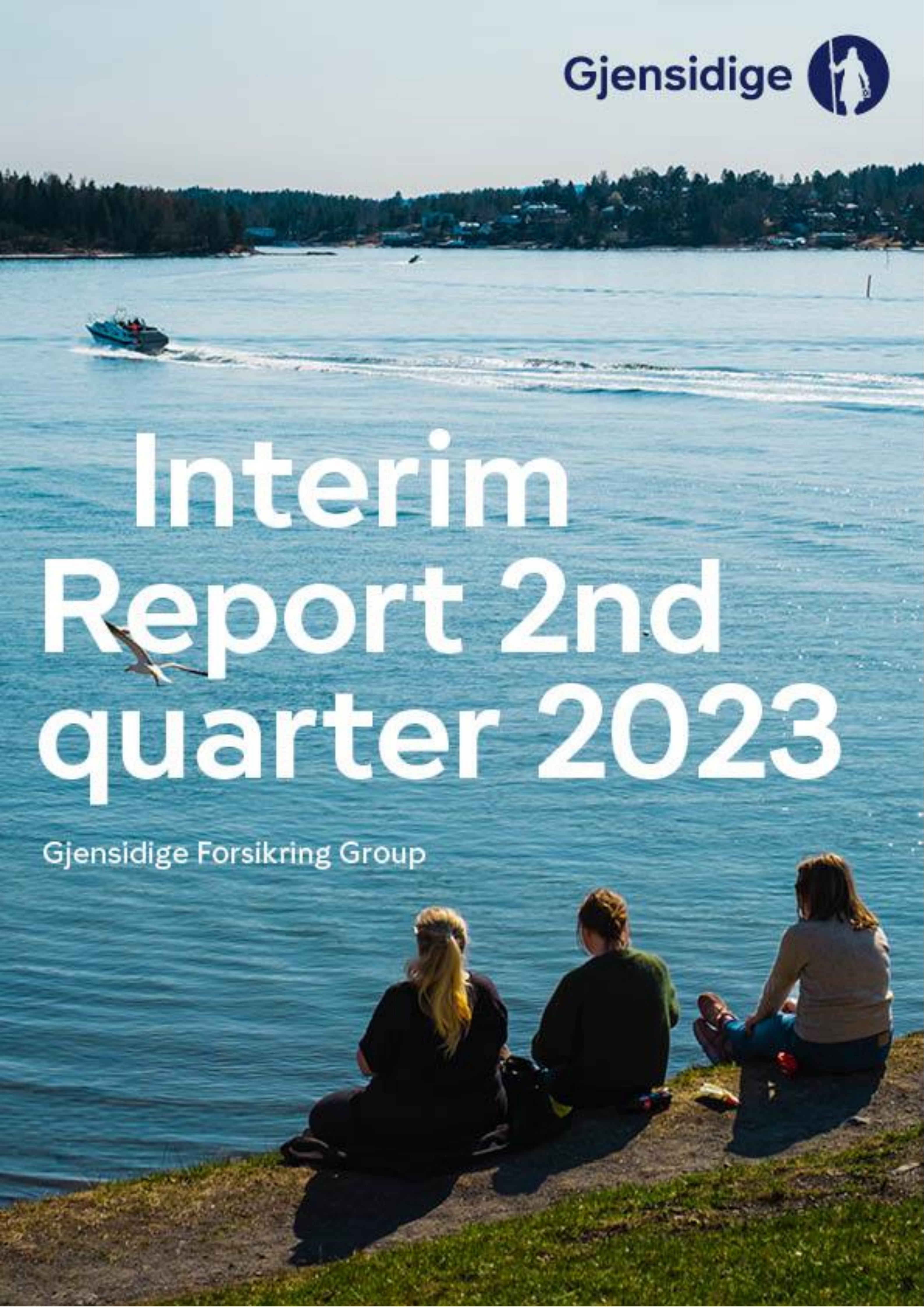


Gjensidige

# Interim Report 2nd quarter 2023

Gjensidige Forsikring Group

# Group highlights
# Second quarter and first half 2023 report

In the following, the figures in brackets indicate the amount or percentage for the corresponding period in the previous year.

## Second quarter

### Group

- Profit or loss before tax expense: NOK 1,333.9 million (491.3)
- Earnings per share: NOK 2.04 (0.60)

### General Insurance

- Insurance revenue: NOK 8,959.5 million (7,955.3)
- Insurance service result: NOK 1,508.6 million (1,667.1)
- Combined ratio: 83.2 % (79.0 %)
- Cost ratio: 13.6 % (13.6 %)
- Financial result: NOK minus 199.3 million (minus 1,611.7)

## Year-to-date

### Group

- Profit or loss before tax expense: NOK 2,825.3 million (1,528.6)
- Earnings per share: NOK 4.30 (2.49)

### General Insurance

- Insurance revenue: NOK 17,491.3 million (15,688.5)
- Insurance service result: NOK 2,623.4 million (2,570.8)
- Combined ratio: 85.0 % (83.6 %)
- Cost ratio: 13.5 % (13.5 %)
- Financial result: NOK 594.8 million (minus 2,740.2)

## Profit performance Group

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance service result Private | 700.2 | 787.0 | 1,234.3 | 1,362.6 | 2,895.9 |
| Insurance service result Commercial | 719.4 | 851.9 | 1,112.2 | 1,290.3 | 2,598.3 |
| Insurance service result Denmark | 335.1 | 205.0 | 564.4 | 366.1 | 716.1 |
| Insurance service result Sweden | 49.6 | 27.8 | 103.7 | 73.3 | 162.0 |
| Insurance service result Baltics | 14.7 | -12.9 | 7.1 | -56.6 | -75.8 |
| Insurance service result Corporate Centre | -310.4 | -191.8 | -398.4 | -464.9 | -760.3 |
| **Insurance service result general insurance** | **1,508.6** | **1,667.1** | **2,623.4** | **2,570.8** | **5,536.2** |
| Profit or loss before tax expense Pension | -3.0 | -72.2 | -11.5 | 78.0 | 129.7 |
| Financial result investment portfolio | -199.3 | -1,611.7 | 594.8 | -2,740.2 | -2,516.3 |
| Unwinding general insurance | -213.2 | -140.4 | -449.0 | -232.6 | -636.9 |
| Change in financial assumptions general insurance | 348.9 | 727.7 | 323.8 | 1,242.4 | 1,504.4 |
| Other items [1] | -108.2 | -79.1 | -256.2 | 610.1 | 300.6 |
| **Profit or loss before tax expense** | **1,333.9** | **491.3** | **2,825.3** | **1,528.6** | **4,317.5** |
| **Alternative performance measures** | | | | | |
| Large losses, net of reinsurance [2, 3, 4] | 486.5 | 197.2 | 699.7 | 672.1 | 1,225.3 |
| Run-off gains and losses, net of reinsurance [3] | 208.3 | 51.5 | 276.0 | 36.9 | 256.4 |
| Change in risk adjustment, net of reinsurance [3] | 19.3 | 21.5 | 52.1 | 69.6 | 44.0 |
| Discounting effect [3] | 241.6 | 132.9 | 460.8 | 229.2 | 613.1 |
| Insurance revenue from general insurance | 8,959.5 | 7,955.3 | 17,491.3 | 15,688.5 | 32,217.7 |
| Insurance revenue changes in general insurance, local currency | 8.1 | | 7.7 | | |
| Loss ratio, gross [3] | 68.7% | 63.9% | 70.5% | 68.9% | 68.3% |
| Net reinsurance ratio [3] | 0.8% | 1.5% | 1.0% | 1.1% | 1.3% |
| Loss ratio, net of reinsurance [3] | 69.5% | 65.4% | 71.5% | 70.1% | 69.6% |
| Cost ratio [3] | 13.6% | 13.6% | 13.5% | 13.5% | 13.2% |
| Combined ratio [3] | 83.2% | 79.0% | 85.0% | 83.6% | 82.8% |
| Underlying frequency loss ratio, net of reinsurance [3, 5] | 66.6% | 63.9% | 69.4% | 66.5% | 66.7% |
| Solvency ratio [6] | | | 179.8% | 191.5% | 179.3% |

[1] Other items are explained in note 8 Specification of other items
[2] Large losses in excess of NOK 30.0 million are charged to the Corporate Centre, while claims of less than NOK 30.0 million are charged to the segment in which the large losses occur. As a main rule, the Baltics segment has a retention level of EUR 0.5 million, while the Swedish segment has a retention level of NOK 10 million. Large losses allocated to the Corporate Centre amounted to NOK 242.4 million (54.2) for the quarter and NOK 251.0 million (236.8) for the year-to-date. Accounting items related to reinsurance are also included.
[3] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).
[4] Large losses = loss events in excess of NOK 10.0 million. Expected large losses for the quarter were NOK 388.0 million.
[5] Underlying frequency loss ratio, net of reinsurance = (insurance claims expenses + reinsurance premiums + amounts recovered from reinsurance + large losses, net of reinsurance - run-off gains/losses, net of reinsurance - risk adjustment, net of reinsurance)/insurance revenue
[6] Solvency ratio = Total eligible own funds to meet the Solvency Capital Requirement (SCR), divided by SCR. For the Group and Gjensidige Forsikring ASA total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio in the first, second and third quarter of 80 per cent of net profit.

# Strong second quarter profit

**Gjensidige generated a profit after tax of NOK 1,044 million in the second quarter. The insurance service result was solid, reflecting strong revenue growth and solid operations, although higher claims frequency for several products in Norway affected profitability. Gjensidige has strengthened pricing measures and will adjust terms and conditions to ensure that the increase in claims frequency is mitigated over time. Investments generated negative returns due to higher interest rates. The outlook for Gjensidige's insurance service results remains good.**

## Group profit performance

### Development during the quarter

Gjensidige Forsikring Group recorded a profit before tax expense of NOK 1,333.9 million (491.3) for the quarter.

The tax expense amounted to NOK 290.3 million (182.6), resulting in an effective tax rate of 21.8 per cent (37.2). The effective tax rate was impacted by realised and unrealised gains and losses on equity investments in the EEA.

The profit after tax expense was NOK 1,043.5 million (308.7) and the corresponding earnings per share were NOK 2.04 (0.60).

The profit from general insurance operations measured by the insurance service result was NOK 1,508.6 million (1,667.1), corresponding to a combined ratio of 83.2 (79.0).

Insurance revenue from general insurance increased by 12.6 per cent to NOK 8,959.5 million (7,955.3) in the quarter, or by 8.1 per cent measured in local currency. This was due to solid renewals, effective and differentiated pricing measures and volume growth.

The insurance service result from general insurance operations decreased by 9.5 per cent, due to higher large losses and an increase in the underlying frequency loss ratio. Gjensidige incurred a loss of approximately NOK 221.3 million related to a natural peril event which occurred in Norway during the quarter. The loss reflects Gjensidige's market share for fire insurance in Norway. NOK 19.7 million was recognised in Commercial, NOK 9.2 million in Private and the remaining NOK 192.5 million in the Corporate Center. Higher run-off gains and discounting effect contributed positively to the insurance service result.

The underlying frequency loss ratio increased by 2.8 percentage points, driven mainly by higher claims frequency for motor and property in Norway. The cost ratio was unchanged.

Insurance revenue in the Private segment increased by 6.4 per cent. The insurance service result decreased, driven by a higher underlying frequency loss ratio.

Insurance revenue in the Commercial segment increased by 10.1 per cent. The insurance service result decreased, driven by higher large losses and an increase in the frequency loss ratio. A higher change in risk adjustment and lower run-off gains also contributed negatively.

Insurance revenue in the Danish segment increased by 8.6 per cent measured in local currency. The insurance service result increased, driven by higher run-off gains, a higher discounting effect, higher insurance revenues and depreciation of the Norwegian krone.

Insurance revenue in the Swedish segment increased by 8.5 per cent measured in local currency. The insurance service result increased, driven by a lower loss ratio, an increase in insurance revenues and depreciation of the Norwegian krone.

Insurance revenue in the Baltic segment increased by 11.5 per cent measured in local currency. The insurance service result improved, driven by a lower loss ratio and higher insurance revenue. Depreciation of the Norwegian krone also contributed positively.

The Pension segment generated a profit before tax of minus NOK 3.0 million (minus 72.2), reflecting growth in the business and a higher interest rate level.

The financial result for the quarter was minus NOK 199.3 million (minus 1,611.7), which corresponds to a return on total assets of minus 0.3 per cent (minus 2.8). The result for the quarter was negatively impacted by rising interest rates, while the rise in stock markets and a running yield in the fixed income portfolio contributed positively to returns.

Other items amounted to minus NOK 108.2 million (minus 79.1), mainly reflecting higher interest expenses on subordinated loans and a gain on sales recognised in the second quarter of 2022.

### Year-to-date development

The Group recorded a profit before tax expense of NOK 2,825.3 million (1,528.6) for the year. The profit from general insurance operations measured by the insurance service result was NOK 2,623.4 million (2,570.8), corresponding to a combined ratio of 85.0 (83.6).

The profit after tax expense was NOK 2,190.5 million (1,263.4). Earnings per share amounted to NOK 4.30 (2.49).

The increase in the insurance service result was driven by 11.5 per cent growth in insurance revenue, higher run-off gains and a positive discounting effect, partly offset by a higher underlying frequency loss ratio and higher large losses. Insurance revenue rose by 7.7 per cent measured in local currency. The increase in the underlying frequency loss ratio was mainly driven by Norway, reflecting a higher frequency of claims for motor and property insurance.

The Pension segment recorded a result before tax of minus NOK 11.5 million (78.0), driven by a negative net finance income.

The financial result for the period was NOK 594.8 million (minus 2,740.2), which corresponds to a return on total assets of 1.0 per cent (minus 4.6). Most asset classes contributed positively to the results. A high running yield in the fixed income portfolio, rising equity markets and private equity generated positive returns. Rising interest rates had a negative impact on the portfolio

### Equity and capital position

The Group's equity amounted to NOK 22,706.9 million (21,962.8) at the end of the period. The annualised return on equity for the year-to-date was 19.5 per cent (11.3). The solvency ratios at the end of the period were:

- Approved Partial Internal Model[1]: 180 per cent
- Own Partial Internal Model[2]: 226 per cent

[1] Regulatory approved partial internal model

[2] Partial internal model with own calibration

The Group has a robust solvency position.

Gjensidige has an ‘A’ rating from Standard & Poor’s.

## Other

### Operational targets

Gjensidige launched a new set of operational targets at the capital markets day in November 2021. They are important to support delivery on strategic priorities and Gjensidige’s financial targets. The high customer satisfaction score confirms Gjensidige’s strong customer offering. Retention in Norway remained high and stable, while it increased in Denmark and the Baltics. The digitalisation metric improved further. Automation remained stable while digital claims reporting declined slightly.

| Metric | Status Q2 2023 (Q1 2023) | Target 2025 |
|---|---|---|
| Customer satisfaction | 78 (78) | >78, Group |
| Customer retention | 90% (90) | >90%, Norway |
| | 78% (77) | >85%, outside Norway |
| Digitalisation index | +4% | > +10% annually, Group |
| Digital claims reporting | 75% (76) | > 85%, Group |
| Automated claims processing | 60% (60) | > 70%, Norway |

### Sustainable development

Gjensidige’s sustainability targets focus on three areas where the Group can really make a difference: a safer society, sustainable claims handling and responsible investments. For a more detailed description, see the Integrated Annual Report for 2022. A few examples of the most recent results and operational initiatives are listed below:

*Safer society*

Launched the third taxonomy aligned insurance product – property and content for the private segment. With this product, the taxonomy aligned share of gross written premiums was further increased to 20 per cent.

Granted NOK 6.6 million to farmers from Gjensidige and Norges Bondelag’s sustainability fund, earmarked damage prevention initiatives related to among others fire and animal welfare.

Launched a new service for properties in Denmark involving risk assessment and identification of necessary measures to prevent damages and develop competencies.

Launched a pilot on a service for boat owners which allows online monitoring and alerts on high water or low battery levels and theft, based on sensors.

*Sustainable claims handling*

Established the practice of using second-hand floor materials in repairs or selling to private customers, in co-operation with the start-up company Sirken and Gjensidige’s property repair supplier Polygon.

Finalised Transparency Act reporting for all subsidiaries, updated their home sites and concluded on which suppliers we need to follow up in 2023 to ensure compliance with our requirements related to human and labour rights.

*Responsible investments*

Signed UN PRI collective engagement for European Commission to uphold the integrity and ambition of the European Sustainability Reporting Standards and CDP SBTi campaign.

*Recent recognitions*

Gjensidige has received top ranking among all insurance companies in Norway and ranked number nine across all sectors the Norwegian Business School’s sustainability survey (Norsk Bærekraftsbarometer) for 2023.

# General Insurance Private

## Development during the quarter

The insurance service result decreased by 11.0 per cent, driven by a higher underlying frequency loss ratio.

Insurance revenue increased by 6.4 per cent, mainly driven by price increases in motor, property and accident and health insurance. Volumes increased for all main products, except for house insurance where volumes were broadly stable. The number of customers increased, particularly for motor and travel insurance. The sale of motor insurance was particularly strong. Gjensidige maintained its strong position in the market, while implementing price increases in response to claims inflation.

The loss ratio increased by 4.6 percentage points, driven by a higher underlying frequency loss ratio. Lower risk adjustment, run off gains and a higher discounting effect contributed positively. The underlying frequency loss ratio increased by 6.8 percentage points. Profitability for motor decreased mainly due to a higher claims frequency. Property insurance was impacted by fires and claims related to torrential rain early in the quarter. Higher travel activity drove an increase in travel insurance claims. Profitability for Accident and Health insurance also declined, driven by higher frequency for health insurance and higher mortality impacting individual life insurance.

The cost ratio increased by 0.2 percentage points, due to higher IT expenses and strengthening of the sales force.

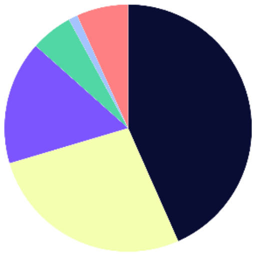
## Year-to-date development

The insurance service result decreased by 9.4 per cent, driven by a higher underlying frequency loss ratio and somewhat higher operating expenses.

Insurance revenue increased by 5.8 per cent, mainly driven by price increases in motor, property and accident and health insurance. Volumes increased for all main products, except house insurance where volumes were broadly stable. The increase in the number of customers was almost twice as high as during the same period last year.

**Product groups Private**

Insurance revenue year-to-date (same period last year)




The customer retention rate remained stable at a high level.

The loss ratio increased by 3.2 percentage points, driven by a higher underlying frequency loss ratio. Run-off gains, a higher discounting effect and lower large losses contributed positively.

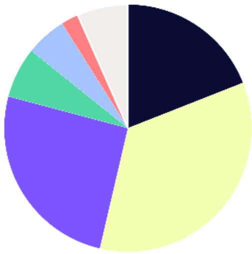
The underlying frequency loss ratio increased by 5.8 percentage points. Motor claims were the main drivers of this development, significantly affected by the difficult driving conditions during the first quarter and the increased claims frequency in the second quarter. Profitability for property insurance decreased compared with the same period last year, due to fires and claims related to torrential rain in the second quarter. Profitability for Accident and Health insurance also declined, driven by higher frequency for health insurance and higher mortality impacting individual life insurance.

The cost ratio increased by 0.5 percentage points, due to higher IT expenses and strengthening of the sales force

## General Insurance Private

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance revenue | 2,849.4 | 2,677.8 | 5,549.1 | 5,245.2 | 10,800.4 |
| Insurance claims expenses | -1,818.1 | -1,533.4 | -3,612.3 | -3,208.0 | -6,514.1 |
| Insurance operating expenses | -371.3 | -342.9 | -727.2 | -658.9 | -1,349.7 |
| **Insurance service result before reinsurance contracts held** | **659.9** | **801.6** | **1,209.6** | **1,378.3** | **2,936.5** |
| Reinsurance premiums | -21.4 | -17.9 | -37.3 | -35.2 | -71.3 |
| Amounts recovered from reinsurance | 61.7 | 3.4 | 62.0 | 19.5 | 30.7 |
| **Insurance service result** | **700.2** | **787.0** | **1,234.3** | **1,362.6** | **2,895.9** |
| Large losses, net of reinsurance [1] | 9.2 | 14.2 | 27.4 | 45.2 | 77.0 |
| Run-off gains and losses, net of reinsurance [1] | 2.8 | -19.1 | 54.3 | -72.0 | -22.6 |
| Change in risk adjustment, net of reinsurance [1] | 36.1 | 2.4 | 7.3 | 11.1 | 10.7 |
| Discounting effect [1] | 51.0 | 32.2 | 96.5 | 59.1 | 146.8 |
| Loss ratio, gross [1] | 63.8% | 57.3% | 65.1% | 61.2% | 60.3% |
| Net reinsurance ratio [1] | -1.4% | 0.5% | -0.4% | 0.3% | 0.4% |
| Loss ratio, net of reinsurance [1] | 62.4% | 57.8% | 64.7% | 61.5% | 60.7% |
| Cost ratio [1] | 13.0% | 12.8% | 13.1% | 12.6% | 12.5% |
| Combined ratio [1] | 75.4% | 70.6% | 77.8% | 74.0% | 73.2% |
| Underlying frequency loss ratio, net of reinsurance [1] | 63.4% | 56.7% | 65.3% | 59.4% | 59.9% |
| Customer retention rate [2] | | | 89.8% | 89.8% | 89.6% |

[1] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).
[2] The customer retention rate is the percentage of Gjensidige's customers that have been customers during the last twelve months.




# General Insurance Commercial

## Development during the quarter

The insurance service result decreased by 15.6 per cent, driven by higher large losses and an increase in the frequency loss ratio. A higher change in risk adjustment and lower run-off gains also contributed negatively.

Insurance revenue increased by 10.1 per cent, driven by growth in all the main product lines, reflecting effective pricing measures, solid renewals and higher volumes for accident and health insurance. Gjensidige maintained its strong position in the market, while implementing price increases in response to claims inflation.

The loss ratio increased by 7.6 percentage points, driven by higher large losses and an increased underlying frequency loss ratio. The change in risk adjustment and lower run-off gains also contributed negatively. The discounting effect was higher this quarter compared with the same quarter last year. The underlying frequency loss ratio increased by 2.9 percentage points, reflecting lower profitability for motor and property insurance. Profitability for motor insurance was impacted by higher frequency. Higher claims frequency, among others due to precipitation, impacted profitability for property insurance.

The cost ratio improved by 0.6 percentage points.

## Year-to-date development

The insurance service result decreased by 13.8 per cent, driven by a higher underlying frequency loss ratio, lower run-off gains and higher large losses.

Insurance revenue increased by 9.8 per cent, driven by growth in all main product lines, reflecting effective pricing measures, solid renewals and higher volumes for accident and health insurance. Gjensidige maintained its strong position in the market, while implementing price increases in response to claims inflation. Sales generated from the SME-segment increased compared to the second quarter last year, and it was significantly higher than the sales growth from large accounts.

The customer retention rate remained high at 91.0 per cent.

The loss ratio increased by 5.3 percentage points, driven by an increase in the underlying frequency loss ratio, lower run-off gains and higher large losses. The discounting effect was higher compared with the same quarter last year. The underlying frequency loss ratio increased by 2.4 percentage points, reflecting lower profitability for motor and accident and health insurance. In the first quarter, difficult weather conditions impacted profitability for both motor and property insurance. In the second quarter, motor insurance was impacted by higher frequency and property insurance was among others affected by precipitation.

The cost ratio improved by 0.4 percentage points.

## General Insurance Commercial

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance revenue | 3,129.9 | 2,841.6 | 6,174.5 | 5,621.0 | 11,512.9 |
| Insurance claims expenses | -2,281.0 | -1,727.3 | -4,674.9 | -3,891.5 | -7,917.3 |
| Insurance operating expenses | -252.5 | -246.2 | -500.6 | -475.5 | -944.7 |
| **Insurance service result before reinsurance contracts held** | **596.4** | **868.2** | **999.0** | **1,254.0** | **2,650.9** |
| Reinsurance premiums | -87.8 | -101.8 | -165.5 | -177.7 | -346.4 |
| Amounts recovered from reinsurance | 210.8 | 85.6 | 278.7 | 213.9 | 293.9 |
| **Insurance service result** | **719.4** | **851.9** | **1,112.2** | **1,290.3** | **2,598.3** |
| Large losses, net of reinsurance [1] | 222.5 | 119.0 | 392.3 | 325.5 | 623.5 |
| Run-off gains and losses, net of reinsurance [1] | 62.6 | 84.6 | 22.1 | 140.3 | 262.1 |
| Change in risk adjustment, net of reinsurance [1] | -23.8 | 1.8 | -10.9 | 1.9 | -22.1 |
| Discounting effect [1] | 87.9 | 57.1 | 167.7 | 106.2 | 264.9 |
| Loss ratio, gross [1] | 72.9 % | 60.8 % | 75.7 % | 69.2 % | 68.8 % |
| Net reinsurance ratio [1] | -3.9 % | 0.6 % | -1.8 % | -0.6 % | 0.5 % |
| Loss ratio, net of reinsurance [1] | 68.9 % | 61.4 % | 73.9 % | 68.6 % | 69.2 % |
| Cost ratio [1] | 8.1 % | 8.7 % | 8.1 % | 8.5 % | 8.2 % |
| Combined ratio [1] | 77.0 % | 70.0 % | 82.0 % | 77.0 % | 77.4 % |
| Underlying frequency loss ratio, net [1] | 63.1 % | 60.2 % | 67.7 % | 65.3 % | 65.9 % |
| Customer retention rate [2] | | | 91.0 % | 91.3 % | 91.1 % |

[1] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).
[2] The customer retention rate is the percentage of Gjensidige's customers that have been customers during the last twelve months.

# General Insurance Denmark

## Development during the quarter

The insurance service result increased by 63.4 per cent, driven by higher run-off gains, a higher discounting effect, higher insurance revenues and depreciation of the Norwegian krone.

Insurance revenue increased by 25.5 per cent or 8.6 per cent measured in local currency, primarily driven by volume growth and significant price increases in commercial property and motor insurance. Dansk Tandforsikring also contributed to premium growth. Insurance revenue for the private portfolio decreased due to lower volumes, reflecting competitive pressure, lower activity in the Danish real estate market and the accumulating effect of lower sales activities due to the implementation of the new IT-system.

The loss ratio improved by 3.6 percentage points, driven by higher run-off gains and a higher discounting effect. The underlying frequency loss ratio increased by 0.5 percentage points, driven by motor insurance in the private segment. Profitability for property and health insurance in the commercial segment improved.

The cost ratio improved by 0.2 percentage points due to higher insurance revenue.

## Year-to-date development

The insurance service result increased by 54.2 per cent. The increase was driven by higher run-off gains, a higher discounting effect, an increase in insurance revenue and depreciation of the Norwegian krone. Lower large losses also contributed positively.

Insurance revenue increased by 22.1 per cent or 8.1 per cent measured in local currency, primarily driven by volume growth and significant price increases for property and motor insurance in the commercial segment. Dansk Tandforsikring also contributed to premium growth. Insurance revenue in the private portfolio decreased. This was driven by lower volumes which reflected competitive pressure, lower activity in the Danish real estate market and the accumulating effect of lower sales activities due to implementation of the new IT-system.

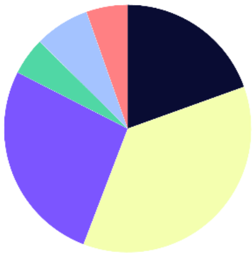
The customer retention rate was broadly stable.

The loss ratio improved by 2.7 percentage points, driven by higher run-off gains, a higher discounting effect and lower large losses. The underlying frequency loss ratio increased by 1.9 percentage points, mainly driven by motor insurance in both the private and commercial segments. Profitability for the remaining products was broadly stable.

The cost ratio improved by 0.3 percentage points due to higher insurance revenue.

**Product groups Denmark**

Insurance revenue year-to-date (same period last year)




## General Insurance Denmark

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance revenue | 2,027.9 | 1,616.1 | 3,934.0 | 3,222.3 | 6,631.9 |
| Insurance claims expenses | -1,339.3 | -1,147.7 | -2,724.4 | -2,432.9 | -4,959.0 |
| Insurance operating expenses | -293.9 | -237.5 | -549.2 | -458.6 | -932.3 |
| **Insurance service result before reinsurance contracts held** | **394.7** | **231.0** | **660.4** | **330.9** | **740.6** |
| Reinsurance premiums | -57.3 | -42.4 | -111.2 | -89.8 | -184.3 |
| Amounts recovered from reinsurance | -2.4 | 16.5 | 15.2 | 125.1 | 159.8 |
| **Insurance service result** | **335.1** | **205.0** | **564.4** | **366.1** | **716.1** |
| Large losses, net of reinsurance [1] | 0.0 | 0.0 | 16.5 | 43.9 | 116.1 |
| Run-off gains and losses, net of reinsurance [1] | 59.5 | -21.1 | 102.6 | -50.6 | -39.3 |
| Change in risk adjustment, net of reinsurance [1] | 1.3 | 3.2 | 2.1 | 18.3 | 18.5 |
| Discounting effect [1] | 76.7 | 29.4 | 147.5 | 42.7 | 141.8 |
| Insurance revenue in local currency (DKK) [1] | 1,296.0 | 1,198.2 | 2,587.7 | 2,401.5 | 4,885.4 |
| Loss ratio, gross [1] | 66.0% | 71.0% | 69.3% | 75.5% | 74.8% |
| Net reinsurance ratio | 2.9% | 1.6% | 2.4% | -1.1% | 0.4% |
| Loss ratio, net of reinsurance [1] | 69.0% | 72.6% | 71.7% | 74.4% | 75.1% |
| Cost ratio [1] | 14.5% | 14.7% | 14.0% | 14.2% | 14.1% |
| Combined ratio [1] | 83.5% | 87.3% | 85.7% | 88.6% | 89.2% |
| Underlying frequency loss ratio, net of reinsurance [1] | 72.0% | 71.5% | 73.9% | 72.0% | 73.1% |
| Customer retention rate [2] | | | 79.9% | 80.0% | 78.8% |

[1] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).
[2] The customer retention rate is the percentage of Gjensidige's customers that have been customers during the last twelve months.

# General Insurance Sweden

## Development during the quarter

The insurance service result increased by 78.5 per cent, driven by a lower loss ratio, an increase in insurance revenue and depreciation of the Norwegian krone.

Insurance revenue increased by 8.5 per cent or 2.2 per cent measured in local currency, driven by growth in the commercial portfolio. The revenue growth reflects both volume and price increases, particularly for commercial property, as well as payment protection and private health insurance. The private portfolio declined due to lower motor insurance volumes following the implementation of pricing measures. Sales efforts aimed at the private segment have been strengthened during the quarter, particularly in relation to motor and property insurance. Gjensidige is in the process of establishing a new sales centre in Gävle, which will provide good access to highly competent sales personnel. The centre will be ready for operation in the fourth quarter this year.

The loss ratio improved by 5.9 percentage points, reflecting higher run-off gains and a lower underlying frequency loss ratio. The change in risk adjustment contributed negatively. The underlying frequency loss ratio decreased by 1.4 percentage points, mainly reflecting a higher discounting effect. Higher profitability for commercial property and health insurance in both segments was slightly offset by lower profitability for motor insurance in both segments and private property insurance.

The cost ratio increased by 1.7 percentage points reflecting increased marketing and sales activities.

## Year-to-date development

The insurance service result increased by 41.4 per cent, driven by a lower loss ratio, an increase in insurance revenue and depreciation of the Norwegian krone.

Insurance revenue increased by 10.8 per cent or 5.7 per cent measured in local currency and was driven by growth in the commercial and private segments. The revenue growth reflects both volume and price increases, particularly in commercial property, payment protection and health insurance in the private segment. This was slightly offset by health insurance in the commercial segment and property and motor insurance in the private segment.

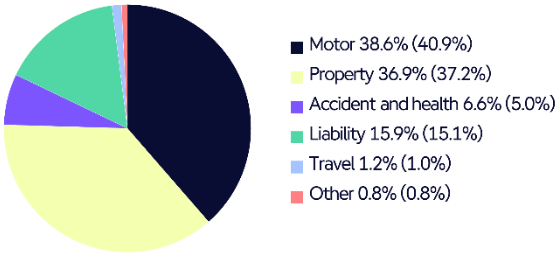
The customer retention rate decreased slightly, due to significant price increases.

The loss ratio decreased by 2.7 percentage points, driven by higher run-off gains, lower large losses and a positive discounting effect. The change in risk adjustment contributed negatively. The underlying frequency loss ratio increased by 2.9 percentage points, driven by property and motor insurance in both segments, slightly offset by payment protection insurance in the private portfolio. The negative development can to a large degree be explained by an increased number of mid-sized claims compared with the same period last year.

The cost ratio was broadly stable.

**Product groups Sweden**

Insurance revenue year-to-date (same period last year)



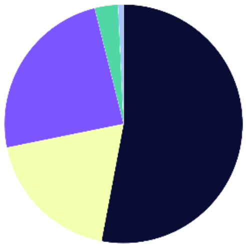

## General Insurance Sweden

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance revenue | 466.9 | 430.5 | 925.1 | 835.0 | 1,699.5 |
| Insurance claims expenses | -335.8 | -357.7 | -670.3 | -658.4 | -1,374.7 |
| Insurance operating expenses | -78.5 | -65.1 | -148.4 | -131.5 | -260.9 |
| **Insurance service result before reinsurance contracts held** | **52.6** | **7.6** | **106.5** | **45.1** | **63.9** |
| Reinsurance premiums | -5.0 | -3.7 | -9.9 | -7.9 | -16.1 |
| Amounts recovered from reinsurance | 2.1 | 23.8 | 7.0 | 36.1 | 114.2 |
| **Insurance service result** | **49.6** | **27.8** | **103.7** | **73.3** | **162.0** |
| Large losses, net of reinsurance [1] | 9.6 | 9.7 | 9.6 | 20.8 | 41.5 |
| Run-off gains and losses, net of reinsurance [1] | 41.0 | 7.8 | 70.8 | 5.3 | 24.6 |
| Change in risk adjustment, net of reinsurance [1] | 4.1 | 15.6 | 12.1 | 35.1 | 34.6 |
| Discounting effect [1] | 20.0 | 12.7 | 37.8 | 19.6 | 50.6 |
| Insurance revenue in local currency (SEK) [1] | 459.1 | 449.3 | 926.2 | 876.0 | 1,787.4 |
| Loss ratio, gross [1] | 71.9% | 83.1% | 72.5% | 78.8% | 80.9% |
| Net reinsurance ratio [1] | 0.6% | -4.7% | 0.3% | -3.4% | -5.8% |
| Loss ratio, net of reinsurance [1] | 72.6% | 78.4% | 72.8% | 75.5% | 75.1% |
| Cost ratio [1] | 16.8% | 15.1% | 16.0% | 15.7% | 15.4% |
| Combined ratio [1] | 89.4% | 93.5% | 88.8% | 91.2% | 90.5% |
| Underlying frequency loss ratio, net of reinsurance [1] | 80.2% | 81.6% | 80.7% | 77.8% | 76.2% |
| Customer retention rate [2] | | | 79.5% | 80.3% | 80.4% |

[1] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).
[2] The customer retention rate is the percentage of Gjensidige's customers that have been customers during the last twelve months.

**Product groups Baltics**

Insurance revenue year-to-date (same period last year)




# General Insurance Baltics

## Development during the quarter

The insurance service result was NOK 14.7 million (minus 12.9). The result was driven by an improvement in the loss ratio and higher insurance revenues. Depreciation of the Norwegian krone also contributed positively.

Insurance revenue increased by 29.6 per cent, or 11.5 per cent measured in local currency driven by growth in all the main product lines, but particularly in commercial property and health insurance, and private motor insurance. The increase was driven by both price and volume in the private and commercial portfolios. Strong sales efforts and pricing measures resulted in a significant increase in sales during the quarter.

The loss ratio improved by 6.6 percentage points, driven by a lower underlying frequency loss ratio. Large losses increased, while run-off gains and the change in risk adjustment were lower than in the same quarter last year. The underlying frequency loss ratio improved by 8.2 percentage points, due to successful pricing measures, improved risk selection and a higher discounting effect. Property insurance in both the private and commercial segments, as well as private motor and commercial health insurance showed improved profitability.

The cost ratio improved by 0.9 percentage points, driven by higher insurance revenue and cost-saving initiatives.

## Year-to-date development

The insurance service result was NOK 7.1 million (minus 56.6). The improvement was driven by a lower loss ratio and higher insurance revenues. Higher run-off gains and depreciation of the Norwegian krone also contributed positively.

Insurance revenue increased by 23.5 per cent, or 8.8 per cent measured in local currency, with growth in all the main product lines, particularly for commercial property and health and private motor. The increase in insurance revenue was primarily driven by pricing measures implemented in both portfolios. The significant price increases resulted in lower volumes, particularly for motor insurance.

The customer retention rate decreased compared to the same period last year, due to price increases.

The loss ratio improved by 9.7 percentage points, primarily driven by a lower underlying frequency loss ratio and run-off gains. The underlying frequency loss ratio improved by 9.4 percentage points, due to successful pricing measures and improved risk selection as well as a higher discounting effect. Motor and property insurance in both the private and commercial portfolios, and commercial health insurance showed improved profitability.

The cost ratio was broadly stable.

# General Insurance Baltics

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance revenue | 417.2 | 322.0 | 781.9 | 633.2 | 1,296.5 |
| Insurance claims expenses | -337.8 | -251.7 | -600.4 | -511.7 | -1,017.9 |
| Insurance operating expenses | -114.9 | -91.5 | -220.2 | -179.3 | -358.4 |
| **Insurance service result before reinsurance contracts held** | **-35.5** | **-21.2** | **-38.7** | **-57.8** | **-79.8** |
| Reinsurance premiums | -12.8 | -9.8 | -24.6 | -18.7 | -45.2 |
| Amounts recovered from reinsurance | 62.9 | 18.1 | 70.4 | 19.9 | 49.3 |
| **Insurance service result** | **14.7** | **-12.9** | **7.1** | **-56.6** | **-75.8** |
| Large losses, net of reinsurance [1] | 2.8 | 0.0 | 2.8 | 0.0 | 0.0 |
| Run-off gains and losses, net of reinsurance [1] | 6.8 | 7.3 | 23.9 | 15.6 | 23.6 |
| Change in risk adjustment, net of reinsurance [1] | 0.1 | 1.0 | 3.2 | 2.0 | 2.8 |
| Discounting effect [1] | 6.1 | 1.5 | 11.2 | 1.5 | 9.0 |
| Insurance revenue in local currency (EUR) [1] | 35.8 | 32.1 | 69.0 | 63.4 | 128.4 |
| Loss ratio, gross [1] | 81.0% | 78.2% | 76.8% | 80.8% | 78.5% |
| Net reinsurance ratio [1] | -12.0% | -2.6% | -5.9% | -0.2% | -0.3% |
| Loss ratio, net of reinsurance [1] | 69.0% | 75.6% | 70.9% | 80.6% | 78.2% |
| Cost ratio [1] | 27.5% | 28.4% | 28.2% | 28.3% | 27.6% |
| Combined ratio [1] | 96.5% | 104.0% | 99.1% | 108.9% | 105.8% |
| Underlying frequency loss ratio, net of reinsurance [1] | 69.9% | 78.2% | 74.0% | 83.4% | 80.2% |
| Customer retention rate [2] | | | 63.5% | 65.6% | 61.5% |

[1] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).
[2] The customer retention rate is the percentage of Gjensidige's customers that have been customers during the last twelve months.

# Pension

## Development during the quarter

The profit before tax expense was minus NOK 3.0 million (minus 72.2), reflecting growth in the business and a higher interest rate level. The profit before tax expense, adjusted for the change in the Contractual Service Margin (CSM)[4], was NOK 8.0 million (minus 34.9). The profit includes two one-offs with a negative net effect of NOK 18.0 million.

The insurance service result was NOK 67.2 million (minus 12.5), reflecting lower insurance claims expenses driven by a one-off-reversal of previously recognised losses on onerous contracts

Insurance revenue decreased by 4.5 per cent due to a reduction in the amount of CSM recognised. This was related to the one-off-reversal mentioned above. Insurance operating expenses increased by 10.1 per cent, reflecting a higher head count and an increase in business volumes.

Net finance income was minus NOK 116.8 million (minus 96.8) reflecting the impact of higher interest rates on investment returns, unwinding and changes in financial assumptions. The result was negatively impacted by a one-off model change.

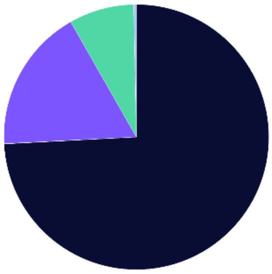
Administration fees increased by 21.8 per cent due to a growth in the number of occupational pension members. Management income increased by 37.3 per cent, driven by growth in assets under management.

## Year-to-date development

The profit before tax expense was minus NOK 11.5 million (78.0), driven by a negative net finance income. The profit before tax expense, adjusted for the change in the Contractual Service Margin (CSM)[3], was NOK 52.4 million (192.5). The results include the one-offs mentioned for the quarter.

**Asset allocation in the group policy[1] and company portfolio**

At the end of the period (same period last year)




[1] Paid-up policy and risk products

The insurance service result was NOK 42.7 million (4.1), reflecting lower insurance claims expenses due to the change in losses on onerous contracts.

Insurance revenue increased by 2.1 per cent due to higher business volumes. Insurance operating expenses increased by 12.6 per cent, reflecting a higher head count and an increase in business volumes.

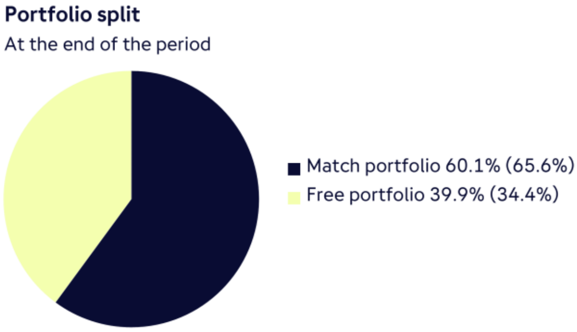
Net finance income was minus NOK 141.9 million (minus 5.6), reflecting higher interest rates.

Administration fees increased by 25.1 per cent due to a growth in the number of occupational pension members. Management income increased by 21.1 per cent, driven by growth in assets under management.

## Pension

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance revenue | 106.7 | 111.7 | 224.9 | 220.2 | 421.1 |
| Insurance claims expenses | -18.6 | -116.2 | -141.4 | -185.7 | -330.3 |
| Insurance operating expenses | -32.0 | -29.0 | -62.5 | -55.5 | -113.2 |
| **Insurance service result before reinsurance contracts held** | **56.1** | **-33.5** | **21.0** | **-21.0** | **-22.5** |
| Net expense from reinsurance contracts held | 11.1 | 21.0 | 21.8 | 25.1 | 63.2 |
| **Insurance service result** | **67.2** | **-12.5** | **42.7** | **4.1** | **40.7** |
| Net investment income | -235.1 | -238.7 | -150.7 | -555.3 | -449.6 |
| Unwinding | -75.1 | -26.7 | -151.4 | -54.2 | -119.4 |
| Change in financial assumptions | 193.5 | 168.6 | 160.2 | 603.9 | 496.0 |
| **Net finance income or expense** | **-116.8** | **-96.8** | **-141.9** | **-5.6** | **-72.9** |
| Administration fees | 47.1 | 38.7 | 93.0 | 74.3 | 158.7 |
| Management income | 65.7 | 47.9 | 123.9 | 102.3 | 210.6 |
| Other expenses | -66.3 | -49.4 | -129.2 | -97.1 | -207.6 |
| **Net income from unit link business** | **46.5** | **37.2** | **87.7** | **79.5** | **161.8** |
| **Profit or loss before tax expense** | **-3.0** | **-72.2** | **-11.5** | **78.0** | **129.7** |
| Profit or loss before tax expense adjusted for change in CSM | 8.0 | -34.9 | 52.4 | 192.5 | 350.6 |
| Recognised return on the paid-up policy portfolio (IFRS 4) [1] | | | 1.12% | 1.25% | 1.41% |
| Value-adjusted return on the paid-up policy portfolio (IFRS 4) [2] | | | 1.15% | 0.97% | 1.13% |
| Return on equity, annualised (IFRS 4) [3] | | | 22.3 % | 13.6 % | 15.1 % |
| Solvency ratio [4] | | | 142.8 % | 173.5 % | 142.9 % |

[1] Recognised return on the paid-up policy portfolio (IFRS 4) = realised return on the portfolio according to IFRS 4
[2] Value-adjusted return on the paid-up policy portfolio (IFRS 4) = total return on the portfolio according to IFRS 4
[3] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).
[4] Solvency ratio = Total eligible own funds to meet the Solvency Capital Requirement (SCR), divided by SCR




## Management of the investment portfolio

The Group's investment portfolio includes all financial investments in the Group, with the exception of the pension segment. The investment portfolio is split into two parts: a match portfolio and a free portfolio, and all investments are measured at fair value. The match portfolio is intended to match the Group's technical provisions as measured in accordance with the solvency regulations. It is invested in fixed-income instruments that match the duration and currency of the technical provisions. The purpose of the free portfolio is to contribute to the Group's results. The investments are made in various asset classes, reflecting the Group's capitalisation, risk capacity and risk appetite.

The results from derivatives for tactical and risk management purposes are assigned to the respective asset classes. Currency exposure related to fixed-income investments is generally hedged 100 per cent, within a permitted range of +/- 10 per cent per currency. Currency risk related to equities can be hedged between 0 and 100 per cent.

### Development during the quarter

At the end of the period, the investment portfolio totalled NOK 58.9 billion (56.4). The financial result for the quarter was minus NOK 199.3 million (minus 1 611.7), which corresponds to a return on total assets of minus 0.3 per cent (minus 2.8).

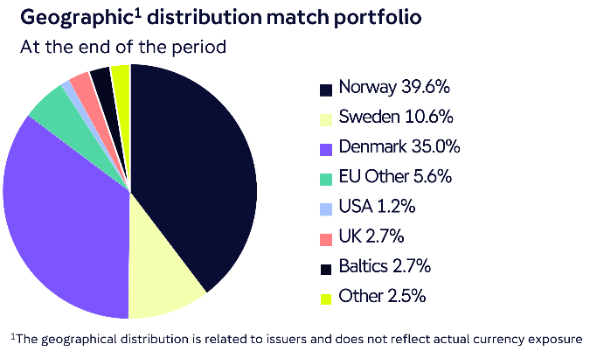
The result for the quarter was negatively impacted by rising interest rates, while the rise in stock markets and a high running yield in the fixed income portfolio contributed positively to returns.

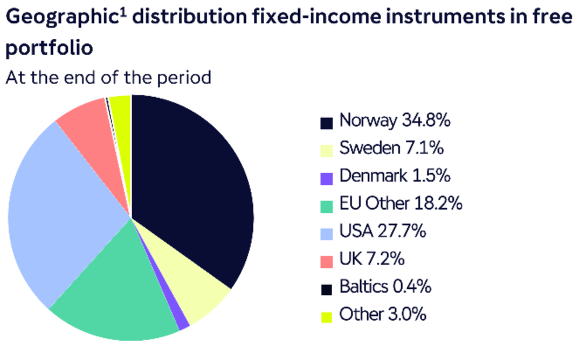
## Investment portfolio

| | Result | | | |
|---|---|---|---|---|
| **NOK millions** | **Q2 2023** | **Q2 2022** | **1.1.-30.6.2023** | **1.1.-30.6.2022** |
| Match portfolio | -217.5 | -1,091.9 | 138.1 | -1,970.9 |
| Unwinding general insurance | -213.2 | -140.4 | -449.0 | -232.6 |
| Change in financial assumptions general insurance | 348.9 | 727.7 | 323.8 | 1,242.4 |
| **Net financial result match portfolio** | **-81.8** | **-504.7** | **13.0** | **-961.0** |
| Free portfolio | 18.2 | -519.8 | 456.7 | -769.3 |
| **Net financial result investment portfolio** | **-63.6** | **-1,024.5** | **469.6** | **-1,730.3** |

| | Result | | | | Closing balance | |
|---|---|---|---|---|---|---|
| **NOK millions** | **Q2 2023** | **Q2 2022** | **1.1.-30.6.2023** | **1.1.-30.6.2022** | **30.6.2023** | **30.6.2022** |
| *Match portfolio* | | | | | | |
| Fixed-income NOK | -248.0 | -422.1 | -45.0 | -990.6 | 19,870.7 | 21,136.7 |
| Fixed-income DKK | 25.1 | -570.1 | 136.9 | -760.9 | 11,538.8 | 12,387.1 |
| Fixed-income other currencies | 5.4 | -99.7 | 46.2 | -219.4 | 3,973.0 | 3,437.2 |
| **Match portfolio** | **-217.5** | **-1,091.9** | **138.1** | **-1,970.9** | **35,382.6** | **36,961.0** |
| *Free portfolio* | | | | | | |
| Fixed income - short duration | 51.6 | 2.4 | 130.4 | 13.2 | 8,159.5 | 7,135.3 |
| Global investment grade bonds | -54.4 | -137.8 | 95.5 | -258.8 | 9,317.9 | 3,846.3 |
| Global high yield bonds | 26.7 | -195.2 | 78.0 | -336.4 | 924.1 | 1,243.3 |
| Other bonds | -22.7 | -21.2 | 41.6 | -49.9 | 1,306.4 | 1,525.5 |
| Listed equities [1] | 15.1 | -41.7 | 134.5 | -231.2 | 1,761.4 | 3,396.8 |
| PE funds | 43.3 | -68.6 | 49.8 | 90.8 | 1,217.6 | 1,345.7 |
| Other [2] | -41.3 | -57.7 | -73.0 | 3.1 | 794.4 | 925.9 |
| **Free portfolio** | **18.2** | **-519.8** | **456.7** | **-769.3** | **23,481.3** | **19,418.8** |
| **Financial result investment portfolio [3]** | **-199.3** | **-1,611.7** | **594.8** | **-2,740.2** | **58,863.9** | **56,379.8** |

[1] Investments mainly in internationally diversified funds that are externally managed. The equity risk exposure is reduced by NOK 625.9 million due to derivatives.
[2] The item mainly comprises hedge funds, commodities and finance-related expense.
[3] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).




**Match portfolio**

The match portfolio amounted to NOK 35.4 billion (37.0). The portfolio generated a return of minus 0.6 per cent (minus 3.0) for the quarter. The return on fixed-income instruments reflected higher interest rates, partly offset by running yield. The match portfolio's return for the quarter net of insurance finance (unwinding and change in financial assumptions) was minus 0.2 per cent (minus 1.4), mainly reflecting the fact that the investments did not fully match the accounting-based technical provisions.

Securities without an official credit rating amounted to NOK 6.0 billion (7.9). Of these securities, 11.1 per cent (7.8) were issued by Norwegian savings banks, while the remainder were mostly issued by Norwegian power producers and distributors, property companies, industry and municipalities. Bonds with a coupon linked to the development of the Norwegian and Danish consumer price index accounted for 4.0 per cent (3.5) of the match portfolio.

## Yield and duration

| | Yield in per cent | Duration in years |
|---|---|---|
| | **30.6.2023** | **30.6.2022** |
| *Match portfolio* | | |
| Fixed-income NOK | 5.6 | 2.5 |
| Fixed-income DKK | 3.8 | 4.6 |
| Fixed-income other currencies | 3.9 | 2.8 |
| Match portfolio | 4.8 | 3.2 |
| Insurance liabilities general insurance | | 3.1 |

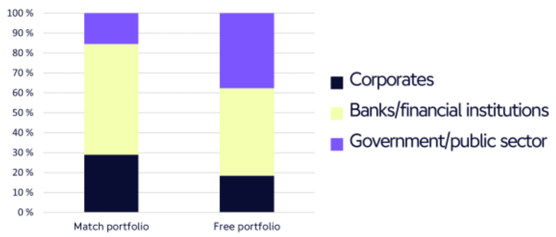
## Return per asset class

| | | | Return | | |
|---|---|---|---|---|---|
| **Per cent** | **Q2 2023** | **Q2 2022** | **1.1.-30.6.2023** | **1.1.-30.6.2022** | **1.1.-31.12.2022** |
| *Match portfolio* | | | | | |
| Fixed-income NOK | -1.2 | -2.0 | -0.2 | -4.6 | -2.7 |
| Fixed-income DKK | 0.2 | -4.7 | 1.2 | -6.3 | -7.4 |
| Fixed-income other currencies | 0.1 | -2.9 | 1.2 | -6.4 | -7.3 |
| **Match portfolio** | **-0.6** | **-3.0** | **0.4** | **-5.3** | **-4.7** |
| *Free portfolio* | | | | | |
| Fixed income - short duration | 0.7 | 0.0 | 1.4 | 0.2 | 1.3 |
| Global investment grade bonds | -0.6 | -3.6 | 1.2 | -7.5 | -9.2 |
| Global high yield bonds | 2.9 | -10.8 | 7.8 | -14.7 | -18.0 |
| Other bonds | -1.6 | -1.4 | 2.7 | -3.8 | -3.3 |
| Listed equities [1] | 0.9 | -1.2 | 7.3 | -6.7 | -9.0 |
| PE funds | 3.6 | -4.6 | 4.1 | 6.2 | 7.6 |
| Other [2] | -4.3 | -6.2 | -8.0 | 0.2 | 0.5 |
| **Free portfolio** | **0.1** | **-2.5** | **1.9** | **-3.5** | **-3.7** |
| **Return on investment portfolio [3]** | **-0.3** | **-2.8** | **1.0** | **-4.6** | **-4.3** |

[1] Investments mainly in internationally diversified funds that are externally managed. The equity risk exposure is reduced by NOK 625.9 million due to derivatives.
[2] The item mainly comprises hedge funds, commodities and finance-related expenses.
[3] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).

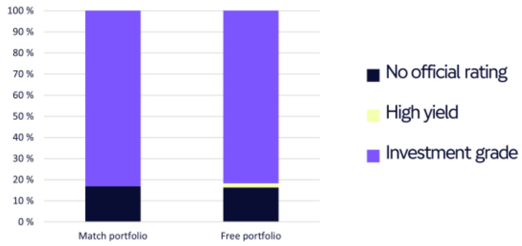
## Counterparty risk fixed-income instruments

At the end of the period




## Credit rating fixed-income instruments

At the end of the period




**Free portfolio**

The free portfolio amounted to NOK 23.5 billion (19.4) at the end of the quarter. The return was 0.1 per cent (minus 2.5), reflecting positive returns from equities and negative returns from higher interest rates. A high running yield also contributed positively to the result.

*Fixed-income instruments*

The fixed-income instruments in the free portfolio amounted to NOK 19.7 billion (13.8), of which fixed-income short duration investments accounted for NOK 8.2 billion (7.1). The rest of the portfolio was invested in Norwegian and international bonds (investment grade and high yield). The fixed-income instruments in the free portfolio yielded a flat return in the quarter (minus 2.3).

At the end of the period, the average duration and yield in the portfolio were approximately 3.1 years (3.1) and 4.0 per cent respectively.  Securities without an official credit rating amounted to NOK 3.2 billion (2.8). Of these 14.8 per cent (12.5) were issued by Norwegian savings banks, while the remainder were primarily issued by corporates and municipalities.

*Equity portfolio*

The total equity holding at the end of the quarter was NOK 3.0 billion (4.7), of which NOK 1.8 billion (3.4) consisted of listed equities and NOK 1.2 billion (1.3) of private equity (PE) funds. The equity risk exposure was NOK 0.6 billion lower due to derivatives.

The return on listed equities was 0.9 per cent (minus 1.2). PE funds returned 3.6 per cent (minus 4.6).

### Year-to-date development

Most asset classes contributed positively to the year-to-date results. A high running yield in the fixed income portfolio, rising equity markets and PE generated positive returns. Higher interest rates had a negative impact on the portfolio.

The financial result for the period was NOK 594.8 million (minus 2,740.2), which corresponds to a return on total assets of 1.0 per cent (minus 4.6).

## Key risk and uncertainty factors

Risk management is an integral part of Gjensidige’s day-to-day operations. The identification, assessment, handling and monitoring of risk exposure in relation to risk appetite, as well as analysing the effects of potential strategic decisions on the risk profile, are essential for operations.

### Insurance risk

Gjensidige’s core business is general insurance, and the risk related to non-life and health insurance is therefore a major part of the risk to which Gjensidige is exposed. Gjensidige is also exposed to life insurance risk through its operations in Gjensidige Pensjonsforsikring AS.

The risk under any insurance contract is the probability of the insured event occurring and uncertainty about the amount of the resulting claim. Because of the very nature of an insurance contract, this risk is random and must therefore be estimated. Probability modelling is applied to the portfolio of insurance contracts to calculate prices and technical provisions. The principal risk the Group faces under its insurance contracts is that the actual claims and benefit payments will exceed the carrying amount of the insurance liabilities. This could occur because the frequency and/or severity of claims and benefits exceeds the estimate. Insurance events are by nature random, and the actual number and size of claims and benefits will vary from year to year in relation to the level calculated using statistical techniques.

The risk of the general premium level not being satisfactory is continuously monitored. The same applies to developments in the frequency and average size of claims, and models and use of data are developed and adjusted on a continuous basis to be able to set prices more precisely. Gjensidige primarily manages insurance risk by closely monitoring profitability development, underwriting guidelines, risk selection, tariff and pricing development and proactive claims handling. If profitability shows a negative development, appropriate measures are implemented. This includes premium increases that are necessary to ensure that profitability remains within the accepted range.

The Group continuously strives to set the technical provisions at the correct level. There is nonetheless an inherent risk that the technical provisions will be insufficient. To reduce this risk, regular efforts are made to improve the actuarial methods used. In addition, both external actuaries and the actuarial function are used to conduct independent reviews of the level of provisions.

Reinsurance is purchased to protect the company against major individual events such as natural disasters and large individual losses.

### Financial risk

Financial risk is a collective term for various types of risks relating to financial assets and liabilities. Financial risk is the risk of experiencing losses due to changes in macroeconomic conditions and/or changes in financial asset values and liabilities. The primary purpose of the investment operations is to support the insurance business by securing the value of insurance liabilities against fluctuations in market variables. Free assets are invested to contribute to the Group’s overall profitability goals, with a controlled downside risk. The investment strategy is approved by the Board and sets limits on the allocation of investment assets. Several risk limitations have been defined, both at the aggregate level and by different types of risks and investments, for the purpose of achieving a diversified investment portfolio. Financial performance and risk positions are continuously monitored. Having a large proportion of highly liquid assets makes it possible to quickly adapt the risk level.

The liquidity risk is fairly limited for most general insurers. Premium income is paid up-front, and claims are paid out at a later stage. Future payments are not based on contractual payment dates, but rather on when claims arise and how long it takes to handle them.

The Group is exposed to credit risk, i.e. the risk that a counterparty is unable or unwilling to settle its liability, or the risk that the credit spreads will increase. Exposure to credit risk is primarily related to investment operations and to receivables from insurance customers and reinsurers. Clear limits have been set for credit exposure in investment operations, and reinsurers are required to have at least an A rating from Standard & Poor's or an equivalent rating.

### Operational risk

Operational risk is the risk of potential incidents or other circumstances arising as part of running the business, and that may have financial consequences and/or an adverse impact on the company's reputation. Operational risk can be caused by human error, inadequate or failing systems or processes, or by external events. This also includes the risk of non-compliance with external and internal regulations. To reduce risk, emphasis is placed on having well-defined and clear lines of reporting and a clear division of responsibility in the organisation. Operational incidents are continuously reported and followed-up.

### Strategic and business risk

Strategic and business risk relates to factors such as the inability to establish and implement business plans and strategies, arrive at decisions, allocate resources or respond to changes in the environment. Risk is managed by identifying, assessing, handling and monitoring the most important strategic and business risks. As part of the company's strategy process, global trends and scenarios are identified and assessed in terms of how they might impact competition and framework conditions.

### Geopolitical unrest and global economic developments

The global economic prospects have deteriorated as a result of Russia's invasion of Ukraine and the increased geopolitical tension between the United States and China. These circumstances have fuelled uncertainty and added to inflationary pressure. The risk of recession is rising in many countries. The Nordic economies have rebounded after the pandemic and have a strong starting point from which to weather the current volatilities. Although there is greater uncertainty than normal, Gjensidige does not expect to see any significant spillover to its non-life operations from this macroeconomic uncertainty. Gjensidige is not directly impacted by the Russia Ukraine conflict. The Group has no direct risk exposure in these countries and investments in Russian and Ukrainian assets are minimal. Gjensidige has a robust investment strategy, but the investment portfolio is exposed to the ongoing volatility in the global capital markets.

## Organisation

The Group had a total of 4,409 employees at the end of the second quarter, compared with 4,382 at the end of the first quarter.

The composition of the Group's employees was as follows: General insurance operations in Norway: 2,088 (2,066), in Denmark: 909 (899), in Sweden: 258 (254) and in the Baltics (excluding agents): 655 (682). Pension, Gjensidige Pensjonsforsikring 110 (110) employees. Other than insurance: 18 (14) in Gjensidige Mobility Group, 328 (312) in RedGo (Norway, Sweden, Finland, Estonia and Lithuania) and 43 (45) in Flyt. The figures in brackets refer to the number of employees at the end of the previous quarter.

## Events after the balance sheet date

No significant events have occurred after the end of the period.

## Strategy and outlook

Gjensidige's ambition is to become the most customer-oriented general insurance company in the Nordic region. The Group's priority is to retain its strong and unique position in Norway and profitable growth outside Norway. Furthermore, the Group will focus on ensuring continued capital discipline, including delivering attractive returns to shareholders. A fundamental prerequisite for long term value creation is sustainable choices and solutions. The top three priorities are contributing to a safer society, sustainable claims handling and responsible investments.

The global economic prospects are uncertain and many countries are at risk of recession. The Nordic economies have a strong starting point from which to weather the current volatilities. Although there is greater uncertainty than normal, Gjensidige does not expect to see any significant spillover to its non-life operations from the current macroeconomic outlook.

Staying ahead of claims inflation is key to maintaining good profitability and it has high priority in Gjensidige. Claims inflation in recent years has been in line with the Group's forecasts. Gjensidige vigilantly monitors developments in the relevant markets and will continue to put through necessary price increases. Despite a natural inherent volatility in claims, the recent increase in claims frequency for several product lines in Norway is being closely monitored. Gjensidige has strengthened pricing measures and will adjust terms and conditions to ensure that the Group over time mitigates the increase in claims frequency.

Due to a combination of increasing natural catastrophes globally, increased geopolitical uncertainty and years of low profitability in the reinsurance industry, we are seeing a significant increase in reinsurance premiums. Gjensidige is affected by this, but a reinsurance programme focused on mitigating the effects of large claims and events, long-standing relationships with our reinsurers and a diversified panel of reinsurers reduces the overall risk to our profits. Furthermore, the recognised high quality of our underwriting and the comparatively low exposure to natural catastrophes in our region ensures that Gjensidige is adequately protected against these claims and events.

Organic growth is expected to be in line with nominal GDP growth in Gjensidige's market areas in the Nordic and Baltic countries over time. In addition, profitable growth will be achieved by pursuing a disciplined acquisition strategy, as has been done successfully in the past.

In the next few years, it is expected that Gjensidige's business model and the type of market participants will broadly remain the same. Gjensidige has different positions and preconditions for further growth and development in the different segments and geographies. Best practices will be implemented across segments and borders where this is natural and expedient. Profitability will be prioritised over growth.

A key strategic priority in the next few years is maintaining and cultivating direct customer relationships. Gjensidige aims to achieve greater relevance and create sales opportunities by offering customers a broader value proposition than ever before – in terms of both services and products, either alone or in partnership with other providers. The goal is to become an even better and more relevant partner for customers – a problem-solver with a stronger focus on damage prevention – thereby further strengthening the customer relationship.

**The Group's annual financial and solvency targets from 2023 are as follows:**

- A combined ratio below 84 per cent
- A cost ratio below 14 per cent
- A solvency margin based on the Partial Internal Model (the regulatory approved model) of between 150 and 200 per cent
- Return on equity after tax > 20 per cent

These are financial targets and should not be regarded as guidance for any specific quarter or year. Unexpected circumstances relating to the weather, the proportion of large losses and run-off gains or losses could contribute to a combined ratio that is above or below the annual target range.

Continued investments in technology and data are key to reducing costs and achieving enhanced functionality and flexibility. This is necessary to enable more flexible partner integration and product modularity. The launch of next-generation tariffs, CRM and investments in a new core system and IT infrastructure are important to succeed in becoming an analytics-driven company. This will result in better customer experiences, more efficient operations and create sufficient capacity for innovation. Gjensidige has launched its new core IT system in Private Denmark and will gradually implement it in other parts of the Danish operations and other geographies. The investment is expected to be handled within the current cost ratio target.

The Group has high capital buffers in relation to internal risk models, statutory solvency requirements and its target rating. The Board considers the Group's capital situation and financial position to be strong.

There is always considerable uncertainty associated with the assessment of future developments. However, the Board remains confident in Gjensidige's ability to deliver solid earnings and dividend growth over time.

Oslo, 13 July 2023
The Board of Gjensidige Forsikring ASA

| | | | | |
|---|---|---|---|---|
| Gisele Marchand<br>**Chair of the Board** | Eivind Elnan<br>Board member | Ellen Kristin Enger<br>Board member | Vibeke Krag<br>Board member | Sebastian B.G. Kristiansen<br>Board member |
| Tor Magne Lønnum<br>Board member | Hilde M. Nafstad<br>Board member | Ruben Pettersen<br>Board member | Terje Seljeseth<br>Board member | Gunnar Robert Sellæg<br>Board member |

Geir Holmgren
CEO

# Consolidated income statement

| NOK millions | Notes | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|---|
| Insurance revenue | 3 | 9,066.2 | 8,067.1 | 17,716.2 | 15,908.7 | 32,638.8 |
| Insurance claims expenses | 3 | -6,176.0 | -5,202.1 | -12,473.5 | -11,002.6 | -22,323.8 |
| Insurance operating expenses | 3 | -1,253.9 | -1,111.3 | -2,426.7 | -2,177.2 | -4,373.1 |
| **Insurance service result before reinsurance contracts held** | | **1,636.3** | **1,753.7** | **2,815.9** | **2,728.9** | **5,942.0** |
| Reinsurance premiums | | -200.4 | -164.9 | -375.0 | -319.3 | -673.0 |
| Amounts recovered from reinsurance | | 139.9 | 65.8 | 225.1 | 165.3 | 308.0 |
| **Net expense from reinsurance contracts held** | | **-60.5** | **-99.1** | **-149.9** | **-153.9** | **-365.1** |
| **Insurance service result** | | **1,575.8** | **1,654.5** | **2,666.1** | **2,574.9** | **5,576.9** |
| Results from investments in associates and joint ventures | | -2.6 | 7.0 | -12.8 | 45.0 | -4.3 |
| Interest income and dividend etc. from financial assets | | 457.2 | 302.8 | 829.7 | 588.9 | 1,297.6 |
| Net changes in fair value of investments (incl. property) | | -652.7 | -2,391.4 | -116.4 | -4,251.0 | -4,079.1 |
| Net realised gains and losses on investments | | -160.9 | 289.2 | -182.7 | 1,221.5 | 859.8 |
| Interest expenses and expenses related to investments | | -114.5 | -70.9 | -164.6 | -161.8 | -360.2 |
| **Net income from investments** | | **-473.5** | **-1,863.3** | **353.2** | **-2,557.4** | **-2,286.3** |
| Insurance finance income or expense - unwinding | | -302.3 | -169.4 | -612.0 | -290.2 | -767.0 |
| Insurance finance income or expense - change in financial assumptions | | 597.0 | 876.2 | 552.8 | 1,826.6 | 1,971.1 |
| Reinsurance finance income or expense - unwinding | | 14.0 | 2.2 | 11.6 | 3.5 | 10.7 |
| Reinsurance finance income or expense - change in financial assumptions | | -54.6 | 20.0 | -68.8 | 19.7 | 29.3 |
| Other income | | 395.6 | 288.1 | 777.5 | 456.9 | 1,101.5 |
| Other expenses | | -418.2 | -317.2 | -855.0 | -505.4 | -1,318.7 |
| **Profit or loss before tax expense** | | **1,333.9** | **491.3** | **2,825.3** | **1,528.6** | **4,317.5** |
| Tax expense | | -290.3 | -182.6 | -634.8 | -265.2 | -879.7 |
| **Profit or loss** | 3 | **1,043.5** | **308.7** | **2,190.5** | **1,263.4** | **3,437.8** |
| **Profit/(loss) attributable to:** | | | | | | |
| Owners of the parent | | 1,044.2 | 308.7 | 2,191.7 | 1,263.4 | 3,437.8 |
| Non-controlling interests | | -0.6 | | -1.2 | | |
| **Total** | | **1,043.5** | **308.7** | **2,190.5** | **1,263.4** | **3,437.8** |
| **Earnings per share, NOK (basic and diluted)** | | **2.04** | **0.60** | **4.30** | **2.49** | **6.78** |

# Consolidated statement of comprehensive income

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| **Profit or loss** | **1,043.5** | **308.7** | **2,190.5** | **1,263.4** | **3,437.8** |
| **Other comprehensive income that will not be reclassified subsequently to profit or loss** | | | | | |
| Remeasurement of the net defined benefit liability/asset | | | | | -284.4 |
| Tax on other comprehensive income that will not be reclassified subsequently to profit or loss | | | | | 71.1 |
| **Total other comprehensive income that will not be reclassified subsequently to profit or loss** | | | | | **-213.3** |
| **Other comprehensive income that will be reclassified subsequently to profit or loss** | | | | | |
| Exchange differences from foreign operations | 156.2 | 409.1 | 804.5 | 161.5 | 235.9 |
| Share of exchange differences of associates and joint ventures | | -1.6 | | -1.6 | -1.6 |
| Tax on other comprehensive income that will be reclassified subsequently to profit or loss | -26.8 | -56.3 | -103.3 | -22.1 | -39.0 |
| **Total other comprehensive income that will be reclassified subsequently to profit or loss** | **129.4** | **351.2** | **701.2** | **137.8** | **195.3** |
| **Total other comprehensive income** | **129.4** | **351.2** | **701.2** | **137.8** | **-18.0** |
| **Comprehensive income** | **1,173.0** | **659.9** | **2,891.7** | **1,401.2** | **3,419.9** |
| **Comprehensive income attributable to:** | | | | | |
| Owners of the parent | 1,173.0 | 659.9 | 2,892.3 | 1,401.2 | 3,419.9 |
| Non-controlling interests | -0.6 | | -1.2 | | |
| **Total** | **1,172.3** | **659.9** | **2,891.1** | **1,401.2** | **3,419.9** |

# Consolidated statement of financial position

| NOK millions | Notes | 30.6.2023 | 30.6.2022 | 31.12.2022 |
|---|---|---|---|---|
| **Assets** | | | | |
| Goodwill | | 5,707.5 | 5,122.2 | 5,293.6 |
| Other intangible assets | | 2,477.0 | 2,157.7 | 2,307.3 |
| Investments in associates and joint ventures | | 848.3 | 1,014.1 | 866.4 |
| Owner-occupied and right-of-use property, plant and equipment | | 1,791.9 | 1,470.9 | 1,635.9 |
| Pension assets | | 187.4 | 262.5 | 187.4 |
| **Financial assets** | | | | |
| Financial derivatives | 5 | 390.7 | 253.8 | 449.7 |
| Shares and similar interests | 5 | 3,847.4 | 5,386.9 | 3,742.5 |
| Bonds and other fixed-income securities | 5 | 52,476.5 | 33,152.3 | 36,261.3 |
| Loans and receivables | 5 | 7,186.6 | 22,442.9 | 22,516.4 |
| Assets in life insurance with investment options | 5 | 54,257.4 | 40,683.2 | 45,916.1 |
| Other assets and receivables | 5 | 4,628.8 | 5,766.1 | 3,978.2 |
| Cash and cash equivalents | 5 | 4,157.8 | 3,218.5 | 3,195.2 |
| **Other assets** | | | | |
| Reinsurance contract assets | 4 | 1,716.0 | 1,222.9 | 1,260.1 |
| Deferred tax assets | | 433.7 | 270.7 | 407.2 |
| Prepaid expenses and earned, not received income | | 92.1 | 64.4 | 65.1 |
| **Total assets** | | **140,199.2** | **122,489.0** | **128,082.5** |
| **Equity and liabilities** | | | | |
| **Equity** | | | | |
| Share capital | | 1,000.0 | 999.9 | 999.9 |
| Share premium | | 1,430.0 | 1,430.0 | 1,430.0 |
| Natural perils capital | | 2,815.9 | 2,823.6 | 2,973.1 |
| Guarantee scheme provision | | 864.2 | 762.3 | 864.2 |
| Other equity | | 16,587.3 | 15,946.2 | 17,691.6 |
| **Total equity attributable to owners of the company** | | **22,697.4** | **21,962.1** | **23,958.8** |
| Non-controlling interests | | 9.5 | 0.7 | 0.7 |
| **Total equity** | | **22,706.9** | **21,962.8** | **23,959.6** |
| **Insurance liabilities** | | | | |
| Insurance contract liabilities | 4 | 52,036.0 | 48,016.6 | 46,464.3 |
| Reinsurance contract liabilities | 4 | 60.1 | 28.1 | 27.2 |
| **Financial liabilities** | | | | |
| Subordinated debt | 5 | 2,397.5 | 2,396.5 | 2,397.0 |
| Financial derivatives | 5 | 417.6 | 757.4 | 400.7 |
| Liabilities in life insurance with investment options | 5 | 54,257.4 | 40,683.2 | 45,916.1 |
| Other financial liabilities | 5 | 4,745.8 | 4,820.6 | 4,179.7 |
| **Other liabilities** | | | | |
| Pension liabilities | | 745.5 | 713.4 | 741.6 |
| Lease liability | | 1,418.4 | 1,226.3 | 1,387.0 |
| Other provisions | | 456.2 | 503.9 | 585.7 |
| Current tax | | 304.0 | 807.5 | 1,386.5 |
| Deferred tax liabilities | | 47.3 | 52.9 | 53.7 |
| Accrued expenses and received, not earned income | | 606.4 | 519.6 | 583.6 |
| **Total liabilities** | | **117,492.4** | **100,526.2** | **104,123.0** |
| **Total equity and liabilities** | | **140,199.2** | **122,489.0** | **128,082.5** |

# Consolidated statement of changes in equity

| NOK millions | Share capital | Own shares | Share premium | Other paid-in capital | Perpetual Tier 1 capital | Exchange differ-ences | Re-measure-ment of the net defined benefit liab./asset | Other earned equity | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| **Equity as at 31.12.2021 attributable to the owners of the company** | **1,000.0** | **-0.1** | **1,430.0** | **100.5** | **1,205.2** | **581.0** | **-2,255.0** | **23,143.0** | **25,204.5** |
| Non-controlling interests as at 31.12.2021 | | | | | | | | | 0.7 |
| **Equity as at 31.12.2021** | | | | | | | | | **25,205.2** |
| **Implementation effects 1.1.2022** | | | | | | | | | |
| IFRS 17 Risk adjustment - General Insurance | | | | | | | | -2,041.7 | -2,041.7 |
| IFRS 17 Discounting - General Insurance | | | | | | | | 1,715.6 | 1,715.6 |
| IFRS 17 Loss Component - General Insurance | | | | | | | | -57.3 | -57.3 |
| IFRS 9 - General Insurance | | | | | | | | 357.7 | 357.7 |
| IFRS 17 - Pension | | | | | | | | -1,085.3 | -1,085.3 |
| IFRS 9 - Pension | | | | | | | | 95.0 | 95.0 |
| Tax on implementation effects and other effects | | | | | | | | 240.2 | 240.2 |
| **Equity as at 1.1.2022 incl. IFRS 17 and IFRS 9 adjustments** | **1,000.0** | **-0.1** | **1,430.0** | **100.5** | **1,205.2** | **581.0** | **-2,255.0** | **22,367.2** | **24,428.8** |
| Non-controlling interests as at 1.1.2022 | | | | | | | | | 0.7 |
| **Equity as at 1.1.2022** | | | | | | | | | **24,429.5** |
| **1.1.-31.12.2022** | | | | | | | | | |
| **Comprehensive income** | | | | | | | | | |
| Profit or loss (owners of the parents' share) | | | | | 48.3 | | | 3,389.5 | 3,437.8 |
| Total other comprehensive income | | | | 0.7 | | 194.6 | -213.3 | | -18.0 |
| **Comprehensive income** | | | | **0.7** | **48.3** | **194.6** | **-213.3** | **3,389.5** | **3,419.8** |
| **Transactions with owners of the parent** | | | | | | | | | |
| Own shares | | 0.0 | | | | | | -22.3 | -22.3 |
| Dividend | | | | | | | | -3,849.8 | -3,849.8 |
| Equity-settled share-based payment transactions | | | | 23.6 | | | | | 23.6 |
| Perpetual Tier 1 capital | | | | | 0.7 | | | -0.7 | |
| Perpetual Tier 1 capital - interest paid | | | | | -41.4 | | | | -41.4 |
| **Total transactions with owners of the parent** | | **0.0** | | **23.6** | **-40.7** | | | **-3,872.8** | **-3,889.8** |
| **Equity as at 31.12.2022 attributable to owners of the parent** | **1,000.0** | **-0.1** | **1,430.0** | **124.9** | **1,212.8** | **775.6** | **-2,468.3** | **21,884.0** | **23,958.8** |
| Non-controlling interests as at 31.12.2022 | | | | | | | | | 0.7 |
| **Equity as at 31.12.2022** | | | | | | | | | **23,959.6** |
| **1.1.-30.6.2023** | | | | | | | | | |
| **Comprehensive income** | | | | | | | | | |
| Profit or loss (owners of the parents' share) | | | | | 34.5 | | | 2,157.3 | 2,191.7 |
| Total other comprehensive income | | | | 2.1 | | 699.1 | | | 701.2 |
| **Comprehensive income** | | | | **2.1** | **34.5** | **699.1** | **0.0** | **2,157.3** | **2,892.9** |
| **Transactions with owners of the parent** | | | | | | | | | |
| Own shares | | 0.1 | | | | | | -9.0 | -8.9 |
| Dividend | | | | | | | | -4,124.9 | -4,124.9 |
| Equity-settled share-based payment transactions | | | | 13.0 | | | | | 13.0 |
| Perpetual Tier 1 capital | | | | | 0.4 | | | -0.4 | |
| Perpetual Tier 1 capital - interest paid | | | | | -33.5 | | | | -33.5 |
| **Total transactions with owners of the parent** | | **0.1** | | **13.0** | **-33.2** | | | **-4,134.2** | **-4,154.4** |
| **Equity as at 30.6.2023 attributable to owners of the parent** | **1,000.0** | **0.0** | **1,430.0** | **139.9** | **1,214.1** | **1,474.7** | **-2,468.3** | **19,907.1** | **22,697.4** |
| Non-controlling interests as at 30.6.2023 | | | | | | | | | 9.5 |
| **Equity as at 30.6.2023** | | | | | | | | | **22,706.9** |
| **1.1.-30.6.2022** | | | | | | | | | |
| **Comprehensive income** | | | | | | | | | |
| Profit or loss (owners of the parents' share) | | | | | 20.3 | | | 1,243.0 | 1,263.3 |
| Total other comprehensive income | | | | 0.4 | | 137.4 | 0.0 | | 137.8 |
| **Comprehensive income** | | | | **0.4** | **20.3** | **137.4** | **0.0** | **1,243.0** | **1,401.2** |
| **Transactions with owners of the parent** | | | | | | | | | |
| Own shares | | 0.0 | | | | | | -11.5 | -11.5 |
| Dividend | | | | | | | | -3,849.8 | -3,849.8 |
| Equity-settled share-based payment transactions | | | | 12.0 | | | | | 12.0 |
| Perpetual Tier 1 capital | | | | | 0.4 | | | -0.4 | |
| Perpetual Tier 1 capital - interest paid | | | | | -18.6 | | | | -18.6 |
| **Total transactions with owners of the parent** | | **0.0** | | **12.0** | **-18.2** | | | **-3,861.7** | **-3,867.9** |
| **Equity as at 30.6.2022 attributable to owners of the parent** | **1,000.0** | **-0.1** | **1,430.0** | **112.9** | **1,207.3** | **718.4** | **-2,255.0** | **19,748.6** | **21,962.1** |
| Non-controlling interests as at 30.6.2022 | | | | | | | | | 0.7 |
| **Equity as at 30.6.2022** | | | | | | | | | **21,962.8** |

# Consolidated statement of cash flows

| NOK millions | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| Insurance revenue paid, net of reinsurance premiums paid | 27,395.9 | 23,506.1 | 46,058.2 |
| Claims paid, net of reinsurance | -12,866.5 | -10,947.2 | -21,876.0 |
| Net receipts/payments of premium reserve transfers | -2,744.9 | -2,798.4 | -4,848.6 |
| Net receipts/payments from financial assets | -1,480.7 | -3,870.6 | -10,371.0 |
| Operating expenses paid, including commissions | -2,691.9 | -2,681.4 | -5,030.7 |
| Operating income paid, mobility services [1] | 764.3 | 150.1 | 1,122.9 |
| Operating expenses paid, mobility services [1] | -774.2 | -147.8 | -1,030.4 |
| Taxes paid | -1,962.3 | -1,642.3 | -1,789.2 |
| Net other receipts/payments | 24.2 | 47.1 | 27.1 |
| **Net cash flow from operating activities** | **5,664.0** | **1,615.5** | **2,262.3** |
| **Cash flow from investing activities** | | | |
| Net receipts/payments from sale/acquisition of subsidiaries and associates/joint venture | -15.6 | 3,546.0 | 3,313.0 |
| Net receipts/payments on sale/acquisition of owner-occupied property, plant and equipment and intangible assets | -396.7 | -296.3 | -565.1 |
| Net receipts/payments on sale/acquisition of customer portfolios - intangible assets | 0.0 | | 5.2 |
| **Net cash flow from investing activities** | **-412.3** | **3,249.7** | **2,753.2** |
| **Cash flow from financing activities** | | | |
| Payment of dividend | -4,124.9 | -3,849.8 | -3,849.8 |
| Net receipts/payments on subordinated debt incl. interest | -54.2 | -25.3 | -59.3 |
| Net receipts/payments on sale/acquisition of own shares | -8.9 | -11.5 | -22.3 |
| Repayment of lease liabilities | -97.3 | -87.6 | -173.8 |
| Payment of interest related to lease liabilities | -17.0 | -15.9 | -30.0 |
| Tier 1 interest payments | -33.5 | -18.6 | -41.4 |
| **Net cash flow from financing activities** | **-4,335.8** | **-4,008.7** | **-4,176.6** |
| **Net cash flow** | **915.9** | **856.6** | **838.8** |
| Cash and cash equivalents at the start of the period | 3,195.2 | 2,348.1 | 2,348.1 |
| Net cash flow | 915.9 | 856.6 | 838.8 |
| Effect of exchange rate changes on cash and cash equivalents | 46.6 | 13.8 | 8.3 |
| **Cash and cash equivalents at the end of the period** | **4,157.8** | **3,218.5** | **3,195.2** |
| **Specification of cash and cash equivalents** | | | |
| Cash and deposits with credit institutions | 4,157.8 | 3,218.5 | 3,195.2 |
| **Total cash and cash equivalents** | **4,157.8** | **3,218.5** | **3,195.2** |

[1] Cash flow related to toll road charges, is presented net.

# Notes

## 1. Accounting policies

The consolidated financial statements as of the second quarter 2023, concluded on 30 June 2023, comprise Gjensidige Forsikring ASA and its subsidiaries (collectively referred to as the Group) and the Group's holdings in associated companies.

The consolidated financial statements as of the second quarter 2023 have been prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. The interim report does not include all the information required in a complete annual report and should be read in conjunction with the annual report for 2022. Except for the changes described below, the accounting policies applied in the interim report are the same as those used in the annual report for 2022.

The preparation of interim accounts involves the application of assessments, estimates and assumptions that affect the use of accounting policies and the amounts recognised for assets and liabilities, revenues and expenses. The actual results may deviate from these estimates. The most material assessments involved in applying the Group's accounting policies and the most important sources of uncertainty in the estimates are the same in connection with preparing the interim report as in the annual report for 2022.

### New and amended standards and interpretations

In this interim report, Gjensidige has applied IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments. Gjensidige has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The accounting policies regarding IFRS 17 and IFRS 9 are described in note 4 and 5 respectively.

### Other

Comparable figures are based on IFRS. All amounts are shown in NOK millions unless otherwise indicated. Due to the rounding-off of differences, figures and percentages may not add up to the exact total figures.

Notes are presented on the Group level. Separate notes for Gjensidige Forsikring ASA (GF ASA) are not presented since GF ASA is the material part of the Group, and the notes for the Group therefore give a sufficient presentation of both the Group and GF ASA.

A complete or limited audit of the interim report has not been carried out.

## 2. Seasonal variations

Seasonal premiums are used for some insurance products. This is because the incidence of claims is not evenly distributed throughout the year but follows a stable seasonal pattern. Normally, premium income (insurance revenue) is accrued evenly over the insurance period, but for products with a seasonal pattern, premium income must also be allocated according to the incidence of claims. Gjensidige Forsikring has a seasonal premium for the following products: pleasure craft, snowmobiles and motorcycles. For motorcycles, for example, earned premiums for the period from April to September amount to a full 85 per cent of the annual premiums.

Another consequence of a seasonal premium is that, if the customer cancels the insurance contract before the renewal date, only the portion of the seasonal premium for which the Company did not bear any risk is refunded. For motorcycle insurance taken out on 1 April, but cancelled on 1 October, the policyholder will only be refunded 15 per cent of the annual premium, even though the insurance was only in effect for six months.

# 3. Segment information

The group has six reportable segments. These offer different products and services within different geographical areas. The Group's reportable segments are identified based on the Group's internal reporting. The Group CEO holds regular meetings with the reporting managers for the different segments, about performance management, where focus is on future measures to ensure performance and deliveries.

General insurance is the Group's core activity. General insurance is divided into five segments, mainly based on the customer's geographical location. Pension delivers products and services to customers in Norway.

| Second quarter | Segment income [2] | | Insurance expenses | | Net reinsurance expenses | | Net income from investments/other | | Segment result/profit/loss before tax expense | |
|---|---|---|---|---|---|---|---|---|---|---|
| **NOK millions** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
| General Insurance Private | 2,849.4 | 2,677.8 | -2,189.4 | -1,876.3 | 40.3 | -14.6 | | | 700.2 | 787.0 |
| General Insurance Commercial | 3,129.9 | 2,841.6 | -2,533.5 | -1,973.5 | 123.0 | -16.3 | | | 719.4 | 851.9 |
| General Insurance Denmark | 2,027.9 | 1,616.1 | -1,633.2 | -1,385.2 | -59.6 | -26.0 | | | 335.1 | 205.0 |
| General Insurance Sweden | 466.9 | 430.5 | -414.4 | -422.8 | -3.0 | 20.2 | | | 49.6 | 27.8 |
| General Insurance Baltics | 417.2 | 322.0 | -452.7 | -343.2 | 50.1 | 8.3 | | | 14.7 | -12.9 |
| Pension | 106.7 | 111.7 | -50.6 | -145.2 | 11.1 | 21.0 | -70.2 | -59.6 | -3.0 | -72.2 |
| Other including eliminations [1] | 68.2 | 67.3 | -156.1 | -167.2 | -222.4 | -91.8 | -171.7 | -1,103.6 | -482.1 | -1,295.4 |
| **Total** | **9,066.2** | **8,067.1** | **-7,429.9** | **-6,313.4** | **-60.5** | **-99.1** | **-242.0** | **-1,163.2** | **1,333.9** | **491.3** |

| 1.1.-30.6. | Segment income [2] | | Insurance expenses | | Net reinsurance expenses | | Net income from investments/other | | Segment result/profit/loss before tax expense | |
|---|---|---|---|---|---|---|---|---|---|---|
| **NOK millions** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
| General Insurance Private | 5,549.1 | 5,245.2 | -4,339.5 | -3,866.8 | 24.7 | -15.7 | | | 1,234.3 | 1,362.6 |
| General Insurance Commercial | 6,174.5 | 5,621.0 | -5,175.5 | -4,366.9 | 113.2 | 36.3 | | | 1,112.2 | 1,290.3 |
| General Insurance Denmark | 3,934.0 | 3,222.3 | -3,273.6 | -2,891.4 | -96.0 | 35.3 | | | 564.4 | 366.1 |
| General Insurance Sweden | 925.1 | 835.0 | -818.6 | -789.8 | -2.8 | 28.2 | | | 103.7 | 73.3 |
| General Insurance Baltics | 781.9 | 633.2 | -820.6 | -690.9 | 45.8 | 1.2 | | | 7.1 | -56.6 |
| Pension | 224.9 | 220.2 | -203.9 | -241.3 | 21.8 | 25.1 | -54.2 | 73.9 | -11.5 | 78.0 |
| Other including eliminations [1] | 126.6 | 131.9 | -268.5 | -332.6 | -256.5 | -264.2 | 213.5 | -1,120.2 | -185.0 | -1,585.2 |
| **Total** | **17,716.2** | **15,908.7** | **-14,900.2** | **-13,179.8** | **-149.9** | **-153.9** | **159.3** | **-1,046.4** | **2,825.3** | **1,528.6** |

[1] Eliminations etc. consist of internal eliminations and other income and expenses not directly attributable to one single segment, and large losses of NOK 242.4 million (54.2) for the quarter and NOK 251.0 (236.8) for the year-to-date. Interest on subordinated debt is included in Net income from investments.
[2] There is no significant income between the segments at this level in 2023 and 2022.

# 4. Insurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of issued insurance contracts, and is effective from 1 January 2023. Comparable figures have been restated. The figures presented are indicative and may be altered in the audited financial statement for 2023.

On initial recognition, insurance contracts will be recognised at a risk-adjusted present value of the future cash flows plus an amount representing the unearned profit in the Group of contracts (the contractual service margin). This is referred to as the building block approach (BBA) model. If a group of contracts is or becomes loss-making, the loss will be recognised immediately. The onerous test is performed at a granular level, ensuring that the group of contracts is homogenous and that profit-making contracts are not subsidising loss-making contracts. For profit-making contracts, the earnings are based on accrued services.

An entity may simplify the measurement by using the premium allocation approach (PAA) if the entity expects such simplification to produce a measurement of the liability for remaining coverage that will not differ materially from the measurement that would be produced by applying the BBA model described above, or if the coverage period of each contract in the Group is one year or less.

Liabilities for insurance contracts consist of liability for remaining coverage (LRC) and liability for incurred claims (LIC). LRC represents liabilities for remaining coverage, while LIC represents liabilities for claims that have already been incurred.

Assets for reinsurance contracts consist of the asset for remaining coverage (ARC) and the asset for incurred claims (AIC) (reinsurers' share of claims that have already been incurred).

Reinsurance is presented separately from gross insurance.

Insurance finance income or expense are presented in profit or loss.

The insurance liabilities under IFRS 17 should be based on the expected cash flows, and excess reserves beyond what is expected cannot be part of the best estimate. Gjensidige has recognised excess reserves in 2022 that are not in accordance with IFRS 17. This amount is therefore adjusted for in the preliminary opening balance as at 1 January 2022.

## General Insurance contracts: portfolios of insurance contracts

Gjensidige has comprehensive insurance policies within different products and segments. To determine the right level of aggregation, the following elements are taken into consideration:

- Where decisions are made
- At which level products are aggregated while still having similar risk
- The significance of each portfolio based on size
- Gjensidige has decided to aggregate insurance policies to the level on which management of profitability and determination takes place.

## General Insurance contracts: grouping of contracts/onerous contracts

All insurance contracts are written according to an approved tariff or by underwriting. All premiums are set so that there is an expected profit, and no contracts are expected to be onerous at initial recognition. The actual outcome will be different for some contracts, but Gjensidige will supervise the actual outcome very closely for all contracts and if necessary, change the premium in order not to allow any contract to become onerous over time.

Since the premium are paid in advance, within the insurance period of normally one year, the measurement of a group of insurance contracts with respect of checking for onerous contracts, are done by looking into the expected combined ratio, adjusted for risk adjustment and eventually for discontinued loss provision (time value of money).

Consequently, Gjensidige will for each portfolio have groups with contracts with either no significant possibility of becoming onerous or contracts that are onerous at initial recognition. The profitable and onerous contracts will be divided into groups based on the year the contract has been issued.

## General Insurance contracts: measurement method

For the general insurance contracts, Gjensidige has decided to use PAA. Most of Gjensidige's contracts have a coverage period of one year or less. For the contracts where the coverage period is more than one year, Gjensidige has calculated that the LRC will not differ materially from the liability that would be arrived at by applying the general measurement model called the building block approach (BBA), and it will therefore also use PAA for those contracts.

Applying the PAA model, Gjensidige will measure the carrying amount of the LRC on initial recognition as the premiums received upon initial recognition.

At the end of each subsequent reporting period, the carrying amount of the LRC is the carrying amount at the start of the period plus the premiums received during the period, minus the amount recognised as insurance revenue for services provided in that period. LRC corresponds to the provision for unearned premium deducted by premium receivables

At the end of each subsequent reporting period, the carrying amount of the LIC, comprising the fulfilment cash flows related to past services, is measured according to best estimate of future payments for incurred claims and claims expenses. Future payments are based on historical payment pattern.

When measuring the operating expenses, indirect costs should not be included in the fulfilment cash flow. In Gjensidige, costs related to the training of newly hired personnel in sales and distribution and certain costs related to new products are indirect and will be classified as other expenses as opposed to operating expenses. Further, Gjensidige has chosen to expense the acquisition costs directly when applying the PAA, as has been done under IFRS 4.

## General Insurance contracts: discounting

A major part of the LIC stems from long-tailed business with a duration of more than one year, and Gjensidige has therefore decided to discount LIC for all products. Swap rates, which are a well-known market-based yield curve, are used for the respective currencies. The swap rates have a duration of up to 30 years and are a fairly good hedge for the investments. The swap rate fulfils the bottom-up requirement in IFRS 17 and is considered to be risk-free.

LRC could also be discounted to reflect the time value of money. This adjustment is not mandatory under PAA. For LRC, most of the premiums are received in the same year as coverage is provided. In addition, a substantial part of the premium is paid monthly or quarterly. Hence, the financial component of LRC is very limited, and discounting are therefore not be performed.

## General Insurance contracts: risk adjustment

The risk adjustment (RA) represents the compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts. The percentile approach is chosen and risk adjustment for each legal entity within the Group is chosen to represent a confidence level of 85 per cent for the ultimate probability distribution for the claim's provisions.

The confidence level of 85 per cent is aligned with Gjensidige's cost of capital until final run-off of the claim's provisions. Ultimate risk is chosen because the accounting balance shows the liabilities as estimated until final run-off.

For Gjensidige Forsikring ASA, the Partial internal model (PIM) with own calibration is used to determine the risk adjustment. The percentile can be derived from the probability distribution for reserve risk.

Insurance companies in the Group, other than Gjensidige Forsikring ASA, develop their own models, based on the Solvency II risk margin, to determine the RA. The calculation of RA is adjusted to comply with the Group principle of a confidence level of 85 per cent and based on ultimate risk.

The confidence level of 85 per cent until final run-off corresponds to a level of 95 per cent for one-year risk.

Changes in the risk adjustment for non-financial risk are not disaggregated into an insurance service component and an insurance finance component.

## General Insurance contracts: transition

The retrospective approach has been used for all general insurance contracts, starting from recognition of contracts.

## Pension contracts: portfolios of insurance contracts

Gjensidige has three main product groups within the scope of IFRS 17; paid-up policies, occupational pension and individual risk products. Paid-up policies consist of six portfolios, similar to the asset portfolio in which they are managed. Each of the portfolios represents different investment strategies and asset allocation, with the purpose of matching the financial risk and size of the portfolios to the guarantees one the liability side. The risk element of the occupational pension consists of a deposit exemption that are obligatory in the contracts, in addition to other risk products, where disability is the main part. Individual risk products consist of disability pension and children's disability pension.

The choice of aggregation level is based on homogeneous product groups, that are reported to the Board. Hence, management of the products and management of the risk and administration result has been decisive for the final division into portfolios. The portfolios are:

- Paid-up policies
- Occupational pension
- Disability pension
- Children's disability pension

## Pension contracts: grouping of contracts/onerous contracts

The onerous test for choice of grouping is done on each contract at initial recognition. The test compares the premium received and the fulfilment cash flows. The contracts are divided into one of the following groups:

- A contract is classified as 'profitable' if the present value of fulfilment cash flows, one and a half of the risk adjustments and previously received premiums in total are a net gain at the date of initial recognition.
- A contract is called 'possibly onerous' if it is neither classified as 'profitable' nor 'onerous'.

- A contract is classified as 'onerous' if the present value of fulfilment cash flows, risk adjustment and previously received premiums in total are a net loss at the date of initial recognition.

The onerous test is only performed at initial recognition. The loss component is reconsidered, but the contracts remain in the original group.

## Pension contracts: measurement method

Gjensidige has classified all pensions contracts as fulfilling the requirements for the use of the BBA.

The paid-up policies have a guaranteed rate of return, and it is assessed whether the contracts fall under the definition of the Variable Fee Approach (VFA). To qualify for measurement under the VFA, Gjensidige must expect to pay the policyholder an amount equal to a substantial share of the fair value returns on the underlying items and a substantial proportion of any change in the amounts paid to the policyholder will vary with the change in fair value of the underlying item. These conditions are not met, and the paid-up policies will therefore be measured based on the BBA.

On initial recognition, the LRC for a group of contracts will be measured as the total of:

- The fulfilment cash flows, which comprise:
    - Estimates of future cash flows
    - An adjustment to reflect the time value of money and the financial risk related to the future cash flows
    - A risk adjustment for non-financial risk
- The CSM

## Pension contracts: discounting

Gjensidige has decided to use the EIOPA interest rate curve without volatility adjustments. The EIOPA interest rate fulfils the bottom-up requirement in IFRS 17 and is considered to be risk-free. The pension contracts' liabilities are mainly long-term pensions, and the EIOPA curve is based on an extrapolation method that also produces very long-term interest rates.

## Pension contracts: risk adjustment

Gjensidige has developed its own model for calculation of the risk adjustment using the BBA model. The model is based on the models for cash flows, taking into consideration the uncertainty in timing and size of the cash flows. The model is a percentile approach (confidence level of 85 per cent), for ultimate risk. Changes in the risk adjustment for non-financial risk are not disaggregated into an insurance service component and an insurance finance component.

## Pension contracts: CSM

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the entity expects to recognise as the insurance contract services are provided.

## Pension contracts: transition

The modified retrospective approach has been used for all pension contracts, starting from 31 December 2016.

## Group risk adjustment

The risk adjustment for the Group is the sum of risk adjustments for each legal entity, less risk adjustment on internal reinsurance. As there is a diversification effect between the entities the percentile level of the risk adjustment at Group level will be somewhat higher for ultimate risk and one-year risk.

# Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

| | | 2023 | | | 2022 | |
|---|---|---|---|---|---|---|
| **NOK millions** | **Assets** | **Liabilities** | **Net** | **Assets** | **Liabilities** | **Net** |
| **Insurance and reinsurance contracts issued** | | | | | | |
| General Insurance | | 42,343.6 | 42,343.6 | | 38,922.4 | 38,922.4 |
| Pension | | 9,692.4 | 9,692.4 | | 9,094.2 | 9,094.2 |
| **Total insurance and reinsurance contracts issued** | | **52,036.0** | **52,036.0** | | **48,016.6** | **48,016.6** |
| **Reinsurance contracts held** | | | | | | |
| General Insurance | -983.5 | 60.1 | -923.3 | -577.7 | 28.1 | -549.6 |
| Pension | -732.6 | | -732.6 | -645.2 | | -645.2 |
| **Total reinsurance contracts held** | **-1,716.0** | **60.1** | **-1,655.9** | **-1,222.9** | **28.1** | **-1,194.7** |

# General Insurance

**Reconciliation of the liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims 2023**

| | Liabilities for remaining coverage (LRC) | | Liabilities for incurred claims (LIC) | | |
|---|---|---|---|---|---|
| **NOK millions** | **Excluding loss component** | **Loss component** | **Estimates of the present value of future cash flows** | **Risk adjustment** | **Total** |
| **Insurance contract liabilities as at opening balance** | **6,987.1** | **85.5** | **27,874.4** | **2,045.9** | **36,992.8** |
| Insurance revenue | -17,491.3 | | | | -17,491.3 |
| Incurred claims | | | 12,580.2 | 443.6 | 13,023.8 |
| Incurred expenses | | | 2,364.2 | | 2,364.2 |
| Changes that relate to past service - adjustments to LIC | | | -202.3 | -494.0 | -696.3 |
| Losses on onerous contracts | | 4.6 | | | 4.6 |
| Insurance finance expenses through profit or loss | | | 119.3 | 0.6 | 119.8 |
| **Total changes in income statement** | **-17,491.3** | **4.6** | **14,861.3** | **-49.9** | **-2,675.1** |
| Premiums received | 20,788.4 | | | | 20,788.4 |
| Claims paid | | | -11,976.7 | | -11,976.7 |
| Directly attributable expenses paid | | | -2,364.2 | | -2,364.2 |
| **Total cash flows** | **20,788.4** | | **-14,340.9** | | **6,447.5** |
| Exchange rate differences | 470.2 | 6.4 | 1,012.4 | 88.3 | 1,101.0 |
| **Insurance contract liabilities as at closing balance** | **10,754.5** | **96.5** | **29,407.1** | **2,085.5** | **42,343.6** |

**Reconciliation of the liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims 2022**

| | Liabilities for remaining coverage (LRC) | | Liabilities for incurred claims (LIC) | | |
|---|---|---|---|---|---|
| **NOK millions** | **Excluding loss component** | **Loss component** | **Estimates of the present value of future cash flows** | **Risk adjustment** | **Total** |
| **Insurance contract liabilities as at opening balance** | **6,570.5** | **91.0** | **27,173.5** | **2,071.0** | **35,906.1** |
| Insurance revenue | -15,688.5 | | | | -15,688.5 |
| Incurred claims | | | 10,946.3 | 375.3 | 11,321.6 |
| Incurred expenses | | | 2,121.7 | | 2,121.7 |
| Changes that relate to past service - adjustments to LIC | | | -56.8 | -442.7 | -499.5 |
| Losses on onerous contracts | | -5.2 | | | -5.2 |
| Insurance finance expenses through profit or loss | | | -1,010.4 | | -1,010.4 |
| **Total changes in income statement** | **-15,688.5** | **-5.2** | **12,000.8** | **-67.4** | **-3,760.3** |
| Premiums received | 18,684.4 | | | | 18,684.4 |
| Claims paid | | | -10,106.7 | | -10,106.7 |
| Directly attributable expenses paid | | | -2,121.7 | | -2,121.7 |
| **Total cash flows** | **18,684.4** | | **-12,228.3** | | **6,456.1** |
| Exchange rate differences | 102.8 | 1.4 | 206.3 | 10.2 | 320.6 |
| **Insurance contract liabilities as at closing balance** | **9,669.1** | **87.2** | **27,152.3** | **2,013.8** | **38,922.4** |

# Pension

**Reconciliation of the liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims 2023**

| | Liabilities for remaining coverage (LRC) | | | | |
|---|---|---|---|---|---|
| NOK millions | Excluding loss component | Loss component | Total LRC | Liabilities for incurred claims (LIC) | Total LRC and LIC |
| **Insurance contract liabilities as at opening balance** | **8,023.1** | **1,447.4** | **9,470.4** | | **9,470.4** |
| Insurance revenue | -224.9 | | -224.9 | | -224.9 |
| Incurred claims and expenses | | | | 259.4 | 259.4 |
| Changes that relate to past service - adjustments to LIC | | | | | |
| Losses on onerous contracts | | -55.5 | -55.5 | | -55.5 |
| Insurance finance expenses through profit or loss | -105.6 | 44.9 | -60.7 | | -60.7 |
| **Total changes in income statement** | **-330.5** | **-10.5** | **-341.0** | **259.4** | **-81.6** |
| Premiums received | 562.9 | | 562.9 | | 562.9 |
| Claims and expenses paid | | | | -196.9 | -196.9 |
| Directly attributable expenses paid | | | | -62.5 | -62.5 |
| **Total cash flows** | **562.9** | | **562.9** | **-259.4** | **303.5** |
| **Insurance contract liabilities as at closing balance** | **8,255.5** | **1,436.8** | **9,692.4** | | **9,692.4** |

**Reconciliation of the liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims 2022**

| | Liabilities for remaining coverage (LRC) | | | Liabilities for incurred claims (LIC) | Total LRC and LIC |
|---|---|---|---|---|---|
| NOK millions | Excluding loss component | Loss component | Total | | |
| **Insurance contract liabilities as at opening balance** | **7,955.8** | **1,366.7** | **9,322.5** | | **9,322.5** |
| Insurance revenue | -220.2 | | -220.2 | | -220.2 |
| Incurred claims and expenses | | | | 237.1 | 237.1 |
| Changes that relate to past service - adjustments to LIC | | | | | |
| Losses on onerous contracts | | 4.2 | 4.2 | | 4.2 |
| Insurance finance expenses through profit or loss | -590.2 | 64.2 | -526.0 | | -526.0 |
| **Total changes in income statement** | **-810.4** | **68.4** | **-742.0** | **237.1** | **-504.9** |
| Premiums received | 513.7 | | 513.7 | | 513.7 |
| Claims and expenses paid | | | | -181.6 | -181.6 |
| Directly attributable expenses paid | | | | -55.5 | -55.5 |
| **Total cash flows** | **513.7** | | **513.7** | **-237.1** | **276.6** |
| **Insurance contract liabilities as at closing balance** | **7,659.1** | **1,435.1** | **9,094.2** | | **9,094.2** |

**Analysis of components of insurance contracts 2023**

| NOK millions | Best estimate of liabilities (BEL) | Risk adjustment (RA) | Contractual service margin (CSM) | Total |
|---|---|---|---|---|
| **Insurance contract liabilities as at opening balance** | **8,089.4** | **392.2** | **988.9** | **9,470.4** |
| CSM recognised in profit or loss | | | -26.4 | -26.4 |
| RA recognised in profit or loss | | 7.7 | | 7.7 |
| Experience adjustments | 9.2 | | | 9.2 |
| **Changes related to current services** | **9.2** | **7.7** | **-26.4** | **-9.5** |
| Contracts initially recognised in the period | -124.4 | 42.7 | 125.3 | 43.6 |
| Changes in estimates that adjust CSM | 144.0 | -58.3 | -51.5 | 34.2 |
| Changes in estimates that result in onerous contracts or reversal of losses | -89.3 | | | -89.3 |
| **Changes relatet to future services** | **-69.6** | **-15.7** | **73.8** | **-11.5** |
| Insurance finance expenses through profit or loss | -77.2 | | 16.5 | -60.7 |
| **Total changes in statement of profit or loss** | **-137.6** | **-7.9** | **63.9** | **-81.6** |
| Premiums received | 562.9 | | | 562.9 |
| Claims paid | -196.9 | | | -196.9 |
| Directly attributable expenses paid | -62.5 | | | -62.5 |
| **Total cash flows** | **303.5** | | | **303.5** |
| **Insurance contract liabilities as at closing balance** | **8,255.3** | **384.2** | **1,052.8** | **9,692.4** |

**Analysis of components of insurance contracts 2022**

| NOK millions | Best estimate of liabilities (BEL) | Risk adjustment (RA) | Contractual service margin (CSM) | Total |
|---|---|---|---|---|
| **Insurance contract liabilities as at opening balance** | **8,100.9** | **453.6** | **768.0** | **9,322.5** |
| CSM recognised in profit or loss | | | -33.6 | -33.6 |
| RA recognised in profit or loss | | 3.2 | | 3.2 |
| Experience adjusments | -2.1 | | | -2.1 |
| **Changes related to current services** | **-2.1** | **3.2** | **-33.6** | **-32.5** |
| Contracts initially recognised in the period | -101.2 | 42.3 | 159.6 | 100.8 |
| Changes in estimates that adjust CSM | 124.8 | -73.1 | -22.0 | 29.6 |
| Changes in estimates that result in onerous contracts or reversal of losses | -76.9 | | | -76.9 |
| **Changes relatet to future services** | **-53.3** | **-30.8** | **137.6** | **53.5** |
| Insurance finance expenses through profit or loss | -536.5 | | 10.5 | -526.0 |
| **Total changes in statement of profit or loss** | **-591.9** | **-27.6** | **114.6** | **-504.9** |
| Premiums received | 513.7 | | | 513.7 |
| Claims paid | -181.6 | | | -181.6 |
| Directly attributable expenses paid | -55.5 | | | -55.5 |
| **Total cash flows** | **276.6** | | | **276.6** |
| **Insurance contract liabilities as at closing balance** | **7,785.6** | **426.0** | **882.5** | **9,094.2** |

# 5. Financial assets and liabilities

IFRS 9 addresses accounting for financial instruments and is effective from 1 January 2023. Comparable figures have been restated. The figures presented are indicative and may be altered in the audited financial statement for 2023.

The purpose of the Group's investments is to support the insurance business by securing the value of insurance liabilities against fluctuations in market variables. Funds beyond this will be invested to achieve the Group's overall profitability goals. Investments for general insurance and life insurance are managed separately. The investment portfolio for general insurance is split into two parts: a match portfolio and a free portfolio.

## Measurement categories

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Equity instruments and derivatives do not pass the SPPI (solely payment of principal and interest) are classified at fair value through profit or loss (FVTPL). Debt instruments are classified based on the business model and on the cash flow characteristics of the financial asset.

The match portfolio in General Insurance is intended to correspond to the cash flows from the underwriting business. It is invested in debt instruments with a duration and currency that matches the duration and currency of the cash flows for the underwriting business. A major part of the investments would pass the SPPI-test and could be accounted for according to amortised cost. However, Gjensidige has chosen to use the fair value through profit or loss option to reduce the accounting mismatch between investments and insurance liabilities.

The free portfolio consists of various assets, which are managed based on fair value and Gjensidige's risk appetite. Hence, the financial assets do not satisfy the condition to collect cash flows and will therefore be classified as fair value through profit or loss.

The financial assets in Pension's group policy portfolios are intended to correspond to the cash flows from the underwriting business, with debt instruments with a duration and currency that matches the duration and currency of the cash flows for the underwriting business. A major part of the investments would pass the SPPI-test and could be accounted for according to amortised cost. However, Gjensidige has chosen to use the fair value through profit or loss option to reduce the accounting mismatch between investments and insurance liabilities. The financial assets in the unit-linked and corporate portfolio are measured at FVTPL.

Financial liabilities are measured at either fair value through profit or loss (derivatives) or at amortised cost (subordinated loans).

## Recognition and derecognition

Financial instruments are recognised when Gjensidige becomes a party to the instrument's contractual terms. Initial recognition is at fair value. Except for financial assets and financial liabilities recognised at FVTPL, transaction expenses are added to this amount. For financial assets and liabilities measured at FVTPL transaction expenses are recognised in profit or loss when they incur. Normally initial recognition will be equal to the transaction price. Subsequent to initial recognition the instruments are measured as described below.

Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire, or when Gjensidige transfers the financial asset in a transaction where all or practically all the risk and rewards related to ownership of the assets are transferred.

## Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss are measured at fair value at the reporting date. Changes in fair value are recognised in profit or loss, in the accounting line Net changes in fair value of investments (incl. property).

The category at fair value through profit or loss comprise the classes shares and similar interests, bonds and other fixed-income securities, loans and receivables, assets in life insurance with investment options, other assets and receivables, cash and cash equivalents, liabilities in life insurance with investment options and other financial assets.

## Financial derivatives

Financial derivatives are used in the management of exposure to equities, bonds and foreign exchange in order to achieve the desired level of risk and return. The instruments are used both for trading purposes and for hedging of other balance sheet items. Any trading of financial derivatives is subject to strict limitations.

Gjensidige uses financial derivatives, amongst other to hedge foreign currency exchanges arising from the ownership of foreign subsidiaries with other functional currency.

Financial derivatives are measured at fair value at the reporting date. Changes in fair value are recognised in profit or loss.

## Financial liabilities at amortised cost

Financial liabilities measured at amortised cost using the effective interest method. When the time horizon of the financial liability's due time is quite near in time the nominal interest rate is used when measuring amortised cost.

The category financial liabilities at amortised cost comprises subordinated debt.

## Definition of fair value

Subsequent to initial recognition, investments at fair value through profit or loss are measured at the amount each asset/liability can be settled at in an orderly transaction between market participants on the measurement date, based on the prevailing market conditions.

Different valuation techniques and methods are used to estimate fair value depending on the type of financial instruments and to what extent they are traded in active markets. Instruments are classified in their entirety in one of three valuation levels in a hierarchy based on the lowest level input that is significant to the fair value measurement in its entirety.

The different valuation levels and which financial assets/liabilities are included in the respective levels are accounted for below.

### Quoted prices in active markets

Quoted prices in active markets are regarded as the best estimate of an asset/liability's fair value. A financial asset/liability is considered to be valued based on quoted prices in active markets if its fair value is estimated based on easily and regularly available prices and these prices represent actual and regularly occurring transactions based on the arm's length principle. Financial assets/liabilities valued based on quoted prices in active markets are classified as level one in the valuation hierarchy.

The following financial assets are classified as level one in the valuation hierarchy

- Listed shares
- Norwegian government/government backed bonds and other fixed income securities
- Exchange traded funds

### Valuation based on observable market data

When quoted prices in active markets are not available, the fair value of financial assets/liabilities is preferably estimated based on valuation techniques that are based on observable market data.

A financial asset/liability is deemed to be valued based on observable market data if its fair value is estimated with reference to prices that are not quoted but are observable either directly (as prices) or indirectly (derived from prices). Financial assets/liabilities valued based on observable market data are classified as level two in the valuation hierarchy.

The following financial assets/liabilities are classified as level two in the valuation hierarchy

- Currency derivatives, equity options and forward rate agreements, in which fair value is derived from the value of underlying instruments. These derivatives are valued using common valuation techniques for derivatives (option pricing models etc.).
- Equity funds, bond funds, hedge funds and combination funds, in which fair value is estimated based on the fair value of the underlying investments of the funds.
- Bonds, certificates, or index bonds that are unlisted, or that are listed but where transactions do not occur regularly. The unlisted instruments in this category are valued based on observable yield curves and estimated credit spreads where applicable.
- Listed subordinated debt where transactions are not occurring regularly.

### Valuation based on non-observable market data

When neither quoted prices in active markets nor observable market data are available, the fair value of financial assets/liabilities is estimated based on valuation techniques that are based on non-observable market data.

A financial asset/liability is deemed to be valued based on non-observable market data if its fair value is estimated without being based on quoted prices in active markets or observable market data. Financial assets/liabilities valued based on non-observable market data are classified as level three in the valuation hierarchy.

The following financial assets are classified as level three in the valuation hierarchy

- Unlisted private equity investments. The private equity investments that are not organised as funds are valued using cash flow analyses, price multiples and recent market transactions. The private equity investments that are organised as funds are valued based on NAV (Net Asset Value) as reported by the administrators in accordance with IPEV guidelines (International Private Equity and Venture Capital Valuation. Because of late reporting from the funds, the NAV from the previous quarterly reporting is used when estimating fair value. The NAV is then assessed for discretionary adjustments based on objective events since the last reporting date. Objective events may be the development in underlying values of listed companies since the last reporting, changes in regulations or substantial market movements.
- Loan funds containing secured debt and real estate funds. The funds are valued based on NAV values as reported by the fund administrators. Because of late reporting from the funds, the NAV values from the previous quarterly reporting are used when estimating fair value.

### The valuation process for financial assets classified as level three

The Investment Performance and Risk Measurement department decides which valuation models will be used when valuing financial assets classified as level three in the valuation hierarchy. The models are evaluated as required. The fair value and results of the investments and compliance with the stipulated limits are reported weekly to the Chief Financial Officer and Chief Executive Officer, and monthly to the Board.

## Sensitivity of financial assets level three

Shares and similar interests (mainly unlisted private equity investments, loan funds and distressed/hedge funds), as well as bonds and other fixed-income securities are included in level three in the valuation hierarchy. General market downturns or a worsening of the outlook can affect expectations of future cash flows or the applied multiples, which in turn will lead to a reduction in the value of shares and similar interests. Bonds and other fixed-income securities primarily have interest rate and credit risk as a result of changes in the yield curve or losses due to unexpected defaults on the part of Gjensidige’s debtors. However, the sensitivity to changes in the yield curve is reduced through hedging using interest rate swaps classified as level 2.

| NOK millions | Carrying amount as at 30.6.2023 | Carrying amount as at 30.6.2022 |
|---|---|---|
| **Financial assets** | | |
| *Financial derivatives* | | |
| Financial derivatives at fair value through profit or loss | 379.2 | 253.8 |
| Financial derivatives subject to hedge accounting | 11.5 | |
| *Shares and bonds at fair value through profit or loss* | | |
| Shares and similar interests | 3,847.4 | 5,386.9 |
| Bonds and other fixed-income securities | 52,476.5 | 33,152.3 |
| Shares and similar interests in life insurance with investment options | 44,901.0 | 33,352.4 |
| Bonds and other fixed-income securities in life insurance with investment options | 9,356.5 | 7,330.8 |
| Loans | 7,186.6 | 22,442.9 |
| *Other financial assets and receivables at fair value through profit or loss* | | |
| Other assets and receivables | 4,628.8 | 5,766.1 |
| Cash and cash equivalents | 4,157.8 | 3,218.5 |
| **Total financial assets** | **126,945.3** | **110,903.7** |
| **Financial liabilities** | | |
| *Financial derivatives* | | |
| Financial derivatives at fair value through profit or loss | 416.4 | 747.5 |
| Financial derivatives subject to hedge accounting | 1.2 | 9.9 |
| *Financial liabilities at fair value through profit or loss* | | |
| Liabilities in life insurance with investment options | 54,257.4 | 40,683.2 |
| *Financial liabilities at amortised cost* | | |
| Subordinated debt [1] | 2,397.5 | 2,396.5 |
| Other financial liabilities | 4,745.8 | 4,820.6 |
| **Total financial liabilities** | **61,818.3** | **48,657.7** |
| [1] Fair value of subordinated debt | 2,337.6 | 2,346.0 |

#### Valuation hierarchy 2023

The table shows a valuation hierarchy where financial assets/liabilities are divided into three levels based on the method of valuation.

| NOK millions | Level 1<br>Quoted prices in active markets | Level 2<br>Valuation techniques based on observable market data | Level 3<br>Valuation techniques based on non-observable market data | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| *Financial derivatives* | | | | |
| Financial derivatives at fair value through profit or loss | | 379.2 | | 379.2 |
| Financial derivatives subject to hedge accounting | | 11.5 | | 11.5 |
| *Financial assets at fair value through profit or loss, designated upon initial recognition* | | | | |
| Shares and similar interests | 159.5 | 2,059.1 | 1,628.8 | 3,847.4 |
| Bonds and other fixed-income securities | 17,543.9 | 31,677.7 | 3,255.0 | 52,476.5 |
| Shares and similar interests in life insurance with investment options | | 44,901.0 | | 44,901.0 |
| Bonds and other fixed-income securities in life insurance with investment options | | 9,356.5 | | 9,356.5 |
| Loans | | 7,168.6 | 18.1 | 7,186.6 |
| **Financial liabilities** | | | | |
| *Financial derivatives* | | | | |
| Financial derivatives at fair value through profit or loss | | 416.4 | | 416.4 |
| Financial derivatives subject to hedge accounting | | 1.2 | | 1.2 |
| *Financial liabilities at fair value through profit or loss* | | | | |
| Liabilities in life insurance with investment options | | 54,257.4 | | 54,257.4 |
| *Financial liabilities at amortised cost* | | | | |
| Subordinated debt | | 2,337.6 | | 2,337.6 |

#### Valuation hierarchy 2022

The table shows a valuation hierarchy where financial assets/liabilities are divided into three levels based on the method of valuation.

| NOK millions | Level 1<br>Quoted prices in active markets | Level 2<br>Valuation techniques based on observable market data | Level 3<br>Valuation techniques based on non-observable market data | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| *Financial derivatives* | | | | |
| Financial derivatives at fair value through profit or loss | | 253.8 | | 253.8 |
| *Financial assets at fair value through profit or loss, designated upon initial recognition* | | | | |
| Shares and similar interests | 206.6 | 3,599.5 | 1,580.8 | 5,386.9 |
| Bonds and other-fixed income securities | 14,161.2 | 17,820.9 | 1,170.2 | 33,152.3 |
| Shares and similar interests in life insurance with investment options | | 33,352.4 | | 33,352.4 |
| Bonds and other fixed-income securities in life insurance with investment options | | 7,330.8 | | 7,330.8 |
| Loans | | 22,441.2 | 1.7 | 22,442.9 |
| **Financial liabilities** | | | | |
| *Financial derivatives* | | | | |
| Financial derivatives at fair value through profit or loss | | 747.5 | | 747.5 |
| Financial derivatives subject to hedge accounting | | 9.9 | | 9.9 |
| *Financial liabilities at fair value through profit or loss, designated upon initial recognition* | | | | |
| Liabilities in life insurance with investment options | | 40,683.2 | | 40,683.2 |
| *Financial liabilities at amortised cost* | | | | |
| Subordinated debt | | 2,346.0 | | 2,346.0 |

**Reconciliation of financial assets valued based on non-observable market data (level 3) 2023**

| NOK millions | As at 1.1.2023 | Net realised/ unrealised gains recognised in profit or loss | Pur-chases | Sales | Settle-ments | Transfers into/out of level 3 | Cur-rency effect | As at 30.6.2023 | Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 30.6.2023 |
|---|---|---|---|---|---|---|---|---|---|
| Shares and similar interests | 1,454.2 | 121.1 | 71.0 | -18.3 | | | 0.8 | 1,628.8 | 91.1 |
| Bonds and other fixed-income securities | 1,166.3 | 1,543.4 | 410.8 | -9.4 | | | 144.0 | 3,255.0 | 71.5 |
| Loans at fair value | 8.3 | -0.3 | 10.4 | | -0.3 | | | 18.1 | -0.3 |
| **Total** | **2,628.8** | **1,664.2** | **492.1** | **-27.7** | **-0.3** | | **144.8** | **4,901.9** | **162.3** |

**Reconciliation of financial assets valued based on non-observable market data (level 3) 2022**

| NOK millions | As at 1.1.2022 | Net realised/ unrealised gains recognised in profit or loss | Pur-chases | Sales | Settle-ments | Transfers into/out of level 3 | Cur-rency effect | As at 30.6.2022 | Amount of net realised/ unrealised gains recognised in profit or loss that are attributable to instruments held as at 30.6.2022 |
|---|---|---|---|---|---|---|---|---|---|
| Shares and similar interests | 1,600.8 | 54.2 | 61.6 | -135.9 | | | 0.2 | 1,580.8 | 54.2 |
| Bonds and other fixed-income securities | 782.0 | -47.3 | 627.9 | -224.6 | | | 32.2 | 1,170.2 | -15.0 |
| Loans at fair value | 1.8 | 0.1 | | -0.1 | | | | 1.7 | 0.1 |
| **Total** | **2,384.5** | **7.0** | **689.5** | **-360.6** | | | **32.4** | **2,752.7** | **39.3** |

# 6. Contingent liabilities

| NOK millions | 30.6.2023 | 30.6.2022 | 31.12.2022 |
|---|---|---|---|
| **Guarantees and committed capital** | | | |
| Committed capital, not paid | 1,624.9 | 1,925.6 | 1,925.6 |

As part of its ongoing financial management Gjensidige has committed, but not paid up to NOK 1,624.9 million (1,925.6) in loan funds containing secured debt and various private equity and real estate funds, over and above the amounts recognised in the balance sheet.

The timing of the outflow of capital is dependent on when the funds make capital calls from their investors. The average remaining operating time for the funds, based on fair value, is slightly less than three years (four) and slightly less than four years (five) on average including an extension option.

Gjensidige Forsikring is liable externally for any insurance claim arising in the cooperating mutual fire insurers' fire insurance operations.

According to the agreement with Gjensidige Pensjonskasse the return, if not sufficient to cover the pension plans guaranteed interest rate, should be covered from the premium fund or through contribution from Gjensidige Forsikring.

The Group is involved in disputes of various kinds. There is often uncertainty associated with litigation. Nevertheless, based on available information, the Group is of the opinion that the cases will be resolved without significant negative impact, neither individually nor collectively, on the Group's result or liquidity. For disputes where the Group considers that there is a more than 50 per cent probability that a financial obligation will arise, provisions have been made based on the best estimate.

The Supreme Court in Sweden announced on 11 July that Gjensidige won the appeal of whether there is coverage under the epidemic interruption insurance in connection with the Covid-19 pandemic in 2022. Consequently, Gjensidige will not recognise any loss related to this case.

# 7. Related parties

There have not been any significant transactions with related parties other than ordinary current agreements conducted at arm’s length distance.

# 8. Specification of other items

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Net result mobility services | -4.1 | -7.4 | -34.7 | -12.6 | -67.3 |
| Interest expense on right-of-use liability (rental liabilities) | -8.6 | -7.9 | -16.9 | -15.9 | -29.9 |
| Interest expense on subordinated loans | -30.4 | -15.9 | -58.0 | -29.7 | -74.2 |
| Other expenses general insurance | -27.9 | -25.0 | -57.5 | -51.7 | -172.9 |
| Amortization of intangible assets | -37.1 | -33.9 | -73.0 | -63.7 | -138.8 |
| Gains and losses on sale of shares in subsidiaries and associates | | 10.9 | -16.0 | 783.7 | 783.8 |
| **Other items** | **-108.2** | **-79.1** | **-256.2** | **610.1** | **300.6** |

# Declaration

Today, the Board and the CEO have considered and approved the half-yearly report and the consolidated half-yearly accounts for Gjensidige Forsikring ASA for the period 1 January to 30 June 2023.

We confirm to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2023 has been prepared in accordance with current accounting standards and gives a true and fair view of the Group's assets, liabilities, financial position and result for the period viewed in their entirety. Furthermore, that the interim management report includes a fair review of any significant events that arose during the six-month period and their effect on the half-yearly financial report, a description of the principal risks and uncertainties for the business in the following accounting period and related parties' significant transactions.

Oslo, 13 July 2023
The Board of Gjensidige Forsikring ASA

Gisele Marchand
**Chair of the Board**

Eivind Elnan
Board member

Ellen Kristin Enger
Board member

Vibeke Krag
Board member

Sebastian B.G. Kristiansen
Board member

Tor Magne Lønnum
Board member

Hilde M. Nafstad
Board member

Ruben Pettersen
Board member

Terje Seljeseth
Board member

Gunnar Robert Sellæg
Board member

Geir Holmgren
CEO

# Other alternative performance measures and key figures

| | | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|---|
| **Gjensidige Forsikring Group** | | | | | | |
| Total equity attributable to owners of the company | NOK millions | | | 22,697.4 | 21,962.1 | 23,958.8 |
| Equity per share [2] | NOK | | | 45.4 | 43.9 | 47.9 |
| Earnings per share, basic and diluted [1] | NOK | 2.04 | 0.60 | 4.30 | 2.49 | 6.78 |
| Return on equity, annualised [2] | % | | | 19.5 | 11.3 | 15.4 |
| Return on tangible equity, annualised [2] | % | | | 30.5 | 16.1 | 22.5 |
| Return on investment portfolio [2] | % | -0.3 | -2.8 | 1.0 | -4.6 | -4.3 |
| Total eligible own funds to meet the SCR [3] | NOK millions | | | 20,744.3 | 20,388.7 | 19,687.9 |
| Solvency Capital Requirement (SCR) [4] | NOK millions | | | 11,535.0 | 10,646.3 | 10,981.3 |
| Solvency ratio [5] | % | | | 179.8 | 191.5 | 179.3 |
| **Gjensidige Forsikring ASA** | | | | | | |
| Total eligible own funds to meet the SCR [3] | NOK millions | | | 20,889.6 | 20,128.8 | 19,625.0 |
| Solvency Capital Requirement (SCR) [4] | NOK millions | | | 10,593.2 | 9,772.1 | 10,170.1 |
| Solvency ratio [5] | % | | | 197.2 | 206.0 | 193.0 |
| Issued shares, at the end of the period | Number | | | 500,000,000 | 500,000,000 | 500,000,000 |
| **General Insurance** | | | | | | |
| *Gross written premiums [2]* | | | | | | |
| Private | NOK millions | 2,841.2 | 2,624.6 | 6,433.0 | 5,999.9 | 11,102.0 |
| Commercial | NOK millions | 2,083.6 | 1,915.0 | 8,427.2 | 7,579.5 | 11,832.7 |
| Denmark | NOK millions | 1,370.8 | 1,098.7 | 5,177.6 | 4,279.8 | 6,667.9 |
| Sweden | NOK millions | 454.4 | 468.6 | 1,127.2 | 1,029.6 | 1,737.4 |
| Baltics | NOK millions | 410.1 | 266.3 | 843.1 | 601.5 | 1,324.6 |
| Corporate Centre/reinsurance | NOK millions | | 40.9 | 128.3 | 200.7 | 267.4 |
| Total General Insurance | NOK millions | 7,160.2 | 6,414.0 | 22,136.4 | 19,691.0 | 32,932.0 |
| **Pension** | | | | | | |
| Assets under management pension, at the end of the period | NOK millions | | | 63,564.6 | 49,670.5 | 55,014.9 |
| of which the unit link portfolio | NOK millions | | | 54,257.4 | 40,683.2 | 45,916.1 |
| Share of shared commercial customers [6] | % | | | 66.4 | 66.7 | 66.0 |
| Return on equity, annualised (IFRS 4) [2] | % | | | 22.3 | 13.6 | 15.1 |
| Total eligible own funds to meet the SCR [3] | NOK millions | | | 2,280.4 | 2,401.6 | 2,045.5 |
| Solvency Capital Requirement (SCR) [4] | NOK millions | | | 1,597.2 | 1,384.6 | 1,431.7 |
| Solvency ratio [5] | % | | | 142.8 | 173.5 | 142.9 |

[1] Earnings per share, basic and diluted = the shareholders' share of the profit or loss from continuing and discontinued operations in the period/average number of outstanding shares in the period

[2] Defined as an alternative performance measure (APM). APMs are described at www.gjensidige.com/group/reports, under Interim reports 2023 Gjensidige Forsikring ASA, Q2, in a document named Alternative Performance Measures (APM).

[3] Total eligible own funds to meet the SCR = Total eligible own funds to meet the solvency capital requirement. For the Group and Gjensidige Forsikring ASA total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio in the first, second and third quarter of 80 per cent of net profit. There are no formulaic dividend adjustments for Gjensidige Pensjonsforsikring AS.

[4] Solvency Capital Requirement (SCR) = Regulatory capital requirement. The approved partial internal model is used for the Group and for Gjensidige Forsikring ASA. The standard formula is used for Gjensidige Pensjonsforsikring AS.

[5] Solvency ratio = Total eligible own funds to meet the Solvency Capital Ratio (SCR), divided by SCR. For the Group and Gjensidige Forsikring ASA total comprehensive income for the year-to-date is included in the solvency calculations, minus a formulaic dividend pay-out ratio in the first, second and third quarter of 80 per cent of net profit.

[6] Share of shared commercial customers = customers with both pension and general insurance products with Gjensidige

# Quarterly earnings performance

Quarterly earnings performance figures before 2022 can be found in previous interim reports at www.gjensidige.no/group/investor-relations/reports, which were disclosed according to IFRS 4.

| NOK millions | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|---|---|---|---|---|---|---|
| Insurance revenue | 9,066.2 | 8,649.9 | 8,432.8 | 8,297.3 | 8,067.1 | 7,841.6 |
| Insurance expenses | -7,429.9 | -7,470.3 | -7,118.4 | -6,398.6 | -6,313.4 | -6,866.4 |
| **Insurance service result before reinsurance contracts held** | **1,636.3** | **1,179.6** | **1,314.4** | **1,898.7** | **1,753.7** | **975.2** |
| Net expense from reinsurance contracts held | -60.5 | -89.4 | -119.9 | -91.2 | -99.1 | -54.8 |
| **Insurance service result** | **1,575.8** | **1,090.2** | **1,194.5** | **1,807.5** | **1,654.5** | **920.4** |
| Net income from investments | -473.5 | 826.7 | 1,141.4 | -870.3 | -1,863.3 | -694.1 |
| Insurance/reinsurance finance income or expense | 254.1 | -370.5 | -595.4 | 279.9 | 729.1 | 830.5 |
| Other income | 395.6 | 381.8 | 345.2 | 299.3 | 288.1 | 168.8 |
| Other expenses | -418.2 | -436.8 | -411.6 | -401.6 | -317.2 | -188.3 |
| **Profit or loss before tax expense** | **1,333.9** | **1,491.5** | **1,674.1** | **1,114.8** | **491.3** | **1,037.3** |

# Income statement

## Gjensidige Forsikring ASA

| NOK millions | Q2 2023 | Q2 2022 | 1.1.-30.6.2023 | 1.1.-30.6.2022 | 1.1.-31.12.2022 |
|---|---|---|---|---|---|
| Insurance revenue | 8,562.1 | 7,643.6 | 16,717.7 | 15,075.0 | 30,936.1 |
| Insurance claims expenses | -5,873.9 | -4,842.8 | -11,775.7 | -10,319.7 | -21,030.9 |
| Insurance operating expenses | -1,111.7 | -1,000.6 | -2,142.9 | -1,948.5 | -3,899.7 |
| **Insurance service result before reinsurance contracts held** | **1,576.5** | **1,800.1** | **2,799.1** | **2,806.9** | **6,005.5** |
| Reinsurance premiums | -186.3 | -184.1 | -361.4 | -341.4 | -672.7 |
| Amounts recovered from reinsurance | 106.7 | 54.0 | 182.7 | 155.9 | 270.1 |
| **Net expense from reinsurance contracts held** | **-79.6** | **-130.0** | **-178.7** | **-185.5** | **-402.6** |
| **Insurance service result** | **1,496.9** | **1,670.1** | **2,620.4** | **2,621.3** | **5,602.9** |
| Income from investments in subsidiaries | | | | | 400.0 |
| Realised loss from sale of subsidiaries | | | -16.0 | | -900.7 |
| Realised gain from sale of joint venture | | 10.9 | | 3,943.1 | 3,943.1 |
| Interest income and dividend etc. from financial assets | 392.5 | 255.9 | 700.9 | 497.6 | 1,068.8 |
| Net changes in fair value of investments (incl. property) | -367.8 | -2,071.3 | 111.7 | -3,498.0 | -3,372.5 |
| Net realised gains and losses on investments | -170.3 | 276.5 | -180.8 | 433.9 | 103.2 |
| Interest expenses and expenses related to investments | -116.1 | -70.1 | -165.3 | -160.1 | -356.7 |
| **Net income from investments** | **-260.0** | **-1,598.0** | **437.2** | **1,216.4** | **885.1** |
| Insurance finance income or expense - unwinding | -231.6 | -141.4 | -454.2 | -235.9 | -636.4 |
| Insurance finance income or expense - change in financial assumptions | 369.5 | 730.7 | 345.0 | 1,244.7 | 1,505.1 |
| Reinsurance finance income or expense - unwinding | 14.0 | 2.2 | 11.5 | 3.5 | 10.6 |
| Reinsurance finance income or expense - change in financial assumptions | -17.8 | -4.9 | -19.3 | -6.3 | -9.7 |
| Other income | 1.5 | 0.4 | 2.5 | 0.8 | 2.5 |
| Other expenses | -41.9 | -37.0 | -83.6 | -78.0 | -221.1 |
| **Profit or loss before tax expense** | **1,330.6** | **622.1** | **2,859.3** | **4,766.5** | **7,139.0** |
| Tax expense | -299.0 | -197.2 | -651.7 | -245.1 | -895.3 |
| **Profit or loss before other comprehensive income** | **1,031.6** | **425.0** | **2,207.6** | **4,521.4** | **6,243.6** |
| **Other comprehensive income** | | | | | |
| **Other comprehensive income that will not be reclassified to profit or loss** | | | | | |
| Remeasurement of the net defined benefit liability/asset | | | | | -277.6 |
| Tax on other comprehensive income that will not be reclassified subsequently to profit or loss | | | | | 69.4 |
| **Total other comprehensive income that will not be reclassified subsequently to profit or loss** | | | | | **-208.2** |
| **Other comprehensive income that will be reclassified subsequently to profit or loss** | | | | | |
| Exchange differences from foreign operations | 156.6 | 313.0 | 597.0 | 141.7 | 221.7 |
| Tax on other comprehensive income that may be reclassified | -28.6 | -59.8 | -110.1 | -23.8 | -41.8 |
| **Total other comprehensive income that will be reclassified subsequently to profit or loss** | **128.0** | **253.2** | **487.0** | **117.9** | **179.9** |
| **Total other comprehensive income** | **128.0** | **253.2** | **487.0** | **117.9** | **-28.3** |
| **Comprehensive income** | **1,159.7** | **678.2** | **2,694.6** | **4,639.2** | **6,215.3** |

# Statement of financial position

## Gjensidige Forsikring ASA

| NOK millions | 30.6.2023 | 30.6.2022 | 31.12.2022 |
|---|---|---|---|
| **Assets** | | | |
| Goodwill | 3,559.8 | 3,210.7 | 3,253.7 |
| Other intangible assets | 550.1 | 526.6 | 527.6 |
| Shares in subsidiaries and joint ventures | 5,000.9 | 5,187.7 | 4,799.4 |
| Investments in subsidiaries, associates and joint ventures | 113.9 | 199.2 | 110.0 |
| Owner-occupied and right-of-use property, plant and equipment | 1,433.2 | 1,203.1 | 1,343.7 |
| Pension assets | 187.4 | 260.2 | 187.4 |
| **Financial assets** | | | |
| Interest-bearing receivables from subsidiaries, associates and joint ventures | 287.3 | 300.4 | 300.5 |
| Financial derivatives | 390.7 | 253.8 | 449.7 |
| Shares and similar interests | 3,787.1 | 5,354.5 | 3,722.5 |
| Bonds and other fixed-income securities | 49,329.0 | 30,107.5 | 33,283.9 |
| Loans and receivables | 283.6 | 16,136.4 | 15,723.0 |
| Other assets and receivables | 3,750.1 | 4,921.2 | 3,187.4 |
| Receivables within the group | 437.2 | 23.8 | 536.5 |
| Cash and cash equivalents | 3,364.4 | 2,668.1 | 2,468.7 |
| **Other assets** | | | |
| Insurance and reinsurance contract assets | 1,000.6 | 585.9 | 546.5 |
| Prepaid expenses and earned, not received income | 12.1 | 19.5 | 0.7 |
| **Total assets** | **73,487.3** | **70,958.6** | **70,441.1** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Share capital | 1,000.0 | 999.9 | 999.9 |
| Share premium | 1,430.0 | 1,430.0 | 1,430.0 |
| Natural preils capital | 2,815.9 | 2,823.6 | 2,973.1 |
| Guarantee scheme provision | 864.2 | 762.3 | 864.2 |
| Other equity | 16,252.6 | 16,253.9 | 13,431.1 |
| **Total equity** | **22,362.6** | **22,269.7** | **19,698.3** |
| **Insurance liabilities** | | | |
| Insurance contract liabilities | 41,237.4 | 37,977.5 | 35,951.5 |
| Reinsurance contract liabilites | 57.4 | 28.1 | 24.8 |
| **Financial liabilities** | | | |
| Subordinated debt | 2,397.5 | 2,396.5 | 2,397.0 |
| Financial derivatives | 417.6 | 757.4 | 400.7 |
| Other financial liabilities | 3,472.7 | 3,568.3 | 3,041.0 |
| **Other liabilities** | | | |
| Pension liabilities | 734.0 | 704.7 | 730.4 |
| Lease liability | 1,307.8 | 1,163.1 | 1,276.0 |
| Other provisions | 381.8 | 449.7 | 525.4 |
| Liabilities to subsidiaries and associates | 224.2 | 225.9 | 370.1 |
| Accrued dividend | | | 4,125.0 |
| Current tax | 202.5 | 761.7 | 1,317.0 |
| Deferred tax liabilities | 269.6 | 281.2 | 168.9 |
| Accrued expenses and received, not earned income | 422.3 | 374.5 | 415.2 |
| **Total liabilities** | **51,124.7** | **48,688.8** | **50,742.8** |
| **Total equity and liabilities** | **73,487.3** | **70,958.6** | **70,441.1** |

# Statement of changes in equity

## Gjensidige Forsikring ASA

| NOK millions | Share capital | Own shares | Share premium | Other paid-in capital | Perpetual Tier 1 capital | Exchange differ-ences | Re-measurement of the net defined benefit liab./asset | Other earned equity | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| **Equity as at 31.12.2021** | **1,000.0** | **-0.1** | **1,430.0** | **97.3** | **1,205.2** | **359.1** | **-2,251.0** | **15,810.9** | **17,651.5** |
| **Implementation effects 1.1.2022** | | | | | | | | | |
| IFRS 17 Risk adjustment - General Insurance | | | | | | | | -2,004.7 | -2,004.7 |
| IFRS 17 Discounting - General Insurance | | | | | | | | 1,722.6 | 1,722.6 |
| IFRS 17 Loss Component - General Insurance | | | | | | | | -65.4 | -65.4 |
| IFRS 9 - General Insurance | | | | | | | | 357.3 | 357.3 |
| Tax on implementation effects and other effects | | | | | | | | -2.8 | -2.8 |
| Merger with NEM Forsikring A/S | | | | | | | | -10.1 | -10.1 |
| **Equity as at 1.1.2022 incl. IFRS 17 and IFRS 9 adjustments** | **1,000.0** | **-0.1** | **1,430.0** | **97.3** | **1,205.2** | **359.1** | **-2,251.0** | **15,807.8** | **17,648.4** |
| **1.1.-31.12.2022** | | | | | | | | | |
| **Comprehensive income** | | | | | | | | | |
| Profit or loss before components of other comprehensive income | | | | | 48.3 | | | 6,195.4 | 6,243.6 |
| Total other comprehensive income | | | | 0.7 | | 179.2 | -208.2 | | -28.3 |
| **Comprehensive income** | | | | **0.7** | **48.3** | **179.2** | **-208.2** | **6,195.4** | **6,215.3** |
| **Transactions with the owners of the company** | | | | | | | | | |
| Own shares | | 0.0 | | | | | | -22.3 | -22.3 |
| Dividend | | | | | | | | -4,124.8 | -4,124.8 |
| Equity-settled share-based payment transactions | | | | 23.0 | | | | | 23.0 |
| Perpetual Tier 1 capital | | | | | 0.7 | | | -0.7 | |
| Perpetual Tier 1 capital - interest paid | | | | | -41.4 | | | | -41.4 |
| **Total transactions with the owners of the company** | | **0.0** | | **23.0** | **-40.7** | | | **-4,147.8** | **-4,165.5** |
| **Equity as at 31.12.2022** | **1,000.0** | **-0.1** | **1,430.0** | **121.0** | **1,212.8** | **538.3** | **-2,459.2** | **17,855.4** | **19,698.3** |
| **1.1.-30.6.2023** | | | | | | | | | |
| **Comprehensive income** | | | | | | | | | |
| Profit or loss before components of other comprehensive income | | | | | 34.5 | | | 2,173.1 | 2,207.6 |
| Total other comprehensive income | | | | 2.1 | | 484.9 | | | 487.0 |
| **Comprehensive income** | | | | **2.1** | **34.5** | **484.9** | | **2,173.1** | **2,694.6** |
| **Transactions with the owners of the company** | | | | | | | | | |
| Own shares | | 0.1 | | | | | | -9.0 | -8.9 |
| Dividend | | | | | | | | 0.1 | 0.1 |
| Equity-settled share-based payment transactions | | | | 12.1 | | | | | 12.1 |
| Perpetual Tier 1 capital | | | | | 0.4 | | | -0.4 | 0.0 |
| Perpetual Tier 1 capital - interest paid | | | | | -33.5 | | | | -33.5 |
| **Total transactions with the owners of the company** | | **0.1** | | **12.1** | **-33.2** | | | **-9.2** | **-30.3** |
| **Equity as at 30.6.2023** | **1,000.0** | **-0.0** | **1,430.0** | **135.2** | **1,214.1** | **1,023.3** | **-2,459.2** | **20,019.3** | **22,362.6** |
| **1.1.-30.6.2022** | | | | | | | | | |
| **Comprehensive income** | | | | | | | | | |
| Profit or loss before components of other comprehensive income | | | | | 20.5 | | | 4,500.9 | 4,521.4 |
| Total other comprehensive income | | | | 0.4 | | 117.5 | | | 117.9 |
| **Comprehensive income** | | **0.0** | | **0.4** | **20.5** | **117.5** | | **4,500.9** | **4,639.2** |
| **Transactions with the owners of the company** | | | | | | | | | |
| Own shares | | 0.0 | | | | | | -11.5 | -11.5 |
| Dividend | | | | | | | | 0.2 | 0.2 |
| Equity-settled share-based payment transactions | | | | 12.0 | | | | | 12.0 |
| Perpetual Tier 1 capital | | | | | 0.2 | | | -0.2 | |
| Perpetual Tier 1 capital - interest paid | | | | | -18.6 | | | | -18.6 |
| **Total transactions with the owners of the company** | | **0.0** | | **12.0** | **-18.4** | | | **-11.5** | **-17.9** |
| **Equity as at 30.6.2022** | **1,000.0** | **-0.1** | **1,430.0** | **109.7** | **1,207.3** | **476.6** | **-2,251.0** | **20,297.2** | **22,269.8** |

Gjensidige is a leading Nordic insurance group listed on the Oslo Stock Exchange. We have about 4,200 employees and offer insurance products in Norway, Denmark, Sweden and the Baltic states. In Norway, we also offer pension and savings.

The Group's insurance revenue was NOK 33 billion in 2022, while total assets were NOK 128 billion.

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