Samsung
Financial Networks



FY 2022
Earnings Results

Samsung
Life Insurance

February 21, 2023

Disclaimer

The financial information contained herein has not been completely reviewed by our external auditor. Therefore, no assurance is provided that our financial statements are fully accurate, and thus our final reviewed statements may differ from the figures provided in this presentation.

This presentation may include forward-looking statements that reflect prevailing conditions and the views of management as of the date hereof, all of which are subject to change. Forward-looking statements are based on a number of estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are beyond the control of the Company. No assurance can be given that future events will occur, that the forward-looking statements will be achieved, or that the Company's assumptions are correct. Accordingly, actual results may differ materially from those contemplated by the forward-looking statements.

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Company Vision and Value Creation

SLI Vision and Core Value

2030 Vision

Beyond Insurance, We Secure Your Future

We value customers the most and as their life financial partner
provide products and services that customers need

We continue to deliver noble value of insurance to customers and society
While pursuing growth beyond conventional business boundaries
for the endless growth of life insurance industry

5ways Core Value



The path of win-win growth
Together with our customers



The path of Communication
Customer in the field



The path of Value
Promoting long-term growth



The path of Integrity
Leading through compliance



The path of New Challenges
Without fear

SLI supports customers' senior life and health

Support financially customers by claim payments
Put customers' health and rights as our top priority



Current customers
8,160K
(Insurance/non-insurance/insured combined 11,950K)



In-force contracts
19,050K
(Protection 14,820K, Savings 4,230K)



New Business contracts
100K/month



Insurance payment
690K/month
(Annuity 380K, Claim payment 310K)



Customer Protection Dept.
Fully charged of customer rights protection

AAA

Insurance payment capability evaluation



19 consecutive years
NCSI 1st place

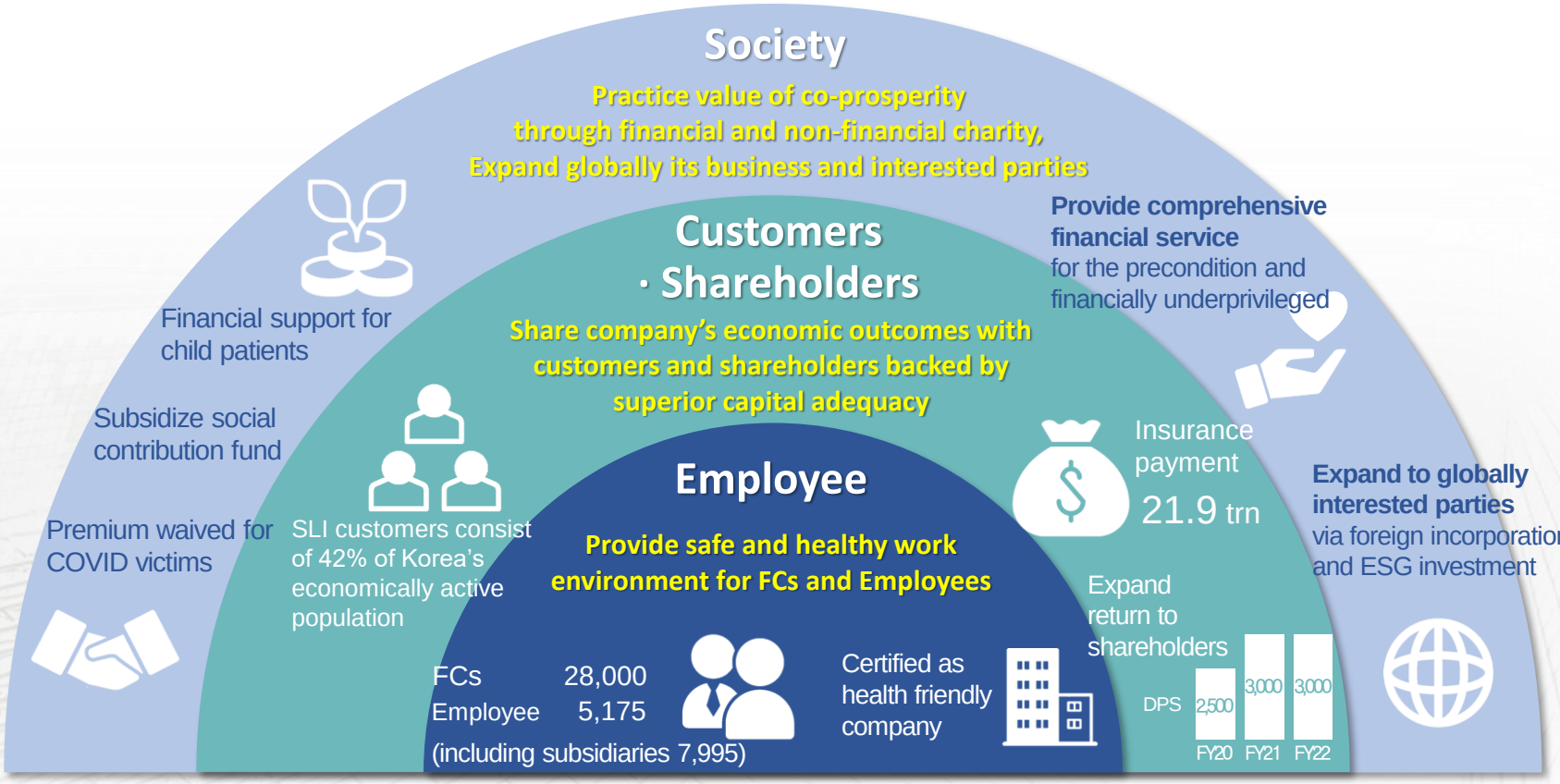


THE Health

Campaign to improve people's health

Create value for varied stakeholders

Create value for and share outcomes with customers, shareholders, societies as well as its employees through employment, business, and philanthropic activities



ESG Management

ESG Goal

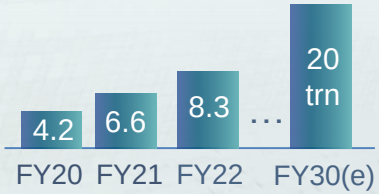
Sustainable Future, Growing Together

2030 Objective & Direction

- Eco friendly finance 20 trn ↑ — Green finance
- CO^2 emission reduction by 50% — Win-win finance
- Global Top Tier ESG Rating — Transparent finance

ESG main results

- Expand ESG investment



- Coal-free declaration (Nov. 2020)
- Comply Stewardship code
  cast proxy voting for 295 domestic companies on 1,890 agendas
- Reinforce customer service for the underprivileged
- Establish ESG human rights business system and develop social contribution

Participation in global ESG initiatives

- UN environment programme finance initiative (Apr. 2021)
- PSI Principles for Sustainable Insurance (Apr. 2021)
- TCFD Task Force on Climate-related Financial Disclosures (Mar. 2021)
- CDP Disclosure Insight Action (Apr. 2021)
- Equator Principles (Dec. 2022)

ESG ratings

- KCGS 한국기업지배구조원 — ESG Overall A grade
- MSCI — ESG ratings A grade
- Dow Jones Sustainability Indexes — DJSI Korea Included

FY2022 Business Results and Strategies

FY22 Highlights

Despite increasing uncertainties in business environment,
the company attained stable profit while setting ground for long-term growth

Insur-ance

- Attained solid NB sales focused on Health products & continued improvement in efficiency measures (e.g. loss ratio, persistency ratio, etc)
- Persisted profitability focused sales strategy despite self-destructive competition with high rate products by peers
- Expanded boundary of insurance to health and asset mgmt. through Health Asset campaign & Create new demand

Asset Mgmt.

- Improved investment yield by timely asset disposal while solidifying ALM
- Diversified Asset mgmt. business by entering into REITs business and equity investing in global ETF operator “Amplify”
- Maintained high asset quality despite credit deterioration around real estate PF in financial market

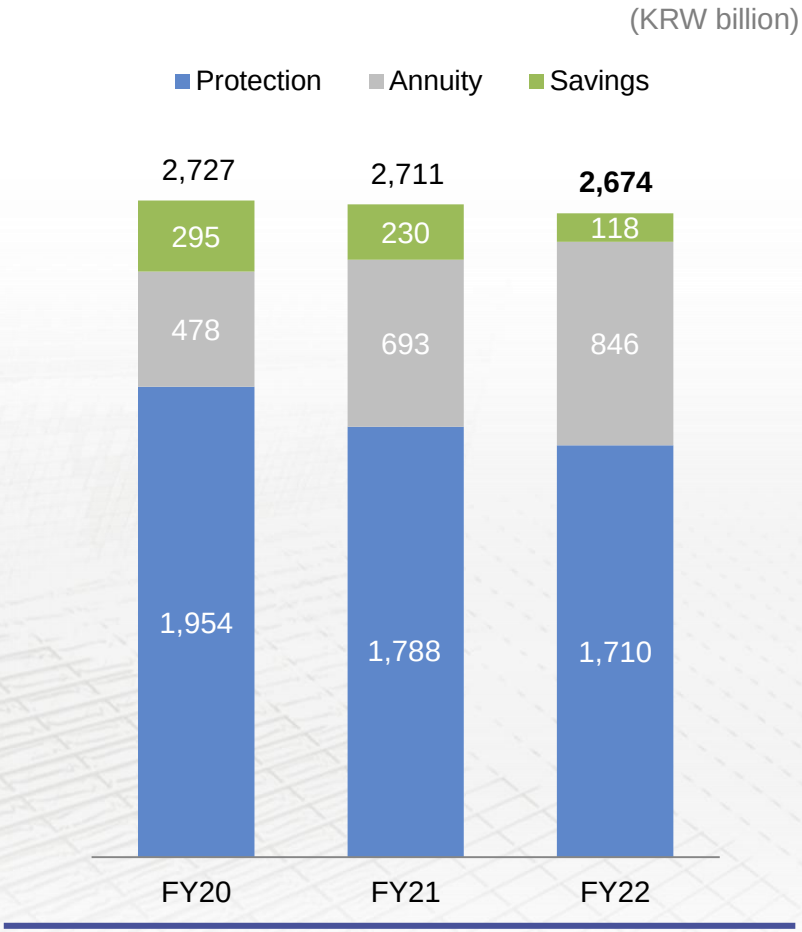
New business & Digital

- Expedited digital transformation throughout the whole value chain of insurance business
- Launch contactless mobile customer platform “Monimo” and “THE Health” and strengthened related marketing campaigns

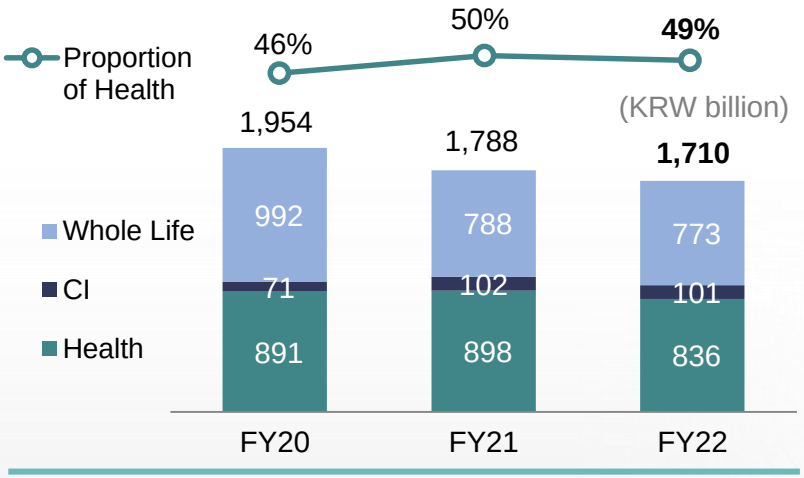
New Business APE, Protection Persistency rate

Secure high quality CSM through profitability focused NB sales & efficiency improvement

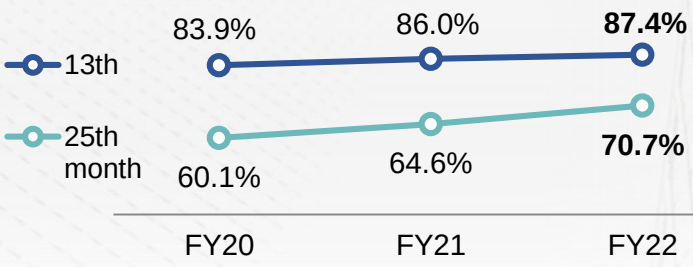
New Business APE



Protection NB APE



Protection Persistency rate[1]



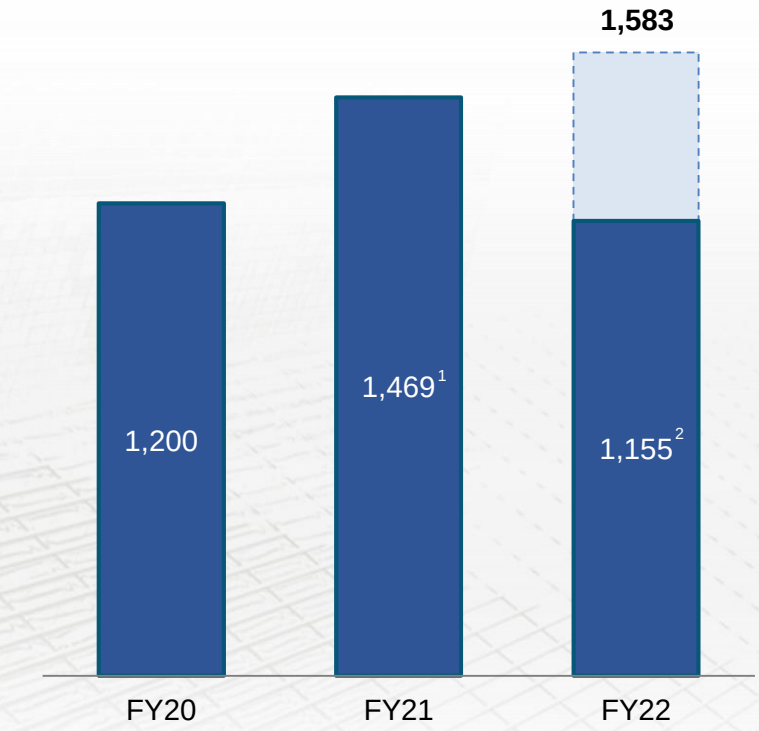
1. Based on premium

Net profit and Insurance profit

Achieve KRW 1+ trn recurring profit backed by solid insurance profit

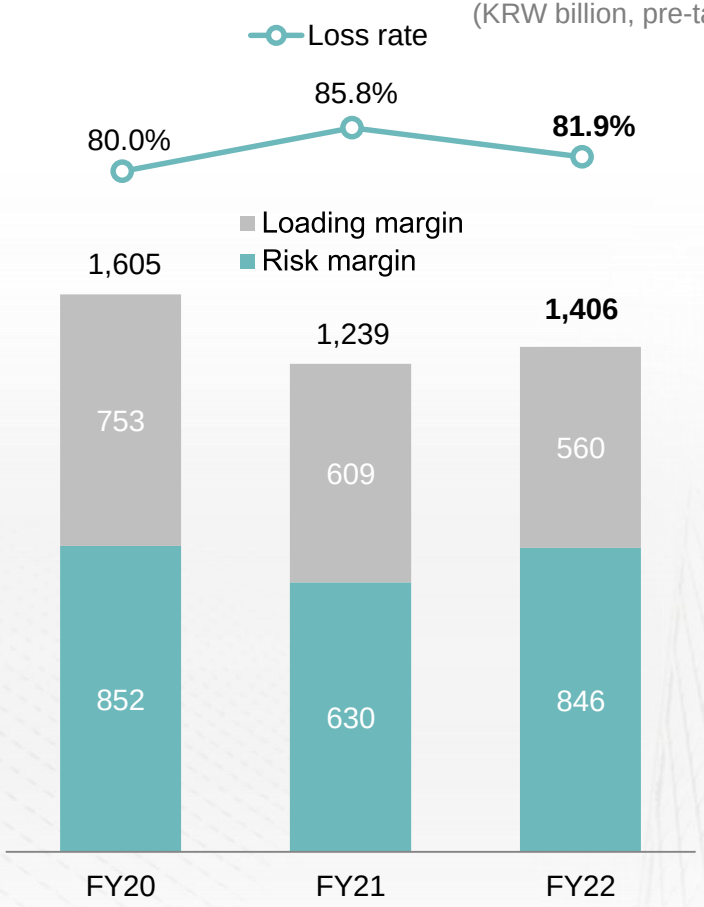
Net profit & Recurring profit

(KRW billion)



Insurance profit

(KRW billion, pre-tax)

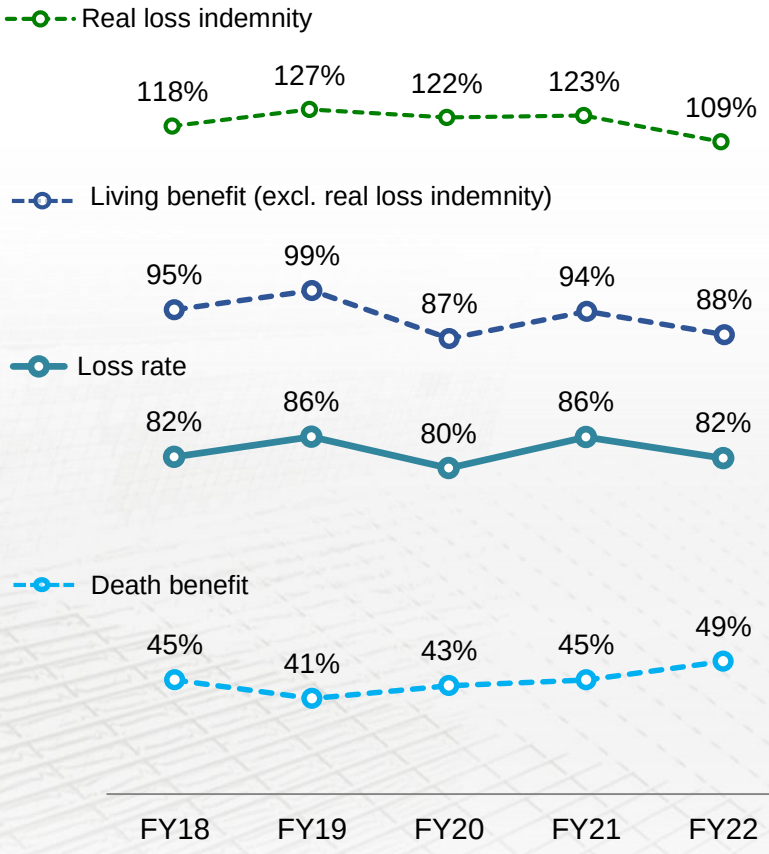


[1] FY21 : Including SEC special dividend (KRW +647bn), and Provision for immediate annuity lawsuit (KRW -203bn)
[2] FY22 : Excluding one-off item relating to revisions in corporate tax law (+428)
(Increase in deduction rate for future dividend from subsidiaries & Decrease in corporate tax rate)

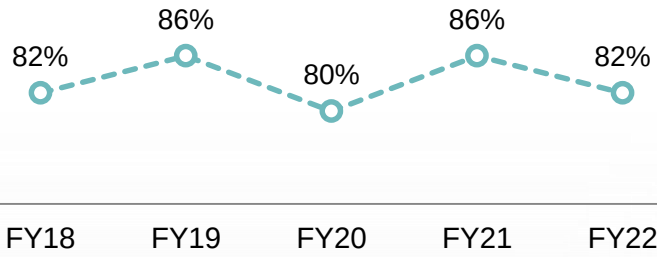
Loss rate trend

Attained low-to-mid 80% loss ratio backed by continued increase in risk premium

Loss rate by benefit



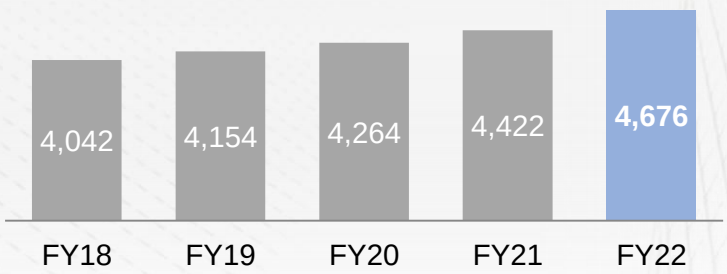
Health product[1] loss rate



1. Health products issued after 2013, which include cancer, simplified health, dental and other insurance products

Risk premium

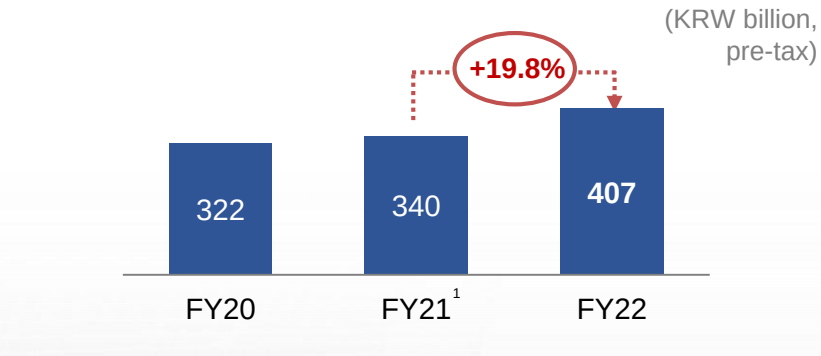
(KRW billion)



Investment margin

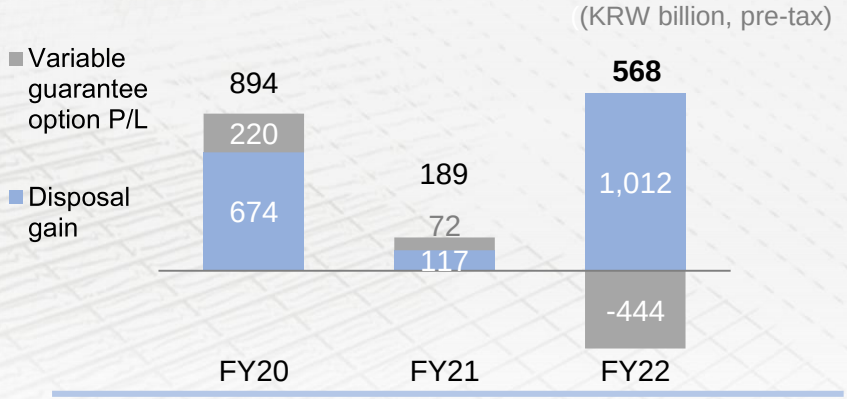
Muted investment margin volatility though timely sales of investment assets & Enhanced investment yield

Investment margin

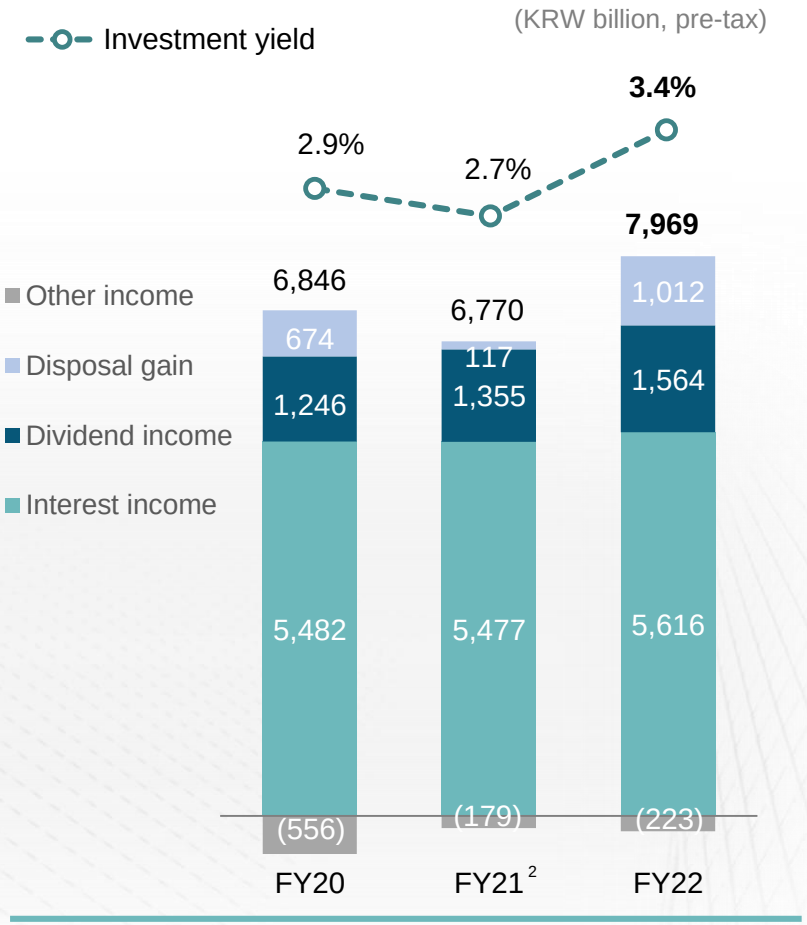


[1] Excluding FY21 SEC special dividend (+802 bn, pre-tax)

VGO P/L, Disposal Gain



Investment Yield[1]

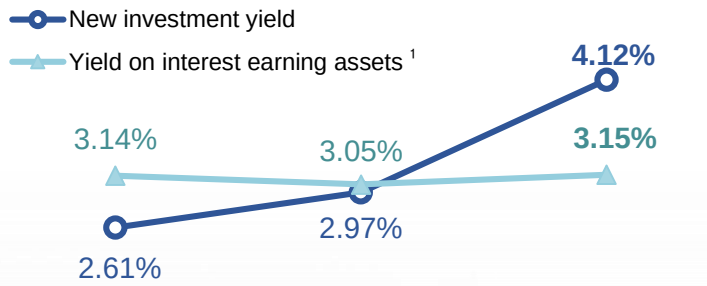


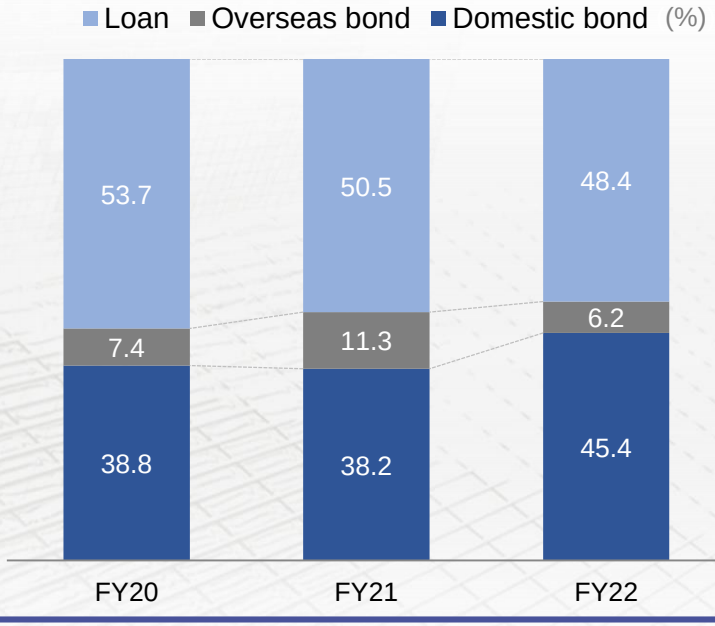
[1] Non-consolidated base, Excluding variable guarantee hedging expense
[2] Excluding FY21 SEC special dividend (pre-tax KRW 802 bn)

Yield on Interest earning assets & Asset quality

Enhanced yield on interest earnings assets amid interest rate hike while maintaining high asset quality

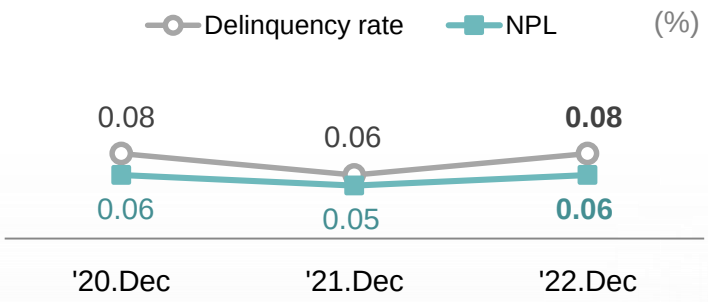
New investment composition



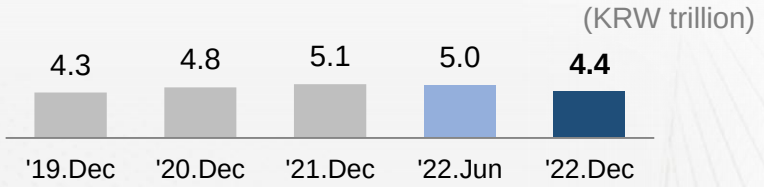


1. Interest earning assets: bond, loan, etc

Asset quality



Real Estate PF asset



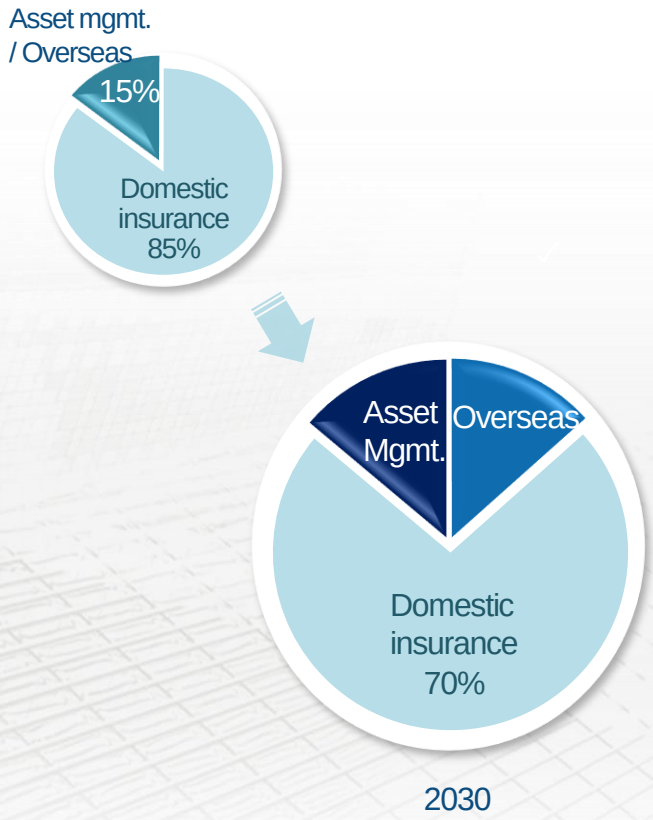
✓ SLI's Real Estate PF assets amounts to KRW 4.4 trn
- Focused on secured PFs
- Limited participation in PFs for condominium presale

✓ Quarterly assessment on PF quality indicates 'Good' ratings for all PF assets
(criteria according to Korea Life Insurance Association)

FY23 Business strategies

Seamless strategic preparation for its sustainable growth amid large market volatilities, FY23 marks a turning point in 2030 vision backed by past 3 years' efforts

2030 Profit composition



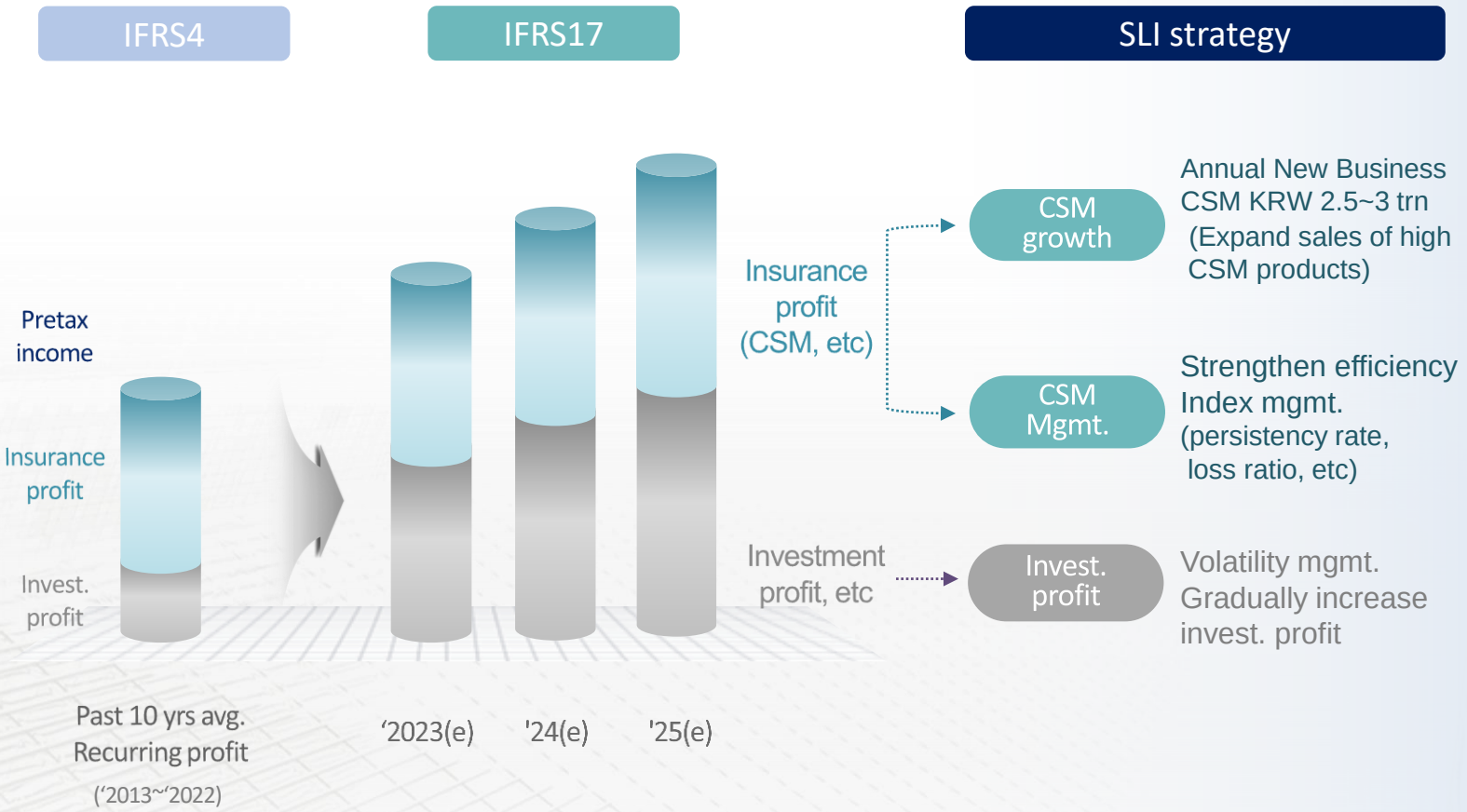
FY23 Strategies

Insur-ance	• Strengthen contactless channel linked with mobile and internet platform • Targeting Health market Top3 - with proactive product development strategy backed by superior capital adequacy and strong brand power
Asset mgmt. Over-seas	• Diversify asset mgmt. business to make a new growth engine backed by three pillars – Samsung AM, Samsung SRA AM, Overseas AM • Increase overseas alternative investment under tight risk management • Examine equity investment in Asia insurer
New Business & Digital	• Explore entry into new business - nursing, healthcare, pet insurance, etc • Develop/Grow start-ups linked with CVC 2nd unit investment • Expand Monimo service to incorporate custom-made PFM platform * Personal Finance Management

New Regulatory System and mid-term Dividend Target

Earnings management under IFRS17

Increase in recurring profit by securing and maintaining stable CSM after IFRS17



K-ICS ratio sensitivity and management plan

K-ICS stably expected above 200%
At least 180% even in the worst-case scenario



Available Capital

(unit: KRW)

Approx. 44 trn

Approx.19trn	Shareholder's Equity
Approx. 25trn	Supplementary Capital

* K-ICS 9.0 ('22.Sep) base

[K-ICS sensitivity]

KTB 10Y △50bp decrease	**△ 5%p**
UFR △15bp decrease	**△ 2%p**
SEC share price KRW △10,000 decrease	**△ 7%p**

*Company estimation

Required Capital

(unit: KRW)

Approx. 21 trn

Approx.11trn	Insurance Risk
Approx. 17trn	Market Risk
	Credit and Other Risks
Approx. △14trn	Diversification/deferred tax

* Based on K-ICS 9.0 (Sep. 2022)

[K-ICS Management plan]



Worst 180% **Base case 200~240%**

✓ Improve ALM via LT bond and bond forwards

✓ Reduce capital volatility via co-insurance

Interest rate sensitivity

Main indices expected to remain stable despite interest rate volatility

If Interest rate drops by -100bp,

Impacts on profits

* 3 yrs avg. **-15 bn** ▼

(unit: KRW bn)

	1st yr	2nd yr	3rd yr
Interest income spread	+122	△8	△159

+ Reduction in Reserve interest

△ Reduction in interest revenue



Impacts on capital adequacy

K-ICS	**-10%p** ▼
Available Capital	**-1.2 trn** ▼

(unit: KRW)

Impacts on CSM

New Business CSM — **Offset btw product P/Fs** ▲▼

* Different impacts on each product P/F from interest rate movement

In-force Contract CSM — **No revision in discount rate**

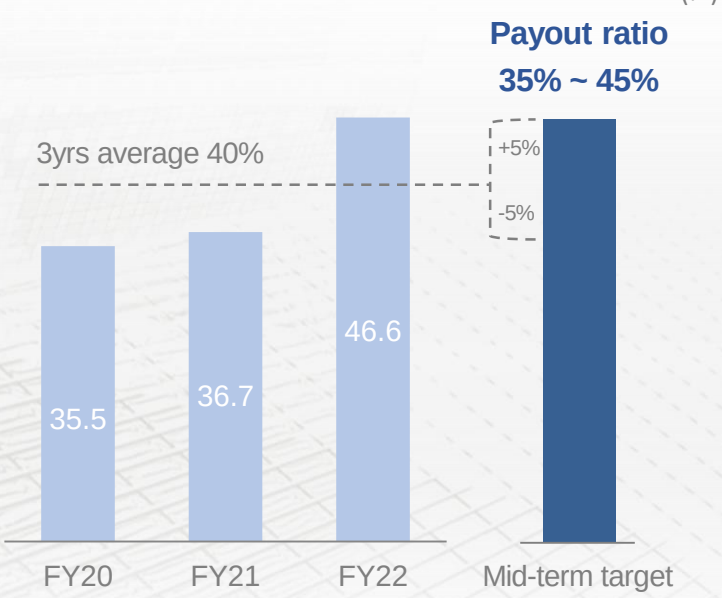
* BEL/RA to be re-evaluated at revised discount rate. Changes in BEL/RA is adjusted through OCI

Mid term Dividend Target

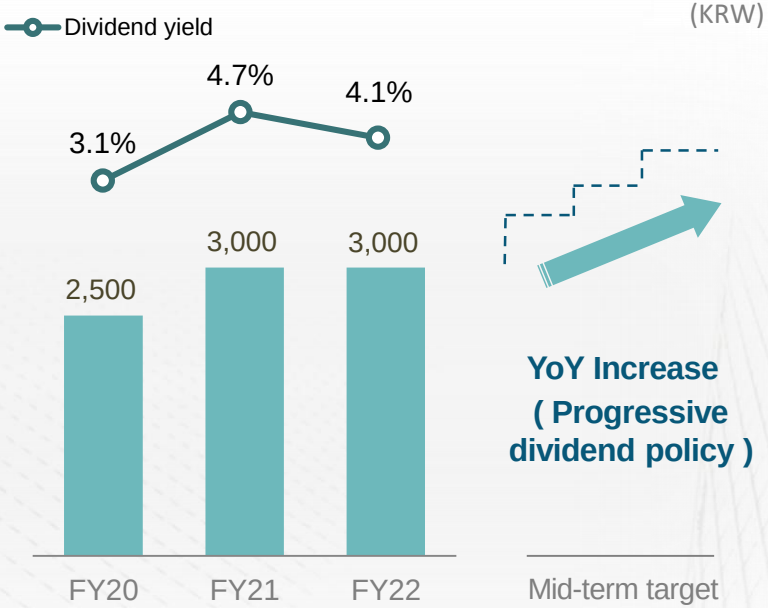
Target to gradually increase DPS within 35~45% payout ratio backed by improved profit base

- Under IFRS17 profit visibility increases with reduced volatility & recurring profit increase stably with CSM growth
- Secure stabled capital adequacy with K-ICS staying above 200%
- Business and regulatory system needs stabilization after introduction of IFRS17&9 and KICS

Payout ratio



DPS



※ The dividend target is subject to change depending on changes in regulation or law, limitation by regulatory body, sudden deterioration in business environment, business objective, etc

Appendix

FY22 Key Financial Highlight

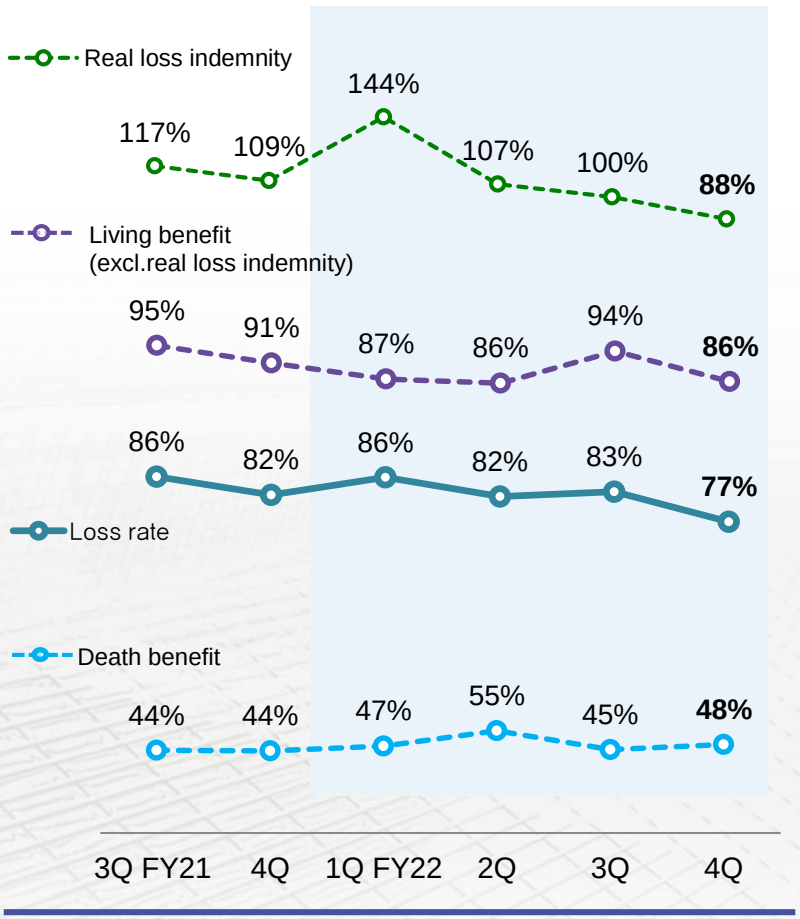
(KRW billion)

	4Q 2021	4Q 2022	YoY	FY 2021	FY 2022	YoY
APE (Annualized Premium Equivalent)	**595**	**684**	**+15.0%**	**2,711**	**2,674**	**-1.4%**
(Protection)	**425**	**392**	**-7.8%**	**1,788**	**1,710**	**-4.4%**
(Health)	**214**	**180**	**-15.9%**	**898**	**836**	**-7.0%**
Total premium [1]	**4,862**	**6,385**	**+31.3%**	**20,546**	**21,265**	**+3.5%**
Net profit [2]	**176**	**1,050**	**+498.0%**	**1,469**	**1,583**	**+7.8%**
Investment yield [3]	**2.6%**	**4.1%**	**+1.5%p**	**2.7%**	**3.4%**	**+0.7%p**
RBC ratio	**305%**	**244%**	**-60.4%p**	**305%**	**244%**	**-60.4%p**

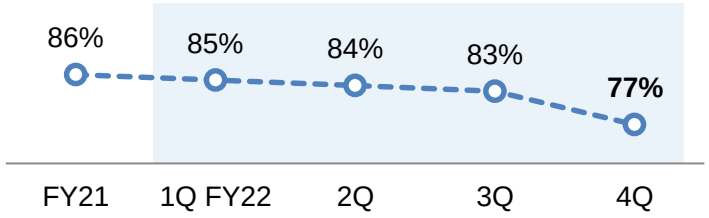
1. Excluding retirement pension
2. Excluding non-controlling interest
3. Non-consolidated basis, Excluding SEC special dividend in FY21

Loss rate trend

Loss rate by benefit



Health product loss rate



※ Health product reinsured proportion

Product	Cancer	Children	Pre -Condition	All-in-one	Dementia	Dental
Reinsured	80%	80	40	40~80	80	80

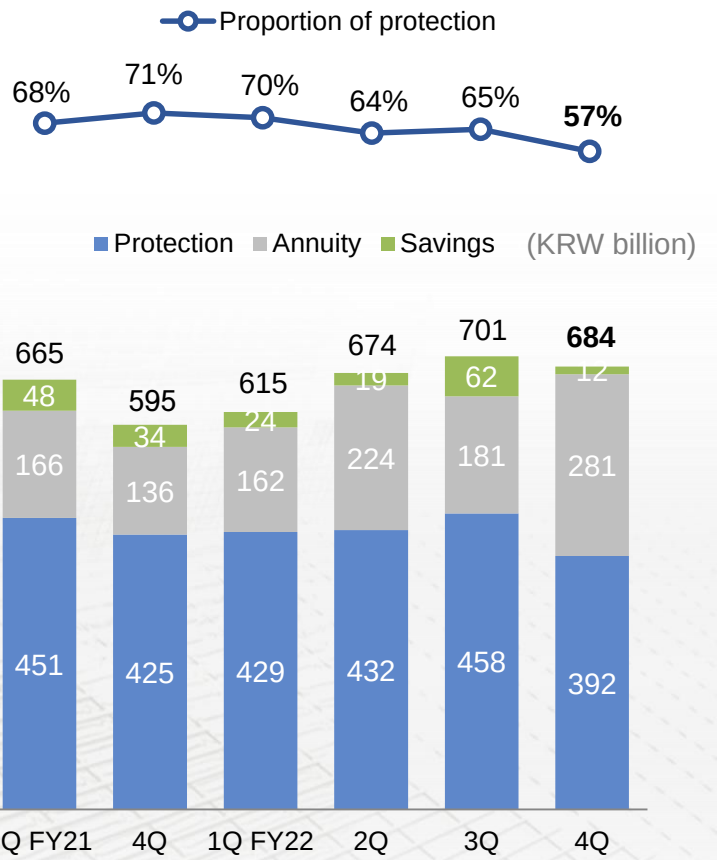
Risk premium

(KRW billion)

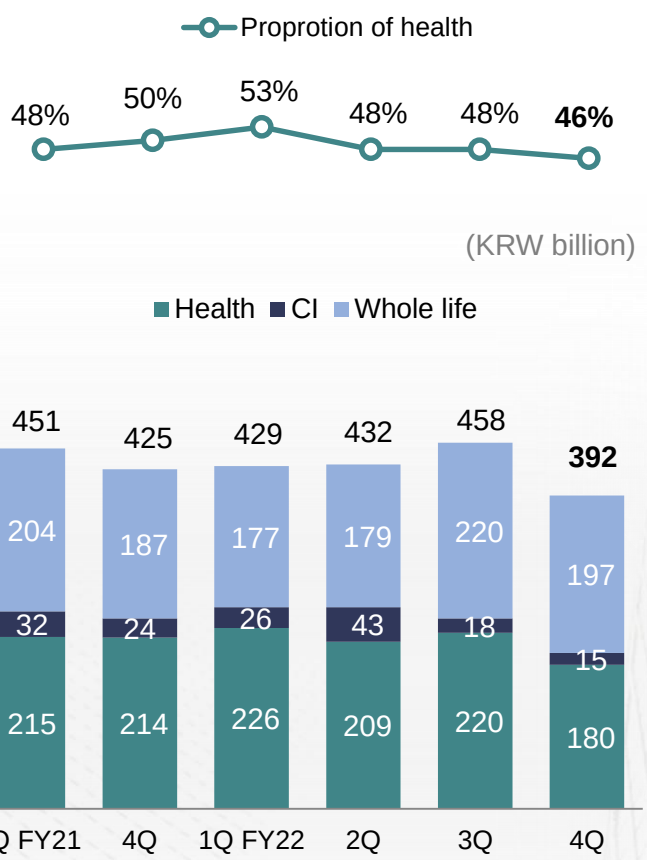


New Business APE(1)

New Business APE



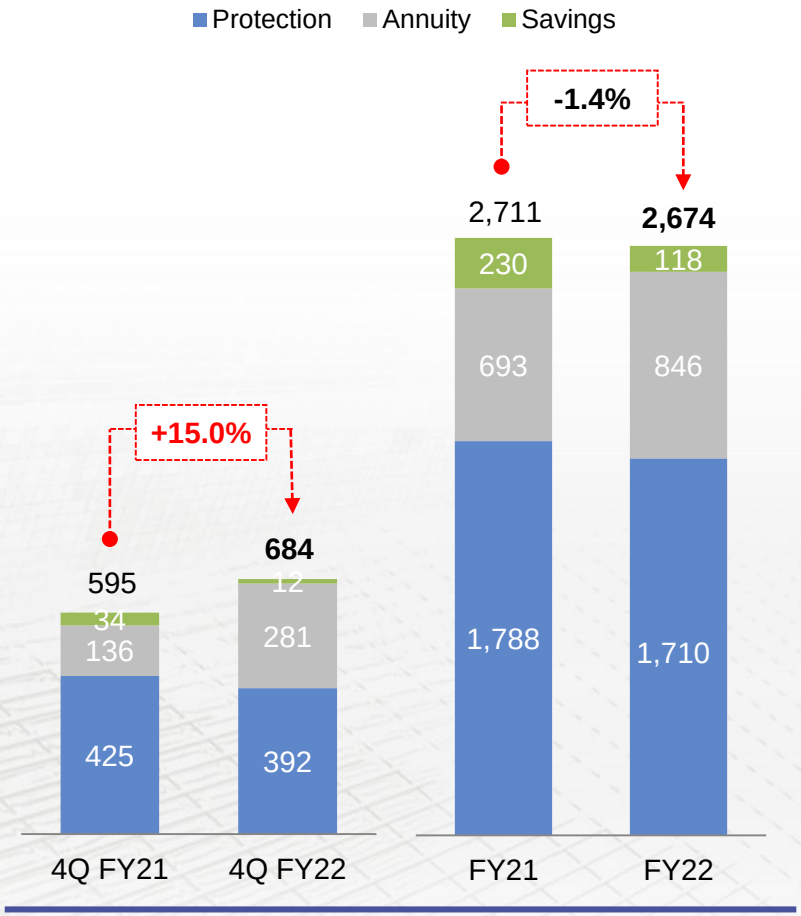
Protection NB APE



New Business APE(2)

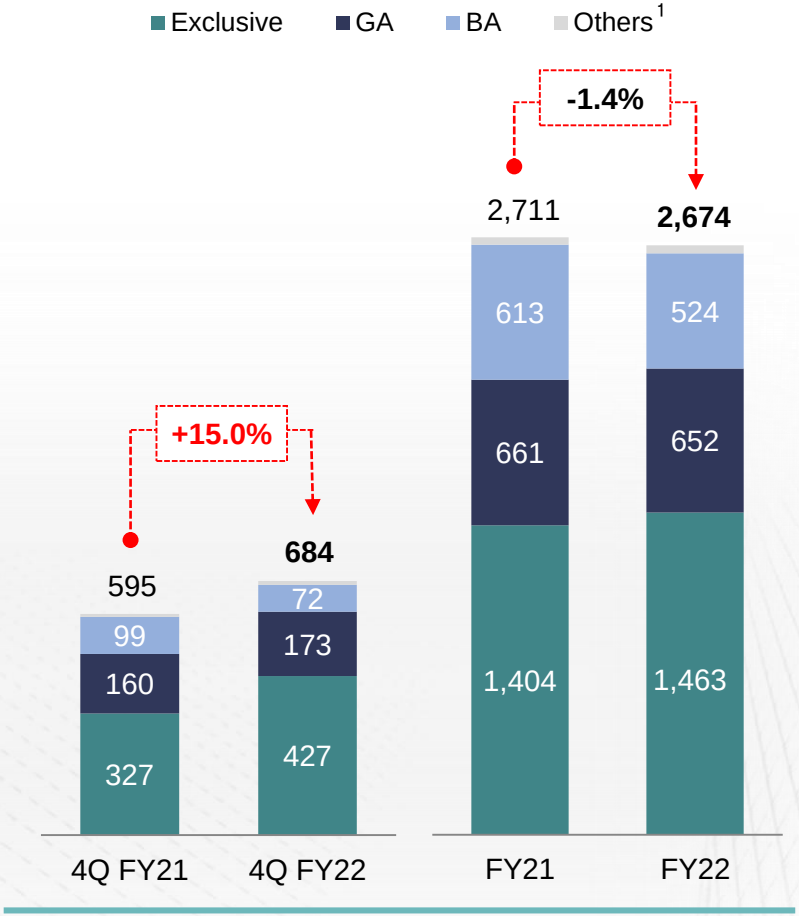
APE by Product

(KRW billion)



APE Breakdown by Distribution Channel

(KRW billion)

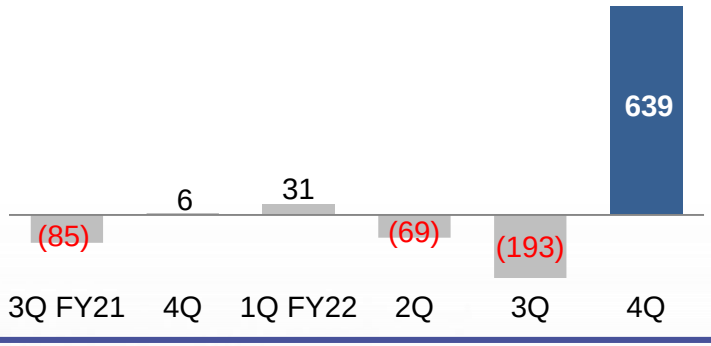


1. Others: corporate, online channels, etc.

Investment margin details

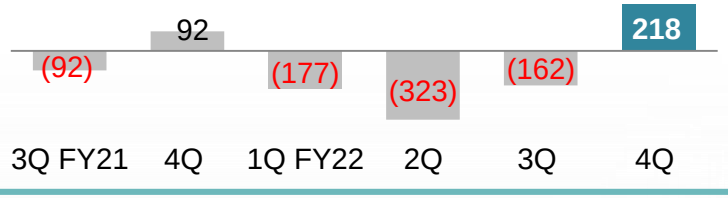
Investment margin trend

(KRW billion, pre-tax)



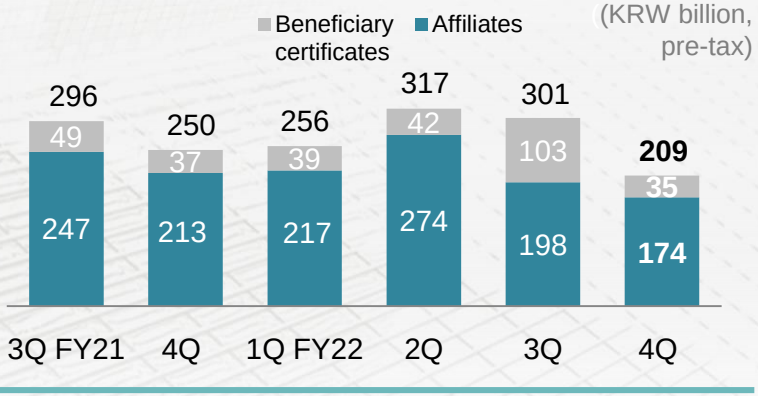
VGO P/L trend

(KRW billion, pre-tax)



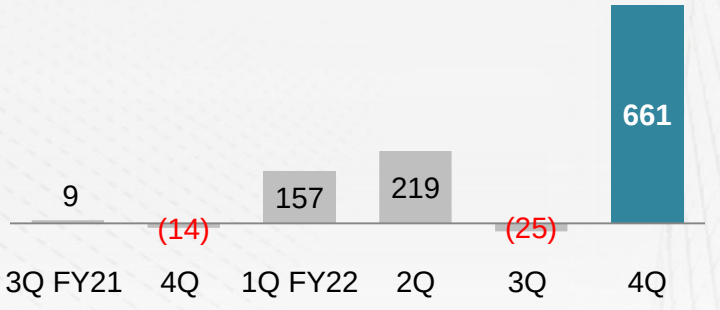
Equity method/Consolidated income trend

(KRW billion, pre-tax)



Disposal gain trend [1]

(KRW billion, pre-tax)

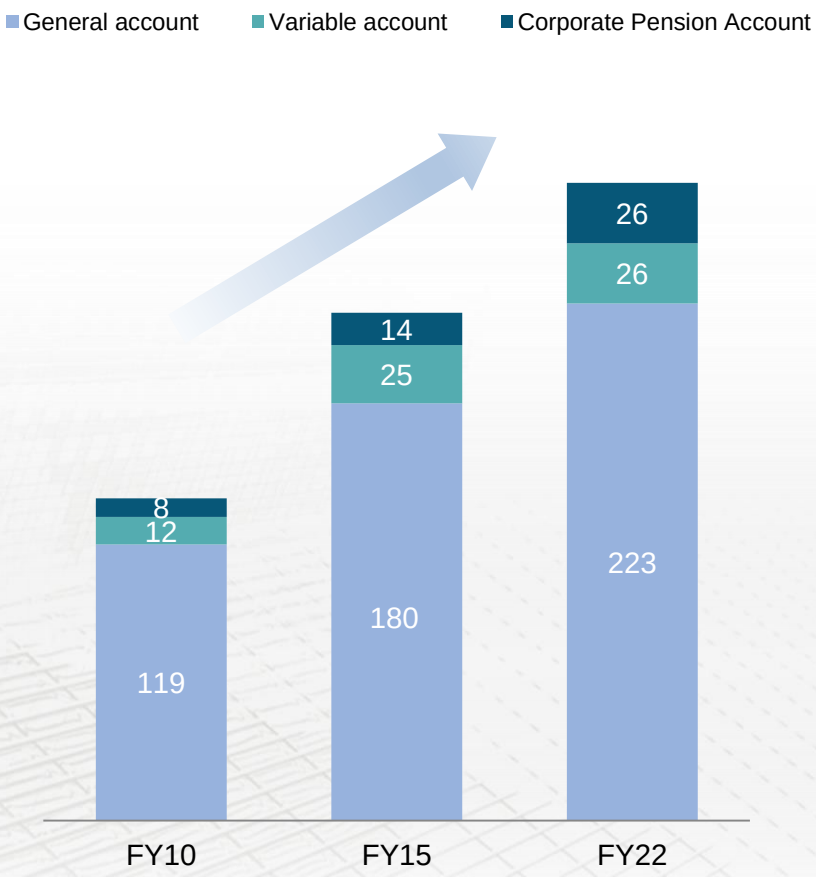


1. Non-consolidated basis

Asset Portfolio

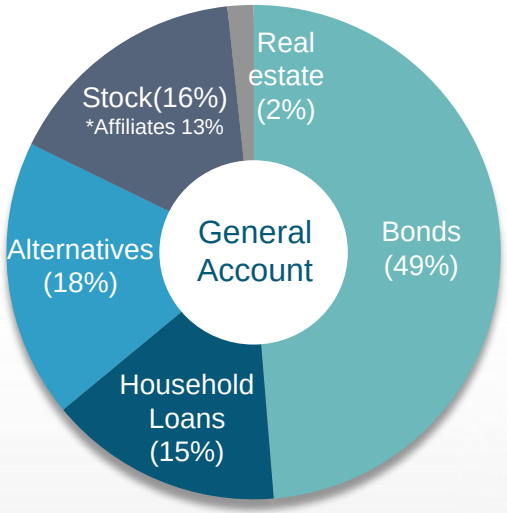
Invested Asset[1] trend

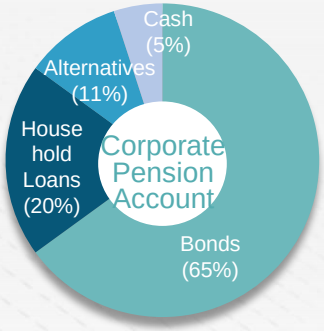
(KRW trillion)

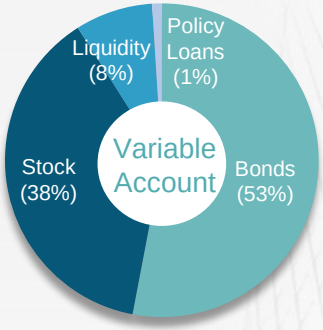


1. Non-consolidated basis

Asset Portfolio





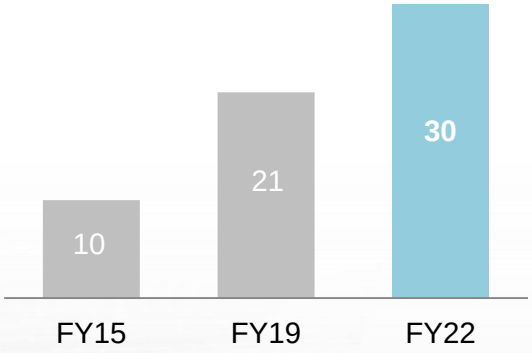


Diversification of Asset Portfolio and Investment method

Expansion of Strategic Asset Proportion

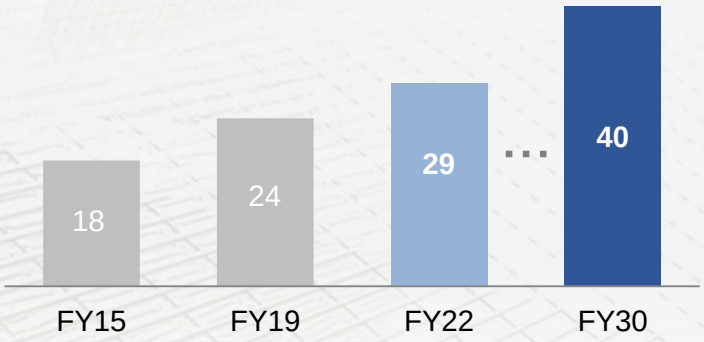
(KRW trillion)

[Alternative Investment Balance]



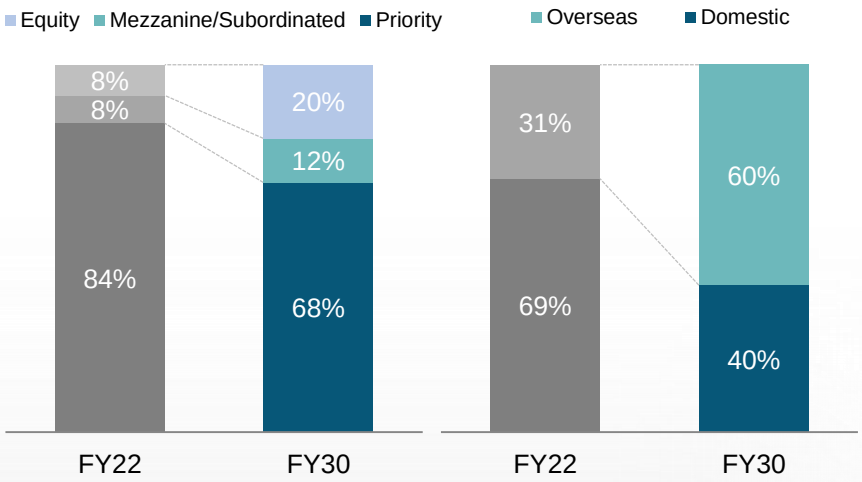
(%)

[Proportion of Strategic Asset[1] within Invested Assets]



1. Retail, Alternatives, PE

Diversification of Alternative Investment

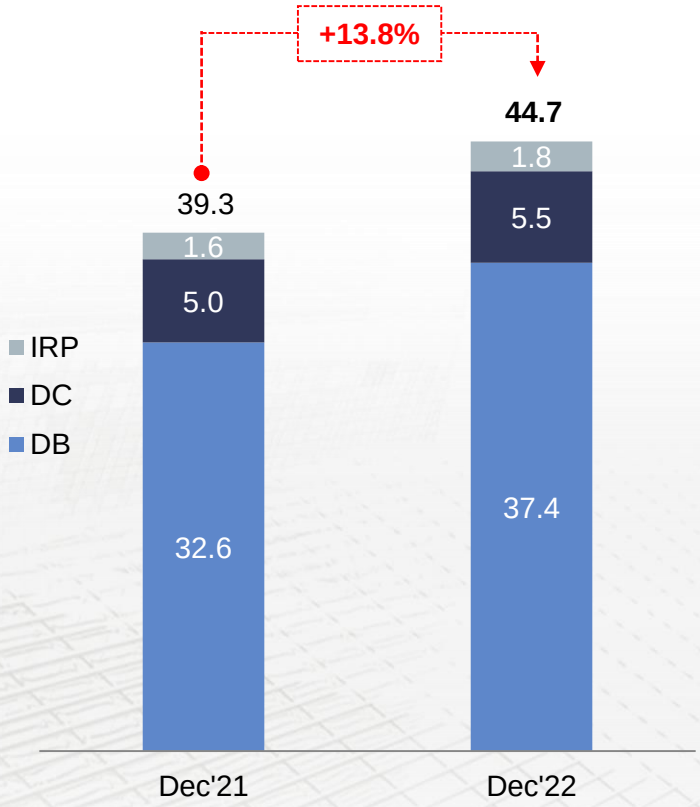


- ✓ Expand from high quality & high prioritized to selective products with mid risk & mid return
- ✓ Gradual expansion to equity and mezzanine/subordinate loans based on long term portfolio
- ✓ Enhance profitability of alternative investment by increasing overseas investment

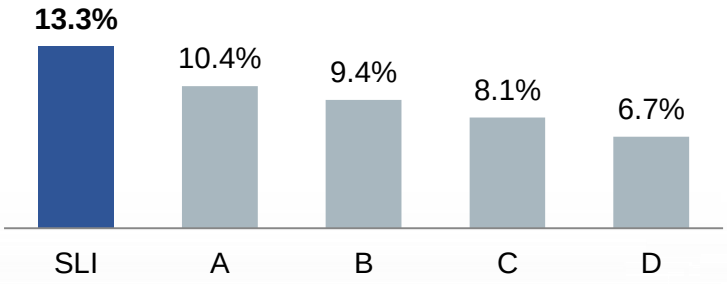
Corporate Pension

Corporate Pension Reserves

(KRW trillion)



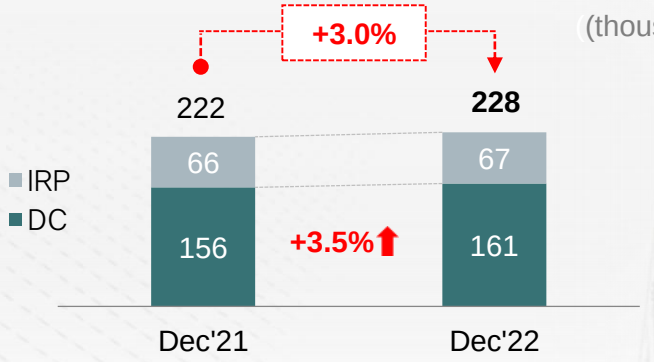
Corporate Pension M/S



* Source: company disclosures (as of Dec '22)

DC/IRP Subscriber Trend

(thousand)



Thank you

Beyond insurance, we secure your future