

Delivering superior customer experiences and stable returns

January 2020





Gjensidige is a highly profitable and leading general insurer in the Nordic and Baltic market

Leading position



Strong brand
built over
200 years

#1

in Norway
(26% market
share)

Nordic/Baltic
growth agenda

~2 million
customers

Retail
SME

Very high
LOYALTY

Strong performance

Premiums NOK 25 bn

ROE >17%
(avg since IPO)

TSR >400%
(since IPO)

Dividend pay-out ratio ~80%
Unique **customer dividend** ~14%

(Based on regular dividend, avg since IPO)

Efficient operation

Superior
customer
experiences



Profitability before growth

Analytical
approach
from A to Z

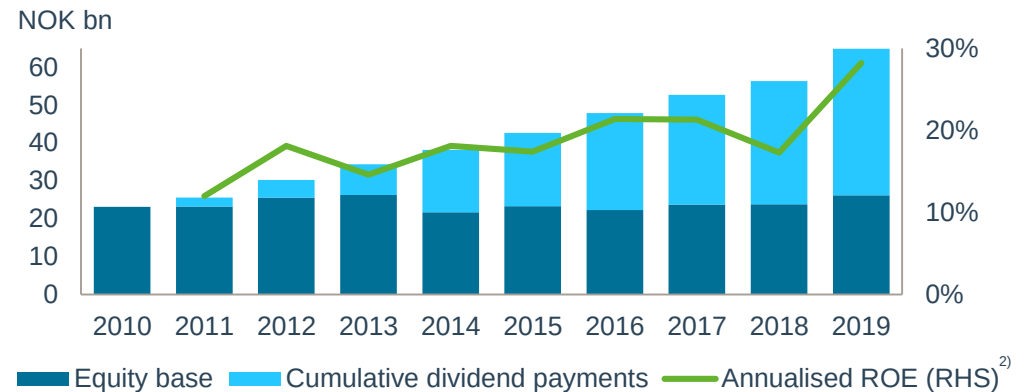
Cost efficient
<15%
cost ratio



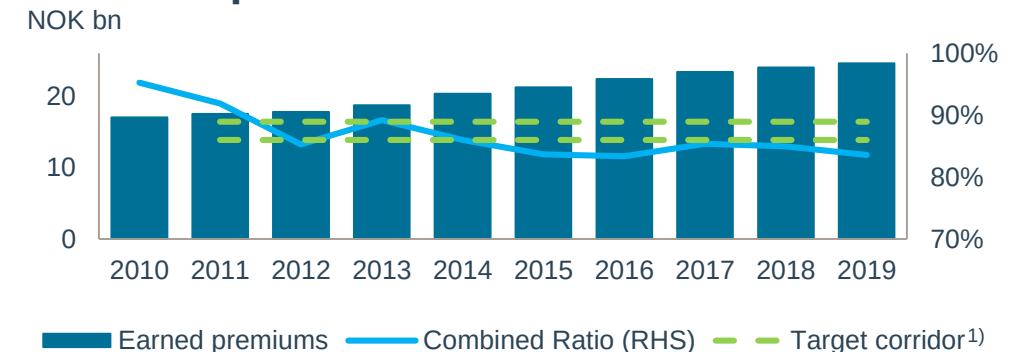
Attractive value proposition

- Proven track-record
- Strong position in attractive market place
- Efficient distribution and loyal customers
- Scalable hard-to-copy business model
- Efficient capital structure and good financial flexibility
- Attractive dividend policy

Strong value creation since IPO...



...driven by solid growth, underwriting and cost discipline



¹⁾ Combined ratio target on an undiscounted basis, assuming ~NOK 1bn annual run-off gains through 2022.

²⁾ Annualised ROE (RHS) Q4 2019 excluding gain on sale of Gjensidige Bank

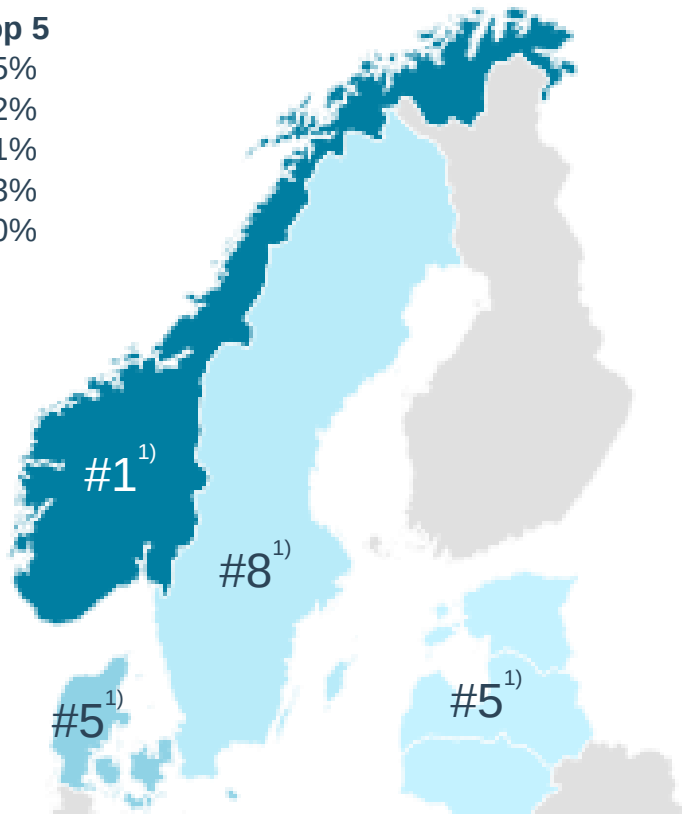
Superior Norwegian position, strong potential outside Norway



Growth ambition in Nordic/ Baltic region

Market share top 5

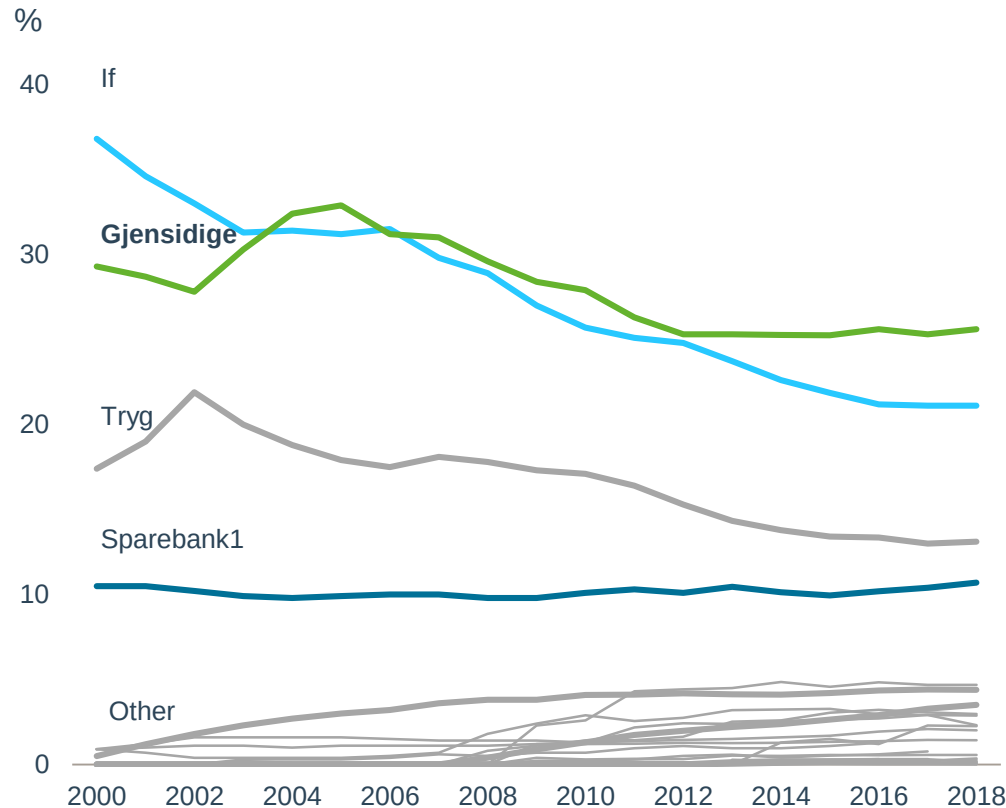
Norway	75%
Denmark	62%
Sweden	81%
Finland	93%
Baltic states	80%



Sources: Finance Norway, non-life insurance, 3rd quarter 2019 , Insurance Sweden, 3rd quarter 2019 (Gjensidige including Vardia), The Danish Insurance Association 4th quarter 2018. Baltics Insurance Supervisory Authorities of Latvia and Lithuania, Estonia Statistics, competitor reports, and manual calculations, 3rd quarter 2019

¹⁾ Based on Net earned premiums for Gjensidige Q4 2019 in each country

Ambition to secure strong position in Norway

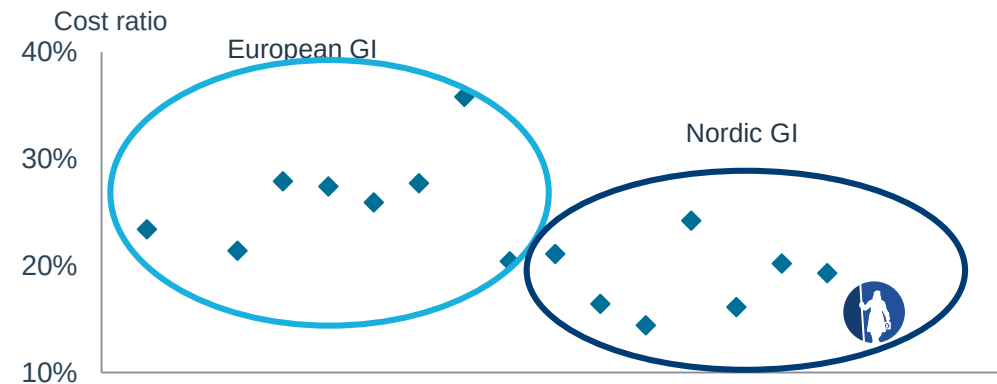


Source: Finance Norway. 21 companies in "Other" category 2018



We operate in an attractive market place - further consolidation expected

Stable market and high barriers to entry...



- Superior cost positions
- Strong local brands
- High customer loyalty
- Integrated value chains

...size and scale are increasingly important

Meet compliance complexity



Enable strategic/tech investments



Attract and develop skills



Increase diversification



Be preferred alliance partner





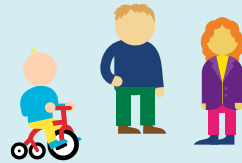
Unique strengths provide competitive advantage

Brand awareness and strength



Quality mark in a competitive and digitalised environment

Loyal customers



Low acquisition costs and high-quality portfolio

Customer dividend model



Building loyalty and preference in Norway

Technology platform and analytical capabilities



Investing in technology and competency key to analysing Big Data and applying insight

We will continue to deliver superior customer experiences and stable shareholder returns – in a sustainable way



Customer targets 2022



Becoming the most customer-oriented general insurer in the Nordic and Baltic region

CSI: >78
Retention: >90% in Norway and >85% outside Norway

ESG target 2022



Reduce claims-related CO2 intensity relative to premiums year by year⁴⁾

Annual financial targets 2019 - 2022

Metric	Target
Combined ratio	86-89% ¹⁾
Cost ratio	<15%
Solvency margin (PIM)	150-200%
ROE after tax	>20% ^{1),2)}
UW result outside Norway	NOK 750m (in 2022) ³⁾
Dividends	Nominal high and stable (and >80% over time)

¹⁾ Assuming annual run-off gains ~NOK 1 billion through 2022. Corresponds to 90-93 per cent given zero run-off gains post 2022.

²⁾ Corresponds to >16 per cent given zero run-off gains post 2022

³⁾ Excluding run-off

⁴⁾ Assuming CR within target range; reflecting normal claims years



Sustainability at the core of our operation

- a prerequisite for long-term value creation

Safe society



- Damage prevention
- Sustainable products
- Engaged employees
- Social engagement

Reduced CO2 intensity

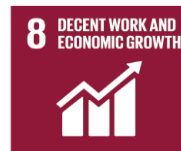


- Sustainable claims handling
- Digital transformation
- Reduce own footprint

Responsible investments



- UN's Global Compact Principles
- Screening and follow-up of external asset managers



Excel and empower to deliver the best customer experiences also in the future



Group initiatives today...



Growth and profitability measures

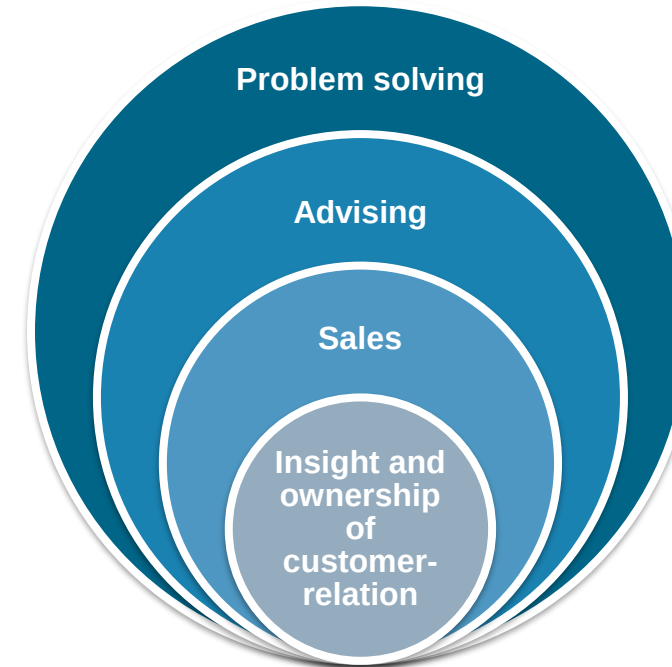


Launching next generation tariffs and CRM



New core IT system and infrastructure

...to strengthen customer relations tomorrow



Increase efficiency and flexibility to develop and offer new products and services - alone or together with partners

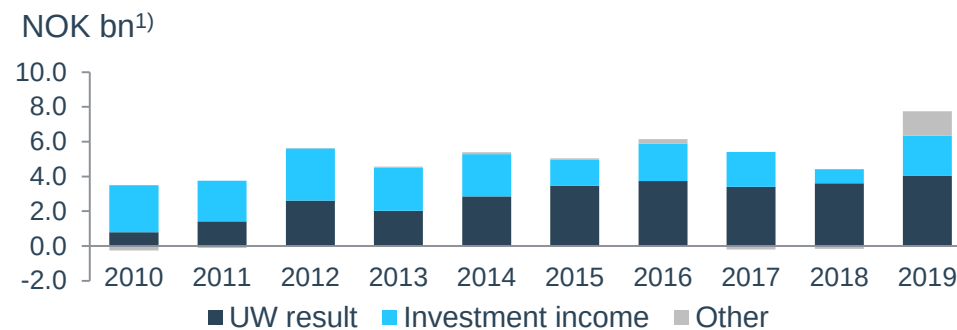


Premium growth and underwriting discipline offset challenging investment environment

Continued solid premium growth expected

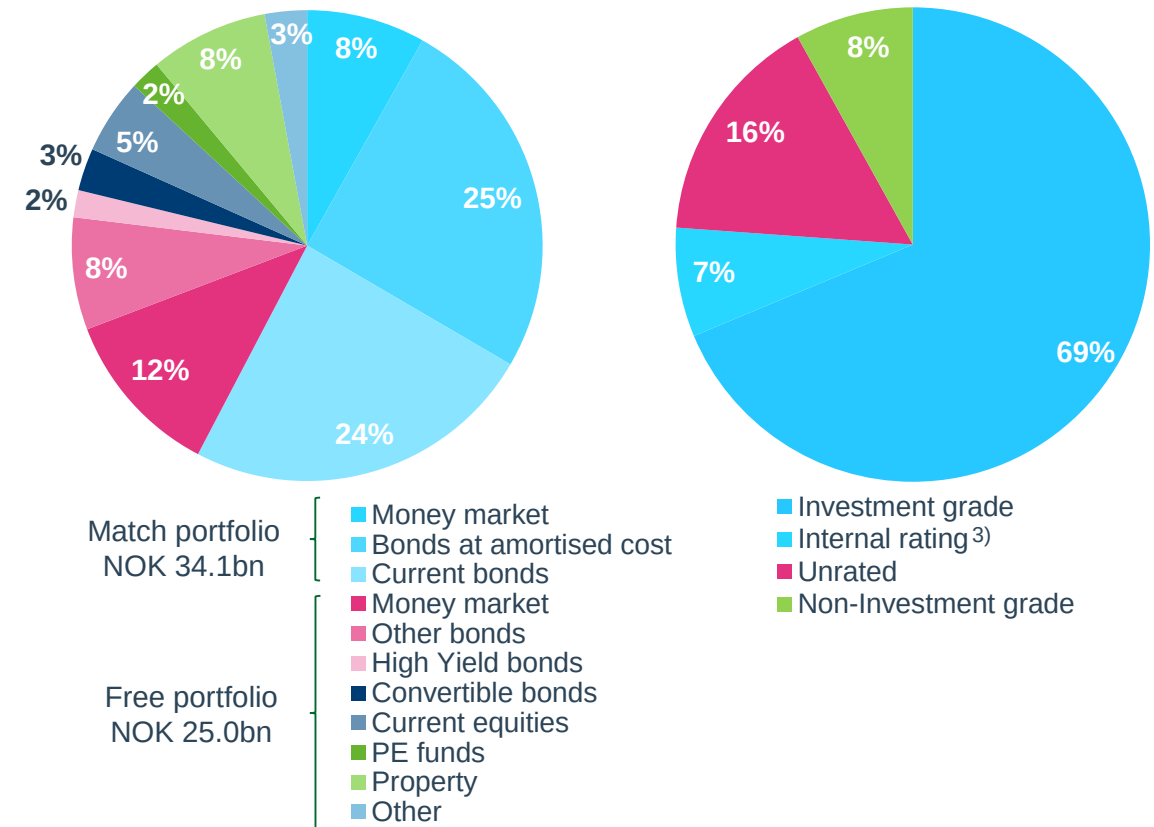
- Organic growth in line with nominal GDP growth over time
- Continued complementary growth through M&A

Solid underwriting increasingly important



¹⁾ Split of pre-tax profits

Conservative investment approach – balanced investment portfolio²⁾



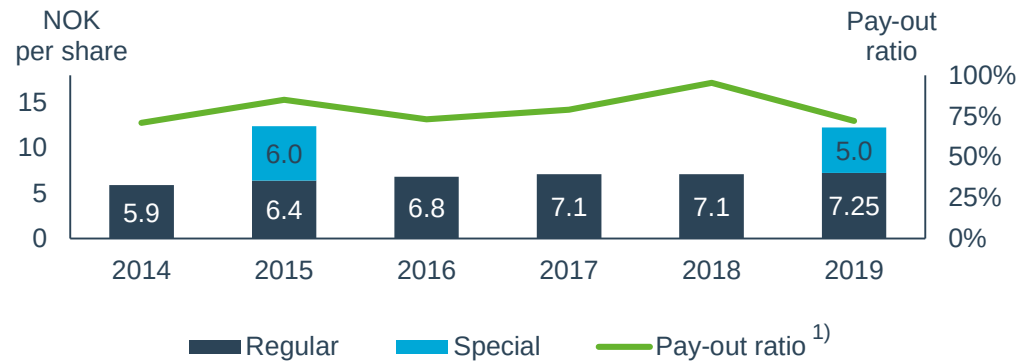
²⁾ Investment portfolio as at 31 December 2019

³⁾ Internal rating – rating by Gjensidige

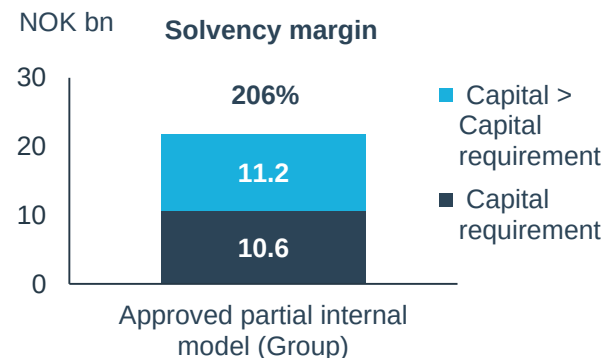


We have an attractive dividend policy - supported by a solid capital position

Strong track record of generating attractive shareholder returns



...supported by a strong capital position



1) Pay-out ratio based on regular dividend

Dividend policy

Gjensidige targets high and stable nominal dividends to its shareholders, and a pay-out ratio over time of at least 80 per cent of profit after tax. When determining the size of the dividend, the expected future capital need will be taken into account.

Over time, Gjensidige will also pay out excess capital.

Regular

Special



Excellence in our core operations is our first priority

Retain strong and unique position in Norway



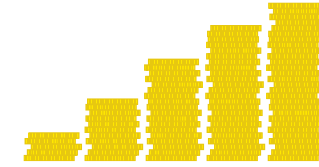
- Adjust prices and terms
- Improve tariffs
- Increase digitalisation and automation

Strengthen profitability and growth outside Norway



- Reduce total costs
- Improve tariffs
- Increase digitalisation and automation
- Strengthen own distribution
- Implement new core IT system

Maintain capital discipline and attractive dividends



- Retain solid capital situation
- Pursue disciplined and rational M&A
- Deliver high and stable nominal dividends
- Support ROE target

Attractive value proposition



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