

Delivering superior customer experiences and stable returns

July 2021



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 28 bn

ROE > 18%
(avg since IPO)

TSR > 500%
(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

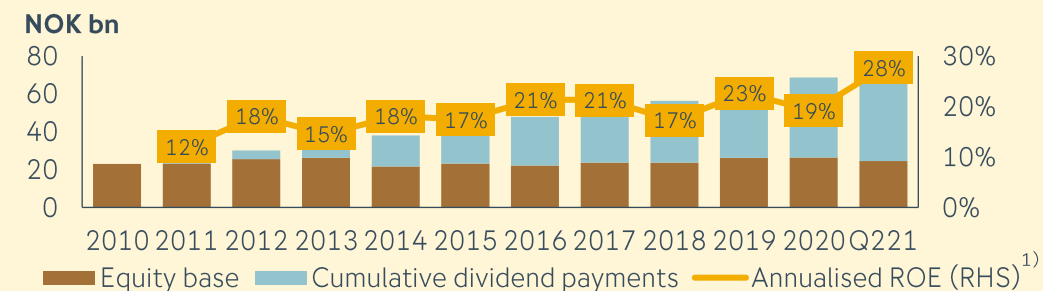
Analytical
approach from
A to Z

Cost efficient
<15%
cost ratio

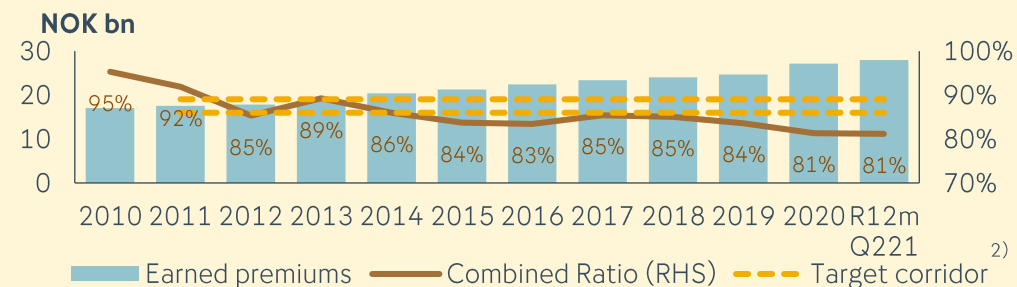
Attractive value proposition

- 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...



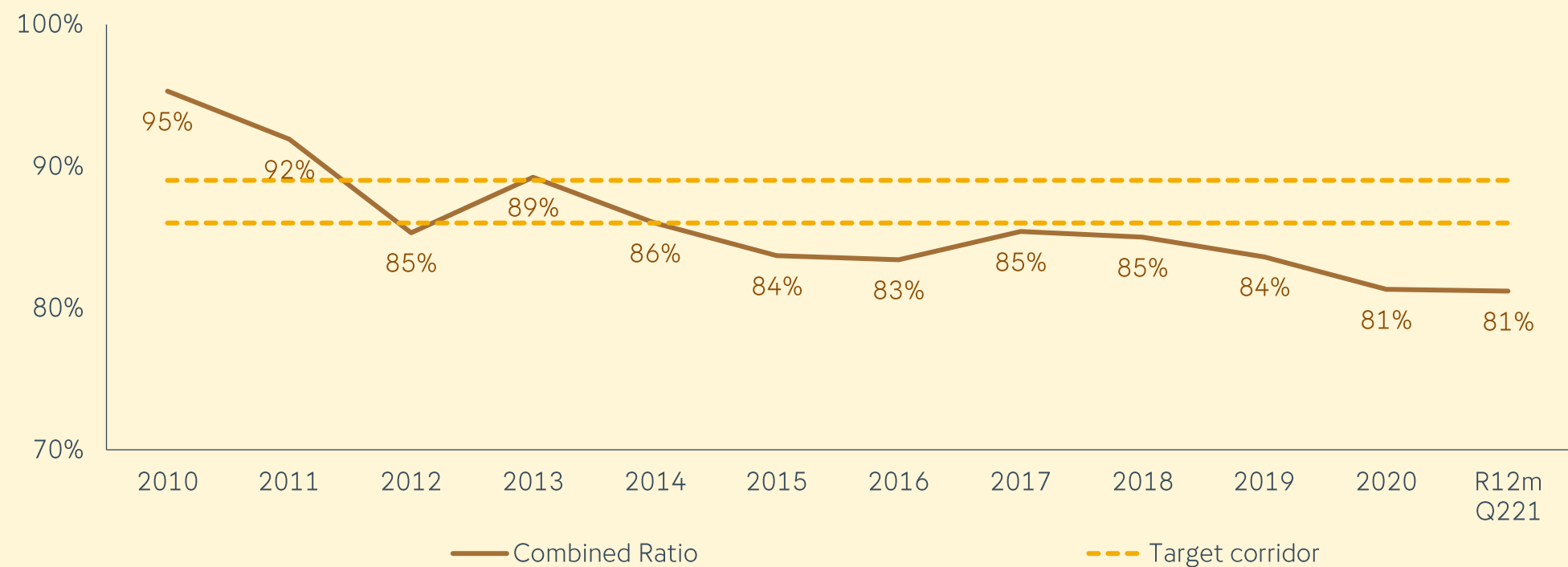
...driven by solid growth, underwriting and cost discipline



¹⁾ Annualised ROE (RHS) Q2 2021

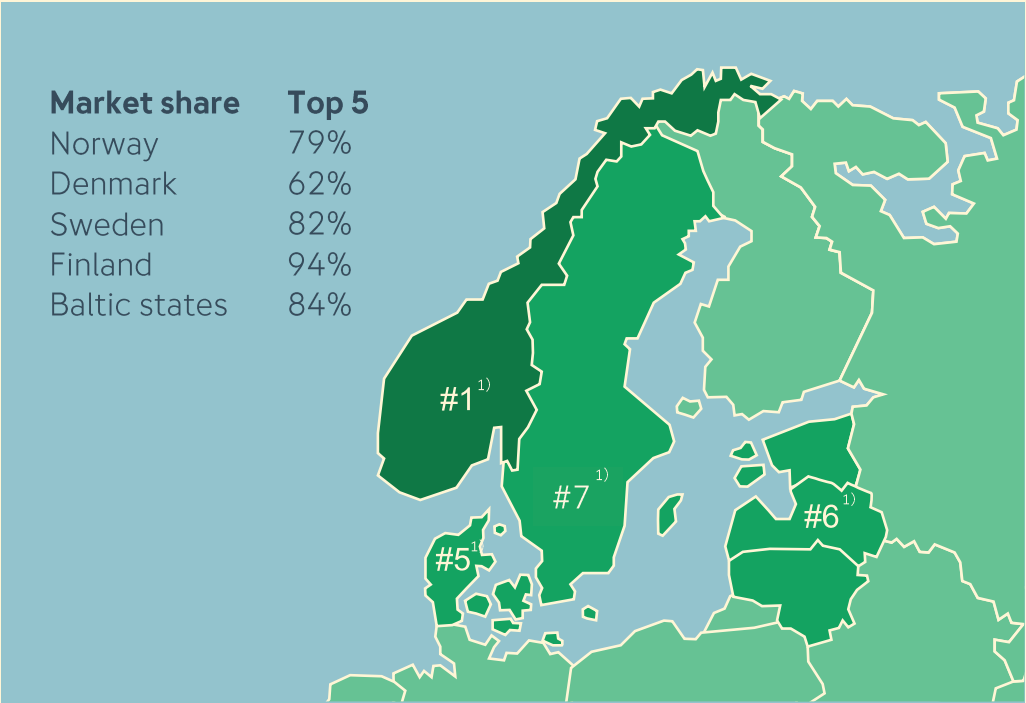
²⁾ Combined ratio target on an undiscounted basis, assuming ~NOK 1bn annual run-off gains through 2022.

Proven ability to secure profitability over time

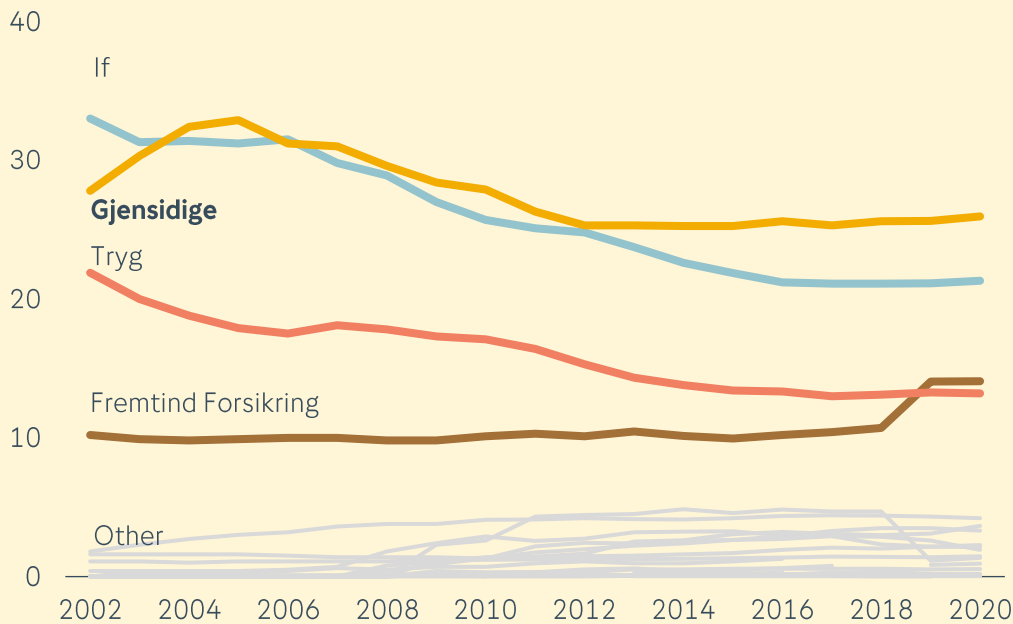


Superior Norwegian position, strong potential outside Norway

Growth ambition in Nordic/Baltic region



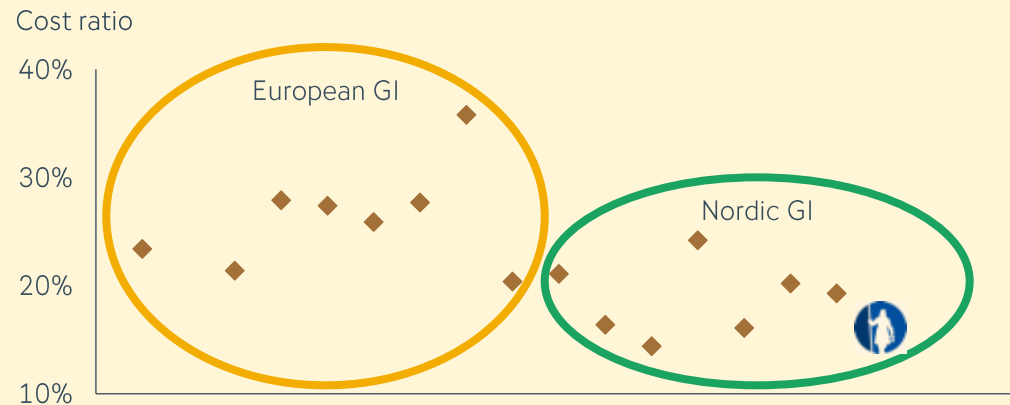
Ambition to secure strong position in Norway



Sources: Finance Norway, non-life insurance, 1st quarter 2021, Insurance Sweden, 1st quarter 2021, The Danish Insurance Association 2nd quarter 2020. Baltics Insurance Supervisory Authorities of Latvia and Lithuania, Estonia Statistics, competitor reports, and manual calculations, 1st quarter 2021. ¹⁾Based on Net earned premiums for Gjensidige Q2 2021 in each country. Source: Finance Norway. 19 companies in "Other" category

We operate in an attractive marketplace – 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 a 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

Operational targets for 2022

Metric	Target 2022
Customer satisfaction (CSI)	> 78, Group
Customer retention	> 90%, Norway
	> 85%, outside Norway
Sales effectiveness	+ 10%, Group
Automated tariffs	100%, Group
Digital claims reporting	80%, Norway
Claims straight-through processing	64%, Norway
Claims cost	Reduce by NOK 500 million, Group

Annual financial targets through 2022

Metric	Target
Combined ratio	86-89% ¹⁾
Cost ratio	<15%
Solvency margin (PIM)	150-200%
ROE after tax	>20% 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

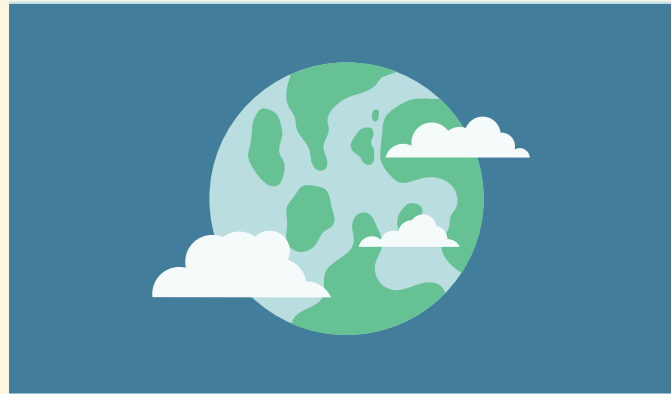
³⁾ Excluding run-off

Sustainability goals – focus on three areas



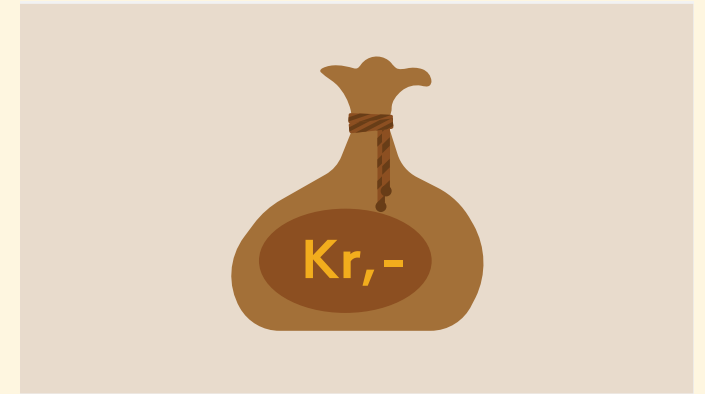
Safe society

- Damage prevention
- Sustainable products
- Engaged employees
- Social responsibility
- Good corporate governance



Reduced CO₂ intensity

- Sustainable claims handling
- Digital transformation
- Reduce emissions from own operations



Responsible investments

- UN's Global Compact Principles
- Signatory to UN PRI
- Screening and follow up of investments

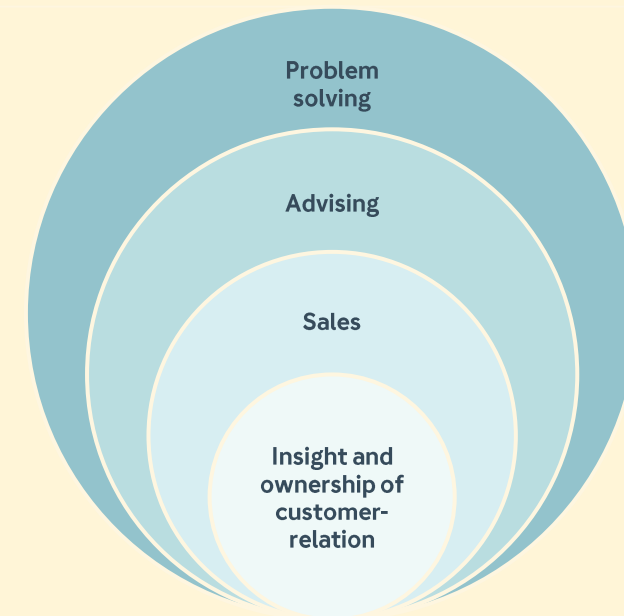


Excel and empower to deliver the best customer experiences also in the future

Group initiatives today...

- Growth and profitability measures
- Launching next generation tariffs and CRM
- New core IT system and infrastructure

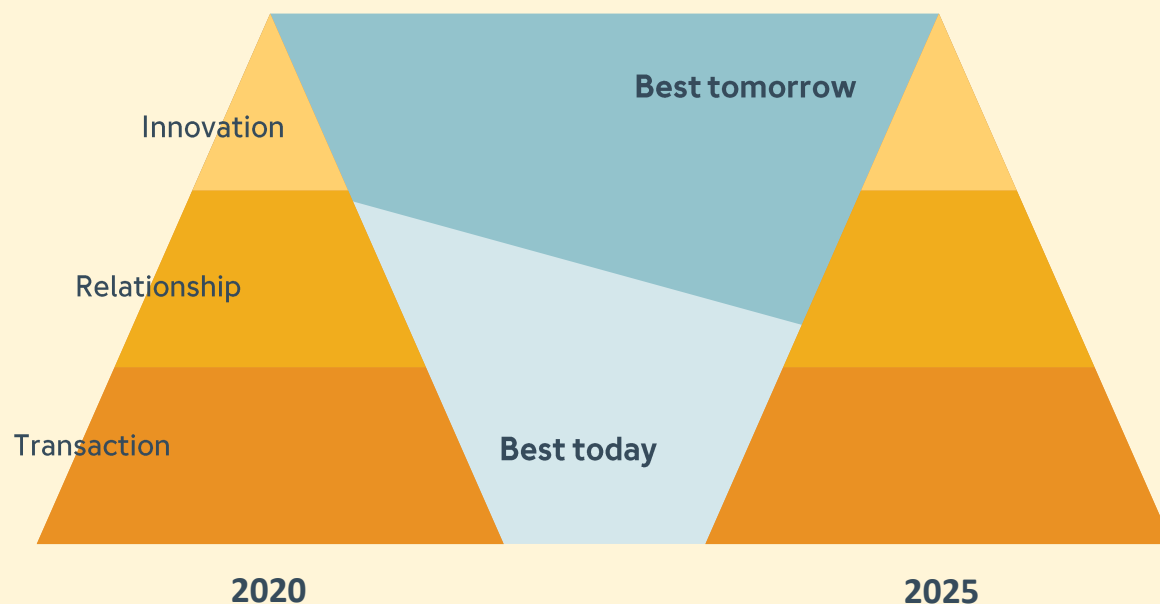
...to strengthen customer relations tomorrow



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

Moving towards becoming our customers' problem solver

Our customer centric corporate strategy...



....and segment priorities

Retain strong & unique position in Norway

Exceed customer expectation, strengthen customer relationships



Continued strong position in Denmark

Stringent profitability control, further development of business processes



Digital transformation in Sweden

Rationalisation, simplification and digitalisation of the customer journey



Profitable growth in the Baltics

Rationalisation, simplification and digitalisation of the customer journey

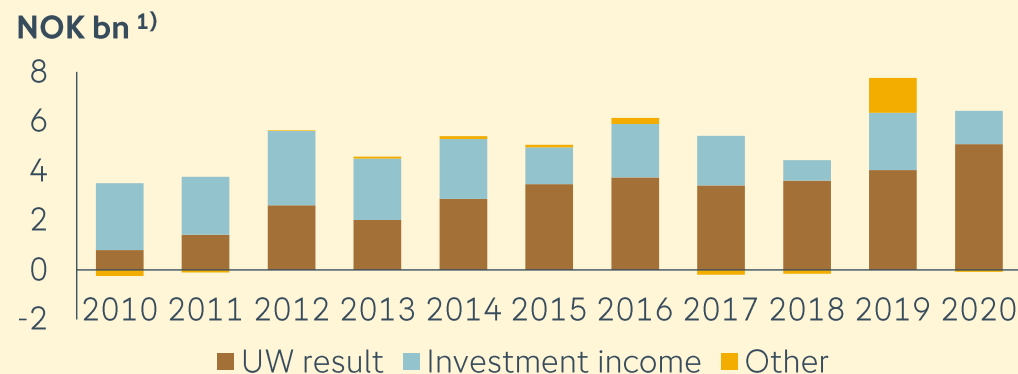


Premium growth and underwriting discipline offset challenging investment environment

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

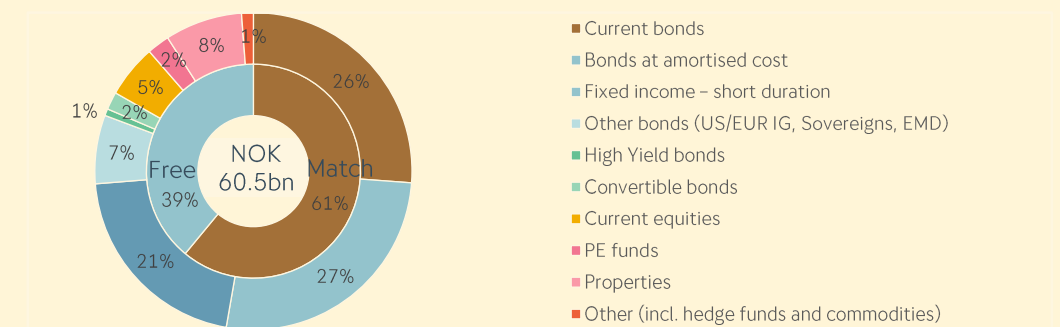


¹⁾ Split of pre-tax profits

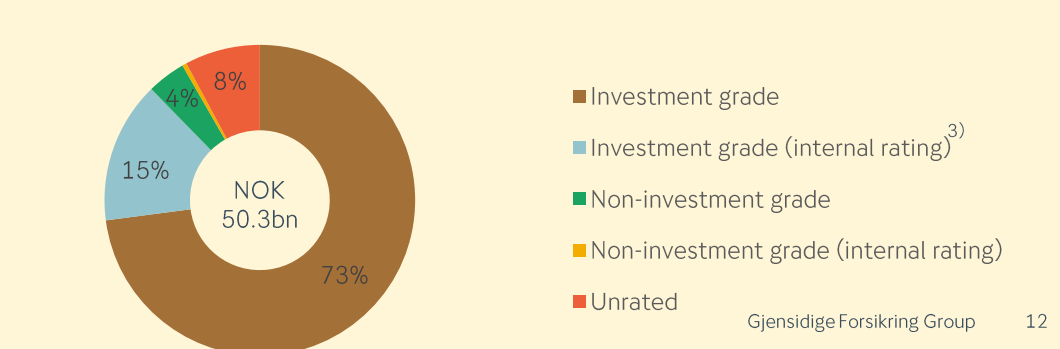
²⁾ Investment portfolio as at Q2 2021

³⁾ Internal rating – rating by Gjensidige. 97% of this portfolio rated as Investment grade

Conservative investment approach – balanced investment portfolio ²⁾

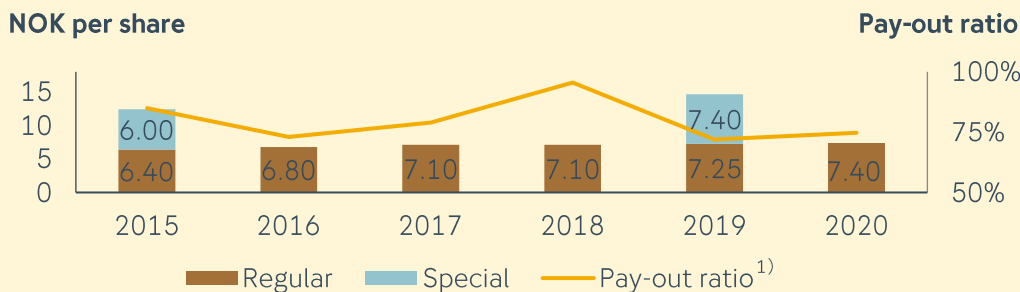


High credit quality

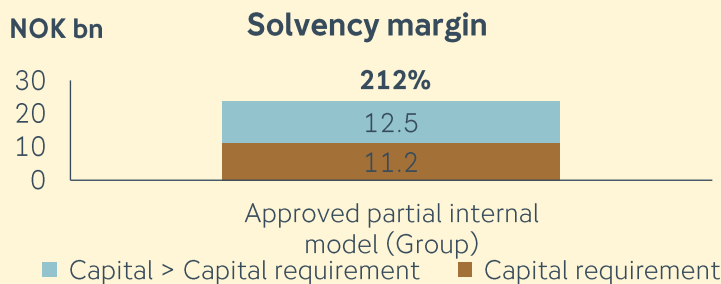


We have an attractive dividend policy – supported by a solid capital position

Strong track record of generating attractive shareholder returns



...supported by a strong capital position



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 payout excess capital.

Regular

Special

¹⁾ Pay-out ratio based on regular dividend

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

- Proven track-record
- Strong position in attractive market place
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Gjensidige