

2021 Insurance Stress Test results of KLP (Kommunal Landspensjonskasse)

The 2021 Insurance Stress Test results of Kommunal Landspensjonskasse (the 'Participant') are based on data and information (the 'Data') provided by the Participant to the national authority competent for its supervision. The Data has been provided to the European Insurance and Occupational Pensions Authority (EIOPA) in accordance with Regulation (EU) 1094/2010. EIOPA is not liable for errors or discrepancies of the Data.

Transparency is important to us. Hence, we have elected to publish our results as EIOPA has requested of the participants in this stress test. The results show a significant decrease in assets over liabilities. Without LTG and transitional measures the asset are in fact less than the liabilities. We want to point out that neither planned risk reductions nor our significant possibilities for raising capital is included as assumptions for these results. These are essential components of our risk management and our solvency capital ratio.

2021 Insurance Stress Test Indicators

Kommunal Landspensjonskasse

| Area | Description | Indicator | Baseline | Scenario without management actions | Scenario with management actions |
|------------------------|--|--|----------|-------------------------------------|----------------------------------|
| Balance sheet position | Assets over Liabilities (AoL) | $\frac{\text{Total Assets}}{\text{Total Liabilities}}$ | 107.2% | 100.4% | |
| | Assets over Liabilities without impact of LTG and transitional measures on the liabilities (AoLWO) | $\frac{\text{Total Assets}}{\text{Total Liabilities (WO)}}$ | 105.3% | 98.0% | |
| | Relative change in Excess of assets over Liabilities (EoL) | $\frac{\text{EoL after stress}}{\text{EoL baseline}} - 1$ | | -95.5% | |
| | Relative change in Excess of assets over Liabilities without LTG and transitional measures (EoLWO) | $\frac{\text{EoL after stress (WO)}}{\text{EoL baseline}} - 1$ | | -125.3% | |
| Asset allocation | Relative change in Investment in Equities (E) | $\frac{\text{E after stress}}{\text{E baseline}} - 1$ | | -49.2% | |
| | Relative change in Investment in Government bonds (GB) | $\frac{\text{GB after stress}}{\text{GB baseline}} - 1$ | | -1.2% | |
| | Relative change in Investment in Corporate bonds (CB) | $\frac{\text{CB after stress}}{\text{CB baseline}} - 1$ | | -4.3% | |
| | Relative change in property (other than for own use) (P) | $\frac{\text{P after stress}}{\text{P baseline}} - 1$ | | -22.6% | |
| | Relative change in assets held for index and unit linked contracts (ILUL) | $\frac{\text{ILUL after stress}}{\text{ILUL baseline}} - 1$ | | 0.0% | |
| | Relative change in Loans and Mortgages (LM) | $\frac{\text{LM after stress}}{\text{LM baseline}} - 1$ | | -1.1% | |
| Technical provisions | Relative change in total technical provisions (TP) | $\frac{\text{TP after stress}}{\text{TP baseline}} - 1$ | | -10.0% | |
| | Relative change in technical provisions non-life (TP NL) | $\frac{\text{TPNL after stress}}{\text{TPNL baseline}} - 1$ | | 0.0% | |
| | Relative change in technical provisions life (TP L) | $\frac{\text{TPL after stress}}{\text{TPL baseline}} - 1$ | | -10.0% | |
| | Relative change in technical provisions unit linked (TP UL) | $\frac{\text{TPUL after stress}}{\text{TPUL baseline}} - 1$ | | 0.0% | |