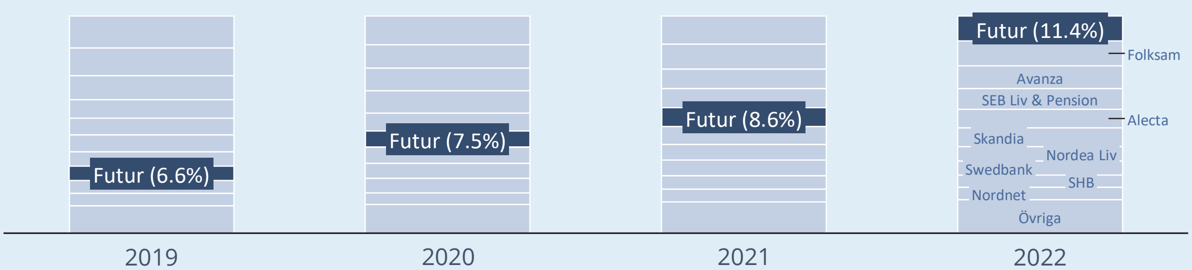
Number of policies	300,000
Assets under management	169 billion kronor
Paid premiums	36 billion kronor
Organisation	95 employees

Objectives and key facts

1 | Leading pension and savings platform

Market share (paid premiums)

Share of paid premiums the last four quarters for each year.
Source: Svensk Försäkring (October 2022)

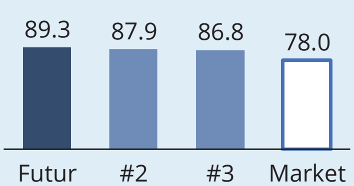


2 | First choice for our partners

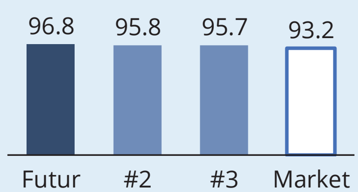
Feedback from intermediaries and administrators

Independent survey where 100 is the highest grade. Conducted in October 2022 and includes Swedish life- and P&C insurers.
Source: Brilliant Solutions

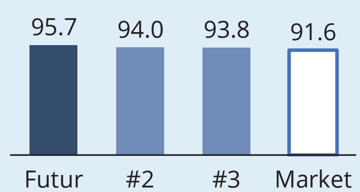
Response time



Commitment



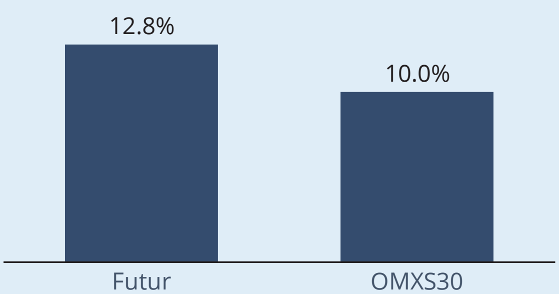
Knowledge



3 | Good performance for our customers

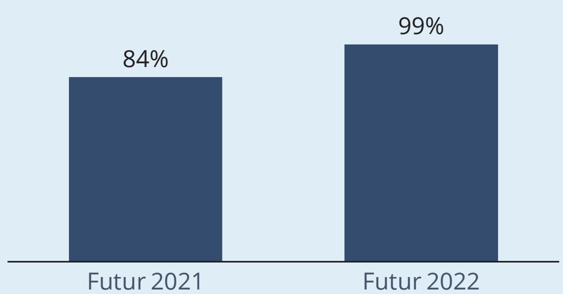
Average return (2012-2021, %)

Return after fees for collectively agreed occupational pensions, all agreement areas



Share of sustainable investments (%)

Share of assets under management in Futur's unit-linked policies which were invested in in article 8 and article 9 funds at year end



Administration report

The Board of Directors and Chief Executive Officer of Futur Pension Försäkringsaktiebolag (public, corporate identity number 516401-6643), hereby issues accounts for 2022. Futur Pension Försäkringsaktiebolag is a wholly-owned subsidiary of Futur Pension Holding AB (559159-6738).

Focus of the company's business

Futur Pension is engaged in direct life insurance in the form of mutual fund-linked personal insurance. In addition, the company is engaged in portfolio bonds within the framework of traditional life insurance without guarantee, in which the life policyholder him or herself is able to determine the contents of the securities deposit according to established investment guidelines.

Futur Pension also provides health and premium exemption insurance.

Operations are conducted from the Stockholm office and the products are largely arranged through independent insurance intermediaries and, to a lesser extent, Danske Bank Sveriges filial. The company is a dividend-paying life insurance company with the ability to distribute surpluses to its shareholders.

Significant events

2022 has been characterised by Russia's war against Ukraine, high energy prices, inflation and higher interest rates. Overall, this has led to falling asset values, which has to some extent had an adverse effect on Futur Pension, along with the remainder of the industry, since premiums have not reached the record volumes seen last year.

As of Q2 rolling twelve months, Futur Pension became Sweden's largest life insurance company (premiums paid) when the company achieved a market share of 11.4%. As expected, the market share fell to 9.8% for Q3 2022. The high market share shows that the company's business model, with a broad network of business partners, is robust even when the economy is more challenging.

The company took part in Collectum's procurement of ITP for the fourth time in autumn 2022. The results of the procurement will be published in March.

Futur Pension has entered into agreements with several new partners in 2022 and has continued to build customer relationships focusing on digital processes.

Futur Pension has continued to work on adaptation and system support for new and existing regulations. The focus has mainly been on the parallel regulatory projects relating to sustainability and the Disclosure Regulation and the Taxonomy Regulation in particular, as well as updated rules on packaged and insurance-based investment products (PRIIPS).

During the year, Futur Pension has also successfully implemented new rules on transfer charges and has prepared a system for future changes in that area.

The company adopted a post-Covid working model In 2022 in which the guidance is four days' work in the office and one day's remote work per week.

In June, the company issued a dividend of 150 MSEK to the parent company, Futur Pension Holding AB.

In October 2022, Avanza transferred to Futur Pension approximately 24,000 collectively agreed occupational pensions with assets under management of approximately SEK 2.3 billion. The reception of the pensions is well in line with Futur's strategy for growth in occupational pensions.

Ownership structure

Futur Pension is wholly-owned by Futur Pension Holding AB, which is in turn owned by a consortium consisting of Polaris, Acathia Capital, Unigestion, Sampension and Nord Holding.

Sales and premiums

Total premium volumes for insurance and investment contracts amounted to 36,493 MSEK (44,659), of which 27,546 MSEK (39,191) relates to portfolio bonds. Only the figure for premiums earned for insurance contracts is recognised in the income statement. It amounted to 1,792 MSEK (1,025). Of the figure for premiums earned, 841 MSEK (854) consists of regular premiums, 963 MSEK (183) consists of one-off premiums, 23 MSEK (25) consists of premiums for risk insurance and -35 MSEK (-36) consists of premiums for outward reinsurance.

Asset Management

The part of the company's assets invested on behalf of the policyholders, 168,489 MSEK (193,612), is managed in accordance with the company's investment guidelines and in according to the policyholders' investment choices. Other funds, which largely correspond to the company's equity, are invested in mutual funds and funds deposited in bank accounts.

Futur Pension's fund selection is based on a careful selection process to increase the chances of offering high quality funds.

Information on risk management and uncertainty factors

Insurance and investment activities contain elements of risk. The insurance risk at a life insurance company consists of the risks arising from the undertakings to insure individuals' lives and health. The business differs from traditional life insurance in that the policyholders themselves bear the investment risk for premiums paid. Also see note 2.

Profit

The profit for the year amounts to 260 MSEK (182) including non-recurring items, which is an improvement on the previous year.

The business includes occupational pension insurance and other life insurance, which is divided into unit-linked insurance, health and waiver-of-premium insurance and traditional insurance in the form of portfolio bonds. See also the analysis of results on page 13.

It is usually difficult to produce an overview and analysis of the traditional income statement in a life insurance company. In order to facilitate and increase understanding, Futur Pension has developed an alternative income statement.

	2022	2021
Administration result		
Income, unit-linked insurance	396	412
Income, conditional refund	300	284
Total revenue	695	696
Total expenses	-446	-523
Total administration result	**250**	**173**
Risk result		
Risk result	10	6
Total risk result	**10**	**6**
Financial and other results		
Financial results	-1	2
Taxes	1	0
Total financial and other results	**0**	**2**
Net profit for year	**260**	**182**

The company mainly has two product lines complemented by a risk business. The unit-linked insurance business, which primarily focuses on occupational pension insurance, had assets under management of SEK 60 billion at the start of the year and generates revenues of 396 MSEK. Conditional refund, colloquially known as Portfolio Bonds, had assets under management of SEK 108.5 billion and revenues of 300 MSEK at the start of the year. Portfolio bonds consist mainly of endowment insurance, but occupational pensions are on the increase in portfolio bonds.

In line with market practice, Futur 2022 matches commission costs with the revenue generation of the insurance contracts over time.

The limited risk result is due to the fact that a high proportion of the risk business is reinsured.

Personnel

Information on the average number of employees and salaries and remuneration is provided in notes 10-12

Anticipated future progress

Futur Pension will continue to follow the strategy set out, of growth through selected distribution partners, in the coming years. Furthermore, the company will further develop efficient processes throughout the value chain through digitalisation via the company's APIs.

The company's successful portfolio bond business will continue to be made more efficient. Futur Pension will also further develop its range in order to grow the occupational pension business further.

Sustainability reports

This is Futur Pension's statutory sustainability report. Futur Pension has also prepared a Sustainability Report since 2021 that can be read at futurpension.se. The Sustainability Report will be prepared annually and will be published on the website during the second quarter of each year.

The term "sustainability" includes several areas such as environmental issues, social relationships, human rights, ethics, corruption, diversity, etc. The term "sustainability" is normally defined as a generation being able to meet its needs without jeopardising the ability of future generations to meet their needs. Futur Pension's priority areas with regard to sustainability are set out below.

In order to manage the risks in the area of sustainability, Futur Pension has established a number of Policies and Instructions that describe responsibilities, goals, monitoring and reporting in more detail.

Corporate Social Responsibility

Corporate Social Responsibility ("CSR") forms an important part of Futur Pension's strategy. Customers and other stakeholders must be able to trust Futur Pension to take environmental, social, ethical and governance aspects into account when carrying out operations. Futur Pension sees sustainability management as a prerequisite for the creation of long-term value in the operations. Futur Pension has drawn up a sustainability policy that reinforces the company's work on sustainability. In the policy, Futur Pension undertakes to comply with the principles developed by the UN Global Compact for Sustainable Development and Futur Pension signed the UN Global Compact at the beginning of 2021. The Sustainability Policy can be found on Futur Pension's website at futurpension.se

Code of Conduct for suppliers

During the year, Futur Pension has drawn up a Code of Conduct for suppliers which sets out Futur Pension's expectations as far as its business partners are concerned. This is available on the Futur Pension website.

Principles for sustainable investment

Futur Pension has certain requirements applying to the funds included in unit-linked insurance in order to ensure that Futur Pension is not investing in companies that are in breach of international guidelines on human rights, the environment, labour law, arms and corruption. The fund management companies must have signed the UN Principles for Responsible Investment ("UN PRI"), among other things. In addition to the requirement relating to PRI, a great deal of emphasis is also placed on sustainability when selecting new funds appropriate for inclusion in Futur Pension's fund platform. The new funds must be categorised as at least Article 8 in accordance with SFDR and they must also help ensure that sustainability in the fund category in question is improved with the new fund. Futur Pension's website presents a number of different sustainability parameters to make it easier for customers to make informed sustainable fund choices. In each fund supermarket there is a sustainability filter that allows customers to make their own selection based on their different requirements. Futur Pension has also developed a sustainable fund supermarket in which Futur Pension only includes funds that meet certain predetermined criteria.

Futur Pension is a member of Swesif and has signed the PRI.

Gender equality and diversity

Futur Pension has a diversity and gender equality policy that is revised annually. The policy strengthens Futur Pension's work in the area since the policy has been drawn up specifically for the company. The policy consolidates and clarifies Futur Pension's belief that diversity – people with different expertise, experience and perspectives – is crucial for bringing about the innovative climate required for long-term business success and a positive customer experience. The policy will be revised annually to ensure that the company's work progresses and is constantly improved.

In 2021, As part of further work on gender equality and diversity, Futur Pension became a member of SHEIndex and WEPs (Women's Empowerment Principles).

Key ratios relating to gender equality are presented in Futur Pension's Sustainability Report, which is published at futurpension.se

Environmental considerations

In 2022, Futur Pension continued to take action to ensure that paper consumption was reduced. Futur Pension has continued with the digitalisation process so that most of Futur Pension's letters can be offered electronically. Almost all communication with customers now takes place electronically.

Futur Pension has a company car policy in which it is only possible to choose a hybrid car or a pure electric car as a company car and the goal is to only have electric cars within 4 years.

Futur Pension has been measuring its own CO2 footprint annually with the aim of reducing its footprint every year. The results of the measurement are presented in the Sustainability Report published at futurpension.se Futur Pension has joined the Science Based Target Initiative (SBTi) as part of reducing its Co2 footprint in accordance with the Paris Agreement. This means that in 2022, Futur Pension will apply for approval from SBTi confirming that the goals established by Futur Pension regarding reduction of its Co2 footprint are in accordance with the Paris Agreement.

As a further way of demonstrating commitment, Futur Pension became a member of Fossil Free Sweden in 2021.

Futur Pension is located at Linnégatan 18 and the premises have been fitted out with the latest technology regarding energy efficiency and environmental considerations and the environment and sustainability have been taken into account to a considerable extent in the selection of materials and fittings.

Combating corruption

During the year, Futur Pension has also continued to focus on internal efforts to prevent money laundering and terrorist financing and to evaluate and improve procedures and processes linked to this area, mainly by providing system support for greater efficiency and quality assurance of customer information and by keeping that information up-to-date on an ongoing basis. Work on AML is reported to the CEO and the Board of Directors on an ongoing basis.

Proposed allocation of earnings

The following amounts are at the disposal of the General Meeting	
Accumulated profit	242,960,703 SEK
Profit/loss for the year	260,187,452 SEK
Total SEK	503,148,155 SEK

The Board of Directors proposes that the results be allocated as follows	
to be paid to the shareholders as a dividend	– 208,000,000 SEK
The Board of Directors proposes that SEK be carried forward to new accounts	555,858,155 SEK

If the proposal is approved, Equity will consisting of	
Share capital	100,000,000 SEK
Share premium reserve	250,000,000 SEK
Reserve for development expenses	10,710,000 SEK
Appropriated earnings including profit/loss for the year	295,148,155 SEK
Total	655,858,155 SEK

The proposed dividend, which represents 41% of the unrestricted equity in the company, amounts to 208,000,000 SEK. It is proposed that the General Meeting adopt a resolution that the dividend should be effected through a payment of 208,000,000 SEK. The Board of Directors is authorised to set the date for the payment. Futur Pension's financial position does not give rise to any assessment other than that the company can be expected to meet its obligations in both the short and the long term. The Board of Directors' assessment is that the company's equity as stated in the annual report is sufficient in relation to the nature, scope and risks of the business. The Board of Directors' assessment is also that the company's unrestricted equity is sufficiently large in relation to the nature, scope and risks of the business.

Based on the scope, risks and nature of the business, the Board of Directors considers that, at present, 208,000,000 SEK can be considered as distributable in accordance with the provisions of Chapter 4, Section 1 of the Insurance Business Act (2010:2043) and Chapter 17, Section 3 of the Swedish Companies Act (2005:551). The Board of Directors considers that this amount enables the company to maintain satisfactory solvency and liquidity in the short and the long term, taking the circumstances of the business into consideration. The Board of Directors has taken into account, on the basis of internal calculations, the risks currently associated with the business, the quality of the company and the solvency capital and the need for a margin for statutory solvency requirements and consolidation needs. When calculating the own funds for 2022, deductions have been made for the dividend proposed but not yet resolved by the General Meeting, see also the five-year overview.

As far as Futur Pension's results and position in general are concerned, reference is made to the following income statements and balance sheets, with the associated notes to the accounts.

Five-year overview

EXTRACT FROM THE INCOME STATEMENT	2022	2021	2020	2019	2018
Premiums earned (net of reinsurance)	1 792	1 025	978	1 002	1 095
Fees	405	399	294	269	247
Value changes to investment assets	-40 286	38 949	12 624	20 103	-2 202
Claims incurred (net of reinsurance)	-215	-244	-167	-148	-156
Life insurance business technical insurance result	856	614	418	386	357
Profit/loss for the year	260	182	110	106	97
FINANCIAL POSITION AND KEY RATIOS					
Total volume of premiums	36 506	44 671	22 501	18 248	19 575
Investment assets	19	25	19	16	22
Investment assets for which the life policyholder bears an investment risk	168 489	193 612	128 154	107 050	80 171
Technical provisions, unsettled claims	26	34	41	60	64
Own funds (Solvency2)	2 935	3 434	2 596	2 388	2 192
Tier 1 capital	2 935	3 434	2 596	2 388	2 192
Solvency Capital Requirement (SCR)	1 990	2 692	2 043	1 884	1 650
Minimum Capital Requirement (MCR)	895	1 211	880	733	548
Solvency Capital Ratio (SCR)	148%	128%	127%	127%	133%
Minimum Capital Ratio (MCR)	327%	283%	294%	325%	399%
Own funds, group (Solvency II)	2 948	3 445	2 609	2 403	N/A
Solvency Capital Requirement, group (SCR)	1 990	2 692	2 043	1 884	N/A
Solvency Capital Ratio, group (SCR)	148%	128%	128%	128%	N/A
Management cost percentage (net of reinsurance)	0,2%	0,3%	0,4%	0,4%	0,5%
Acquisition cost percentage	0,9%	0,9%	1,3%	1,3%	1,1%
Administration cost percentage savings products	0,1%	0,1%	0,1%	0,2%	0,2%

The business of Futur Pension differs from traditional life insurance in that the policyholders themselves bear the investment risk for premiums paid. No key ratios for solvency margin, dividend yield and administration cost percentage are therefore specified.

A reclassification of fees levied for yield tax took place in 2019. This affects the technical result for the life insurance business. The comparative figure for 2018 has been restated. The reclassification has no impact on earnings.

Financial reports

Income statement

TECHNICAL ACCOUNTING – LIFE-INSURANCE BUSINESS	Note	2022	2021
Premiums earned (net of reinsurance)	3		
Premiums earned (before outward reinsurance)		1 827	1 061
Premiums for outward reinsurance		-35	-36
Premiums earned (net of reinsurance)		1 792	1 025
Fees	4	405	399
Increase in value of investment assets for which the life policyholder bears an investment risk			
Increase in value of assets for conditional refund		-	26 676
Increase in value of unit-linked insurance assets		-	12 273
Increase in value of investment assets for which the life policyholder bears an investme	6	-	38 949
Other technical income	5	895	738
Claims incurred (net of reinsurance)			
Claims paid	7		
Before outward reinsurance		-223	-254
Reinsurers' share		8	9
Change in Provision for claims outstanding			
Before outward reinsurance		8	8
Reinsurers' share		-8	-7
Claims incurred (net of reinsurance)		-215	-244
Changes in other technical provisions			
Technical provision for life insurance policies for which policyholder bears risk			
Conditional refund	8	32 047	-26 669
Unit-linked insurance obligations	9	6 664	-13 061
Changes in other technical provisions		38 711	-39 730
Operating costs	10-13	-445	-523
Reduction in value of investment assets for which the life policyholder bears an investment risk			
Reduction in value of assets for conditional refund		-32 040	-
Reduction in value of unit-linked insurance assets		-8 246	-
Reduction in value of investment assets for which the life policyholder bears an investment risk		-40 286	-
Life insurance business technical insurance result		856	614
NON-TECHNICAL ACCOUNTING			
Life insurance business technical insurance result		856	614
Investment income	14	3	3
Unrealised gains on investments	15	0	0
Investment charges	16	-4	-1
Profit before tax		855	616
Tax	17	-595	-434
PROFIT FOR THE YEAR		**260**	**182**

Statement of comprehensive income

Profit/loss for the year	260	182
Other comprehensive income	-	-
Comprehensive income for the year	260	182

Balance sheet

	Note	MSEK 2022	MSEK 2021
ASSETS			
INTANGIBLE ASSETS			
Other intangible assets	19	11	-
Intangible assets		11	-
INVESTMENT ASSETS			
Shares and participations	20	19	25
Investment assets		19	25
INVESTMENT ASSETS FOR WHICH THE LIFE POLICYHOLDER BEARS AN INVESTMENT RISK	18		
Assets for conditional refund		108 442	131 083
Unit-linked insurance assets		60 047	62 530
Investment assets for which the life policyholder bears an investment risk		168 489	193 612
REINSURERS' SHARE OF TECHNICAL PROVISIONS			
Claims outstanding		26	34
Reinsurers' share of technical provisions		26	34
RECEIVABLES			
Deferred tax assets	17	5	5
Other receivables		22	38
Receivables		27	43
OTHER ASSETS			
Tangible assets	21	4	6
Cash and bank balances		908	767
Other assets		912	773
PREPAID EXPENSES AND ACCRUED INCOME			
Prepaid acquisition costs	22	87	17
Other prepaid expenses and accrued income		81	83
Prepaid expenses and accrued income		168	100
TOTAL ASSETS		169 652	194 519

Balance sheet, cont.

	Note	2022	2021
EQUITY, PROVISIONS AND LIABILITIES			
EQUITY			
Share capital, 100,000 shares		100	100
Reserve for development expenses		11	
Statutory reserve		250	250
Accumulated profit		243	222
Net profit for year		260	182
Equity	26-28	864	754
TECHNICAL PROVISIONS (BEFORE OUTWARD REINSURANCE)			
Claims outstanding	23	35	43
Technical provisions		35	43
TECHNICAL PROVISION FOR LIFE INSURANCE FOR WHICH THE POLICYHOLDER BEARS A RISK (BEFORE OUTWARD REINSURANCE)			
Conditional refund	8	108 373	130 964
Unit-linked insurance obligations	9	60 217	62 685
Technical provisions		168 590	193 650
PROVISIONS FOR OTHER RISKS AND COSTS			
Taxes			
Provision for income tax and yield tax		9	0
Provisions for other risks and costs		9	0
LIABILITIES			
Receivables relating to direct insurance, policyholders		14	1
Liabilities relating to reinsurance		14	14
Other liabilities	24	105	91
Liabilities		133	107
ACCRUED EXPENSES AND DEFERRED INCOME			
Other accrued expenses and deferred income		21	33
Accrued expenses and deferred income		21	33
TOTAL EQUITY, PROVISIONS AND LIABILITIES		169 652	194 519

Report on changes in equity

	RESTRICTED EQUITY			UNRESTRICTED EQUITY		
	Share capital	Statutory reserve[2]	Reserve for develop-ment expenses[3]	Accumulated profit	profit for year	Total
Closing balance Equity previous financial year = Opening balance Equity 01/01/2021	**100**	**250**		**191**	**110**	**652**
Appropriation of profits				110	-110	
Profit/Comprehensive income for the year					182	182
Total changes in net wealth excluding transactions with shareholders				110	72	182
Dividends				-80		-80
Closing balance Equity previous Financial year = Opening balance Equity 01/01/2022	**100**	**250**		**222**	**182**	**754**
Appropriation of profits				182	-182	
Profit/Comprehensive income for the year[1]					260	260
Total changes in net wealth excluding transactions with shareholders				182	78	260
Dividends				-150		-150
Capitalisation of IT development costs			11	-11		0
Closing balance Equity financial year	**100**	**250**	**11**	**243**	**260**	**864**

[1] Profit for the year is in line with comprehensive income for the year.
[2] Was incorrectly recognised in the previous year as a Share premium reserve in unrestricted equity. It should have been classified as a Statutory reserve in restricted equity. Refers to an older share premium reserve that, after a rule change in 2006, would have
[3] Reserve for development expenses refers to self-developed intangible assets that arose after 1 January 2022.

Performance analysis

Direct insurance of Swedish risks	Occupational pension insurance			Other life insurance		
PERFORMANCE ANALYSIS	Portfolio bonds	Unit-linked insurance	Illness insurance and premium exemption insurance	Portfolio bonds	Unit-linked insurance	Total
Premiums earned (before outward reinsurance)	0	1 785	21	2	18	1 827
Premiums for outward reinsurance	-	-8	-20	-	-7	-35
Fees	32	71	-	268	34	405
Other technical income	4	299	-	525	67	895
Claims incurred (net of reinsurance)	-	-219	3	0	1	-215
Changes in other technical provisions	1 690	5 722	-3	30 357	945	38 711
Operating expenses	-20	-153	-2	-219	-51	-445
Increase in value of investment assets for which the life policyholder bears an investment risk	-1 690	-7 283	-	-30 350	-963	-40 286
Life insurance business technical insurance result	17	214	-2	583	44	856
PRIOR-YEAR CLAIMS RESULT (before outward reinsurance)			9			9
Technical insurance provision for which the life policyholder bears a risk						
Conditional refund	5 771	-	-	102 602	-	108 373
Unit-linked insurance obligations	-	53 186	-	-	7 030	60 217
Technical provisions						
Claims outstanding	-	0	31	-	4	35
Reinsurers' share of technical provisions						
Claims outstanding	-	0	24	-	2	26

Operating expenses include profit shares and commissions from reinsurance companies.
Other technical income includes fees relating to yield tax charged to customers.
Change in the DAC of +70 MSEK relates to activation of premium provisions.

Notes

Note 1 Accounting and valuation principles

General information

The Annual Report for Futur Pension Försäkringsaktiebolag is issued at 31 December 2022. The financial statements relate to the financial year from 1 January to 31 December 2022. The company is an insurance company with corporate ID number 516401-6643. Futur Pension Försäkringsaktiebolag is wholly-owned by Futur Pension Holding AB (“Futur Pension Holding”) with corporate ID number 559159-6738. Futur Pension and Futur Pension Holding have their head offices in Stockholm at Linnégatan 18.

Compliance with standards and regulations

The annual report is prepared in accordance with Lagen om årsredovisning i försäkringsföretag (ÅRFL) [the Annual Accounts for Insurers Act] and the Swedish Financial Supervisory Authority’s regulations and general guidelines regarding annual accounts at insurance undertakings (FFFS 2019:23). The insurance company applies what is referred to as IFRS as limited by laws, which means international accounting standards that have been adopted for application subject to the restrictions deriving from RFR 2 and FFFS 2019:23, including amending regulations. This means that all EU-approved IFRS and statements are applied as far as possible within the framework of Swedish law and taking into consideration the connection between accounting and taxation.

The annual report was approved for issue by the Board of Directors on 23 February 2023. The income statements and balance sheets will be adopted at the General Meeting held on 24 February 2023.

IFRS 16 Leases

Futur Pension applies the exemption in RFR 2 to not apply IFRS 16. This means that Futur Pension has not made any change to its principles for recognising leases.

Premises for the preparation of financial statements and foreign exchange

The company's operating currency is SEK and the financial statements are presented in SEK. All amounts are rounded off to the nearest million (MSEK), unless otherwise specified. Transactions in foreign currencies are translated to the functional currency at the exchange rate in force on the transaction date. The closing rates in force on the balance sheet date are used when measuring assets and liabilities in foreign currency. Changes in the exchange rate are recognised net in the income statement on the rows “Investment income" or "Investment charges".

The financial statements are prepared on the basis of historical cost, with the exception of the following assets and liabilities, which are recognised at fair value: bonds and other interest-bearing securities and assets and liabilities in unit-linked insurance and portfolio bonds.

Assessments and estimates in the financial statements

When preparing the financial statements, it is presumed that the company management carries out assessments and estimates and makes assumptions that affect the application of the accounting principles and the amounts recognised for assets, liabilities, income and expenses. Assessments and assumptions are based on historical experience and a number of other factors that are considered reasonable under current circumstances. Estimates and assumptions are regularly revised.

Estimates of the value of technical provisions and deferred acquisition costs have a significant impact on the financial statements. A description of the assumptions and valuation methods used for these balance sheet items is presented in the accounting principles below and in Note 2 Risks and risk control.

New and revised standards for the financial year

None of the changes to IFRS standards or IFRIC interpretations that are obligatory for the first time for the financial year beginning on 1 January 2022 have had any substantial impact on Futur Pension’s income statement or balance sheet.

Future standards and interpretations after the closing date

A number of new or amended standards and statements of interpretation initially come into effect during the coming financial year and have not been prematurely adopted when preparing this annual report. The effects that the application of the following new or revised standards are expected to have on the company's financial statements are described below. In addition to these, the new or revised IFRS and interpretations that have not yet entered into force are not expected to have any material effect on the financial statements.

IFRS 17 – Insurance Contracts

IFRS 17 Insurance Contracts replaces IFRS 4 Insurance Contracts and enters into force on 1 January 2023. The standard provides principle-based regulations for accounting of insurance contracts and imposes more stringent requirements on disclosure in order to increase comparability between companies. The EU approved the standard in November 2022 with the exception of a so-called carve out relating to rules on annual cohorts. The exception means that the rule on annual cohorts for some types of insurance contracts need not be applied.

On 22 November 2021, the Swedish Financial Supervisory Authority published proposed amendments to the regulations on annual accounts at insurance companies and occupational pension companies (FFFS 2019:23) to be applicable from 1 January 2023. The proposal states, among other things, that IFRS 17 Insurance Contracts need not apply in the case of IFRS as limited by laws in juridical persons. Futur Pension's assessment is that the proposed changes will not have any substantial impact on the company's financial statements.

Insurance contracts and investment contracts

Insurance contracts are recognised and measured in income statements and balance sheets according to their economic contents and not according to their legal form, should they differ. Contracts that transfer significant insurance risk from the policyholder to the company and where the company agrees to compensate the policyholder or other beneficiary if a predetermined insured event occurs are recognised as insurance contracts. Investment contracts are contracts that do not transfer any significant insurance risk from the holder to the company.

According to an assessment by Futur Pension, contracts that include a right to compensation in the event of illness/injury, and/or contracts with a survivor's pension or death benefit, as well as contracts with only old-age pension (inheritance gain), entail significant insurance risk for the company. If the contract contains any of these risks, the entire contract is counted as an insurance contract.

Premiums earned in insurance contracts

Paid-up amounts are recognised as premiums earned during the financial year in accordance with the contracts classified as insurance contracts along with deducted risk premiums. A cash-based approach is used in life insurance and unit-linked insurance for accounting of premiums earned. That means that the premium is recognised in the income statement at the time of payment. The fees charged to the policyholder for administration of the insurance contract are recognised in the income statement under the heading of fees according to the same principles as for fee income attributable to investment contracts (see below). The fees are recognised as income over the term of the contracts.

Income recognition in investment contracts

The different types of fees charged to the policyholder for administration of investment contracts are recognised as income over the term of the contracts. The income from investment contracts is recognised in the income statement under the heading of fees. The company's undertaking is to continuously provide a range of investment funds in which the customer can save and manage it over time. Fees from investment contracts consist of a variable fee and a fixed annual fee. The variable fee is a percentage of the customer's insurance capital and is calculated on a daily basis on the capital value. The fixed annual fee is charged monthly or quarterly. The fees are recognised as expenses at the rate that the company provides management services to the customer

Other technical income

Other income attributable to commissions in the unit-linked insurance business is recognised in this item. Commissions are received from fund management companies with which Futur Pension has cooperation agreements to distribute the funds and are calculated on the basis of the value of the stock arranged per fund.

Futur Pension's undertaking is to arrange and distribute funds. The undertaking is thus considered to have been fulfilled when
funds have been arranged. Commissions are variable remuneration that depends on the value of mutual funds and it is considered that future return commissions cannot be reliably determined due to uncertainty factors regarding future capital value because of uncertainty in cancellations and future progress of the market. The income is thus recognised when the company receives the commission and not when the transaction was arranged.

Claims incurred

The total claims incurred during the period include claims paid out during the period for insurance contracts and changes in provisions for claims outstanding. Claims settlement costs are also included in this item.

Provision for outstanding claims

A provision for unsettled damages consists, at the end of the financial year, of reported and approved claims that have not yet been settled (RBNS) and the estimated operating expenses to settle them. The provision is discounted at the current market rate at any given time which is determined on the basis of Swedish Financial Supervisory Authority regulations. The provision for unsettled claims also consists of a provision for claims incurred but not yet reported to the company (IBNR) at the end of the financial year. The company's actuary calculates the provision using statistical and actuarial methods. For health and waiver-of-premium insurance, the reserve is calculated in its entirety by the company's actuary on the basis of assumptions regarding recovery to health, degree of disability, etc.

The income statement shows the change in unsettled claims for the period.

Reinsurance

Contracts entered into between Futur Pension and reinsurers whereby the company is compensated for losses on contracts issued by the company which meet the classification requirements for insurance contracts as described above are classified as outward reinsurance. For outward reinsurance, the benefits to which the company is entitled under the reinsurance contract are recognised as Reinsurers' share of technical provisions, which corresponds to the reinsurer's liability. [Deposited funds from reinsurers constitute the liability item Deposits from reinsurers]. Claims with and liabilities to reinsurers are measured in the same way as the amounts linked to the reinsurance contract and in accordance with the terms of each reinsurance contract. Annual profit is primarily settled by deduction in accordance with reinsurance contracts.

Unit-linked insurance undertaking

– A technical provision for life insurance policies for which the policyholder bears a risk

Regardless of whether the unit-linked insurance contract is classified as an insurance contract or an investment contract, the undertaking to the policyholders is recognised under this item. The liabilities are measured at the fair value of the funds
linked to the contracts, which is in accordance with how the unit-linked insurance assets are managed and evaluated Changes in value are recognised in the income statement. Fair value is determined using current fund values, which reflect the fair value of the financial assets held in the funds to which the liabilities are linked, multiplied by the number of units attributed to the policyholder at the balance sheet date.

Conditional refund

– A technical insurance provision for life insurance policies for which the policyholder bears a risk

Regardless of whether the insurance contract is classified as an insurance contract or an investment contract, the undertaking is recognised under this item. The provision relates to undertakings for contracts which do not constitute unit-linked insurance but in which the policyholder, as in unit-linked insurance, bears the full financial risk (referred to as a "portfolio bond"). The provision is measured at the fair value of the assets connected to the contracts. Changes in value are recognised in the income statement.

Prepaid acquisition costs

Costs incurred as a direct result of signing new investment contracts or insurance contracts are distributed over a period of time if they are deemed to generate a margin that at least covers the acquisition costs distributed. These consist of variable acquisition costs paid to brokers or other distributors. The deferred acquisition costs are recorded in the balance sheet as an asset item under Prepaid expenses and accrued income. The distribution over a period of time of the prepaid acquisition costs attributable to investment contracts takes place according to the same pattern as recognition of income, i.e. at the rate at which the services are provided. Distribution of deferred acquisition costs attributable to insurance contracts takes place over the estimated economic lifespan, which gives the same depreciation pattern as for investment contracts. Cancellations are also taken into account. Prepaid expenses are regularly tested for impairment to ensure that the expected future financial benefits of the contracts exceed the carrying amount. The company carried out new capitalisations during the year (see Note 22).

Payments to employees

The company's pension obligations to employees after the termination of employment are classified either as defined contribution plans or defined benefit plans. The employees' pension plan is defined-benefit for personnel employed before 2013 and defined-contribution for personnel employed after 2013. The defined-benefit plan (the BTP plan) is secured through Sparinstitutens Pensionskassa (SPK) and is recognised as a defined-contribution plan in accordance with the relief rules in RFR 2, which means that premiums paid are expensed on an ongoing basis in the income statement as they are paid.

Under IAS 19, a defined-contribution plan is a plan whereby the company pays fixed charges to a separate legal entity and has no legal or constructive obligation to pay additional charges if the legal entity has insufficient assets to make payments to employees relating to service during current or previous periods. A defined-benefit pension plan is defined as a plan for post-employment payments other than a defined-contribution plan.

Realised and unrealised changes in value

All investment assets are measured at fair value and the capital gain is the positive difference between selling price and historical cost. For interest-bearing securities, the historical cost is the amortised cost and for other investment assets it is the historical cost. In the case of sale of investment assets, previously unrealised changes in value are recorded as adjustment items under the items Unrealised gains on investment assets and Unrealised losses on investment assets.

Unrealised gains and losses are recognised net per type of asset. Changes that are explained by changes in exchange rates are recognised as foreign exchange gains or losses under the item Investments.

Both realised and unrealised changes in the value of unit-linked insurance and portfolio bond assets are recognised under increase or reduction in value of unit-linked insurance and portfolio bond assets.

Taxes

The company pays a flat-rate yield tax on the assets managed on behalf of the policyholders. Savings products are subject to yield tax. Yield tax is not a tax on the insurance company's earnings, but is paid by the company on behalf of the policyholders. The various tax rates are set out below.

Pension insurance

The tax rate is currently 15%. The base for yield tax is obtained by multiplying the capital base by the average government borrowing rate for the year immediately preceding the start of the tax year (taking the interest rate floor into account). The capital base consists of assets at market value at the beginning of the tax year minus financial liabilities.

Endowment insurance

The tax rate is currently 30 %. The base for yield tax is obtained by multiplying the capital base by the government borrowing rate on 30 November of the year preceding the start of the tax year (taking the interest rate floor into account). The capital base consists of assets at market value at the beginning of the tax year minus financial liabilities. Premiums paid during the first half of the year and half the premiums paid during the second half of the year are also included in the capital base.

Income tax

Corporation tax is levied on the profit from the company's own finance operations (shareholder business) and the profit from risk insurance policies (disability pension and waiver-of-premium) minus actual costs. The distribution of the costs and income between the business liable for income tax and the part of the business liable for yield tax takes place in a reasonable manner.

Deferred tax

Deferred tax is tax relating to temporary differences between the value of an asset or liability in the accounts and its value for tax purposes. Deferred tax liabilities are recognised for taxable temporary differences, and deferred tax assets are recognised for deductible temporary differences to the extent that it is likely that the amounts can be used towards future surpluses. The company has used future determined income tax of 20.6% when calculating deferred taxes.

Intangible assets

Intangible assets are recognised in the income statement if it is likely that the future economic benefits will accrue to the company and the historical cost can be reliably calculated. Intangible assets are recognised at their historical cost net of accumulated depreciation and any impairments.

Impairment of intangible assets

An assessment of the carrying amount of intangible assets is carried out at each balance sheet date in order to assess whether there is any indication that the asset has decreased in value. If there is any such indication, the asset’s recoverable amount is established. The recoverable amount is calculated as an asset’s use or its net sale value, whichever is the higher.

Financial Instruments

Financial assets and liabilities

Financial instruments recognised in the balance sheet include, on the assets side: investment assets, investment assets for which the policyholder bears a risk, cash and bank balances and certain other receivables. Liabilities and equity include subordinated liabilities, liabilities in the insurance business and undertakings for investment contracts included in the provision for which the policyholders bear an investment risk.

Recognition and derecognition in the balance sheet

A financial asset or financial liability is recognised in the balance sheet when the company becomes a party in accordance with the contractual terms of the instrument.

A financial asset is removed from the balance sheet when the contractual rights are realised or expire or when the company loses control of them. The same applies to part of a financial asset. A financial liability is derecognised when the contractual obligation is fulfilled or is otherwise terminated. This also applies to a part of a financial liability.

A financial asset and a financial liability is offset and recognised at a net amount in the balance sheet only when there is a legal right to offset the amount and when there is an intention to settle the items at a net amount or to realise the asset and settle the debt at the same time.

Acquisition and sale of a financial asset is recognised on the transaction date, which is the date on which the company commits to acquiring or selling the asset.

Classification and measurement

All financial assets and liabilities are measured at fair value upon initial recognition. Subsequent recognition is carried out according to the valuation category to which the financial instrument is assigned.

Financial assets are classified and measured in accordance with the provisions of IFRS 9 in one of the three measurement categories:

- Amortised cost
- Fair value through the income statement
- Fair value through other comprehensive income (the company has no debt instruments in this category)

Debt instruments

Financial assets that are debt instruments are represented in the balance sheet as Assets for conditional refund and Unit-linked insurance assets (refers to mutual funds in which the fund must repay the fund units when the units are redeemed) loan and trade receivables classified as Other receivables and Cash and bank balances.

The classification of a debt instrument is determined by the business model for managing the instrument and the characteristics of the instrument's contractual cash flows. One requirement in order for a financial asset to be recognised at amortised cost or fair value through other comprehensive income is that the contractual cash flows must consist solely of repayment of outstanding principal and interest on the outstanding amount of principal. Debt instruments that do not meet the requirement must be measured at fair value through profit or loss regardless of the business model to which the asset is attributable. All debt instruments measured at amortised cost meet these cash flow criteria.

Financial assets measured at fair value through the income statement

Futur Pension manages its holdings of interest-bearing securities according to a business model that entails a fair value measurement through profit or loss as a result of the fact that the assets are managed and measured based on the fair values of the assets and the fair value forms the basis for internal monitoring and reporting to senior executives. There are currently no such investments.

Shares and units and and mutual funds classified as debt instruments in accordance with the above are measured at fair value.

The historical cost of debt instruments measured at fair value through profit or loss constitutes the fair value of the asset without any addition for transaction costs. This recognition means that the assets are measured on an ongoing basis at fair value through profit or loss where the accumulated unrealised changes in value are recognised in retained earnings. Changes in the fair value of these assets are recognised in the income statement as Unrealised gains and Unrealised losses on investment assets and interest income is recognised in Investment income. In the event of sale of an asset in this category, accumulated unrealised changes in value are recognised in the income statement on the line of Unrealised gains or losses on investment assets, while realised income is recognised in the income statement on the line Investment income or Investment charges.

Financial assets measured at amortised cost

The company deals with loan and trade receivables according to a business model which aims to realise the cash flows of the assets by obtaining contractual cash flows consisting solely of principal and interest on the outstanding amount of principal. These assets are therefore measured at amortised cost. Amortised cost means the discounted present value of all future payments attributable to the instrument where the discount rate consists of the asset's effective interest rate at the moment of acquisition.

Expected loan losses

Reserves for expected loan losses are recognised for financial assets measured at amortised cost. The initial reserve loss is calculated and recognised upon initial recognition and is then adjusted on a continuous basis over the maturity of the financial asset. Balance sheet items measured at amortised cost consist of loan and trade receivables, as well as cash and bank balances. A reserve for financial assets recognised at amortised cost is recognised as a decrease in the gross carrying amount for the asset. Provisions for loan losses are presented in the income statement in Investment charges.

Verified loss

Verified loan losses are losses which are finally established in terms of their amount and where the chance of receiving further payments is considered to be very small. The receivable is then written off from the balance sheet and recognised as a verified loss in the income statement at that moment.

Financial liabilities measured at fair value through the income statement

See the description of unit-linked insurance assets and Assets for conditional refund above. Furthermore, these undertakings must be measured at fair value in accordance with a requirement under Swedish Financial Supervisory Authority regulations.

Other financial liabilities

Other liabilities relating to the insurance business are valued at amortised cost

Contingent liabilities

A contingent liability is recognised when there is a possible commitment that arises from past events and whose existence will be confirmed only by one or more uncertain future events or when there is a commitment that is not recognised as a liability or provision on the grounds that it is unlikely that an outflow of resources will be required.

Structured companies

Futur Pension has invested in mutual funds and securities in the unit-linked insurance business and the portfolio bond business. These meet the criteria of being what are referred to as structured companies (a company that has been designed in such a way that voting rights and similar rights are not the dominant factor in determining who has the dominant influence, for example when all voting rights relate solely to management tasks and the activities in question are governed by contractual provisions). The purpose of the investments is to generate returns for the policyholders and they are thus financed by insurance premiums from the policyholders. The investments are recognised in the balance sheet as investment assets for which the life policyholder bears an investment risk and on the liabilities side as technical provisions for which the policyholder bears a risk.

The company considers that it does not have a dominant influence over the structured entities and they are therefore not consolidated. There is no dominant influence because it is the policyholders that make decisions on which mutual funds the company must invest in.

Tangible assets

Tangible assets are recognised at their historical cost net of accumulated depreciation and any impairment. Depreciation is based on a straight-line depreciation period and assessed useful life. The assets' residual value and useful lives are tested on each balance sheet date and are adjusted if necessary.

Portfolio assignments

Portfolio assignment, which means that Futur Pension has taken over an insurance portfolio from another insurance company, is reported in the balance sheet in accordance with FFFS 2019:23.

Note 2 Risks and risk control

Futur Pension is engaged in life insurance business with savings in unit-linked insurance as well as traditional insurance in the form of portfolio bonds in which the policyholders themselves bear the investment risk. The products are taken out as private endowment and pension insurance, company-owned endowment insurance and occupational pension insurance. The products can be taken out with or without repayment protection. Futur Pension also provides health insurance and waiver-of-premium insurance as well as survivor's pension and death benefit as add-ons. Death benefit (life insurance) can also be taken out as a stand-alone product. The business is under the supervision of the Swedish Financial Supervisory Authority. The main risks in the business are insurance risks, operational risks and financial risks.

Governance and risk management

Futur Pension, along with its parent company Futur Holding AB, forms a group in which Futur Pension, in accordance with a decision by the Swedish Financial Supervisory Authority, is a company responsible for corporate governance.

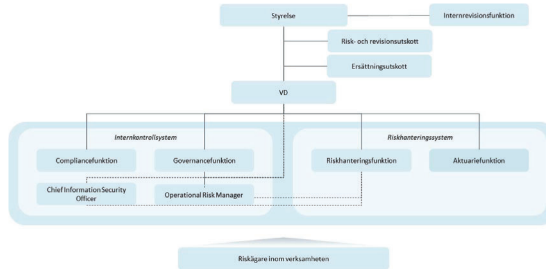
The Board of Directors of Futur Pension has ultimate responsibility for the company's organisation, which also includes responsibility for managing the risks to which Futur Pension, as well as relevant parts of the group, are exposed. The Board of Directors establishes the overall policies and guidelines that must apply to risk management, reporting of risk, internal control and monitoring.

The CEO is responsible for the company's day-to-day operations as well as for risk management, reporting of risk, internal control and monitoring. The CEO is also responsible for the implementation of policies in the business.

Futur Pension has a corporate governance system that includes a risk management system and an internal control system.

The risk management system includes a risk management strategy that is consistent with the company's business strategy and which expresses the company's risk management principles, including setting risk tolerance limits and allocating responsibility for risk management. It also includes, for example, governance documents on dealing with material risks and appropriate reporting procedures and processes.

The system for internal control must ensure that Futur Pension complies with applicable laws and statutes, that the company's operations are appropriate and effective in view of its objective and that economic and non-economic information is available and reliable. In Futur Pension's organisation, the corporate governance system is implemented according to the diagram below.



The four key functions, i.e. (i) the Compliance Unit, (ii) the Risk Management Unit, (iii) the Actuarial Unit and (iv) the Internal Audit Unit, are organised in such a way that they are able to carry out their work in a way that guarantees freedom from any influence that may compromise the ability of the units to carry out their tasks in an objective, accurate and independent manner.

The internal control system includes, in organisational terms:

The Compliance Unit

- The *Compliance Function* is part of the system for internal control and helps ensure that risks relating to compliance with external and internal rules are identified, assessed and managed.
- The Governance Unit – the Governance Unit supports and monitors the organisation so that the corporate governance system is implemented effectively. The unit supports the organisation in such tasks as implementation of new laws and regulations, it works to achieve clearly defined roles and areas of responsibility, suitable reporting structures, development of process descriptions for important processes, and contributes to effective decision-making structures.
- Operational Risk Manager – The Operational Risk Manager supports the business in the work of managing and reducing operational risks and ensures that Futur Pension has effective systems to control and monitor those risks.
- The Chief Information Security Officer is responsible for supporting the business in the work of managing and reducing information security risks and ensuring that Futur Pension has efficient systems for managing and monitoring those risks.

The risk management system includes, in organisational terms:

- The Risk Management Unit assists the Board of Directors, the CEO and the other units in ensuring that the risk management system works efficiently. The unit continuously monitors the risk management system and the company's risk profile and monitors emerging risks.

- The actuarial unit coordinates and is responsible for the quality of the actuarial calculations and analyses. The Unit assists the Board of Directors and the CEO and reports to them on its own initiative on matters that relate to methods, calculations and assessments of technical provisions, valuation of insurance risks and reinsurance protection and techniques for reducing risks.

The Internal Audit Unit is responsible for reviewing and evaluating the company's governance, risk management and internal controls on behalf of the Board of Directors. The Internal Audit Unit is directly subordinate to the Board of Directors of Futur Pension and is completely independent from the business being being audited.

Insurance risks

Futur Pension sets its premiums and reserves based on assumptions about how high the costs for insurance events occurring will be. The risk of the actual and assumed risk costs deviating from each other is referred to as insurance risk. Insurance risk at Futur Pension exists in the following insurance events:

- Decease – payment to beneficiaries in the event of the decease of the insured
- Longevity – payment of inheritance gains
- Illness – payment in the event of illness or incapacity for work
- Cancellations – payment in the event of repurchase, transfer and non-payment of premiums
- Operating expenses – costs for carrying on the business

Mortality risk arises from cover in the event of decease that exists in most insurance policies.
The morbidity risk exists in the insurance policies where waiver-of-premium and, as appropriate, health insurance have been taken out.

Mortality risk consists of the risk of mortality among the insured persons deviating from the technical assumptions used when setting prices. In cases where repayment protection has been taken out, the exposure to mortality risks is limited to approximately 1 per cent of the fund value in the event of decease. For other cover in the event of decease, the company manages mortality risks through its medical examinations policy to ensure that the product is priced taking into account the individual's state of health and through reinsurance within certain set intervals. Futur Pension is able, whenever necessary, to change the premium for the mortality risk and the underwriting risk is therefore small.

Life longevity risks exists in savings insurance, in retirement pensions, without repayment protection. Life longevity risk means that the insured lives longer than is expected in the assumptions and that the company therefore allocates too much inheritance gain. There is, however, no longevity risk as the company does not pledge any guarantees.

Morbidity risk consists of the risk of morbidity among the insured persons being higher than the assumptions used when setting prices and reserves. Exposure to morbidity risks is managed through the company's medical examinations policy to ensure that the product is priced taking into account the individual's state of health and through reinsurance within certain set intervals. If necessary, the premium can be adjusted for waiver-of-premium and health insurance.

Most of the company's income consists of fees calculated on the fund and custody account value. The company is therefore exposed to lapse risks.

Lapse risks consist of the risk that the customer may repurchase, transfer or cease to pay premiums for contracts in a way that the company did not foresee in its pricing, and which may thus give rise to losses in cases where the company has incurred costs for the customer for which the insurer has not yet received payment. These risks are primarily managed through active customer contacts and product development. The company regularly monitors the development of cancellations and letters of release.

The operating cost risk refers to the risk that income from fees may be lower than the costs for carrying on the business. The company is thus exposed to the risk that income may decrease due to price pressure, fewer new policies being taken out or weak progress in the financial markets. The cost risk is the risk of the company's future costs being incorrectly estimated.

Limitation of insurance risks

The company carries out a medical risk assessment for the insurance risks of decease and sickness when risk insurance is applied for and before the insurance is granted. The purpose of risk assessment is to be able to offer a fair premium and fair conditions and to limit the claim outcome.

The company has guidelines for maximum exposure per insured

Futur Pension's insurance risks are further limited through the reinsurance contract signed for morbidity and mortality risks. Futur Pension reinsures any amounts that exceed the retention, i.e. the largest risk that Futur Pension is prepared to take on its own behalf. The retention is set at 100 TSEK per insured person. In addition to this there is catastrophe protection for individual events that result in a large number of illness or death claims.

Futur Pension has also signed a reinsurance contract that limits the lapse risk in the event of mass transfers.

Risk type	Futur Pension	Reinsurer
Life longevity risk	-	-
Mortality risk	Retention in SEK	Amount in excess of retention
Morbidity risk	Retention in SEK	Amount in excess of retention
Lapse risk	-	Covers the loss of future profits in the event of mass transfers

Reserve allocation risk

Most of the technical provisions do not involve any insurance risk or investment risk for Futur Pension because the policyholders bear the investment risk. Insurance risk occurs in the technical provisions relating to unsettled claims. Outward reinsurance limits the consequences of very large claims and the size of the exposures can therefore be managed and the company's equity can be protected.

The table below provides a sensitivity analysis of the assumptions used when calculating the technical provisions for ongoing sickness claims to show how changing assumptions affect earnings and equity. The provision for unspecified losses is based on a percentage of the risk premium and is therefore not directly affected by the assumptions below.

For the mortality risks, the company only allocates a reserve for unspecified losses. The reserve risk for mortality risks is negligible.

The sensitivity analysis has been carried out by measuring the effect on gross and net provisions, on pre-tax profit and equity, of reasonably likely changes in some key assumptions.

The effects have been measured assumption-by-assumption, with the other assumptions remaining constant.
No correlations between assumptions have therefore been taken into account.

Effect on profit/loss after tax/equity (MSEK)*

Assumptions	2022	2021	Scenario
Morbidity	– 0.5	– 0.6	The risk of morbidity is calculated as the effect of reducing recovery to health by 20%
Market interest risk	– 0.3	– 0.3	The market interest risk is calculated as the effect of higher market interest rates (parallel shift 1%).

*The table shows the effect on equity. There is no significant difference between pre-tax and post-tax earnings. In both the analyses, the difference is approximately 0.1 MSEK

The effect on earnings and equity in the event of changes in morbidity is small most of the claims are reinsured. Changes in discount rates have only a slight effect on earnings and equity.

The effect on earnings and equity in the event of changes in morbidity is slightly lower than in the previous year since a larger proportion of the claims are reinsured. Changes in discount rates have only a slight effect on earnings and equity.

Underwriting risk

Underwriting risks exist for all insurance risks. In the case of incorrect pricing, Futur Pension has the option to revise the premiums and fees. The company's main method for controlling underwriting risks is the business plan adopted annually by the Board of Directors. The plan determines the classes of insurance within which insurance must be taken out. Monitoring of premiums, claim levels and operating expense results is carried out on a quarterly basis.

Reporting and monitoring of insurance risks

The actuary is responsible for ensuring that the financial outcome of the insurance risks is monitored on a regular basis. Each year, the interim results per insurance event are analysed at the time when the Annual Report to the Financial Supervisory Authority is prepared. The assumptions are reconsidered on an ongoing basis.

Operational risks

Operational risk means the risk of loss due to incorrect and/or inadequate internal processes, human error, deficiencies in systems or external events. Operational risk also includes legal and compliance risks. The operational risk within Futur Pension is divided into subcategories, as follows:

- Internal fraud
- External fraud
- Employment relations and safety at the workplace
- Customers, products and business practice
- Damage to physical assets
- Execution, delivery and process management
- Business disruption and system errors
- IT security
- Model risk

Futur Pension accepts that operational risk is a natural consequence of carrying on business and the management of operational risks is afforded high priority in the company. Operational risks mainly affect Futur Pension financially through a cost, for example in connection with customer compensations, but can also lead to regulatory, reputational and customer-related consequences.

To promote the practical implementation of the objectives for management of operational risks in relation to Futur Pension’s strategy, the Board of Directors has established an appetite for risk and has specified risk tolerance levels. Appetite for risk and the risk tolerances reflect Futur Pension's strategy to achieve greater customer satisfaction and meet set financial targets and must be taken into account in assessing how operational risks are limited.

Financial risks

Various types of financial risks such as credit risks, market risks and liquidity risks arise in the insurance company's operations. As described above, the policyholder him or herself bears the financial risk in unit-linked insurance and portfolio bonds. Futur Pension is exposed to financial risk when the value of the customers' investment assets fluctuates as a result of movements in prices on the financial markets. This risk arises from a change in the size of the fee base.

The company also has its own investment assets which are exposed to financial risks. According to the company's investment guidelines, the company's own assets may be invested in interest-bearing assets with a low credit risk, funds deposited in accounts and units in funds in Futur Pension's fund stock. The equity at 31/12/2022 is essentially invested in funds deposited in bank accounts. The market risk in these investments is considered to be negligible. In addition, the company maintains a trading book, invested in various mutual funds, which is affected by changes in the financial markets. The market risk is limited by establishing limits per fund. The limit for the fund varies and depends on trading volume and minimum trading units. See also the section on Financial risks – Market risks.

The Board of Directors has established guidelines and instructions for finance operations. This is managed through investment rules and investment regulations. The company's CRO (head of the risk management unit), along with the CFO, is responsible for reporting and monitoring financial risks.

Financial risks – Credit risk/Counterparty risk

Credit risk means that the counterparty in a business relationship fails to fulfil its undertakings in whole or in part. Counterparty risks in an insurance company arise among other things in connection with receivables related to reinsurance and via bank balances. Counterparty risks at Futur Pension arise mainly through exposure to credit institutions via funds in bank accounts and through reinsurance. The existing low counterparty risk means that loan losses are expected to amount to insignificant sums. No reserve for losses is therefore recognised. Note 1 sets out the accounting principles.

The largest exposure is to financial institutions through funds deposited in bank accounts. The credit risk is considered to be low. The creditworthiness of issuers and counterparties is determined by means of both internal and external credit assessment.

The insurance company's reinsurance policy means that contracts are only entered into with reinsurers with high credit ratings. The reinsurers' creditworthiness is reviewed regularly to ensure that the reinsurance protection decided upon is maintained. Futur Pension currently has contracts with two reinsurers, both of which have a credit rating of AA-.

Financial risks – Liquidity risks

Liquidity risk is the risk that the company may be unable to meet its payment obligations when they fall due or that the company may be unable to sell securities at acceptable prices. This risk is limited due to the fact that most of the investment assets are invested in securities with good liquidity which are listed on the market. The liquidity risk for investment assets for which the life policyholder bears the investment risk is low because the proceeds of the sale are settled within a couple of days.

Futur Pension's liquidity exposure with regard to remaining maturities of financial assets and liabilities is shown in the table below. All amounts in the table are in MSEK.

Term	On request	<3 months	3-12 months	>1 years
Financial Assets				
Shares and participations		19		
Receivables		17		10
Cash and bank balances	908			
Other prepaid expenses and accrued income		81		87
Financial Liabilities				
Liabilities relating to direct insurance		14		
Liabilities relating to reinsurance		13		1
Other liabilities		105		
Accrued expenses		21		

Financial risks – Market risks

Market risk is the risk that the fair value of a financial instrument or future cash flows from a financial instrument may fluctuate due to changes in market prices. Interest-rate risk, currency risk and share price risk are examples of market risks.

As the company undertakes unit-linked insurance and portfolio bond activity, the direct exposure to fluctuations to the unit-linked insurance and portfolio bond assets is borne by the customers themselves. Nevertheless, changes in the market values of these assets have an impact on profits as a result of changes in the revenue base.

Equity is substantially invested in liquid assets, cash and cash equivalents and funds deposited in bank accounts at group companies. The company also maintains a smaller trading book, invested in various mutual funds, which is affected by changes in the financial markets.

Financial risks – Interest-rate risk

Futur Pension is exposed to interest rate risk due to the risk that the market value of the insurance company's fixed-interest assets may fall when the market rate rises.

During 2022, the company had cash and cash equivalents deposited in bank accounts.

Futur Pension is also exposed to interest-rate risk through investment assets for which the customers bear the financial risk because the value of future income falls with falling asset prices.
Interest-rate risk exists for the undertakings relating to ongoing medical claims. See the sensitivity analysis regarding interest rate risk in the section entitled Insurance risks.

Financial risks – Currency risk

Currency risk, like share-price risk and interest-rate risk, arises though the customers' investment assets and therefore the fee base is exposed to fluctuations in the currencies in which the financial instruments are listed. Currency risk also occurs in the fund book.

Financial risks – Share-price risk

Share-price risks arise in the company's own investments in mutual funds and indirectly through investment assets for which the customers bear the financial risk because the value of future income decreases with falling asset prices.

Capital management/Solvency Information

The policyholders themselves bear the financial risk in the investment assets in which they decided that the insurance capital in unit-linked insurance policies and portfolio bonds should be invested or to which it should be exposed. Futur Pension's governance focuses on the range of funds and other financial instruments offered to the policyholders in the relevant insurance policies. The objective is prudent management of the assets made available to the policyholders in unit-linked insurance and portfolio bonds and of the assets for which Futur Pension bears the direct financial risk. This is done by specifying requirements for permitted assets in portfolio bonds and unit-linked insurance to enable risks to be evaluated and measured and through detailed investment rules.

Futur Pension's operations are subject to requirements issued by public authorities. Besides approval and monitoring of the business, these requirements also include quantitative provisions in the form of capital requirements to minimise the risk of insolvency in the event of unforeseen losses. Futur Pension has met these requirements during the financial year. Information provided in the administration report with regard to capital strength and solvency data is based on the rules laid down in the Insurance Business Act. These rules are based on the required level of solvency and capital and the valuation principles applied in the business rules.

Futur Pension's capital management policy for the business consist of holding a sufficient level of capital to meet both requirements under the Insurance Business Act and capital requirements according to the company's own assessment (ORSA). To ensure that Futur Pension is able to fulfil what has been agreed, Futur Pension is required to have a buffer to manage any adverse outcomes from uncertain events. This buffer is the company's capital base and essentially consists of equity and expected future earnings. Capital requirement and need for capital are forecast as a matter of routine on a regular basis and are evaluated against estimated available capital, including risk and sensitivity analyses. The process must ultimately be approved by the Board of Directors.

Preferential rights register

Futur Pensions' Board of Directors establishes the policy for the preferential rights register that describes the company's way of establishing the statutory preferential rights register to be maintained by an insurance company that carries on direct insurance business. The policy specifies how the contribution margin must be monitored and reported at the company.

In accordance with the Solvency Regulations, technical provisions are measured at fair value where the policyholder bears the entire investment risk and are lower than specified in the financial statements. The contribution margin in accordance with the Solvency Regulations amounts to over 100%. Other provisions in accordance with the Solvency Regulations remain unchanged. The same valuation principle applies and the contribution margin is therefore the same.

Note 3 Written premium (net of reinsurance)

	2022	2021
Direct life insurance in Sweden		
Regular premiums	841	854
Single premiums	963	183
Premiums for risk insurance	23	25
Premiums earned before outward reinsurance	1 827	1 061
Premiums for outward reinsurance	-35	-36
Premiums earned after outward reinsurance	1 792	1 025

Note 4 Fees

	2022	2021
Fees relating to insurance contracts	9	12
Fees relating to investment contracts	395	387
Fees	405	399

Note 5 Other technical income

	2022	2021
Fees relating to yield tax[1]	616	437
Commissions from fund managers	295	300
Other income	-16	1
Other technical income	895	738

[1]The corresponding expense is recognised as yield tax in Note 17.

Note 6 Net profit/loss per category of financial instrument

Financial assets	2022	2021
Shares and participations *)	-3	3
Investment assets for which the life policyholder bears an investment risk *)	-40 286	38 949

*) Financial assets identified as items measured at fair value in the income statement

Note 7 Insurance settlements paid out (net of reinsurance)

	2022	2021
Claims paid	-77	-63
Cancellations and buy-back	-145	-191
Claims adjustment costs	0	0
Reinsurers' share	8	9
Provision for changes in claims incurred and reported	8	8
Change in provision for claims incurred but not reported (IBNR)	-	-
Reinsurers’ share	-8	-7
Claims paid (net of reinsurance)	-215	-244

Note 8 Conditional refunds

	2022	2021
Opening balance	130 896	79 457
Payments	27 546	39 191
Cancellations and buy-back	-16 774	-13 240
Withdrawals upon maturity	0	0
Withdrawals in the event of decease	-397	-445
Fee charge	-300	-284
Compensation for risk insurance (pbf/decease)	-14	-13
Changes in value of portfolio bond assets	-32 040	26 676
Yield tax	-549	-384
Risk amounts due	6	6
Other changes	0	0
Closing balance	108 373	130 964
Of which estimated to fall due within 12 months	13 891	21 811

Note 9 Unit-linked insurance commitments

	2022	2021
Opening balance	62 685	48 772
Payments	8 947	5 467
Cancellations and buy-back	-2 272	-2 955
Withdrawals upon maturity	-754	-726
Withdrawals in the event of decease	-56	-48
Fee charge	-105	-114
Compensation for risk insurance (pbf/decease)	4	0
Changes in value of unit-linked insurance assets	-8 246	12 273
Yield tax	-67	-53
Risk amounts due	-15	-11
Other changes	94	80
Closing balance	60 217	62 685
Of which estimated to fall due within 12 months	2 907	4 730

Note 10 Operating expenses

	2022	2021
Acquisition costs	-405	-382
Change in deferred acquisition costs	70	-8
Administrative expenses	-118	-141
Commissions and profit shares in outward reinsurance	7	8
Operating expenses	-446	-523
Claims adjustment costs	0	0
Total operating expenses	-445	-523

	2022	2021
Personnel costs	-115	-140
Costs for premises, etc.	-14	-13
Depreciation, etc.	-2	-2
Other	-314	-368
Operating expenses	-446	-523

The company leases 31 (28) vehicles under an operating lease. Costs for leasing vehicles amounted to 3 MSEK (4) during the year. At the balance sheet date, future minimum lease

	2022	2021
> 1 year	0	-1
1-5 years	-4	-2
Total	-4	-3

Note 11 Costs for pensions and similar obligations

	2022	2021
Social insurance costs		
Pension costs Chief Executive Officer	-2	-2
Pension costs former CEO*)	-	-5
Pension costs for the other employees	-18	-20
Other social insurance costs in accordance with law and agreements	-27	-33
Total	-47	-60

*) The item refers to paid and accrued pension costs for a former Chief Executive Officer Sep.–Dec. 2021

Note 12 Average number of employees and salaries and other payments

	2022	2021
Average number of employees		
Women	45	40
Men	47	47
Total	92	87

	2022	2021
Distribution between male and female		
Board of Directors		
Women	2	-
Men	5	5
	7	5
Management team		
Women	3	3
Men	6	6
	9	9

	2022	2021
Salaries and other remuneration		
Board of Directors and Chief Executive Officer	-5	-6
Cost for former CEO for the current year	-	-1
Accrued cost for former CEO	-	-5
Other employees	-65	-67
Total	-70	-80

Note 13 Fees and reimbursement of expenses to auditors

	2022	2021
Audit assignments - PwC	-1	-1
Other audit assignments	-	-
Tax consulting	-	-
Other services	-	-
Total	-1	-1

"Audit assignment" means the auditor's remuneration for the statutory audit. The work includes the audit of the annual financial statements and accounting records, management by the Board of Directors and the Chief Executive Officer as well as fees for audit advice provided in connection with the audit assignment.

Note 14 Return on capital, income

	2022	2021
Other interest income	2	0
Capital gains, shares and participations	-	3
Investment income	2	3

Note 15 Unrealised gains/losses on investment assets

	2022	2021
Shares and participations	0	0
Unrealised gains/losses on investment assets	0	0

Note 16 Return on capital, expenses

	2022	2021
Other interest expenses	0	0
Foreign exchange losses, net	0	-1
Capital losses, shares and participations	-3	-
Investment charges	-4	-1

Note 17 Tax

	2022	2021
Current tax cost		
Yield tax	-615,7	-437,1
Foreign coupon tax	20,8	4,3
Deferred tax cost		
Deferred tax, temporary differences	-0,1	-0,8
Tax	-595,0	-433,6

	2022	2021
Reconciliation of reported tax		
Pre-tax profit for the year	855,4	615,7
Yield tax	-615,7	-437,1
Minus earnings in operations subject to yield tax	-239,0	-174,0
Earnings in operations subject to income tax	0,7	4,5

	2022	2021
Tax at the applicable future tax rate 20.6%	-0,1	-0,9
Reported income tax	-0,1	-0,8
Difference	-0,1	-0,1

	2022	2021
Explanatory items		
Tax effect of change in loss carryforwards for which deferred tax is not taken into account	0,1	0,9
Change in deferred tax in previous years	-0,1	-0,8
Deferred tax, temporary differences due to a change in tax rate for previous years	0,0	0,0
Total	0,1	0,1

Futur Pension's assessment is that within the next few years the company will generate fiscal earnings in the part of the business that is liable for income tax that can be used against the loss carryforward. Deferred tax assets of 5.1 MSEK on the temporary difference are thus recognised in the balance sheet. The total accumulated tax deficit amounts to -24.8 MSEK.

Note 18 Categories of financial assets their fair values

Financial assets 2022	Measured at fair value through the income statement	Measured at amortised cost	Total carrying amount
Shares and participations	19		19
Investment assets for which the life policyholder bears an investment risk	168 489		168 489
Receivables		27	27
Cash and bank balances		908	908
Other prepaid expenses and accrued income		81	81
Non-financial assets			127
Total assets	168 508	1 017	169 652

Financial assets 2021	Measured at fair value through the income statement	Measured at amortised cost	Total carrying amount
Shares and participations	25		25
Investment assets for which the life policyholder bears an investment risk	193 544		193 544
Receivables		43	43
Cash and bank balances		767	767
Other prepaid expenses and accrued income		83	83
Non-financial assets			57
Total assets	193 569	893	194 519

Financial instruments measured at fair value 2022	Level 1	Level 3
Shares and participations	19	
Investment assets for which the life policyholder bears an investment risk	158 305	10 421
Total financial assets	158 324	10 421

Financial instruments measured at fair value 2021	Level 1	Level 3
Shares and participations	25	
Investment assets for which the life policyholder bears an investment risk	182 595	10 949
Total financial assets	182 620	10 949

The above table provides information on how fair value is determined for the financial assets that are measured at fair value in the balance sheet. Assets that can be traded on an active market at market prices are recognised in level 1. Level 3 is used for assets where there is no observable data. The valuation of these assets takes place as follows. The main rule is that the new issue price is always valid for two quarters. Otherwise, a large number of different models are used, adapted according

	2022	2021
Opening balance, level 3 shares	8 095	4 781
Recognised in the profit/loss for th	-1 921	2 388
Acquisitions	1 398	8 594
Sale	-1 080	-568
Movement from level 3 (to level 1)	-657	-7 101
Closing balance, level 3 shares	5 835	8 095

	2022	2021
Opening balance, level 3 bonds	2 854	1 270
Recognised in the profit/loss for th	-1 049	40
Acquisitions	3 254	1 984
Sale/maturity	-473	-439
Closing balance, level 3 bonds	4 586	2 854

Closing balance for Level 3 shares and bonds corresponds to the recognised fair value of level 3 assets

Note 19 Intangible assets

	2022	2021
Intangible assets		
Opening acc. acquisition value	-	-
Acquisitions for the year	11	-
Closing accumulated acquisition value	11	-
Opening acc. depreciation and impairment	-	-
Depreciation and impairment for the year	0	-
Closing accumulated acquisition value	0	-
Book value	11	-

Note 20 Shares and participations

	2022	2021
Shares and participations		
Acquisition cost	19	25
Fair value	19	25

Note 21 Tangible assets

	2022	2021
Equipment		
Opening acc. acquisition value	6	8
Acquisitions for the year	-	-
Closing accumulated acquisition value	6	8
Opening accumulated depreciation	-4	-2
Depreciation and impairment for the year	-2	-2
Closing accumulated acquisition value	-6	-4
Book value	4	6

Note 22 Deferred acquisition costs

	2022	2021
Deferred acquisition costs depreciation period of over two years		
Opening balance	17	25
Capitalised acquisition costs for the period	80	-
Depreciation for the year	-10	-8
Prepaid acquisition costs	87	17
Of which book value with a remaining depreciation period of under two years	3	6
Of which book value with a remaining depreciation period of over two years	83	17

Note 23 Technical provisions (before outward reinsurance)

	2022	2021
Opening balance		
Opening balance reported claims	35	44
Opening balance claims incurred but not reported (IBNR)	8	8
Opening balance	43	51
Change for the year		
Cost of claims incurred in the current year	7	6
Change in expected cost of claims incurred in previous years	-16	-14
Change for the year	-8	-8
Closing balance		
Closing balance claims reported	27	35
Closing balance claims incurred but not reported (IBNR)	9	8
Closing balance	35	43

Note 24 Other liabilities

	2022	2021
Tax-related liabilities	33	25
Trade accounts payable	14	6
Other liabilities	57	60
Other liabilities	105	66

Note 25 Pledged assets and contingent liabilities

	2022	2021
Pledges and comparable securities given for own liabilities and for obligations recognised obligations	168 671	193 713

Note 26 Related parties

The company forms part of a group with Futur Pension Holding AB (corporate ID no. 559159-6738), in which the holding company is the parent company. There are transactions within the group priced on market terms. The agreement between the parties includes administration, in which the company keeps the parent company's accounts, including consolidated accounts, and carries out other regulatory work. The parent company was invoiced 0.5 MSEK including VAT during the year. Dividends of 150 MSEK were paid out during the year.

Note 27 Equity

The share capital amounts to 100 MSEK. The number of shares is 100,000, classified as ordinary shares. The quota value is 1,000. Futur Pension Holding AB owns 100% of the shares in Futur Pension Försäkringsaktiebolag.

Note 28 Allocation of earnings and equity

	2022	2021
Proposed allocation of earnings		
Statutory reserve	250	250
Reserve for development expenses	11	-
Accumulated profit	243	222
Net profit for year	260	182
Proposed dividend to shareholders	-208	-150
Total SEK	556	504

The Board of Directors proposes that 556 MSEK be carried forward to new accounts

Equity, see Report on changes in equity

Note 29 Events after the balance sheet date

No significant events occurred after the end of the financial year.

Signatures

Our signatures were added on the date shown in the electronic signatures.

Stockholm, 23/02/2023

Johan Agerman Chairperson	Claes Carlson	Jan Dahlquist
Britta Dürschlag	Dominik Hennen	Thomas Schmitt
Susanne Larsson		

Torgny Johansson

Chief Executive Officer

Our audit report was submitted on the date shown in our electronic signature

Stockholm, 23/02/2023

PricewaterhouseCoopers AB

Morgan Sandström

Authorised Public Accountant

Auditor’s report

Unofficial translation

To the annual general meeting of the shareholders of Futur Pension Försäkringsaktiebolag, corporate identity number 516401-6643

Report on the annual accounts

Opinions

We have audited the annual accounts of Futur Pension Försäkringsaktiebolag for the year 2022 with the exception of the sustainability report on pages 8-9.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for insurance companies and gives a true and fair view, in all material respects, the financial position of Futur Pension Försäkringsaktiebolag as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act for insurance companies. Our statements do not include the sustainability report on pages 8-9. The Directors’ report is consistent with the other parts of the annual accounts.

We therefore recommend that the annual general meeting of shareholders adopts the income statement and balance sheet for Futur Pension Försäkringsaktiebolag.

Our opinions in this report on the annual accounts are consistent with the content of the additional report that has been submitted to the company's audit committee 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 Futur Pension Försäkringsaktiebolag 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.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which the company operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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 of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Fees and commissions from investment agreements	
The company's revenues are largely comprised of fees paid from investment agreements and commissions from asset managers. These revenues are calculated on an ongoing basis and are transaction-intensive in nature, which is why this area is considered to be a particularly significant area. The value of the investment assets for which life insurance policy holders carry investment risk affects the fees in the income statement, see notes 1,2, 4 and 5.	Our audit measures have included, but are not limited to: • the assessment of the design of the effectiveness of controls related to fees and also tested the effectiveness of controls related to commissions from asset managers; • For a selection of the fees, we conducted random checks against underlying agreements. • For a selection of the fees, we have performed a control calculation based on data generated from the insurance system; • We have, through sampling, tested commissions received from asset managers against payments; • We have performed a substantive analytical review to analyse the change between the years for each of the different revenue streams; and • Furthermore, we have tested the valuation and the existence of the assets on which the fees are calculated.
Valuation of Level III financial instruments	
Valuation of Level III financial instruments is a focus area as these have a significant impact on the company's financial position and results in the financial statements. The company's Level III holdings are invested on behalf of its customers. Level III investment assets are not traded on an active market, which means that their valuation is based on unobservable market data. The valuation is largely based on management's assessment of assumptions used in each valuation model. Important areas for valuation of financial instruments that are held at fair value are: • Frameworks and policies regarding models and methods used in valuation; and • Internal control and management related to valuation of Level III holdings See notes 1, 2 and 18.	Our audit procedures have included, but are not limited to: • Assessment of assumptions, methods and models used by the company; • Assessment regarding the design and testing of the effectiveness of controls related to the company's governance, reporting and control for monitoring the valuation of financial instruments; • For a selection of holdings, we performed testing of the input data used in the valuation models; • We have tested the valuation and existence of the holdings against external confirmations and the valuation adjustments made in the general ledger; and • We have obtained and evaluated a report from external valuation expert who has tested the company's valuation methods and models.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and can be found on pages 8-9. The Board of Directors and the Managing Director are responsible for the 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 Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual 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 that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company'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 intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Board's audit committee shall, without affecting the Board's responsibilities and tasks in general, monitor the company's financial reporting.

Auditor’s responsibility

Our objectives are to obtain reasonable assurance about whether the annual 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.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen’s website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Director's and the Managing Director of Futur Pension Försäkringsaktiebolag for the year 2022 and the proposed appropriations of the company’s profit or loss.

We recommend to the annual general meeting of shareholders that the profit be appropriated in accordance with the proposal in the Director’s report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

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 Futur Pension Försäkringsaktiebolag 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 Director's 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 type of operations, size and risks place on the size of the company'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 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 secure 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 Business Act, 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 and the Insurance Operations 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 and the Insurance Operations Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's websitewww.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Auditor's opinion regarding the statutory sustainability report

It is the Board of Directors who is responsible for the sustainability report on pages 8-9 and that it has been prepared in accordance with the annual report.

Our review was conducted in accordance with FAR:s statement RevR 12 The auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with a sufficient basis for our statement.

A sustainability report has been prepared.

PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Futur Pension Försäkringsaktiebolag at the annual general meeting of the shareholders on the 10th of March 2022 and has been the company's auditor since 9th of May 2019.

Stockholm the 23rd of February 2023

PricewaterhouseCoopers AB

Morgan Sandström
Authorized Public Accountant