Storebrand Group

November 26, 2025

This report does not constitute a rating action.

Business risk: **Strong**

Excellent — Vulnerable

Competitive position: Strong
IICRA: Intermediate risk

Financial risk: **Strong**

Excellent — Vulnerable

Capital and earnings: Strong
Risk exposure: Moderately low
Funding structure: Neutral

Anchor	SACP	FSR
a	a	A

Modifiers — Group/Gov't

Financial strength rating
A/Stable/--
Holding company ICR
BBB+/Stable/--

FSR--Financial strength rating. ICR--Issuer credit rating. IICRA--Insurance industry and country risk assessment. SACP--Stand-alone credit profile.

Primary Contact

Robert J Greensted
London
44-20-7176-7095
robert.greensted
@spglobal.com

Secondary Contact

Andreas Lundgren Harell
Stockholm
46-8-440-5921
andreas.lundgren.harell
@spglobal.com

Credit Highlights

Overview

Key strengths	Key risks
A leading Nordic insurance group with significant product diversification. Sizable banking and asset management operations bolster the insurer's positions in both the life and nonlife insurance markets.	A narrower geographic spread than some 'A' rated peers.
Robust operating performance should allow the group to continue to exceed its over 14% return on equity target.	A significant portfolio of guaranteed pensions business in runoff, which creates significant capital requirements.
Sound capitalization measured by S&P Global Ratings' risk-based capital model, supported by expectations of disciplined capital and risk management.	Plans to buy back Norwegian krone (NOK) 1.5 billion of stock and increase dividend payments annually. However, the concurrent reduction in the risk profile due to the run-off of the guaranteed back book should help offset this.

We think Storebrand will retain its position as one of the predominant life insurers in the Nordics. In the Norwegian occupational pensions market, it is market leader with a share of 29%. It remains a significant player in Sweden, too, with a market share of 16%. The group is set to maintain growth of close 10% in this segment in 2026-2027, perhaps more if it expands its footprint in public occupational pensions. Storebrand also operates profitably in the group life and nonlife sectors in Norway. We expect it will maintain its diversified product portfolio by continuing to grow its asset management and banking operations.

3486369

The group's robust earnings of recent years will continue in 2026-2027, in our view. We forecast a return on equity well above target (more than 14%) in 2025 and 2026-2027. Earnings volatility should also decrease. The group has implemented a clear strategy to pivot to a capital-light business. The guaranteed pension business has been steadily declining and now makes up less than one-half of Storebrand's solvency capital requirement and 23% of assets under management. The increase in interest rates since the pandemic have also helped build significant reserves above the guaranteed rates in the guaranteed book, helping to further derisk.

We believe Storebrand's capitalization will remain robust from 2025-2027. We expect capitalization to stay well above our 99.8% confidence level as measured by our risk-based capital model. Although the group will seek to increase dividend payments and repurchase NOK1.5 billion in share buybacks each year over 2025-2027, we think this will be offset by significant earnings and a reduction in overall risk as its guaranteed book continues to run off. We expect Storebrand will be able to maintain regulatory capital in excess of 175% over the next two years. As of third-quarter 2025 the ratio was 195%.

Outlook

The stable outlook reflects our expectation that, over the next two years, Storebrand will maintain an excess of capital over our 99.8% confidence level under our capital model. We expect that the group will balance ambitious plans for share buybacks with robust earnings over 2026-2027.

Downside scenario

We could lower the ratings over the next two years if Storebrand's capitalization drops for an extended period to below our 99.8% confidence level, for example because of higher-than-expected shareholder returns or material investment, or operating losses. We could also lower the ratings if we note a material deterioration of the group's market position in its key pension product line in Norway and Sweden.

Upside scenario

We view an upgrade as unlikely over the next 24 months, but we could undertake one if capital adequacy levels improved strongly and sustainably, and the group profitably and materially diversified its business geographically.

Assumptions

Storebrand--Key Metrics

	2026f	2025f	2025 H1	2024	2022
S&P Global Ratings capital adequacy	99.95	99.95	99.95	99.95	A *
Insurance Revenue (mil. NOK)	11,500	11,000	5,617	10,282	8.514
Net income (mil. €)	5,000	4,600	2,171	5,521	2,376

Storebrand--Key Metrics

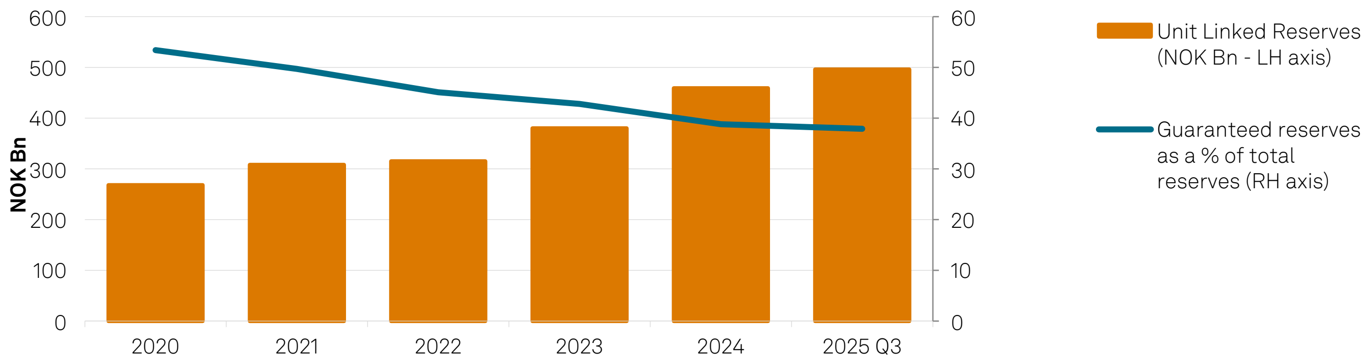
	2026f	2025f	2025 H1	2024	2022
Return on shareholders' equity (%)	>15%	~15%	13.6	17.9	8.0
P&C net combined ratio (%)‡	~94	~94	94	97	91
Financial leverage (%)§	~25	~25	25.8	25.7	27.4
Fixed charge cover (x) §	~8	~8	~8†	10.9	4.2

Business Risk Profile

We expect Storebrand will remain a leading player in the Norwegian financial services sector with significant product diversification (writing both life and non-life insurance, alongside asset management and banking operations), which should drive robust and increasingly stable earnings. We expect the group will remain limited in terms of geographic diversification continuing to offer insurance products only in Norway and Sweden. However, the group's competitive position will remain robust due to its strong market positions. Storebrand Livsforsikring (the group's Norwegian insurance company) is the leading player in Norway's occupational pension market with 29% of the market. In Sweden its share in the same market is a healthy 16%. These market shares place Storebrand comfortably alongside the leaders in Scandinavia alongside peers like KLP, DNB, and Nordea. The group's asset manager remains the largest in Norway and fourth largest in Scandinavia with assets under management of NOK1,507 billion at half-year 2025. While the group's market shares in its retail arm (which includes its banking activities and non-life insurance) are lower we expect, strong growth over 2025-2027 will help Storebrand reduce the gap with leading players.

Over the last 10 years Storebrand has moved its product range toward less capital-intensive business lines and away from the higher-capital-strain guarantee business it wrote in the past. While the group still offers some guaranteed products in Norway and Sweden we expect that most growth will continue to be driven by capital-light business. As a result, the group's guaranteed products' share of reserves will continue to reduce over 2025-2027.

Storebrand continues to shift to capital light products



Source: S&P Global Ratings. Data: Storebrand Quartely Reports and Capital Markets Presentations

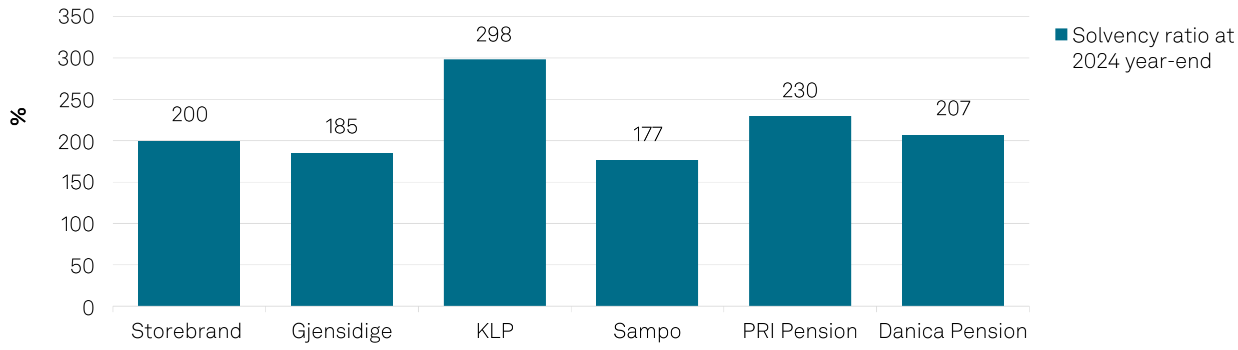
The group should continue to show strong growth over 2025-2027. We forecast insurance revenue to increase by around 10% with significant growth in the retail non-life insurance lines. Unit-linked business will also remain a key growth driver. At half-year 2025, income from this line grew by over 13% and we expect similar over the next couple of years. If public sector occupational schemes come to market more frequently, we could see even more significant growth.

We expect the group will continue to record robust results over 2025-2027, with return on equity above 14% in line with its public financial ambitions. At half-year 2025 it recorded net income of NOK2,171 million, increasing to NOK3,493 million as of the third quarter. The group stands to record net income of around NOK4,600 million for the full year then growing to around NOK5,000 million in 2026. The non-life segment should see a further improvement in performance with a combined ratio of around 94% in 2025 and remaining in the low 90s in 2026 and 2027.

Financial Risk Profile

Storebrand will likely maintain a significant excess above our 99.98% confidence level in 2025-2027 despite growth and the ongoing return of funds to shareholders. Robust earnings, reducing exposure to guaranteed products, and the majority of growth coming from capital-light products should allow the group to continue to meet its commitment to pay an increasing dividend year-on-year and complete annual share buybacks of NOK1.5 billion. Regulatory capital adequacy, based on Solvency II, stood at 200% at year-end 2024, and weakened slightly to 195% as of third-quarter 2025, but remains well in line with regional peers. Storebrand has initiated a NOK500 million share buyback in 2022. We expect Storebrand will maintain its regulatory solvency ratio comfortably above 175% over the next two-to-three years.

Storebrand's regulatory capital coverage is in line with Nordic peers



Source: S&P Global Ratings.

As Storebrand has decreased its exposure to guaranteed products over the last decade we believe it is now significantly less exposed to potential volatility in earnings and capital from interest-rate movements and longevity shocks. By third-quarter 2025, guaranteed reserves made up less than 38% of the group's total reserves and we expect this to continue to fall in 2025-2027. Following COVID-19 the increase in interest rates in its key markets materially improved the positions of Storebrand's guaranteed funds. At the end of 2024, the capital buffer in the Norwegian book made up 7.4% of customer reserves and in Sweden it was 24.4%. Furthermore, the average guarantee in Sweden was 2.6% at year-end 2024 and 2.8% in Norway, well below the 4.2% returns Storebrand saw in Sweden and the 4.9% in Norway. While we do not give credit for the policyholder reserves in our capital model, due to the lack of fungibility, the significant excess gives us confidence that the group will be able to continue to record strong and stable earnings over the rating horizon.

We expect the group's financial leverage will remain in the mid 20% range over the next two years. At year-end it was 25.7% (excluding debt associated with the group's banking operations). The group's robust earnings should mean its fixed charge cover remains comfortably above 4x over 2025-2027. At year-end 2024 coverage was just under 11x, again excluding the impact of earnings and interest payable on the group's banking operations.

Other Credit Considerations

Governance

In our opinion, Storebrand has executed on its well-defined strategy to focus on key areas and goals, for example to strengthen its asset management business. Additionally, we believe the group benefits from a deeply embedded enterprise risk management framework and culture to prevent and manage risks. Beyond that, we do not see any material governance issues for Storebrand.

Liquidity

We regard Storebrand's liquidity position as exceptional, thanks to its recurring premium income and highly liquid asset portfolio.

Factors specific to the holding company

We rate Storebrand ASA, the holding company, two notches below the operating companies Storebrand Liv and Storebrand Bank. This reflects our view of the structural subordination of Storebrand's creditors versus the policyholders of its insurance subsidiaries.

Group support

We view Storebrand Liv and Storebrand Bank as core to the group--each is rated 'A'.

Environmental, social, and governance

We view Storebrand's exposure to environmental and social risks as in line with the industry and peers such as DNB and Danica. The group's risks are mainly concentrated in life insurance where, like peers, it faces greater social risk than environmental. The group's main exposure to environmental risk is through its investment portfolio, where changes in public opinion regarding climate change could cause greater asset-valuation volatility.

However, we note that sustainability is well integrated into all investment decisions. In 2020, Storebrand announced a new climate policy covering the entire group, a new climate strategy for its investments, and a new purchasing policy with updated expectations for its suppliers. Moreover, in the fourth quarter of 2021, Storebrand was recognized on the Dow Jones Sustainability Index as in the top 10 percent of the most sustainable companies in the world.

Although there is a clear shift toward asset management and unit-linked products, Storebrand's back book still carries guaranteed business, which is somewhat more exposed to social factors. For example, demographic trends could, in our opinion, lead to greater longevity, which could increase insurance liabilities.

Rating Component Scores	
Business Risk Profile	**Strong**
Competitive position	Strong
IICRA	Intermediate risk
Financial Risk Profile	**Strong**
Capital and earnings	Strong
Risk exposure	Moderately low
Funding structure	Neutral
Anchor	**a**
Modifiers	
Governance	Neutral
Liquidity	Exceptional
Comparable rating analysis	0
Current Credit Rating	
Local currency financial strength rating	A/Stable/--
Foreign currency financial strength rating	--
Local currency issuer credit rating	A/Stable/--
Foreign currency issuer credit rating	A/Stable/--

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, Feb. 10, 2025
- Criteria | Insurance | General: Insurer Risk-Based Capital Adequacy--Methodology And Assumptions, Nov. 15, 2023
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Insurance | General: Insurers Rating Methodology, July 1, 2019
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

Ratings Detail (as of November 06, 2025)*	
Operating Companies Covered By This Report	
Storebrand Livsforsikring AS	
Financial Strength Rating	
Local Currency	A/Stable/--
Issuer Credit Rating	A/Stable/--
Junior Subordinated	BBB
Subordinated	BBB+
Storebrand ASA	
Issuer Credit Rating	BBB+/Stable/--
Storebrand Bank ASA	

Ratings Detail (as of November 06, 2025)*	
Issuer Credit Rating	A/Stable/A-1
Storebrand Boligkreditt AS	
Senior Secured	AAA/Stable
Domicile	Norway

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.