

Gjensidige Forsikring ASA

Tier 2 capital issue

Investor presentation
September 2023

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Risk factors (1:6)

The Issuer is both the parent company of the Issuer Group and the main operating company.

Investing in bonds issued by Gjensidige Forsikring ASA ("Gjensidige", the "Company") involves inherent risks, and an investment in the bonds is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment.

Prospective investors should consider, among other things, the risk factors set out below, before making an investment decision. The risks and uncertainties described in these risk factors are risks of which Gjensidige considers to be most material (in each category) to its business. If any of these risks were to occur, the Issuer's business, financial position, operating results or cash flows could be materially adversely affected, and the Issuer could be unable to pay interest, principal or other amounts on or in connection with the bonds.

Gjensidige's risk exposure is essentially connected with insurance risk, investment and market risk, operational risk and strategic risk.

1. Risks related to the Issuer and the markets in which it operates

Insurance Risk

There is insurance risk related to both general insurance and life insurance business. If these risks materialize, it may have a negative impact on the Issuer's business and credit rating, which may have a material effect on financial position and results of operations.

1.1 The Gjensidige Group may misprice risk or accept excessive risks, which may result in significant underwriting losses

The insurance service results¹⁾ in the insurance business is the most important part of recurring earnings. Although the Issuer Group has delivered very high and stable earnings over several years, the UW result is at risk if there are disruptive changes in the claims pattern or developments. If the Issuer Group charges premiums that are insufficient for the cover provided, it will suffer underwriting losses, leading to volatility in earnings and unpredictable results.

Underwriting risk is the risk that insurance claims will be higher than anticipated due to inadequate pricing, incorrect assumptions or random fluctuations in the frequency and/or size of claims or risk concentration.

The risk originates from uncertainty in premium rates, uncertainty in claims frequency, uncertainty in claims severity, uncertainty in the timing of claims payments, uncertainty in operating and claims handling expenses.

The Issuer Group maintains underwriting and operating controls that it believes are sufficient. However, any mismanagement, fraud, failure to satisfy fiduciary responsibilities or to comply with underwriting guidelines and authorisation limits, or an accusation by a third party of such activities or negative publicity resulting from such activities, could have a material adverse effect. The Issuer Group also runs the risk of selecting customers with an ex post claims experience exceeding expectations.

1.2 Risk related to life insurance

The Issuer Group is exposed to life insurance risk through insurance products sold in Gjensidige Pensjonsforsikring AS. The risk related to these products include:

- Mortality risk; Risk of increased claim payments if mortality rates are higher than expected
- Longevity risk; Risk of increased pension payments if mortality rates are lower than expected
- Disability risk; Risk of higher claim payments if actual disability is higher than expected and/or the recovery is lower than expected
- Lapse risk; Risk of an increase in the number of customers leaving the company, which may reduce future profit and impact eligible own funds to cover the solvency capital requirement negatively
- Expense risk; Risk of actual expenses being higher than expected

There is a portfolio of fully paid policies within Gjensidige Pensjonsforsikring AS. Through these products the Issuer Group is exposed to both longevity risk and the risk of not achieving the interest rate guarantee. The assets funded by this portfolio are invested to meet the interest rate guarantee.

1.3 Adverse and extreme weather-related events and other catastrophic events may have a significant impact on the Issuer Group's results

Insurance companies, such as the Issuer Group, frequently experience losses from unpredictable events that affect multiple covered risks. Such events include, among others, windstorms, severe hail, severe winter weather, floods, other weather-related events, large-scale fires, industrial explosions and other man-made disasters such as terrorist attacks. Such events are referred to as "catastrophes" and the associated risk as "catastrophe risk". The extent of the Issuer Group's losses from catastrophes is a function of the frequency of catastrophic events, the severity of the individual events and the reinsurance arrangements in place. In Norway, the Issuer Group's exposure to losses on buildings and contents due to natural perils is limited to the overall market share, as general insurance companies operating in Norway are obligated by law to participate in the Norwegian Natural Perils Pool (the "Norwegian Pool") through which losses on buildings and their contents are distributed among the participants. The Norwegian Pool buys natural catastrophe reinsurance on behalf of its members and the retention of the Norwegian Pool is distributed among the members in proportion to their market share based on the Company's fire insurance amounts as of July 1 of the claim year. The frequency and severity of catastrophes are inherently unpredictable, and a single catastrophe or multiple catastrophes in any one year could have a material adverse effect. The Issuer Group generally seeks to reduce its exposure to catastrophes by purchasing reinsurance, in addition to what is bought through the Norwegian Pool, utilising selective underwriting practices and monitoring risk accumulation.

¹⁾ Insurance service result is a profit term and refers to the insurance revenues minus the insurance claims and insurance operating expenses.

Risk factors (2:6)

1.4 The Issuer Group's profitability and financial condition may be impacted by the inability to obtain sufficient reinsurance and/or by the failure of one of the reinsurers to meet their obligations

The Issuer Group purchases reinsurance to protect the company from major individual events such as natural disasters and major individual claims and cumulation of multiple claims. All major lines of business are covered.

There is a relatively low probability that the Issuer Group will be unable to obtain any reinsurance, but the availability, amount and cost of reinsurance depend on general market conditions and may vary significantly. Should reinsurance not be possible to purchase, the risk related to large losses will increase. The Issuer Group is also exposed to the risk that the claims outcome might exceed the amount of reinsurance capacity purchased.

As a general requirement, the reinsurance purchase is spread on a number of reinsurers and all reinsurers must be rated A- or better by Standard & Poor's (or the equivalent from other rating agencies) when Gjensidige enters into a reinsurance contract. This reduces the risk that reinsurers are not able to pay their obligations.

1.5 The Issuer Group's technical provisions may not be adequate, resulting in run-off losses and a material adverse effect on the financial position

This could be due to either an increase in general inflation or inflation specific to insurance claims such as changes in litigation practice or medical costs. This risk is larger for claims with a long time from the date of loss until final settlement. The Issuer Group's provisions for future claims are based on all known current relevant information. The reserves are set using standard actuarial practice and have been examined by external actuaries regularly, last Q3 2022. To the extent that the Issuer Group's current claims provisions are insufficient to cover actual claims or claims adjustment expenses, it will have to increase its claims provisions and incur a corresponding change to its earnings in the period in which the deficiency is identified. If the Issuer Group's claims provisions are excessive as a result of an over-estimation of risk, it may set premiums at levels too high to be able to compete effectively, which may result in a loss of customers and premium income.

Investment and market risk

Part of the Issuer Group's overall profits is coming from investments into financial assets and real estate. These investments are dependent upon both overall market development and the Issuer Group's ability to manage risks in these assets. Failure to do this may cause volatile profits and have a material adverse effect on its financial position.

The Issuer Group's investment returns are highly susceptible to fluctuations in financial markets. The Issuer Group's investment returns are subject to a variety of risks, including risks related to general economic conditions, market volatility and interest rate fluctuations, liquidity risk, currency risk and credit spread and default risk. The returns on the Issuer Group's investment portfolio are a substantial part of overall profitability.

1.6 Risk factors material to bonds and fixed income investments in general.

All investments in interest bearing securities have risk associated with such investment. In bonds there are to main risk factors a) duration (interest rate) risk and b) credit risk (for bonds other than most secure government bonds). The risk is related to the general volatility in the market for such securities, varying liquidity, interest rates, currency, credit spread as well as company specific risk factors.

An investment in interest bearing securities is only suitable for investors who understand the risk factors associated with this type of investments and who can afford a loss of all or part of the investment. Prospective investors should also read the detailed information set out in the marketing material and reach their own views prior to making any investment decision. The risk factors described in these Risk Factors cover the main risk factors related to the Issuer and the bonds issued by the Issuer, respectively.

The value of the Issuer Group's fixed income portfolio could be affected by fluctuations in interest rates, inflation, currency, changes in the credit rating of the issuers of the securities, and liquidity in the bond markets. The Issuer Group manages the fixed income portfolio with strict limits on single counterparties, the overall amount of credit spread and interest rate risk and requirements as regards diversification. Due to the nature of the Scandinavian fixed income markets, a large part of the fixed income portfolio consists of securities issued by financial institutions including covered bonds.

1.7 Interest rate risk

Interest rate risk occurs in assets as well in liabilities of the company. The risk is associated with changes in interest rates implying changes in the value of assets as well as liabilities. The risk is managed by setting limits to the size of economic impact to the company of changes in interest rates. Limits are set by the board.

There is a risk of mismanagement, lack of control or fraud that might incur losses beyond limits set by the board. The company regard routines and controls to be adequate to avoid such mis-happenings.

1.8 Credit Risk

Credit risk occurs in the investment portfolio through default risk and spread risk. Default risk is the probability of debtors not being able to pay their obligations. Credit spread risk is the changes in or volatility of the price of the credit element. Credit spread risk is traded in the market on a daily basis and will among other things, of course depend on the default risk of a debtor and/or the expected general ability among debtors to fulfil their obligations.

Default risk is handled by the company by setting limits to the size of exposure the company is willing to take on a single debtor, sector and country. Limits are set by the CFO based on advice from the Credit Committee. When investing into funds the default risk is handled by setting minimum requirement to diversification to single debtors in the fund.

Credit spread risk is the magnitude of change in value of the portfolio as a consequence of change in the credit margin in the markets. The credit spread risk is managed by setting a maximum limit measured by credit duration in NOK the portfolio can be exposed to. The limit is set by the board.

Risk factors (3:6)

1.9 Equity investments

The Issuer Group invests a portion of its assets in equities, which are generally subject to higher return volatility than fixed income securities. The Issuer Group's equity investments are affected by fluctuations in equity prices that may be adversely affected by economic conditions, stock market conditions and many other factors beyond the Issuer Group's control. The Issuer Group's equity investments are marked to market. The allocation to equities and the overall market risk is managed within limits set by the Board.

Private equity investments are valued by model and independent advisors. Net asset values of the portfolio companies are set with one quarter lag adjusted for known events in the current quarter. Although appraisal values are assumed to be according to market, there is no guarantee losses will not be incurred through sale of assets.

1.10 Real estate investments

The Issuer Group invests a portion of its assets in real estate, mainly in Norway. Rents and values are affected by several factors, including changes in general economic conditions (such as interest rates, inflation and/or volatility), the condition of financial markets, changes in supply and demand within a particular area of competing floor space, and the attractiveness of real estate relative to other investment opportunities. The value of the Issuer Group's real estate portfolio may also fluctuate as a result of changes in political conditions, tax consequences, environmental standards and accounting and control expenses. The Issuer Group's real estate investments are marked to market, and the overall risk to real estate is managed by setting exposure limits by the Board.

Real estate investments are directly into buildings and properties. Due to no direct market observable prices for these investments, valuations have to be done by model and judgement. This is done regularly by each quarter. The evaluations are in addition done by two external and independent advisors no less than once a year. Although we assume the appraisal values are correct according to market if a transaction should be initiated, there is no guaranty values are less than stated in the accounts and a loss through a transaction will occur.

1.11 Liquidity Risk

Due to unforeseen liquidity requirements in general, changes in liquidity situation in the markets, liquidity needs could be volatile. This may force the Issuer Group to liquidate investments at times and at prices that are not optimal. To prevent material financial effects of this, the Board has required a substantial amount of very liquid assets to be held at any point in time in the investment portfolio as well as a liquidity reserve to buffer changes in daily liquidity needs in the company. A certain amount of assets are held in less liquid investments, including real estate, private equity and hedge funds. Also, in times of exceptional market volatility, normally liquid instruments might be hard to sell or might attract especially low prices. This may hinder the Issuer Group in reallocating its investment portfolio or the funding of other investments or use.

1.12 Currency risk

Norwegian kroner is the Issuer Group's reporting and functional currency. The Issuer Group, having operations in other countries, also enters into insurance contracts under which the premiums receivable and losses payable are denominated in currencies other than Norwegian kroner, such as Danish kroner, Swedish kronor and Euro. In addition, the Issuer Group maintains a substantial portion of its investments in currencies other than Norwegian kroner. Investments in subsidiaries in foreign currencies are hedged into Norwegian kroner with a view to stabilise surplus capital. In general assets and liabilities in each currency are matched, but the degree of matching will vary over time within certain limits set by the board. Hence, the financial position of the Issuer Group will to some degree be exposed to movements in foreign exchange rates. Limits to maximum exposure to currency risk is set by the Board.

1.13 Use of derivatives

The Issuer Group uses common financial derivative instruments such as swaps, options, futures and forward contracts which it has entered into with a number of counterparties to manage the company's risk position. All instruments used have to be approved by the Board before any use. Risks stemming from the use of derivatives are to be aggregated with other instruments and measured up vs risk limits set by the board for all types of risks.

Derivatives are used to manage the financial risk exposure of the company stemming from the insurance activity as well as from investments.

As for other activities use of derivatives is exposed to operational risk like misreporting, mis-calculations, counterparty risk among other risks. The company has routines, systems and controls adequate to manage these risks.

Operational Risk

The Issuer Group is exposed to risk related to the operation of the company.

1.14 Risk of loss arising from inadequate or failed internal processes and systems, from human errors, or from external events.

The Issuer Group has established internal controls to secure reasonable assurance that the organisation's objectives are met and proportional to the significance of risk in all areas. There can, however, be no guarantee that these controls will work efficiently at all times.

Each business area, as well as the corporate functions, of the Issuer Group has responsibility for identifying, assessing, managing, monitoring and reporting operational risks within its various units. The IT-related risk is an operational risk which include for example weaknesses in system functionality, leaked, lost, corrupted and/or misused data, poor data quality and cyber-disruptions. Large organisations, such as the Issuer Group, could be targets for cybercrime, including through the hacking of its IT systems and/or through viruses. Mitigating activities are implemented such as IT-related controls, D-DOS protection services, data security solutions and business continuity planning. The Issuer Group is investing in IT-development projects to minimise risks in the long-term perspective as well as to be able to meet future demands in an efficient and competitive way.

The Issuer's activities are subject to an increasing risk of information and communication technology infringements. Despite security measures in place, its facilities and systems, and those of its third-party service providers, may be vulnerable to cyber-attacks, security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming or human errors or other similar events.

If one or more of such events occur, any one of them could potentially jeopardize confidential and other information related to the Issuer, its customers and its counterparties. Any security breach involving the misappropriation, loss or other unauthorized disclosure of confidential information could damage the Issuer's reputation, expose it to risk of litigation, increased capital requirements or sanctions and disrupt its operations.

Risk factors (4:6)

1.15 Compliance risk: Regulatory investigations and sanctions may have a material adverse effect on the Issuer Group

The Issuer Group may experience a financial loss, sanctions by authorities or loss of reputation as a result of failure to comply with internal and external regulations.

Insurance is a highly regulated business with formal rules for minimum capital and capital structure and the Issuer Group's business is subject to regulation in the jurisdictions in which it conducts business. Supervisory authorities have broad jurisdiction over many aspects of the Issuer Group's business, which may include capital adequacy, data protection and privacy, marketing and selling practices, licences, policy terms and conditions, terms of business and permitted investments and anti-money laundering (AML) procedures. The regulations and/or interpretations thereof may differ between the different parts of the industry and between various countries in which the Issuer Group operates. This complexity increases the risk of breaking any regulations.

In particular, the risk that financial institutions will be subjected to or used for money laundering or identity fraud has increased worldwide. The risk of future incidents in relation to money laundering or identity fraud always exists for financial enterprises. Identity fraud incidents or any violation of anti-money laundering rules, or even the suggestion of violations, may have severe financial, legal and reputational consequences for the Issuer and may, as a result, adversely affect the Issuer's business and/or prospects.

The Issuer Group is of the opinion that it complies with all current legal requirements. However, regulations and the interpretation of regulations by relevant authorities in countries in which the Issuer Group operates may change, which could have a material adverse effect on the Issuer Group's business, results of operations and/or financial condition. Regulatory proceedings could result in adverse publicity for, or negative perceptions regarding, the Issuer Group. A significant regulatory action could have a material adverse effect on the business of the Issuer Group, both in monetary terms and reputational consequences as to its ratings and market standing. Failure to comply with regulations can lead to the impositions of sanctions on the Issuer Group or even revocation of permits.

Strategic risks

There is risk of financial losses or lost opportunities due to the inability to establish and implement business plans and strategies, make decisions, allocate resources or respond to changes.

1.16 The risk of increased competition within the insurance business, including potential competition from new entrants attracted by the high current profits for the sector

The Issuer Group has the major part of its business in the mature Scandinavian insurance markets, and growth in these markets are in the long run expected to be in line with the growth in GDP. Negative developments in, or the general weakness of, these economies may therefore have a direct negative impact on the Issuer Group's growth in income.

The Issuer Group faces significant competition from both domestic and international insurers in each of the Issuer Group's principal markets. In addition, the Issuer Group faces competition from banks and life insurers distributing general insurance products.

1.17 A substantial portion of the Issuer Group's revenues is based on cooperation agreements and referral arrangements

The Issuer Group derives a substantial portion of its gross premiums written from cooperation agreements and referral arrangements with several third parties. There is always a risk related to renewal of the agreements, but the Issuer has proven to be competitive in this market.

Other risks related to the Issuer and the market in which it operates

1.18 Risk related to the defined benefit pension scheme

The Issuer Group runs a defined benefit pension scheme for some of its employees. The scheme is closed to new members. The scheme exposes the Issuer Group to longevity risk, interest rate risk and the risk that the general salary levels increase more than the increase in the governments' base amount ('G'). The assets backing these liabilities are managed in a separate pension fund, with the aim to secure the financial risks of the liabilities.

2. Capital and regulatory matters, including taxation and accounting standards

There is risk related to capital and regulatory matters, including taxation and accounting standards.

2.1 Capital and regulatory matters

Financial services operate in a highly regulated environment. Solvency capital is an essential means of production in this industry, demonstrating the financial resources necessary to meet the promises made to the customer and enabling risk taking. Capital and regulatory matters hence pose a number of risk factors that could have a material adverse effect for the Issuer Group:

- The Issuer Group's insurance businesses have exposure to reinsurers through reinsurance arrangements. The availability, amount and cost of reinsurance depends on general market conditions, the Issuer Group's claims history and the perceived quality of underwriting and risk management within the Issuer Group. Consequently, the Issuer Group is subject to credit risk with respect to its current and future reinsurers and has sought to mitigate this through strict rating criteria for reinsurers and utilising a large number of reinsurers.
- Financial strength ratings are becoming an increasingly important factor in establishing the competitive position of insurance companies in commercial lines. S&P has assigned an insurer financial strength rating of "A" with stable outlook to the Issuer, as last confirmed June 2023. The Issuer's S&P rating is subject to periodic review, and may be revised downward or revoked at the sole discretion of, S&P. The Issuer acts as a reinsurer to the Norwegian Natural Perils Pool, including this into the Issuer Group's own outwards reinsurance program yielding cost benefits to the overall reinsurance program. The pool requires its reinsurers to have a rating of at least A-.
- The Issuer Group is subject to governmental regulation in each of the jurisdictions in which it currently operates. Changes in government regulation may have a material adverse impact on the Issuer Group's business. To conduct its business, the Issuer Group depends upon its ability to obtain and maintain certain licenses, permissions or authorizations. Failure to obtain, hold or renew such licenses, permissions or authorizations could have a material adverse effect on the Issuer Group's business, results of operations and financial position. The Issuer Group also depends upon its ability to comply with the relevant rules and regulations in the jurisdictions where it operates.
- Changes in any of these laws and regulations or government approvals or conditions or lack of approvals could lead to disciplinary action, the imposition of fines and/or the revocation or lack of renewal of the license, permission or authorization to conduct its business in the jurisdictions in which the Issuer Group operates, or to a civil liability.

Risk factors (5:6)

2.2 The Issuer Group may require additional capital in the future, which may not be available or may only be available on unfavourable terms

The Issuer Group's future capital requirements depend on many factors, including its ability to successfully write new business, its ability to establish premium rates and reserves at levels sufficient to cover losses, and its return on financial assets. To the extent that the funds currently available are insufficient, the Issuer Group may need to raise additional funds through financings or curtail its growth and/or reduce its assets. Any equity or debt financing, if available at all, may be on unfavourable terms.

2.3 Changes in taxation laws may negatively impact the Issuer Group and/or the decisions of customers

Future changes in tax legislation or its interpretation may have a material adverse effect on the Issuer Group's business and consequently have negative consequences to profits.

2.4 Changes in accounting standards or policies could materially adversely affect the Issuer Group's reported results and financial position

Accounting standards impact the presentation of, among other things, shareholders' equity and annual profits. The Issuer Group has adopted IFRS as its accounting standard.

3. Risks related to the Bond Issues

3.1 Risks related to the bond issue being a Subordinated Tier 2 Own Funds instrument (the "Bond Issue")

The bond constitutes a subordinated obligation for the Issuer and rank as described in the Bond Terms. There is a risk that the Bondholders will lose their investment in the Bond Issue entirely or partly, if the Issuer's assets are insufficient upon insolvency or liquidation.

The Bondholders may lose their investment in the Bond Issue entirely or partly if the Issuer's assets upon insolvency or liquidation are insufficient to cover the claims of more senior-ranking creditors in full, in which case the Bondholders lose their entire investment. If the Issuer's assets are sufficient to cover the claims of more senior-ranking creditors in full, but insufficient to cover the claims of the Parity Obligations from the Bond Issue, the Bondholders will lose their investment in the Bond Issue entirely or partly.

The risk of losing the invested money in whole or in part is higher for investments in the Restricted Tier 2 Own Funds instrument since this capital class is more subordinated and will bear losses prior to senior debt.

3.2 Risk factors that apply to Subordinated Tier 2 Own Funds instruments ("Tier 2")

Due to the status of each of the Tier 2 Bonds as unsecured and subordinated debt obligations of the Issuer, in connection with a Bankruptcy Event of the Issuer, the Tier 2 Bonds will rank: a) pari passu without any preference among the Bonds; b) pari passu with all outstanding Parity Obligations; c) in priority to payments to creditors in respect of Junior Obligations; and d) junior in right of payment to any present or future claims of (i) policyholders of the Issuer, and (ii) any other obligations of the Issuer ranking or expressed to rank senior to the Tier 2 Bonds. Junior Obligations means (i) the Issuer's share capital, or (ii) any other obligations of the Issuer ranking or expressed to rank junior to the Tier 2 Bonds.

In case of a Bankruptcy Event, payments to investors in subordinated debt will depend on funds left after payments are made to unsubordinated creditors. This may result in a loss for the bondholder. From the status of the Tier 2 Bonds it also follows that the interest payments may be deferred for later payment and there is non-accrual of interest on the deferred interest amount, which will be made for later payment, subject to the Issuer being solvent and in compliance with regulatory requirements to pay any deferred interest. As a consequence, the investor may not receive timely coupon payments to spend or reinvest. Further, redemption of the principal amount at the stated maturity date may be suspended by the Issuer Supervisor if the Issuer is not in compliance with capital requirements. Finally, if the audited accounts of the Issuer show that a substantial part of its subordinated debt capital has been lost, the loss may be absorbed by reduction of the nominal value without any accompanying payment to the investors.

The Tier 2 Bonds are scheduled to be redeemed at their principal amount in 2053 (the "Maturity Date") provided that on such date that there is no suspension of redemption and the preconditions to redemption as described in the Bond Terms are all fulfilled, including but not limited to the continued solvency of the Issuer and the Issuer Group and the approval by the Issuer Supervisor has been obtained. The Issuer is under no obligation to redeem the Tier 2 Bonds at any time before the Maturity Date, and the Bondholders have no right to call for their redemption. If the Issuer does not fulfil its Solvency Condition, the Maturity date may be postponed without any compensation other than the accrual of coupons.

Interest payments under the Subordinated Tier 2 instrument may be optionally or mandatorily deferred. Any deferred interest is accumulated but will not carry any interest. The interest payment obligations (including any deferred interest) of the Issuer under the Bond Terms is conditional upon the Issuer being solvent at the time of payment and still being solvent immediately thereafter (the "Solvency Condition"). Other than in a Bankruptcy Event, no amount will be payable under or arising from the Tier 2 Bonds except to the extent that the Issuer could make such payment in satisfaction of the Solvency Condition. Any actual or anticipated deferral or of interest payments is likely to have an adverse effect on the market price of the Tier 2 Bonds.

If the Issuer's early redemption right (ordinary or conditional (Regulatory Call, Tax Call and/or Rating Call) as stated in the Bond Terms) is exercised, the Call Price is 100 % of the applicable denomination at the time of an early redemption. The Call Price may limit the market value of the Bond and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

Liquidity risk is the risk that a party interested in trading bonds cannot do it because nobody else in the market wants to trade the bonds. Missing demand for the bonds may result in a loss for the bondholder in the form of not getting access to liquidity through sale of the bonds but has to wait until maturity for the bonds to receive liquidity.

The interest rate or coupon of this instrument consists of two elements: a) 3 month NIBOR and b) the Margin. The risk is associated with the variability of the sum of these two components. The Margin is fixed at issuance of the bonds and will not represent a risk for an investor as regards the interest income from the bonds. 3 month NIBOR is a reference rate for pricing of 3 month liquidity in the market and will vary over time. The coupon is reset quarterly based on actual 3 month NIBOR plus Margin. This means the risk to interest income from the bonds is associated with the changes in NIBOR. When trading this instrument, the investor is exposed to the risk of changes in market changes in 3 month NIBOR as well as changes in market changes to the margin investors are willing to trade the bonds. These changes will affect the price of the bonds.

Settlement risk is the risk that the settlement of bonds does not take place as agreed. The settlement risk consists of the failure to pay or the failure to deliver the bonds.

Risk factors (6:6)

Credit risk is the risk that the Borrower fails to make the required payments under the Bond Issue (either principal or interest).

Market risk is the risk that the value of the bonds will decrease due to the change in value of the market risk factors. The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuer's business activities, the price of a bond may fall independent of this fact.

No market-maker agreement is entered into in relation to this bond issue, and the liquidity of bonds will at all times depend on the market participants' view of the credit quality of the Issuer as well as established and available credit lines.

3.3 Regulation and reform of "benchmarks" could adversely affect the Bond Issue

Rates and indices which are deemed to be "benchmarks", such as NIBOR, are the subject of ongoing national, international and other regulatory guidance and proposals for reform, with further changes anticipated. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Bond Issue.

3.4 Changes to Solvency II or other applicable law or regulation may increase the risk of the deferral or cancellation of interest payments, suspension of redemption, write-down or the occurrence of a Capital Disqualification Event

Solvency II requirements adopted, whether as a result of further changes to Solvency II or changes to the way in which the Issuer Supervisor interprets and applies these requirements to the Issuer and/or the Issuer Group may change. Any such changes, either individually and/or in aggregate, may lead to further unexpected changes in relation to the calculation of the Solvency Capital Requirement, Minimum Capital Requirement and/or Eligible Own-Fund Items to cover the Solvency Capital Requirement or Minimum Capital Requirement, and such changes may make the applicable regulatory capital requirements more onerous. Such changes that may occur in the application of Solvency II subsequent to the date of this presentation and/or subsequent changes to such rules and other variables may individually or in aggregate negatively affect the calculation of the Solvency Capital Requirement and/or Minimum Capital Requirement and thus increase the risk of deferral of interest payments, suspension of redemption (or, alternatively, trigger a Capital Disqualification Event and subsequent redemption of the Bond Issue by the Issuer. Additionally, the Issuer may be required to raise further capital pursuant to applicable law or regulation or the official interpretation thereof in order to maintain the then applicable Minimum Capital Requirement and Solvency Capital Requirement. Changes to Solvency II requirements may also increase the likelihood of a Capital Disqualification Event and subsequent early redemption of one or both of the Bond Issue by the Issuer.

A Capital Disqualification Event may occur as a result of any replacement of, or change to (or change to the interpretation of), the Applicable Regulations after the Issue Date. Such an event may lead to the whole or a part the Tier 2 Bonds no longer being qualified as Tier 2 Capital for the purposes of the Issuer and/or Issuer Group.

3.7 Credit ratings may not reflect all risks

The Bond Issue is expected to be rated BBB+ by S&P. S&P is established in the European Economic Area and registered under the EU CRA Regulation and is as of date included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certied-CRAs>) in accordance with the CRA Regulation. The rating S&P has given to the Bond Issue is endorsed by S&P Global Ratings UK Limited which is established in the UK and registered under the UK CRA Regulation. The rating may not reflect the potential impact of all risks related to the structure, market, additional factors discussed above, and other factors that may affect the value of the Bond Issue.

A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised or withdrawn by the rating agency at any time. Any adverse change in an applicable credit rating could adversely affect the trading price for the Bond Issue. In addition, rating agencies other than S&P could seek to rate the Bond Issue and such unsolicited ratings are lower than the comparable ratings assigned to the Bond Issue by S&P, those unsolicited ratings could have an adverse effect on the value and the marketability of the Bond Issue.

Delivering superior customer experiences and stable returns

September 2023



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

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

Insurance revenue NOK 34 bn
Norway 70% | 30% outside Norway

ROE > 19%
(avg. since IPO)

TSR~550%
(since IPO)

Dividend pay-out ratio **~80%**
Unique **customer** dividend ~13%
(Based on regular dividend, avg. since IPO)

Efficient operation

Superior
customer experiences

Profitability before growth

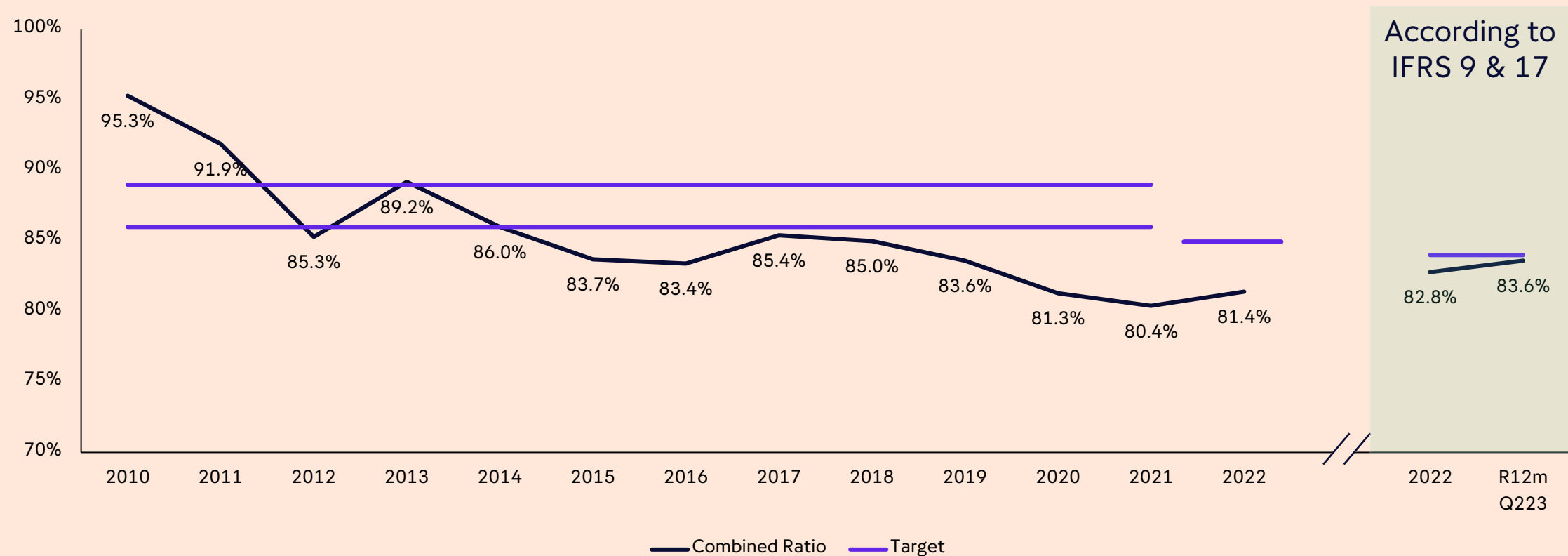
Analytical
approach from
A to Z

Targeting cost
ratio <14%

Strong capital position, solvency ratio 180% as at 30.6.2023
Solid credit rating of A (Stable) from S&P



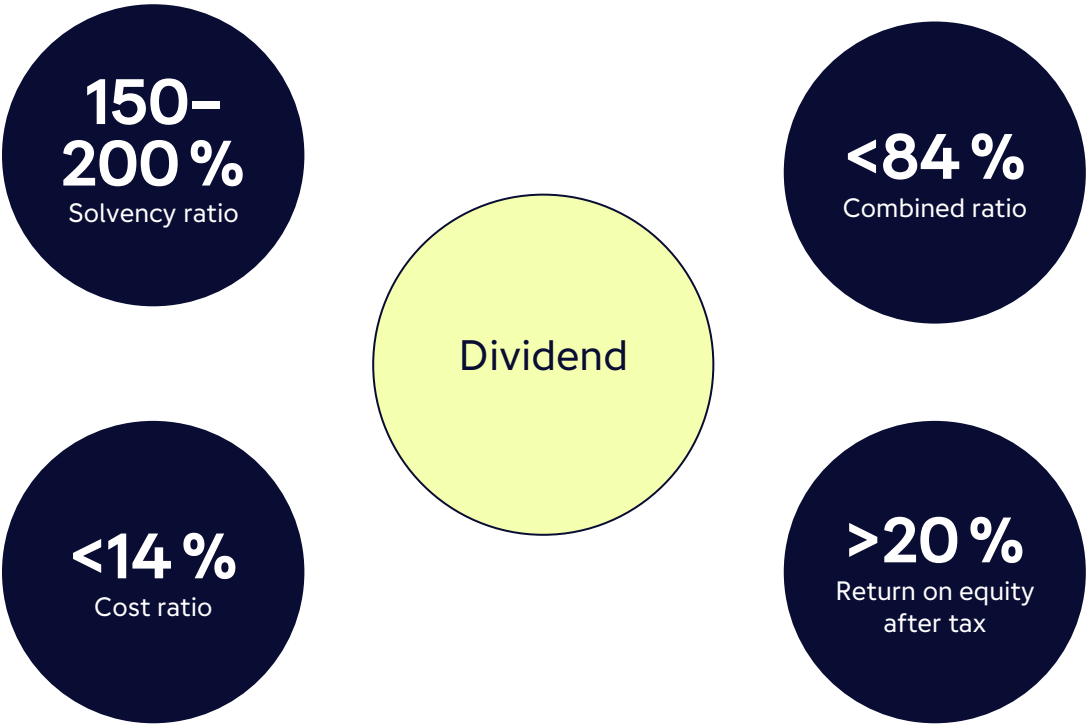
Proven ability to secure profitability over time





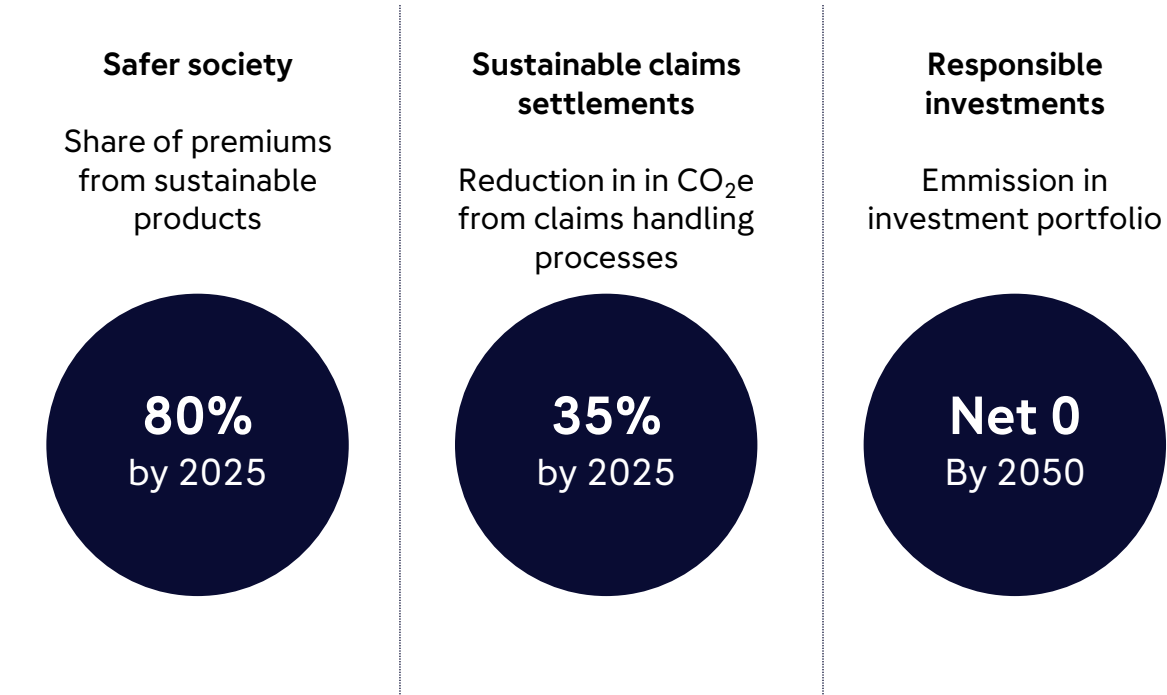
Strong ambitions for the benefit of all stakeholders

Ambitious annual financial targets from 2023



Taking care of people, and our planet

Key sustainability goals

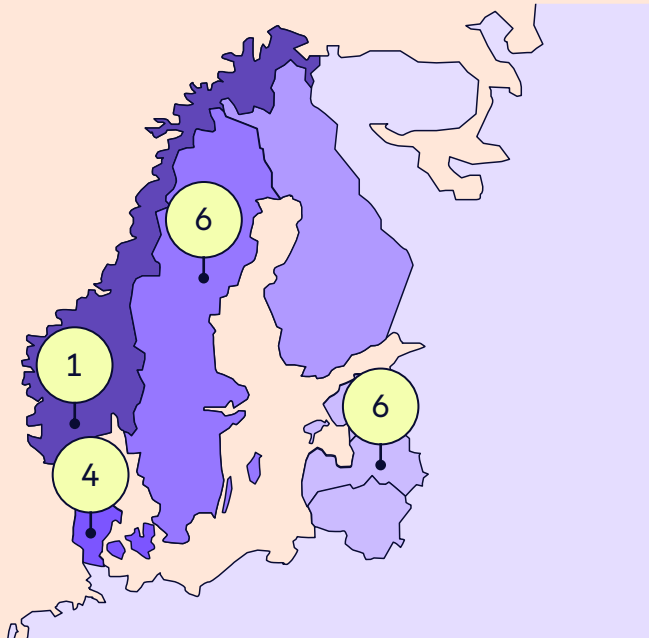




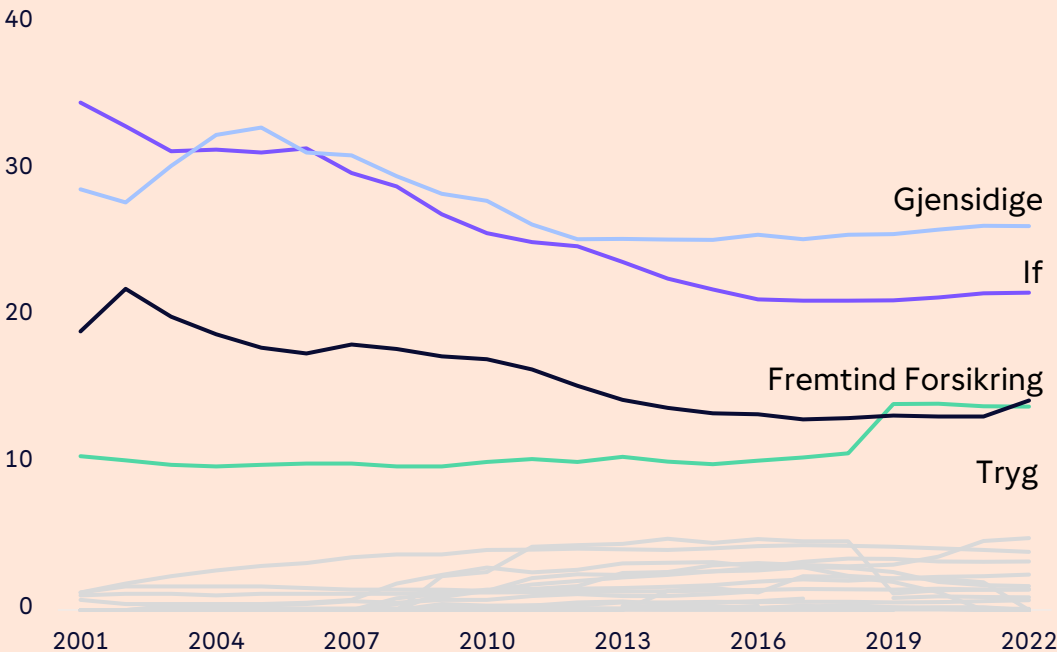
Superior Norwegian position, strong potential outside Norway

Growth ambition in Nordic/Baltic region

Market share	Top 5
Norway	82%
Denmark	68%
Sweden	85%
Finland	93%
Baltic states	85%



Ambition to secure strong position in Norway



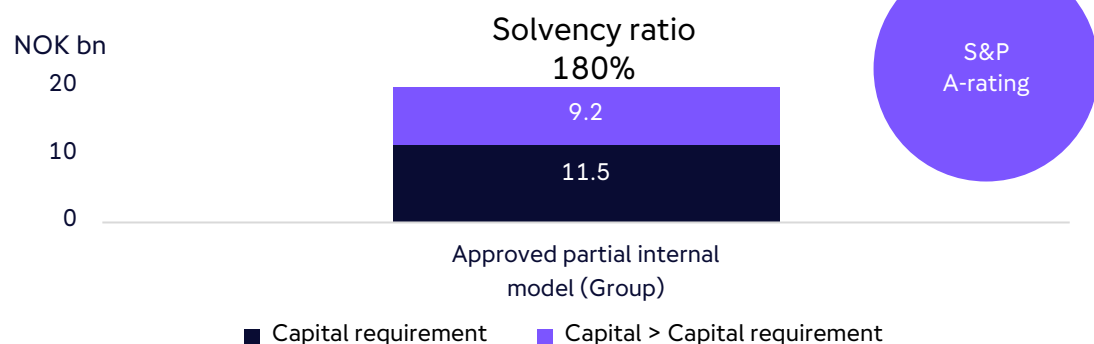
Sources: Finance Norway, non-life insurance, 1st quarter 2023. Insurance Sweden, 1st quarter 2023. The Danish Insurance Association 2nd quarter 2022. Finance Finland, 4th quarter 2022. Baltics Insurance Supervisory Authorities of Latvia and Lithuania, Estonia Statistics, competitor reports, and manual calculations, 1st quarter 2023. Based on Net earned premiums for Gjensidige Q1 2023 in each country. Finance Norway. 19 companies in "Other" category



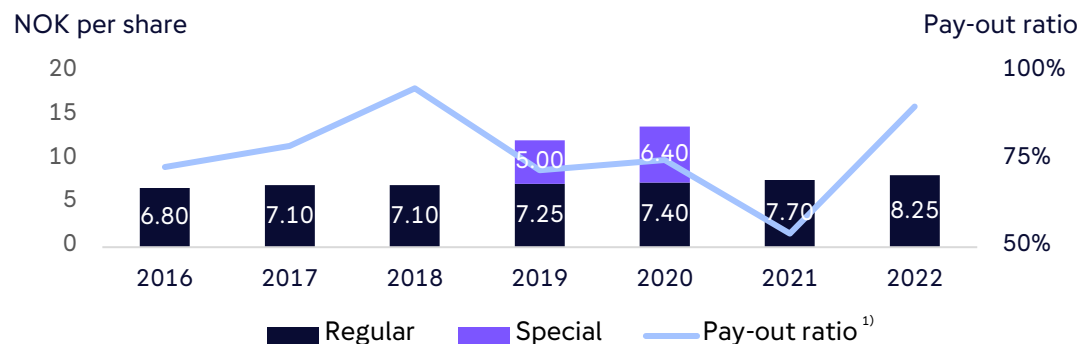
We have a solid capital position

– supporting an attractive dividend policy

Strong capital position



Track record of generating attractive shareholder returns



¹⁾ Pay-out ratio based on regular dividend

Dividend policy

Regular

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.

Special

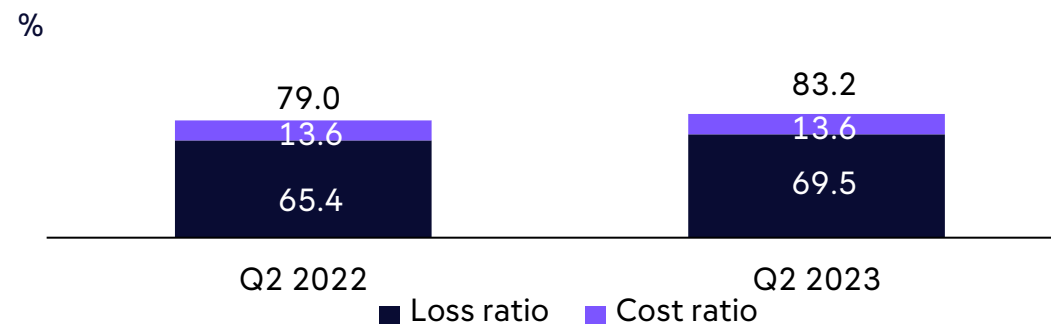
Over time, Gjensidige will also payout excess capital.



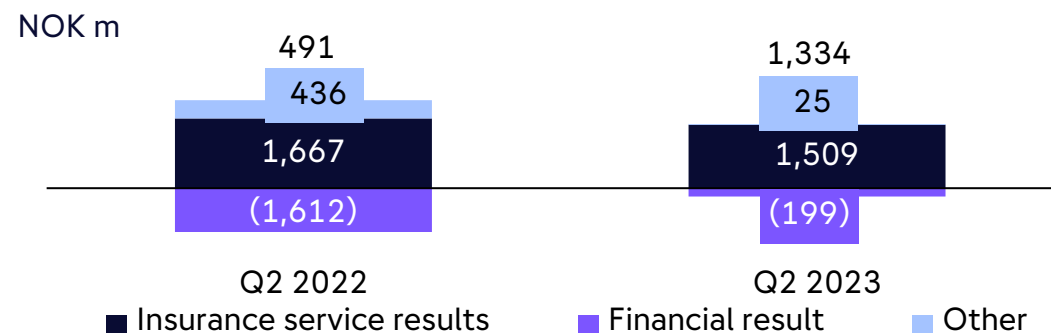
Strong second quarter result

- Pre-tax profit NOK 1,334m
- Insurance service result NOK 1,509m
 - 12.6% insurance revenue growth
 - Higher large losses than expected
 - Underlying profitability decreased, mainly impacted by motor and property insurance in Norway
 - Good cost control
- Financial result minus NOK 199m, return minus 0.3%
- Return on equity 19.5%¹

Combined ratio



Pre-tax profit



This presentation contains alternative performance measures (APMs).

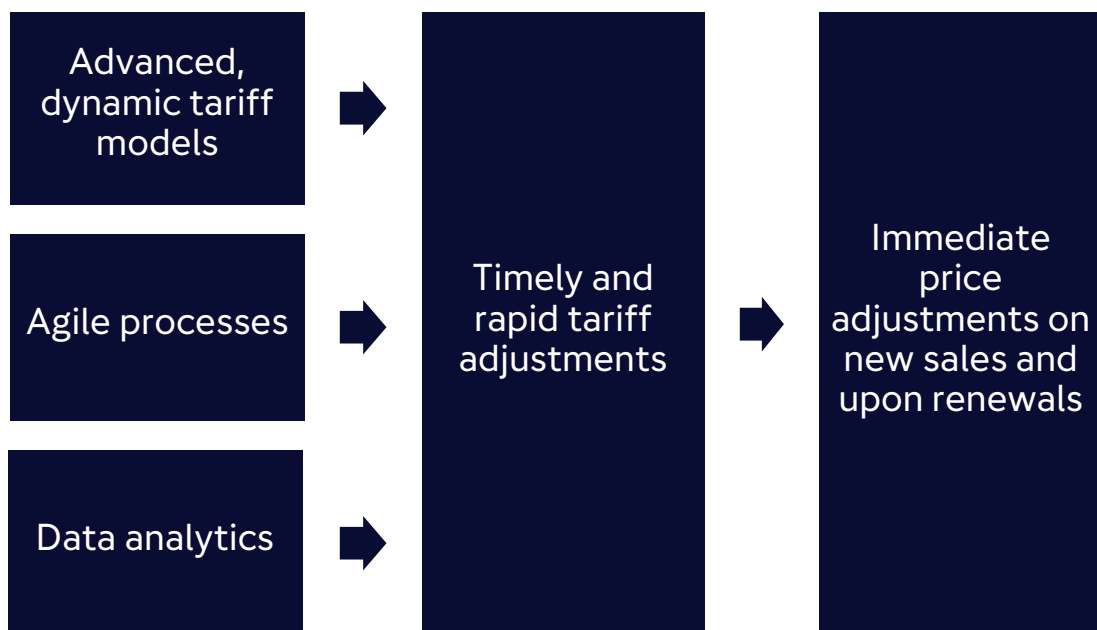
APMs are described at www.gjensidige.no/group/investor-relations/reports in a document named APMs Gjensidige Forsikring Group Q2 2023.

¹⁾ Annualised, YTD.



Staying ahead of claims inflation

Continuous monitoring and rapid response to claims inflation



Best market terms on supplier contracts, limited exposure to inflation on materials

*Motor & property
Norway*

>90%
of frequency claim
repairs carried out by
contracted suppliers

Claims cost, frequency claims in Norway

	Property	Motor
Material	~25%	~50%
Labour (fixed annual rates)	~75%	~50%

Tough reminders of climate changes

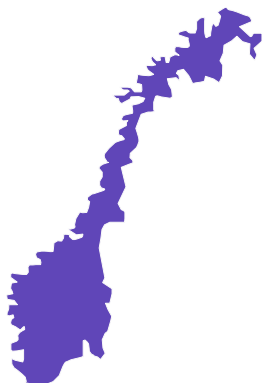
- Focus on assisting customers and handling large amount of inquiries
- "Hans": estimate as of 5 September from The Norwegian Natural Perils Pool on losses for the Norwegian insurance industry is NOK 1.8bn
 - NOK 1.1bn related to natural perils and NOK 0.7bn related to claims to be covered outside the pool
- Gjensidige covered by reinsurance programme
 - Maximum retention level for weather-related events is MNOK 250 per event
 - Reinstatement premiums dependent on total claims





Our priorities towards 2025

Build on our strong and unique position in Norway



Strengthen profitability and grow outside Norway



Maintain capital discipline and attractive dividends



Enablers

Customer insights and relevance, supported by our customer dividend model

Efficient cost base, supported by our operational excellence in distribution and claims handling

Solid capitalisation, providing ample financial flexibility

Key credit highlights



- 1 Norwegian market leader with a strong brand awareness and customer retention
- 2 Exposed to stable and attractive markets – Norway and Denmark represented ~90% of insurance revenue in 2022
- 3 Strong and resilient capital position – solvency ratio of 180%
- 4 S&P rating: A with stable outlook
- 5 Protection against large-scale events and distributing of risk through reinsurance programmes
- 6 Good cost control – track record of delivering cost ratios of 13-15 per cent
- 7 Proven earnings track record with consistent and strong ROE – average of >19% since IPO in 2010 and target of >20%
- 8 Stable and predictable ownership with Gjensidigestiftelsen owning 62.2% of the company





**Sustainability is in our
DNA**



Our mission is to safeguard life, health and assets - sustainability is in our DNA

Sustainability strategy

Inform

- Build competence related to climate adaption and nature risk
- Damage prevention measures

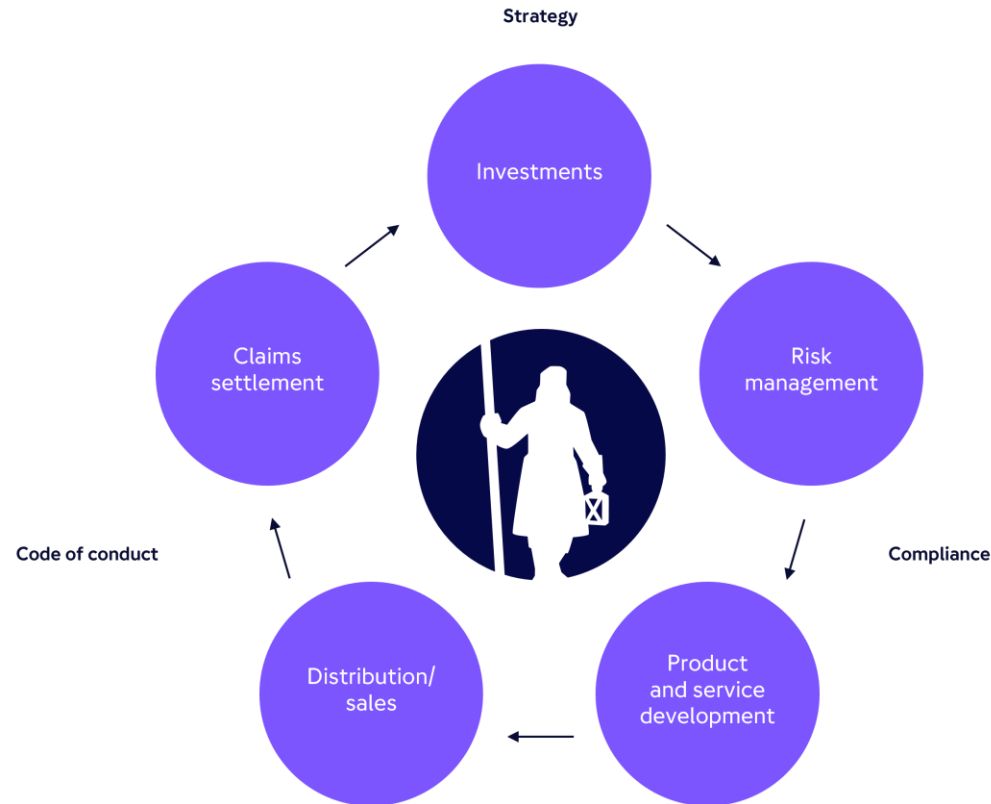
Interact

- Contribute to increased reuse and circular economy
- Collaborate to improve research related to climate and nature risk
- Collaborate on preventive mental health measures

Invest

- Invest in our employees
- Invest in new technology to improve customer solutions
- Steer capital towards sustainable solutions and companies

ESG integrated in key processes



Sustainability enablers

- Empowered employees
- Excellent risk management
- Efficient processes



Key achievements

A safer society



Established several effective damage prevention initiatives

First P&C company in Europe to launch EU Taxonomy aligned product in 2022

Gathered strong insights into climate risks and opportunities in our largest markets

Data sharing and co-operation with public authorities and research institutions regarding climate adaption measures

Several initiatives supporting mental health

Sustainable claims processes



First P&C company in Europe to report CO₂e in claims processes (2019)

Reduced CO₂e in claims processes according to the Paris-agreement (1.5 degrees)

94% of suppliers signed Supplier-Code-of-Conduct and comply with Gjensidige's ESG requirements, including human and labour rights

Responsible investments



Adopted a new model to monitor emissions according to SBTi, to deliver on net zero 2050

Quarterly ESG-screening of investment portfolios (~97%)

99% of external asset managers signed UN PRI

Own operations



Significant reduction of CO₂e in own operations (scope 1 & 2: -85% in 2022 compared to 2019)

Strong employee score regarding perceived diversity in work place (top 10 % in Peakon Europe, 2022)



Ratings and signatory

Rating agencies	About the rating	Score
	ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities.	AA
	ESG rating assessing financially material Environmental, Social and Governance (ESG) data.	20,5 medium risk (low 0-19.9)
	ESG ratings of a company's ESG strategy and ability to prepare for potential future risks and opportunities.	55/stable
	Rates companies on their sustainability performance	Prime/C
	A CDP score is a snapshot of a company's environmental disclosure and performance.	C
	Supplier Engagement Rating (SER) evaluates corporate supply chain engagement on climate issue	A -

Signatory/supporting





Moving forward with sustainability initiatives

Most recent initiatives

- Launched the third taxonomy aligned insurance product
- Paid out grants from sustainability fund, earmarked damage prevention initiatives in the agricultural sector
- Launched a new damage preventive service for properties in Denmark
- Launched a pilot on a sensor-based service for boat owners for online monitoring and alerts
- Established the practice of using second-hand floor materials in repairs or selling to private customers
- Finalised Transparency Act reporting for all subsidiaries and identified suppliers for follow-up

Norwegian Business School's sustainability survey¹ Norway, 2023

Number one
among all
insurance
companies

Number nine
across all
sectors

¹⁾ Norsk Bærekraftsbarometer

Q2'23 results



Solid insurance service result despite higher claims frequency and large losses

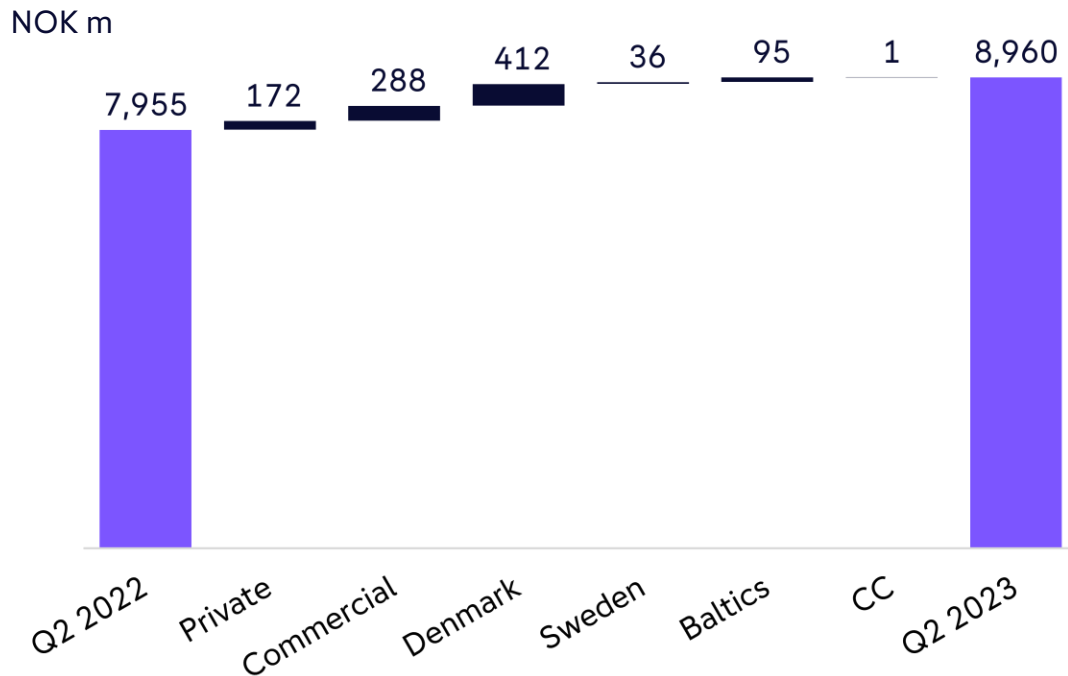
NOKm	Q2 2023	Q2 2022	YTD 2023	YTD 2022
Private	700	787	1 234	1 363
Commercial	719	852	1 112	1 290
Denmark	335	205	564	366
Sweden	50	28	104	73
Baltics	15	(13)	7	(57)
Corporate Centre	(310)	(192)	(398)	(465)
Insurance service result general insurance	1 509	1 667	2 623	2 571
Pension	(3)	(72)	(11)	78
Net financial result investment portfolio	(64)	(1 025)	470	(1 730)
Other items	(108)	(79)	(256)	610
Profit before tax expense	1 334	491	2 825	1 529

- Continued high revenue growth
- Efficient operations
- Underlying frequency loss ratio negatively impacted by motor and property insurance in Norway
- Higher insurance service results outside Norway
- Financial result reflects higher interest rates
- Pension result reflects one-offs and asymmetric recognition of losses on onerous contracts and profits on new contracts



12.6 per cent revenue growth YOY – 8.1 per cent adjusted for currency effects

Insurance revenue development



Key drivers

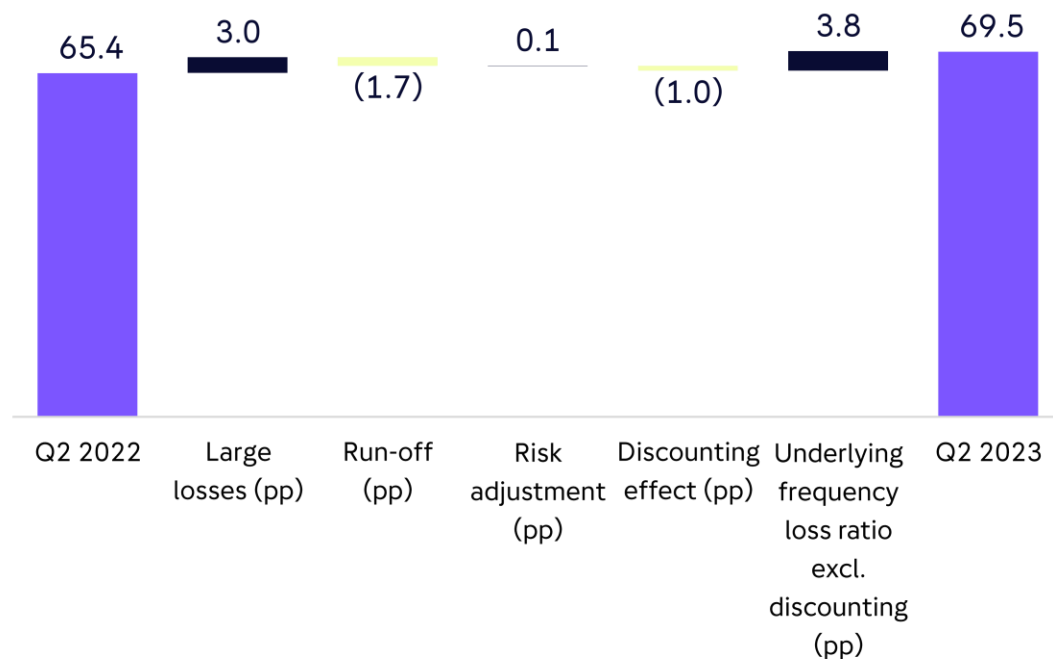
- Private +6.4%, mainly price driven
- Commercial +10.1%, price and volume driven
- Denmark +25.5%
 - Positive 8.6% in local currency, volume and price driven
- Sweden +8.5%
 - Positive 2.2% in local currency, volume and price driven
- Baltics +29.6%
 - Positive 11.5% in local currency, price and volume driven



Increased loss ratio, but within financial targets

Loss ratio development

Loss ratio (%)



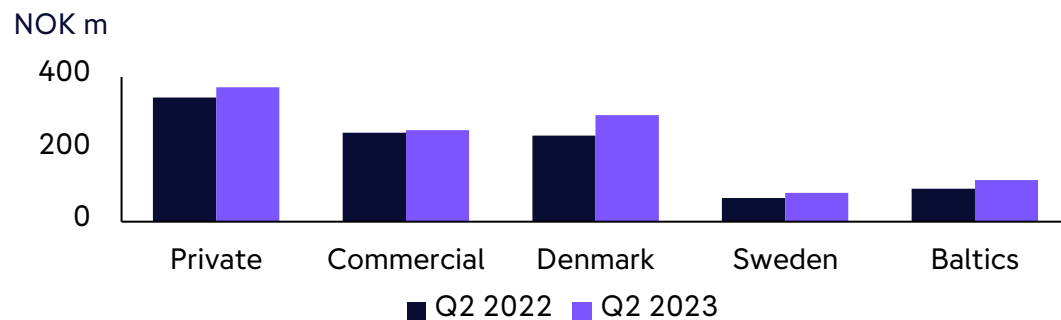
Key drivers

- Effective pricing measures
- Good risk selection
- Higher large losses and run-off gains
- Higher discounting effect due to increased interest rates
- Change in underlying frequency loss ratio primarily impacted by motor and property insurance in Norway



Continued good cost control – cost ratio 13.6 per cent

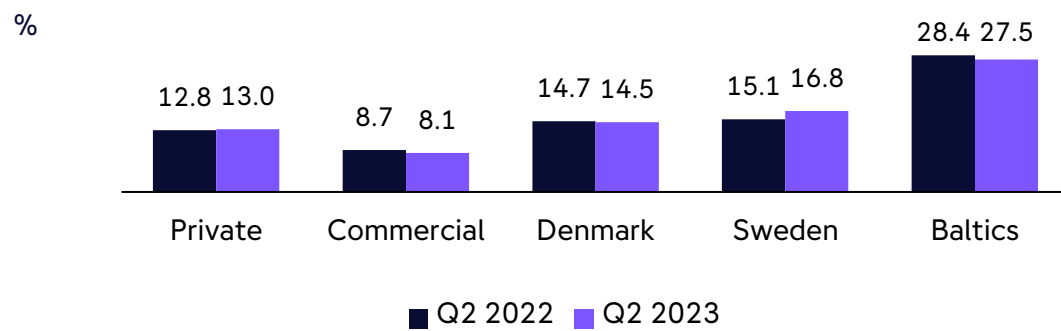
Operating expenses



Competitive cost ratio

- Efficient operations
- High revenue growth
- Strong cost discipline across the Group

Cost ratios

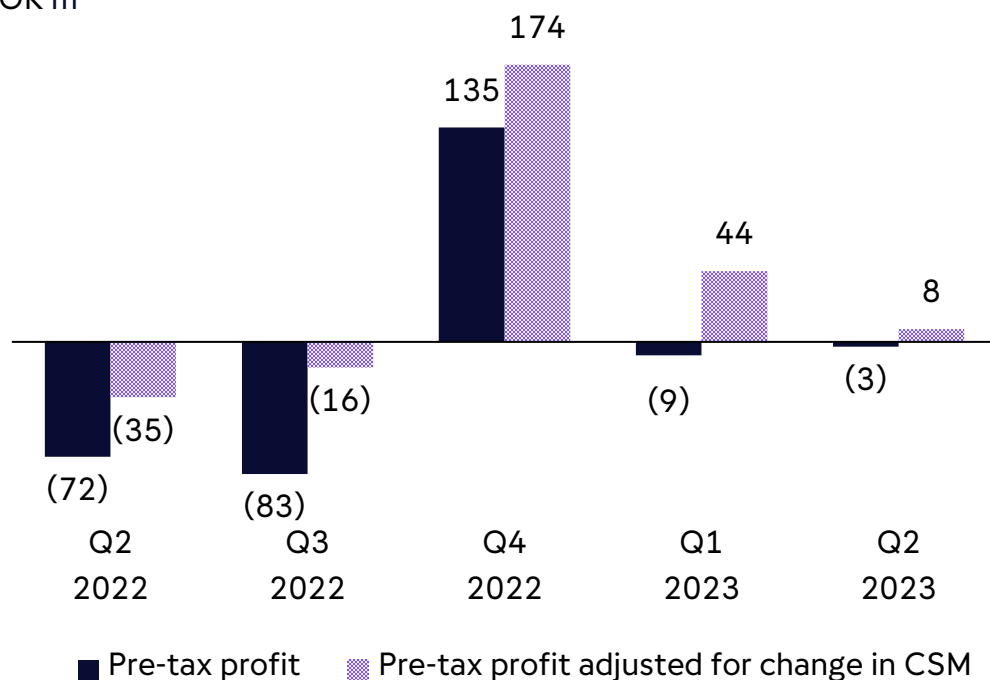




Good performance in Pension

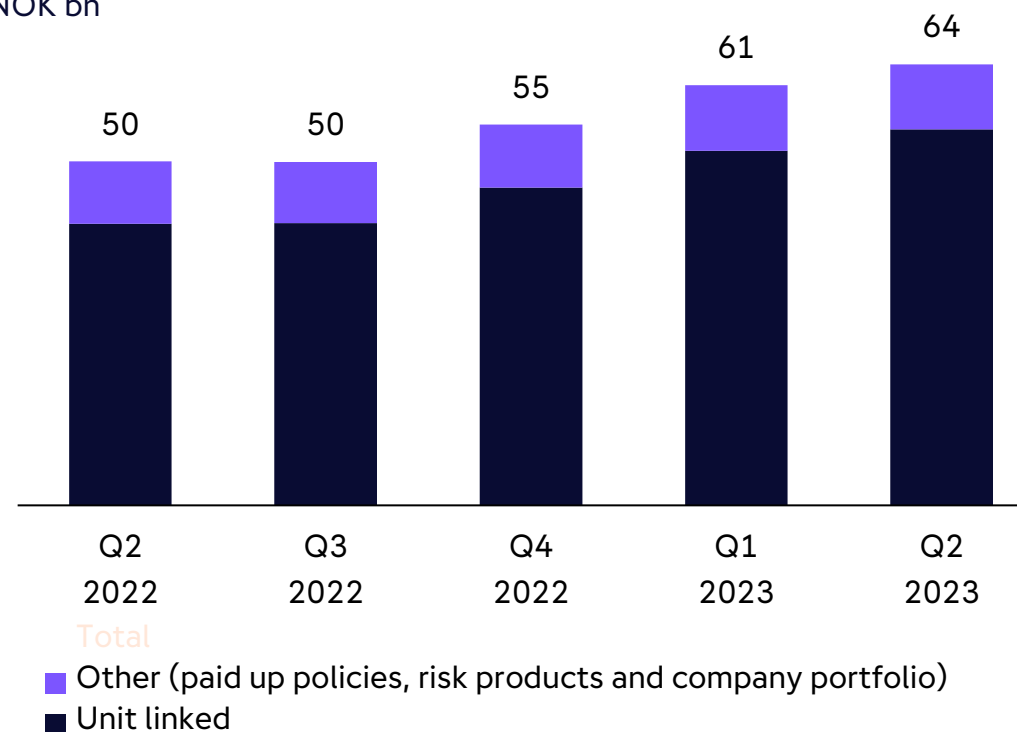
Pre-tax profit

NOK m



Assets under management

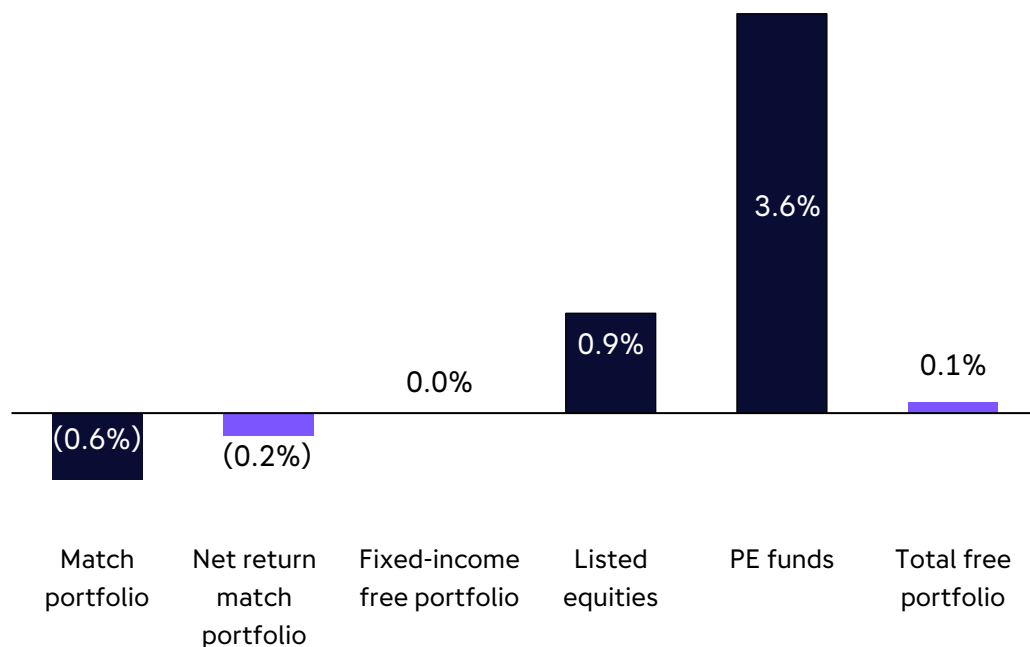
NOK bn



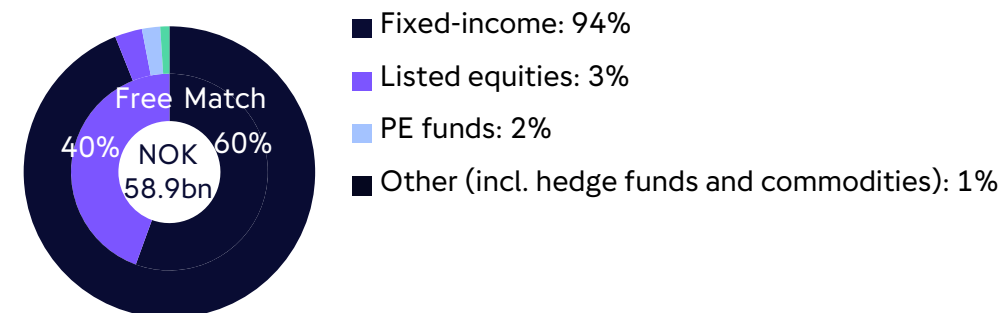


Investment return of minus 0.3 per cent, driven by market conditions

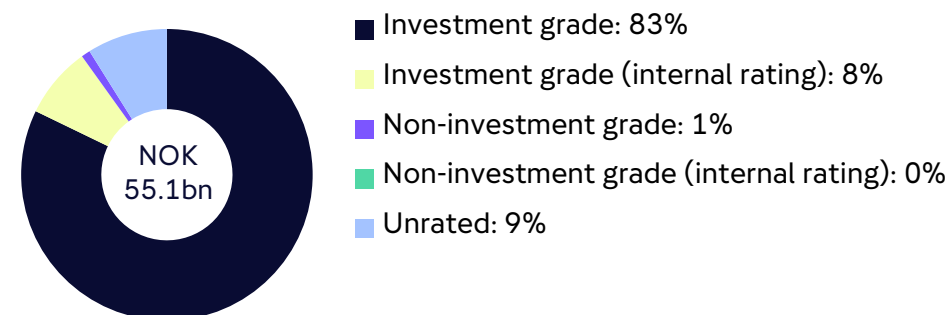
Investment return per asset class



Balanced investment portfolio

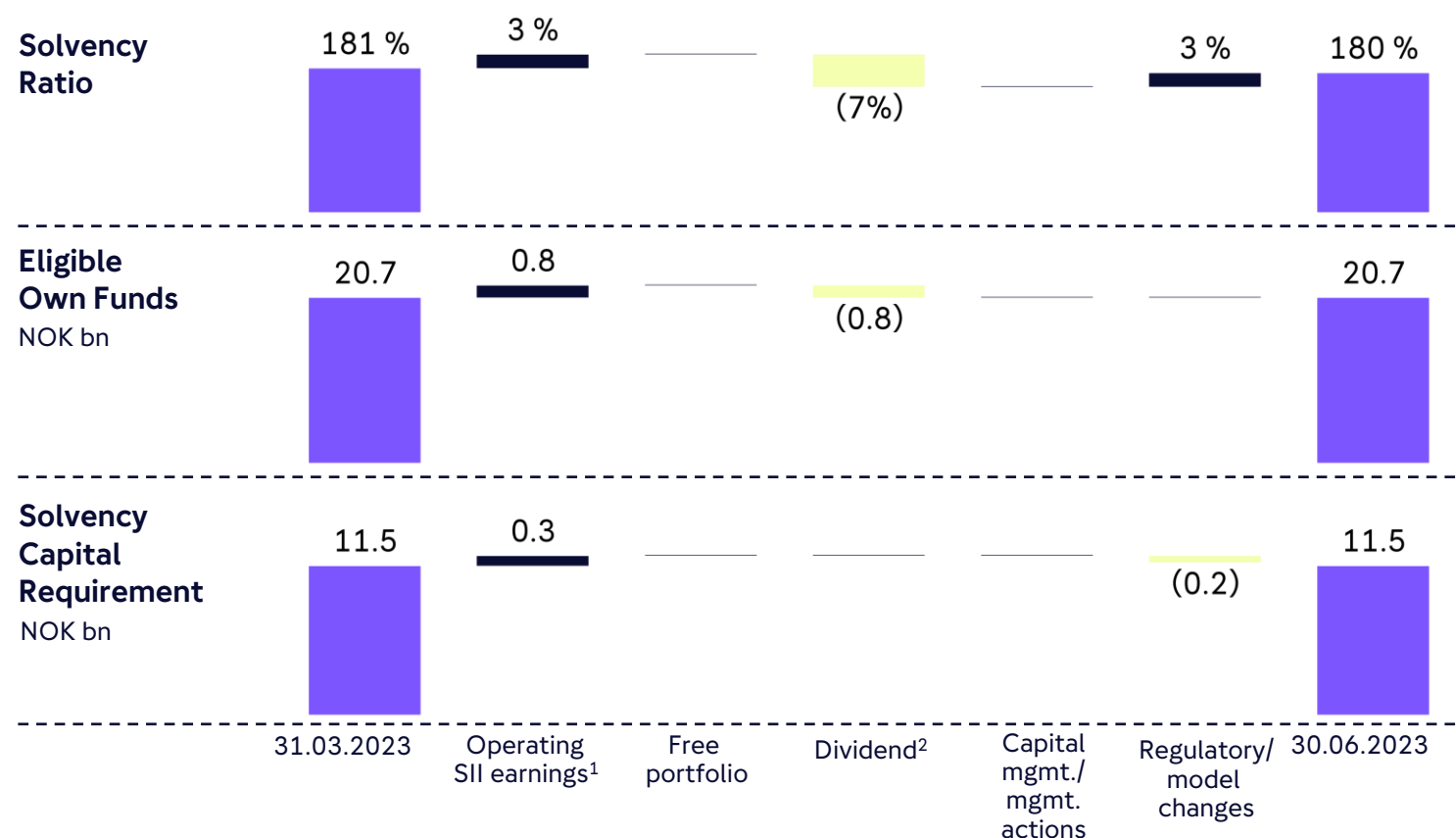


High credit quality





Strong capital position



¹) Operating SII earnings comprise SII underwriting result and SII financial result of the match portfolio after tax.

²) 80% payout ratio according to dividend policy for the accounting year 2023.

Solvency ratio

- 173% when adjusting for acquisition of portfolio from Sønderjysk Forsikring and PenSam Forsikring (expected completion Q3'23 and Q4'23 respectively)

Eligible own funds

- Contribution from operating SII earnings and result in free portfolio offset by formulaic dividend assumption

Capital requirement

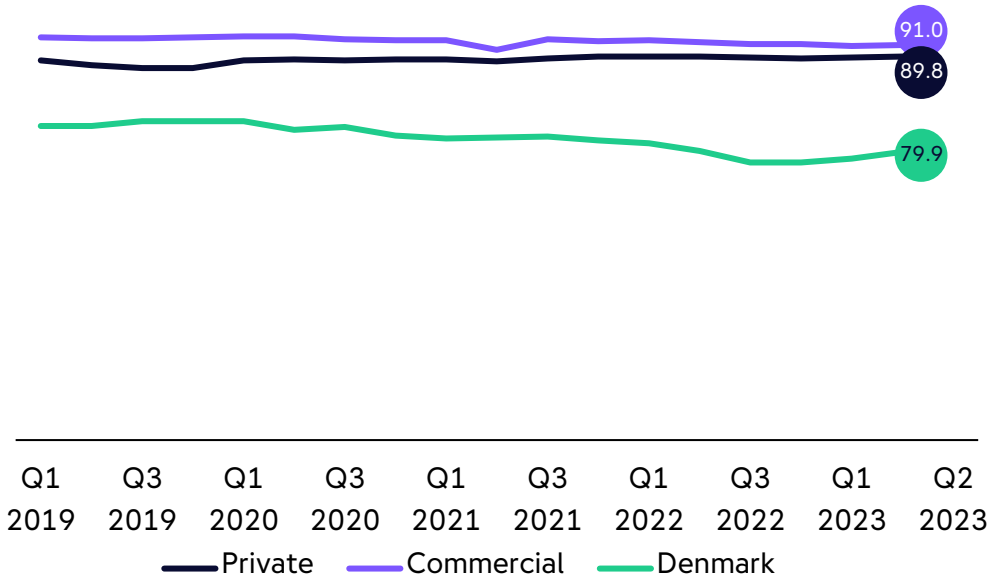
- Higher insurance risk driven by growth and changes in exchange rates
- Reduction in capital requirement due to minor internal model change approved by the Norwegian FSA



Moving ahead on operational targets

Metric	Status Q2 2023	Target 2025
Customer satisfaction	78%	> 78, Group
Customer retention	90%	> 90%, Norway
	78%	> 85%, Outside Norway
Digitalisation index	+4%	> +10% annually, Group
Digital claims reporting	75%	> 85%, Group
Automated claims processing	60%	> 70%, Norway

Strong customer retention in Norway and Denmark



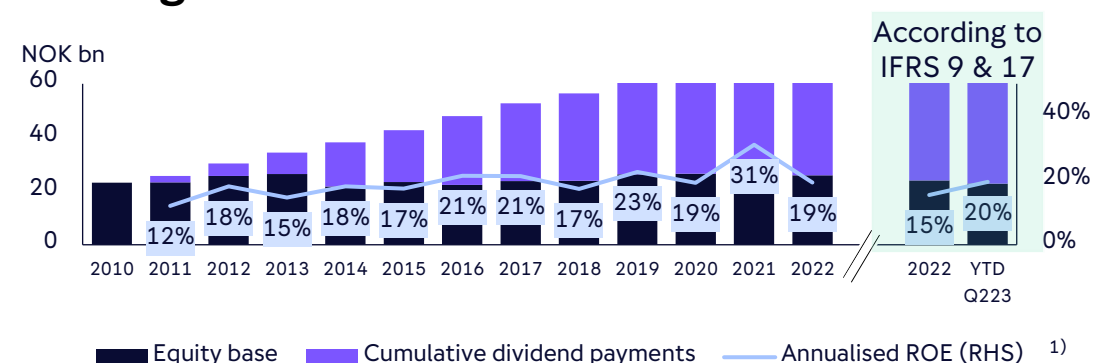
Appendix



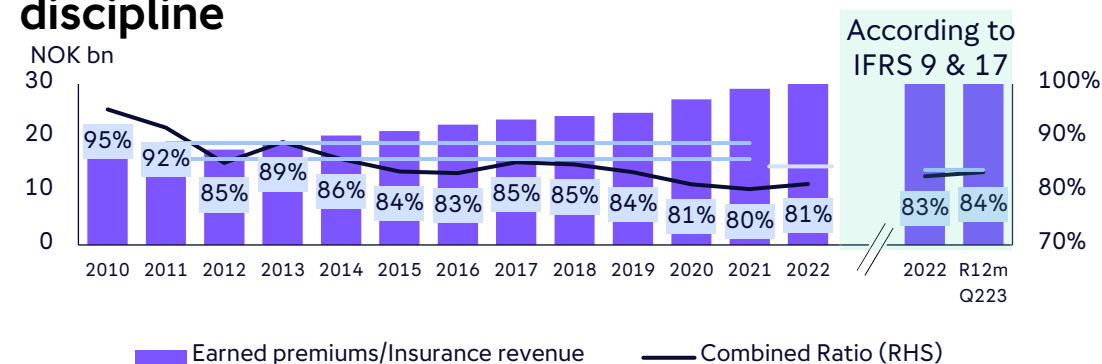
Attractive value proposition

- Proven track-record
- Hard-to-copy position in attractive markets
- Strong brand and loyal customer base
- Efficient and scalable operations
- Strong sustainability credentials
- Efficient and robust capital structure
- Attractive dividend policy and unique customer dividend model

Strong value creation since IPO...

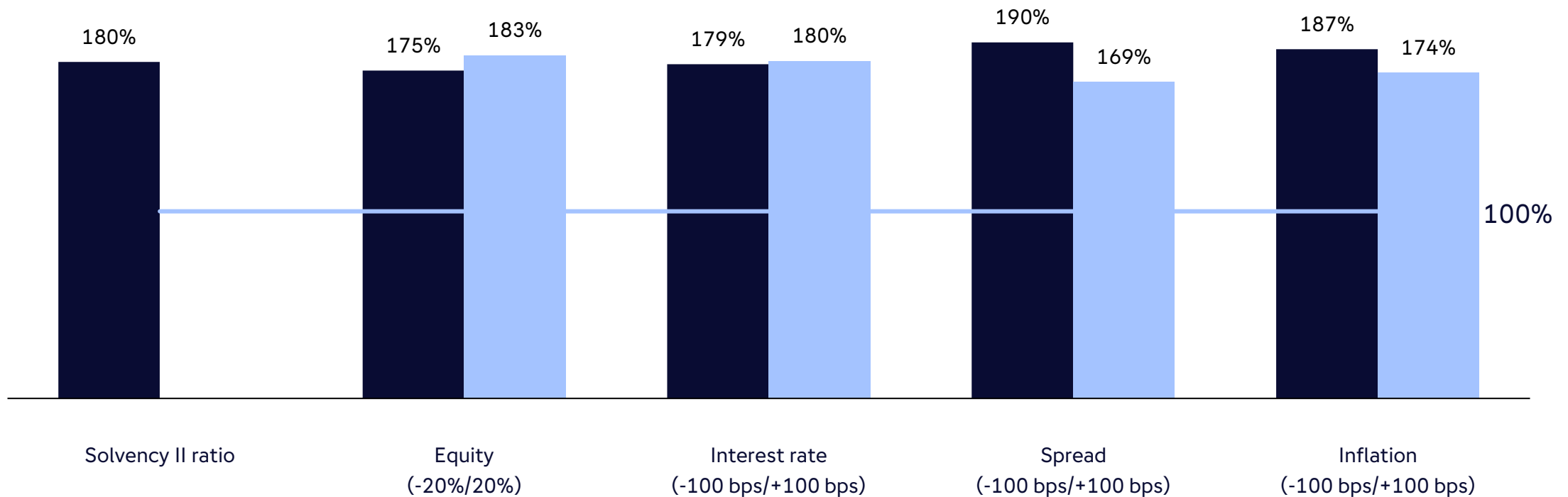


...driven by solid growth, underwriting and cost discipline



¹⁾ Annualised ROE (RHS) Q2 2023

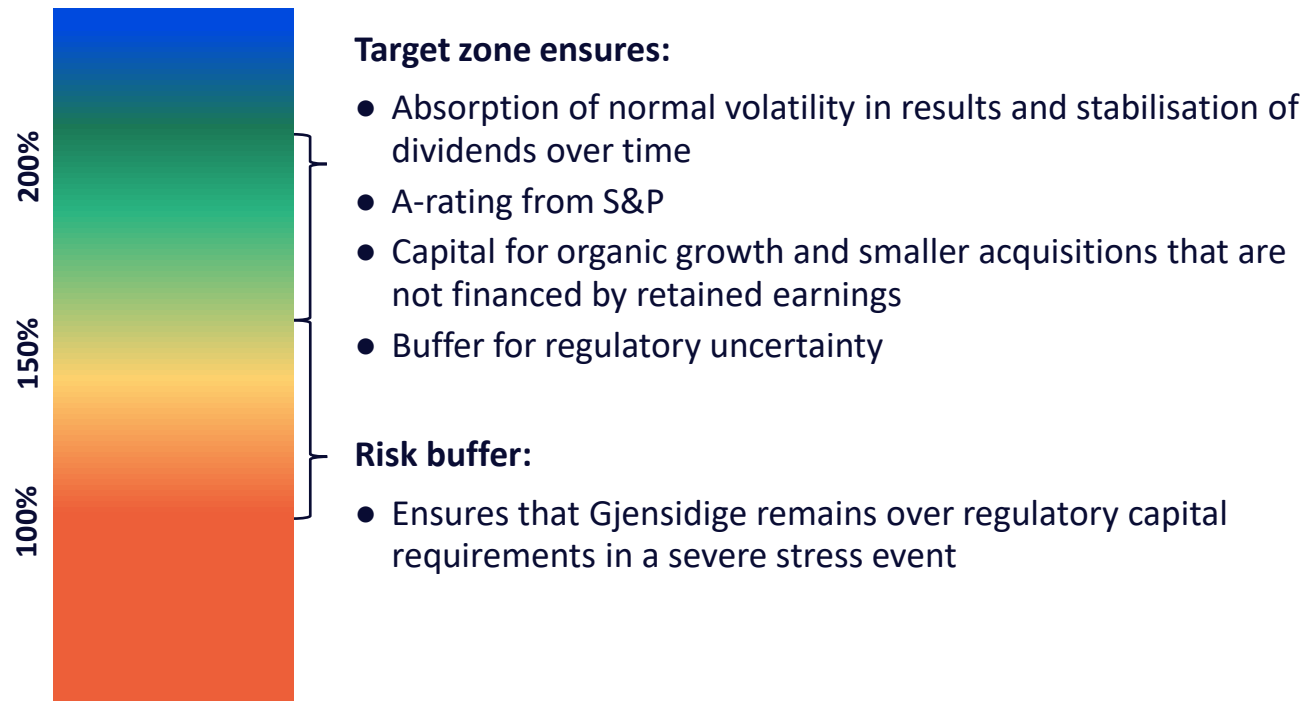
Solvency II sensitivities for the approved partial internal model



Figures as at 30.06.2023. The legal perspective is the regulatory approved version of the partial internal model. UFR-sensitivity is very limited.

Targeting an efficient capital base and an optimal capital structure

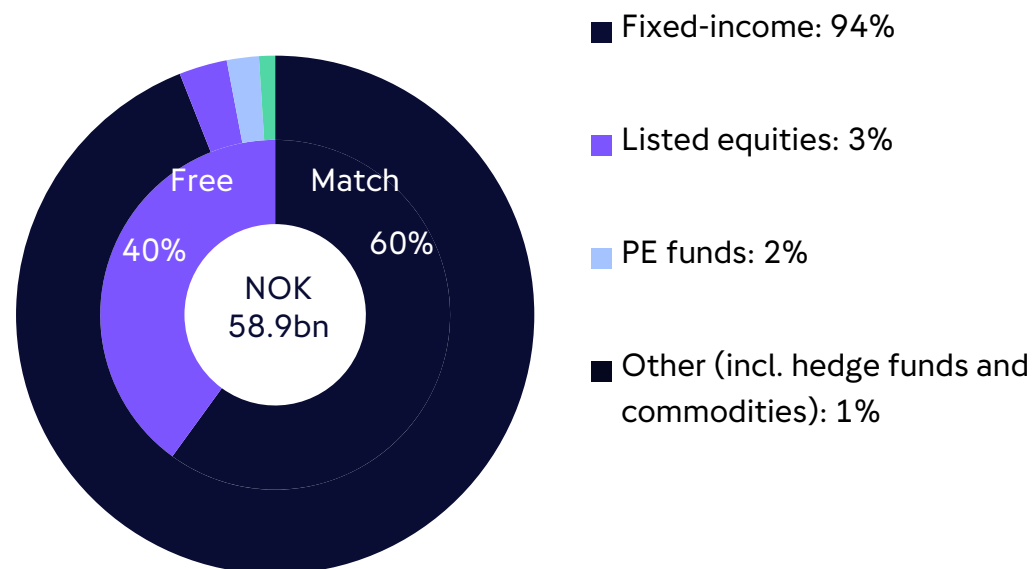
Solvency ratio target 150–200%



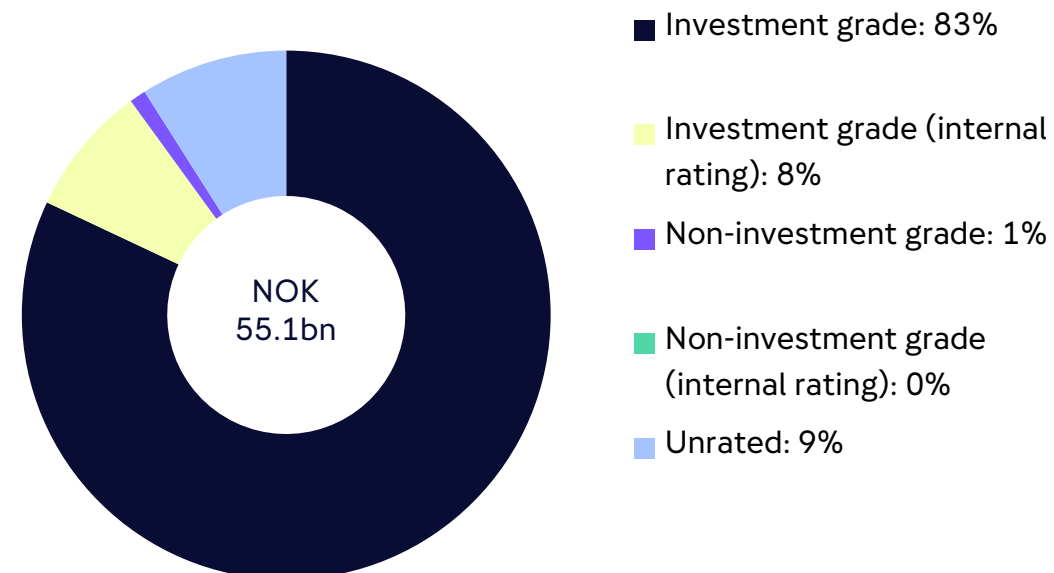


Conservative investment approach

Balanced investment portfolio¹



High credit quality

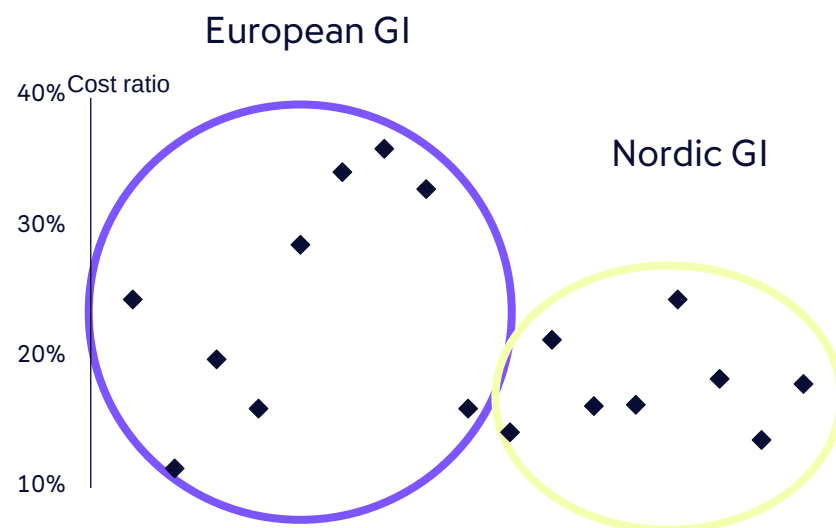


¹⁾ Investment portfolio as at Q2 2023



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

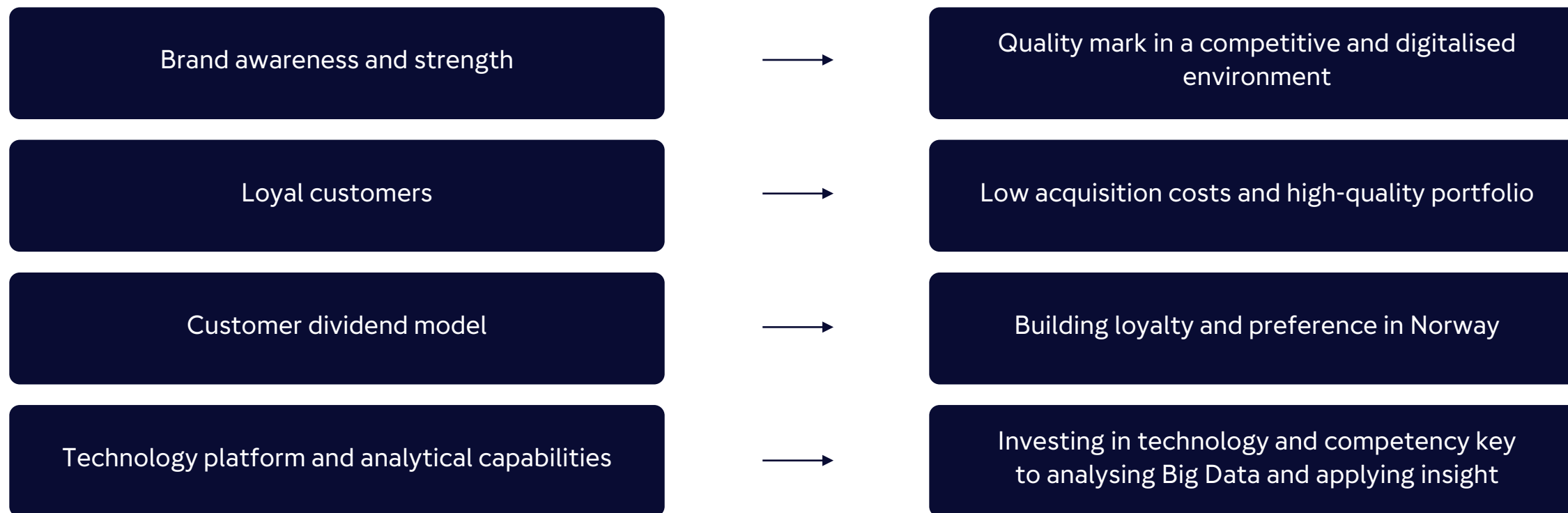
Attract and develop skills

Increase diversification

Be a preferred alliance partner



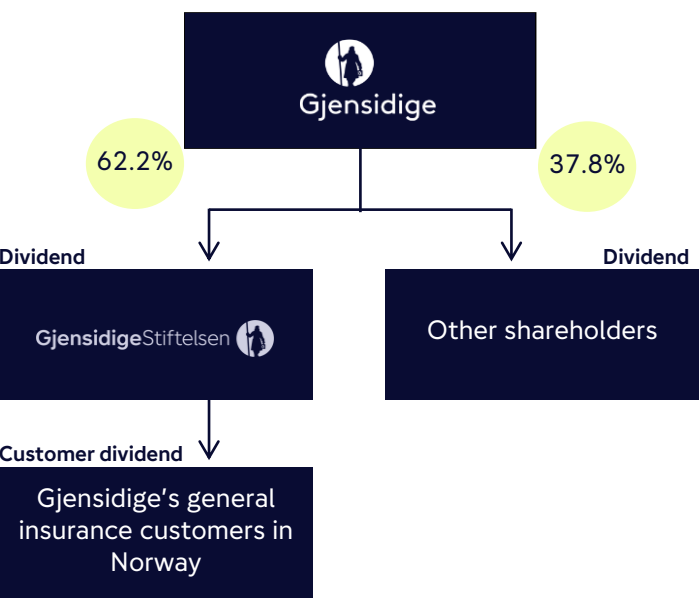
Unique strengths provide competitive advantage





Unique customer dividend model in Norway

Dividend structure



High awareness¹

Customer awareness



Contributes to their loyalty

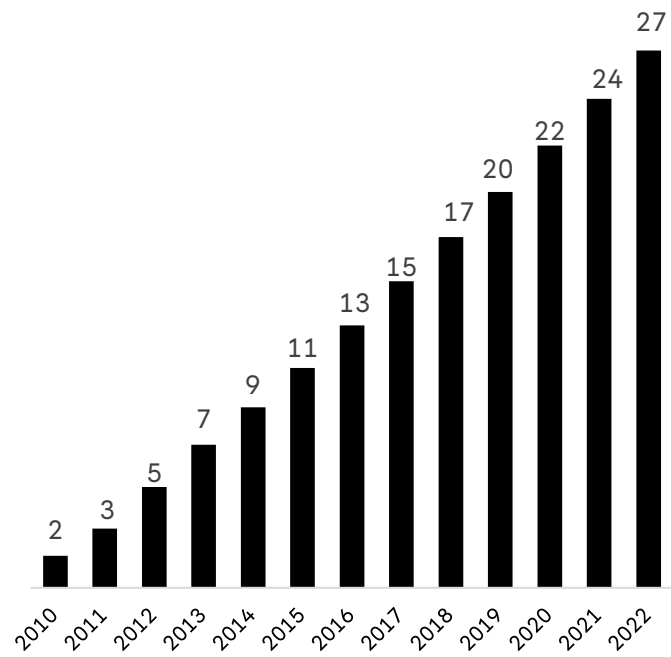


Non-customer awareness



Total accumulated customer dividend since IPO

NOK bn



¹) Survery conducted in 2Q 2023



Hard-to-copy position based on our people and culture

State of the
art distribution
model

Underwriting
excellence

Superior
claims handling

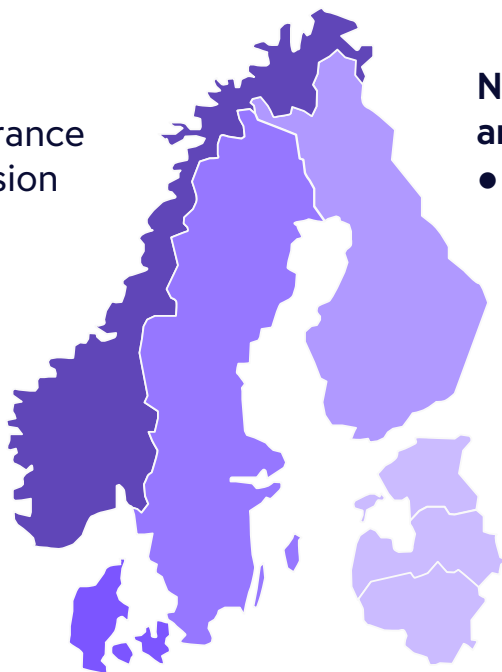


Further profitable growth opportunities

M&A to supplement organic growth

Norway

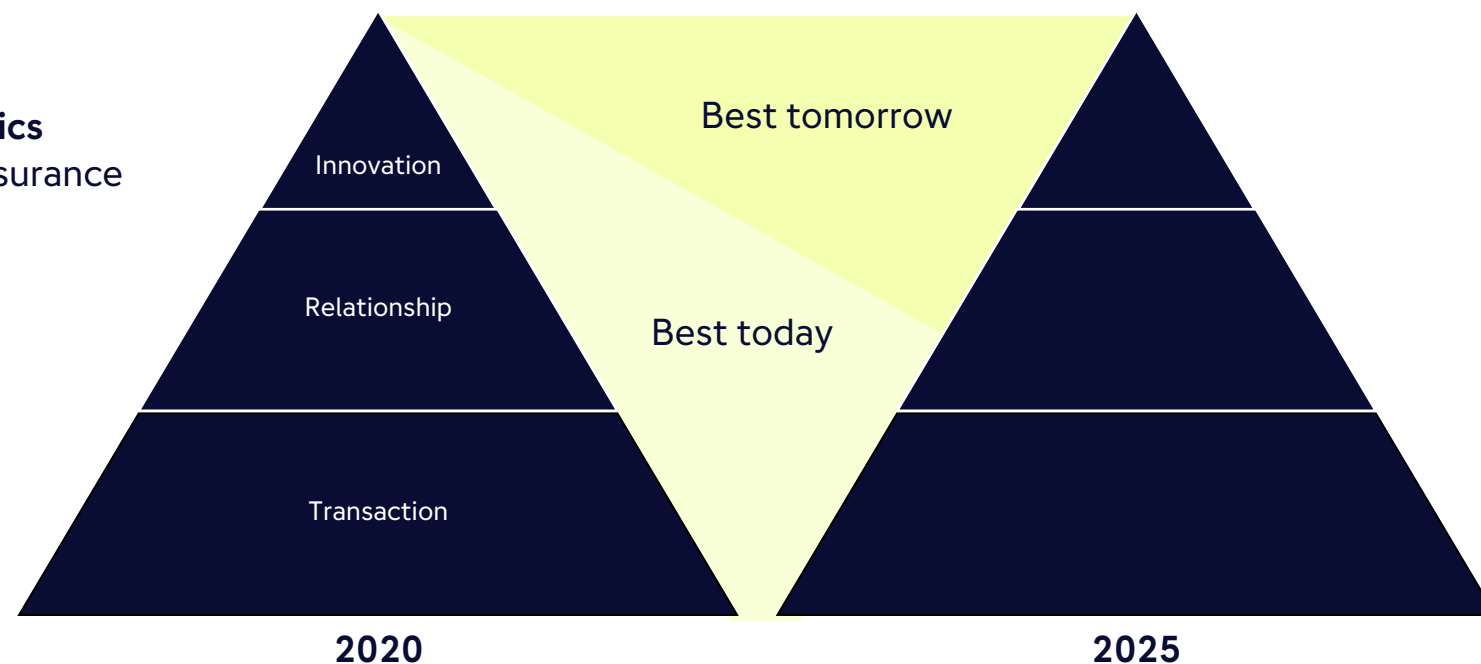
- General insurance
- Life and pension



Nordics and the Baltics

- General insurance

Exploite existing business opportunities and explore new products, services and business models



Seeking even deeper relevance for our customers

Help customers avoid damages and incentivise for sustainable choices

- Become a preferred problem solver and partner in mobility solutions
- Help customers to secure safe and good lives at home
- Help customers to secure pension, lives and good health

Relevant and frequent
customer contact
Access to data



Attract profitable
customers, increase
share of wallet and
maintain retention

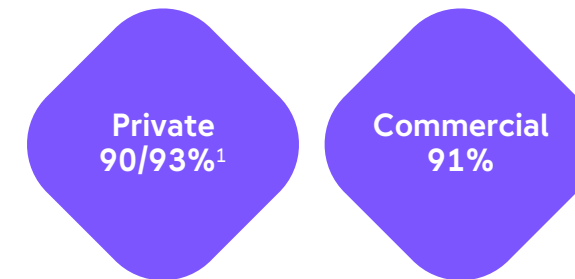




Building on strong competitive position in Norway – implementing further measures to meet claims development

- Good performance in Norway
 - Maintained superior market position
 - Strong growth momentum sustained
 - Strong July first renewals and good sales in the SME sector
- Measures to mitigate increase in claims in Norway
 - Strengthened pricing measures
 - Adjusting terms and conditions
- Improved performance outside Norway
 - Good revenue growth
 - Improved underlying profitability in Sweden and the Baltics
 - Moving forward on new core IT-system in Denmark

Maintaining high retention in Norway



Strengthening Gjensidige's position in Denmark



¹⁾ Retention for the whole portfolio and loyalty/ affinity portfolio respectively. The latter represents 85 per cent of premiums.

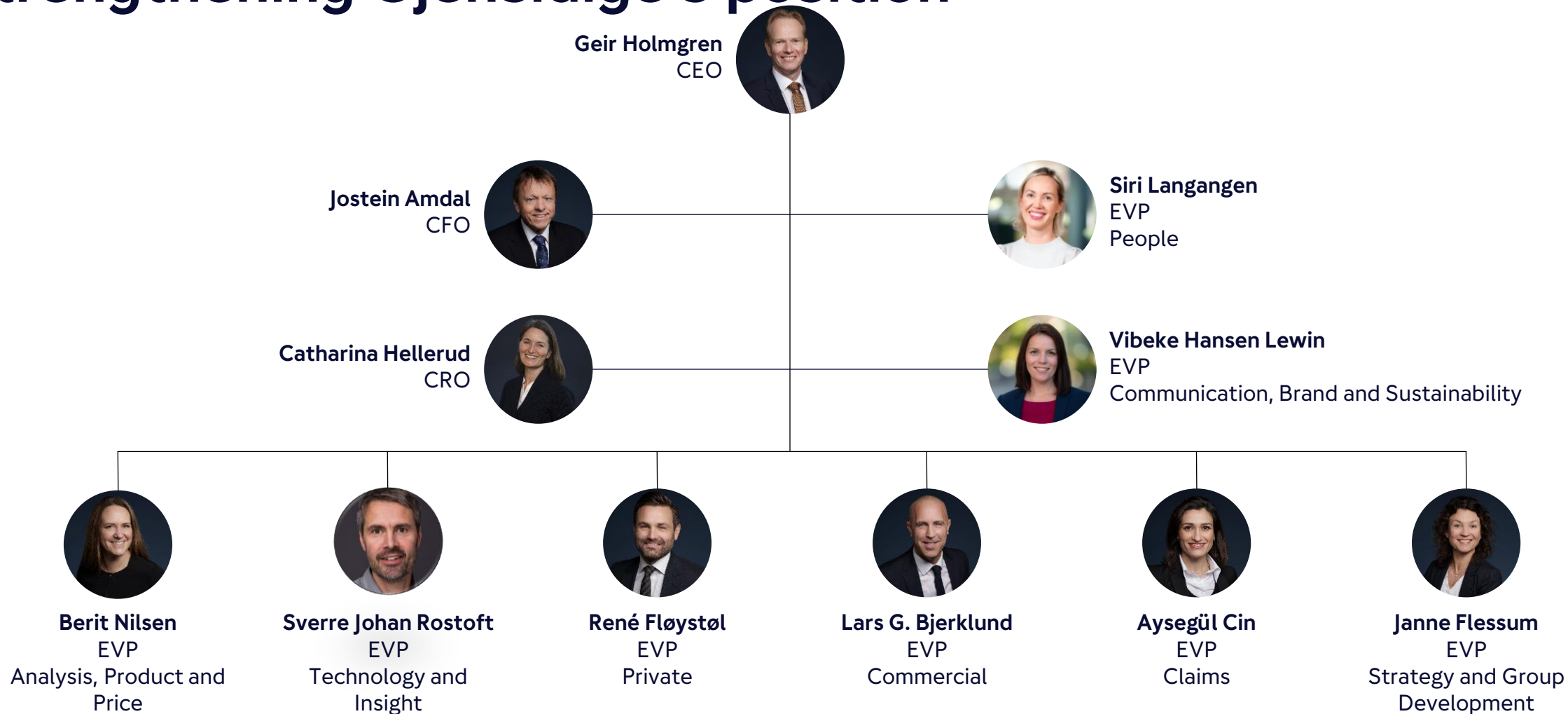


Q2'23 impacted by increase in frequency claims in Norway – targeted measures being implemented

- Increased frequency claims in Norway as reported in Q2'23
 - Mainly motor, but also health and travel insurance
 - Closely monitored and thoroughly analysed
- Targeted measures to mitigate impact on claims are being implemented
 - Strengthened pricing measures
 - Adjusting terms and conditions



Focus on operational excellence and further strengthening Gjensidige's position





Norwegian Natural Perils Pool in brief

Details regarding the pool

- As per 1.1.2023 the premium rate is set to 0.065 per thousand of the fire insurance amount, no change from 2022
- Natural perils damages in Norway:
 - NOK 0-1,500m covered by general insurance companies based on national market share
 - NOK 1,500m-16,000m covered by the Norwegian Natural Perils Pool's reinsurance programme
 - Maximum compensation per event is NOK 16,000m
- No limit for the frequency of events

Objects covered

- Fire insurance coverage for buildings and contents in Norway includes coverage for natural catastrophes
- The pool does not cover loss of profits, motor vehicles, leisure boats, and certain other items, which are covered through ordinary insurances
- For damages on private property that cannot be insured, e.g., roads, bridges, farmland and forests, coverage may be sought through the National Natural Perils Fund



Handling of natural perils claims

Details regarding the pool

- The customers report claims to own insurance company
- The insurance company reports claims on to Finance Norway, which coordinates the Norwegian Natural Perils Pool
- Share of claims is allocated to the companies based on national market share for fire insurance
- Through own accounts, the companies cover the allocated claims costs

Gjensidige specific

- Gjensidige is a reinsurer for the pool, for its own market share
- Natural perils claims are booked in the same month as the claim occurs

25.5%

Gjensidige's
calculated market
share for 2023

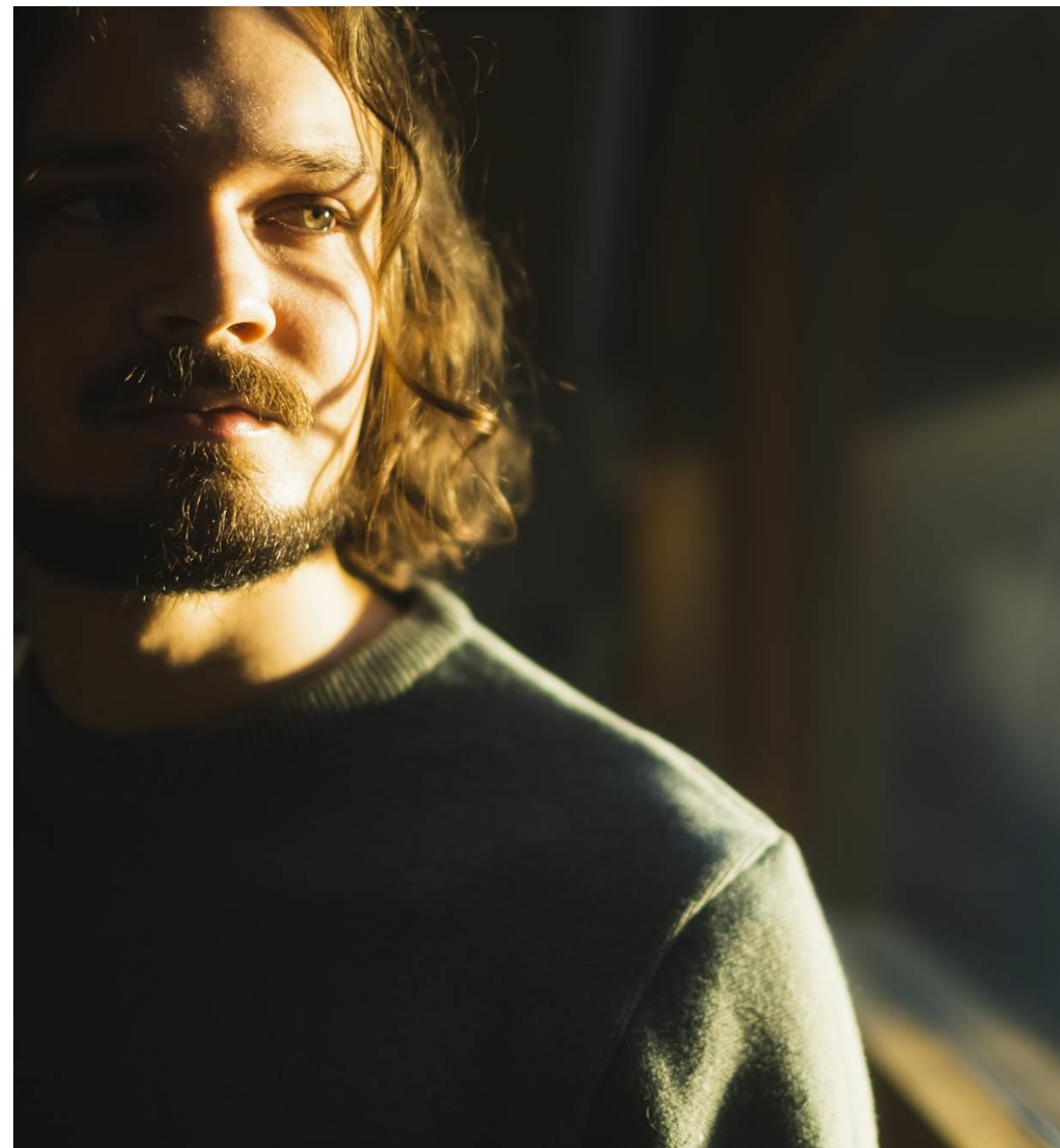
Practical example, natural perils claim in Norway

- A natural perils event covered by the Norwegian Natural Perils Pool occurs and is defined by Finance Norway as a single event. The total industry claim exceeds NOK 1,500m.
- Gjensidige's share of the NOK 1,500 claim is allocated according to share in the pool.
- Gjensidige is in addition allocated its share of the amount exceeding NOK 1,500m, as a reinsurer for the pool.
- Gjensidige receives claims directly, for damages not covered by the pool.
- Gjensidige's total claims related to the natural perils event exceeds Gjensidige's retention level and hits the catastrophe reinsurance programme.
- In general Gjensidige's net impact for this event is NOK 250m.



Reinsurance – overview valid as from 2023

- Reinsurance is purchased for protection of the Group's capital position and is primarily a capital management tool
- General retention level per loss/loss occurrence is NOK 100m (for the first loss the retention is NOK 200m)
- For weather-related events the retention level is NOK 250m
- Maximum retention level for the group per loss/loss occurrence/event across reinsurance programmes is NOK 600m including any reinstatement premium
- Gjensidige considers additional coverage if this is appropriate according to internal modelling and capital requirement





Investment strategy supporting high and stable nominal dividends

Match portfolio

- Duration and currency matching versus technical provisions
- Credit element for increased returns
- Some inflation hedging

Free portfolio

- Focused on absolute returns
- Dynamic risk management
- Active management fixed income and equities
- Normal risk premiums basis for asset allocation and use of capital

Key characteristics

- Limited risk appetite
- Fixed-income:
 - Currency hedging vs NOK ~ 100%
 - Limit +/- 10% per currency
- Equity and PE funds:
 - Currency hedging 0-100%
- Fair value recognition
- Stable performance



Credit and counterparty risk

- The portfolio consists mainly of securities in rated companies with high creditworthiness (Investment grade)
- Issuers with no official rating are mainly Norwegian savings banks, municipalities, credit institutions and power producers and distributors

Total fixed income portfolio

Split – Rating	Match portfolio		Free portfolio	
	NOK bn	%	NOK bn	%
AAA	14.1	39.7	2.5	12.8
AA	3.2	9.1	6.0	30.4
A	8.6	24.2	5.4	27.3
BBB	3.5	9.9	2.2	11.2
BB	0.0	0.0	0.3	1.3
B	0.0	0.0	0.1	0.5
CCC or lower	0.0	0.0	0.0	0.1
Internal rating ¹	2.7	7.6	1.7	8.7
Unrated	3.3	9.3	1.5	7.7
Fixed income portfolio	35.4	100.0	19.7	100.0

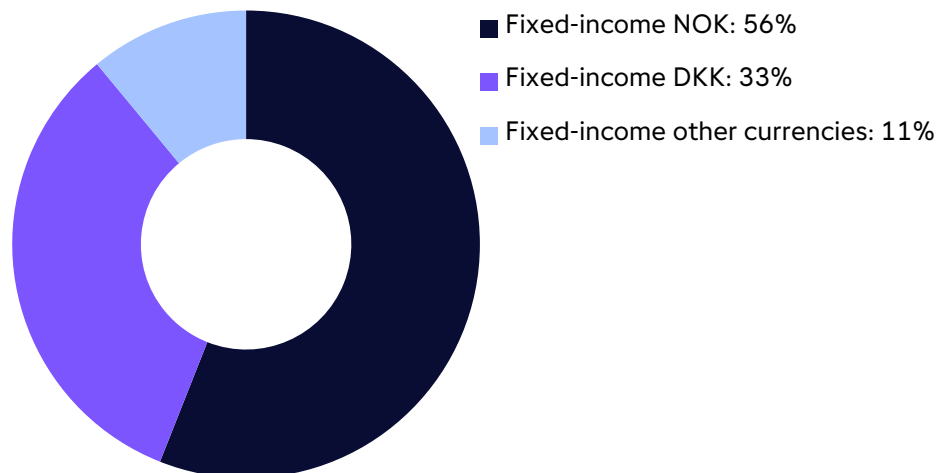
Split – Counterparty	Match portfolio		Free portfolio	
	NOK bn	%	NOK bn	%
Public sector	5.4	15.4	7.4	37.6
Bank/financial institutions	19.7	55.7	8.7	44.1
Corporates	10.2	29.0	3.6	18.4
Total	35.4	100.0	19.7	100.0



Asset allocation – as at 30.06.2023

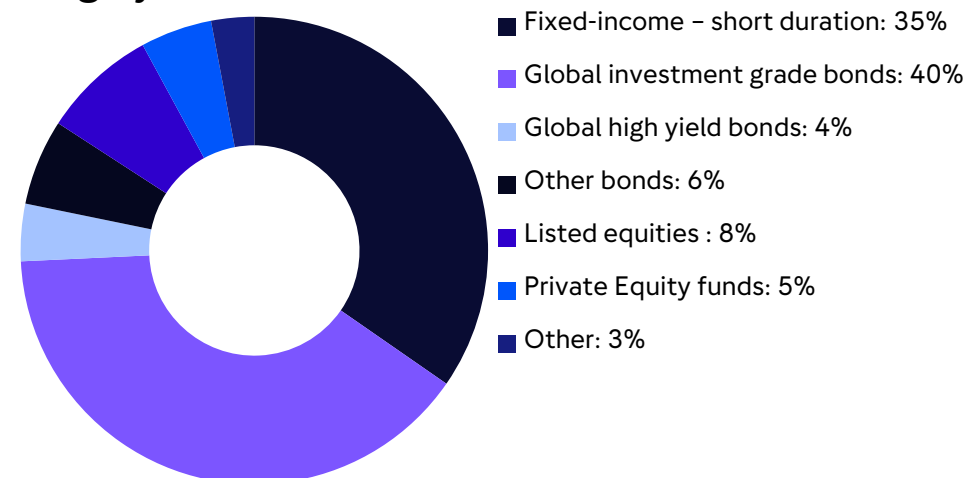
Match portfolio

- NOK 35.4bn
- Average duration: 3.2 years
- Average yield: 4.8%



Free portfolio

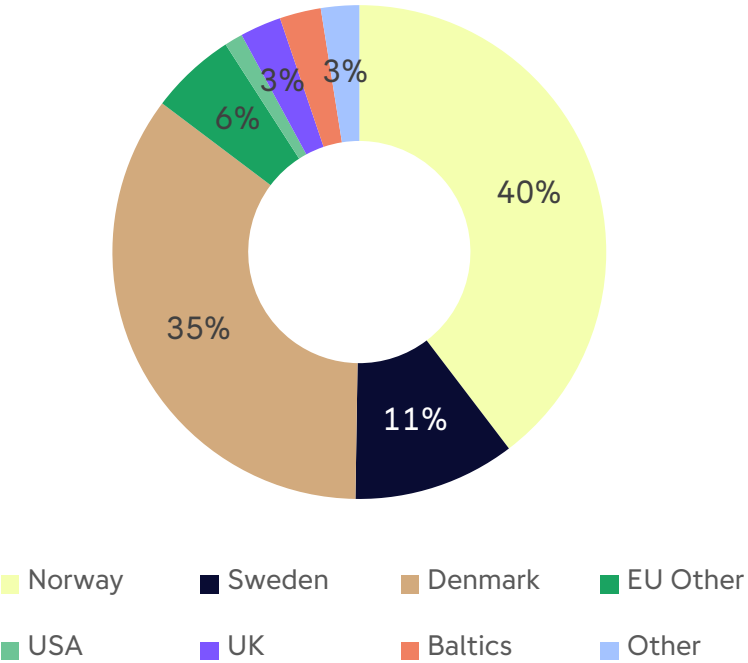
- NOK 23.5bn
- Average duration fixed-income instruments: 3.1 years
- Average yield: 4.0%



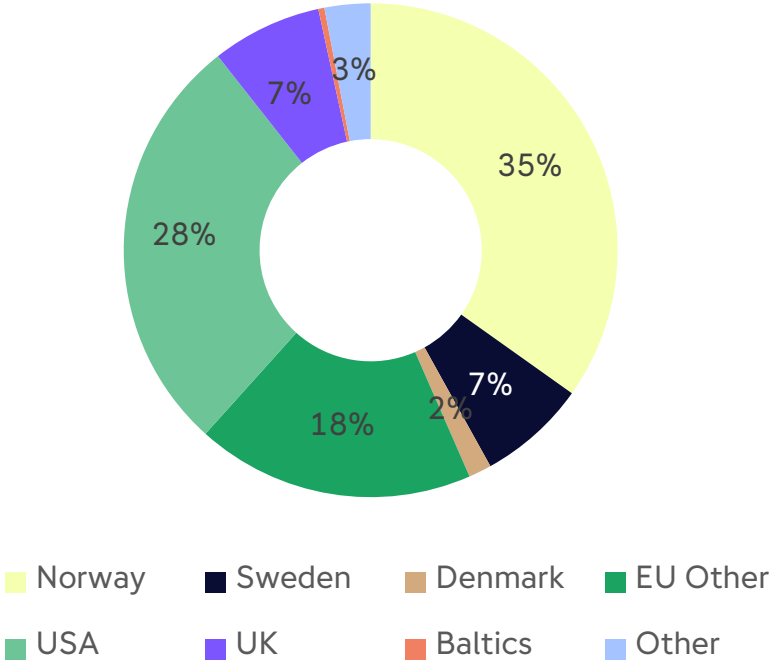


Balanced geographical exposure

Match portfolio



Free portfolio - fixed-income instruments



Figures as at 30.6.23. Geographical distribution relates to issuers and does not reflect actual currency exposure.

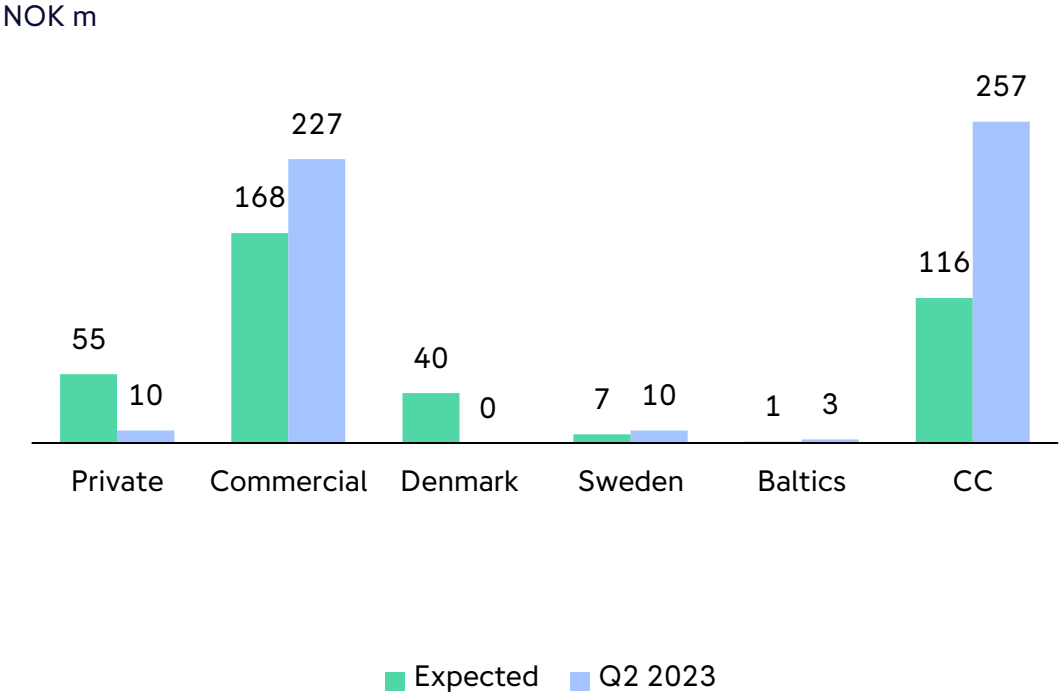


Large losses development

~ NOK 1.6bn in large losses expected annually (before discounting)



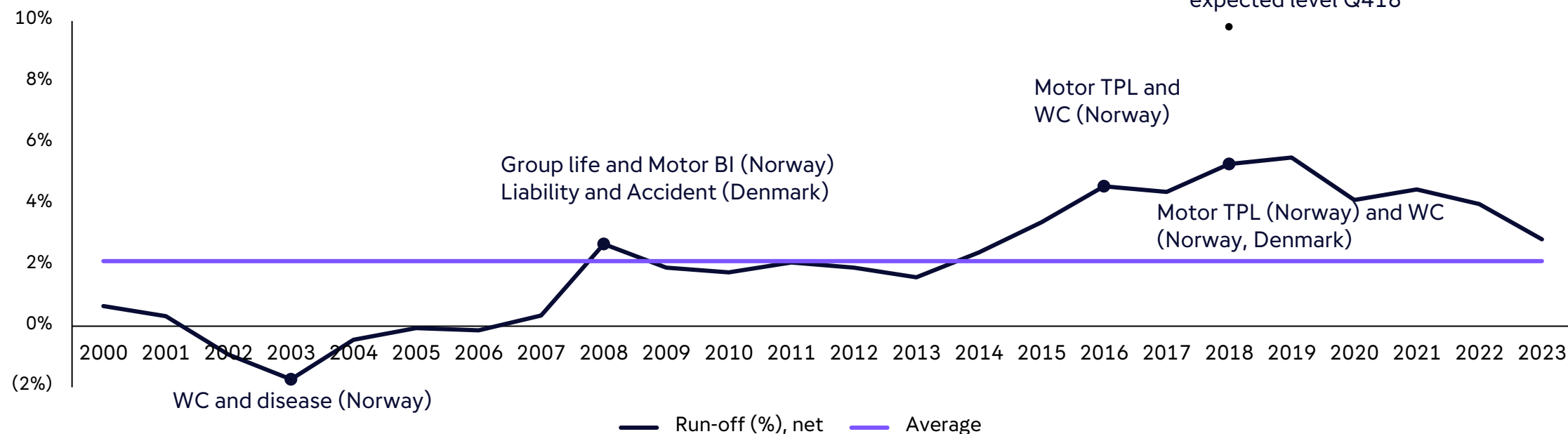
Large losses per segment (before discounting) - actual vs. expected





Run-off development

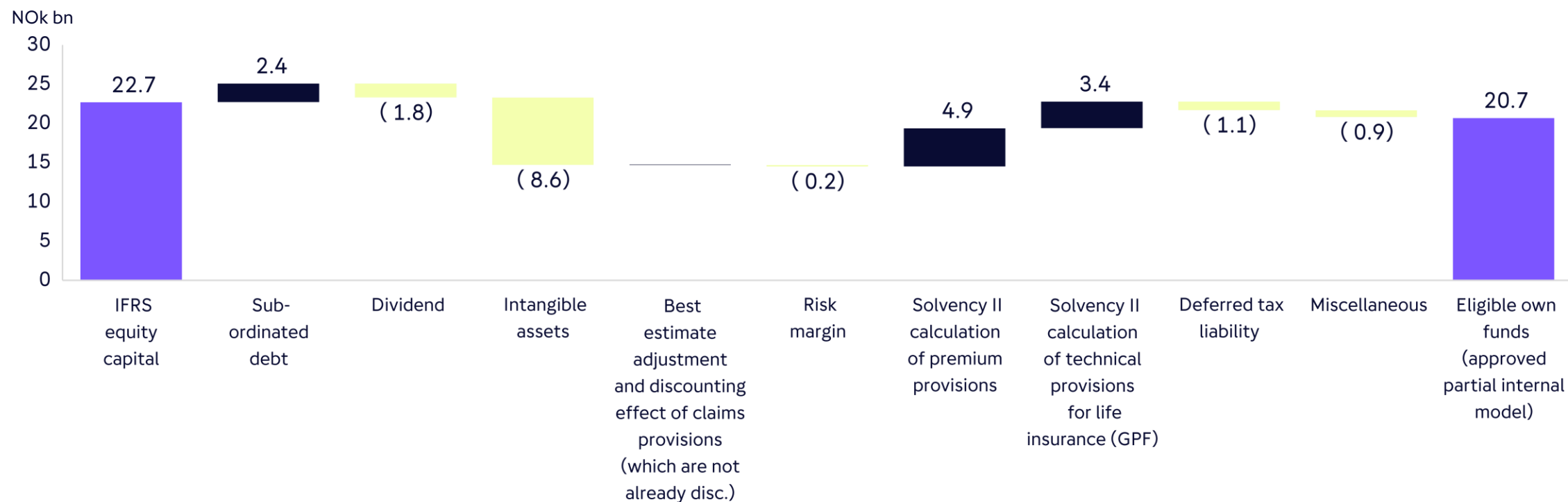
Run-off % of
earned premium





Solvency II eligible own funds

Bridging the gap between IFRS equity and Solvency II capital



Figures as at 30.06.2023. GPF = Gjensidige Pensjonsforsikring AS. Miscellaneous: Main effects are related to the guarantee scheme provision. Assumed dividend of 80% of profit.



Gjensidige continues to work for full approval of own partial internal model (PIM)

NOK bn	Approved PIM (Group) ¹⁾	Own PIM (Group) ²⁾
Eligible own funds	20.7	21.0
Capital charge for non-life and health UW risk	11.0	8.5
Capital charge for life UW risk	1.9	1.9
Capital charge for market risk	5.1	4.5
Capital charge for counterparty risk	0.4	0.4
Diversification	-4.5	-4.4
Basic solvency capital requirement	13.9	10.9
Operational risk	1.1	1.1
Adjustments (loss-absorbing capacity of deferred tax)	-3.5	-2.8
Solvency capital requirement (SCR)	11.5	9.3
Surplus	9.2	11.7
Solvency ratio	180%	226%

Figures as at 30.06.2023.

¹⁾ Most of non-life and health underwriting risk and market risk related to the non-life and health insurance business is internally modelled. The standard formula is used for other risks.

²⁾ Own partial internal model is not validated.

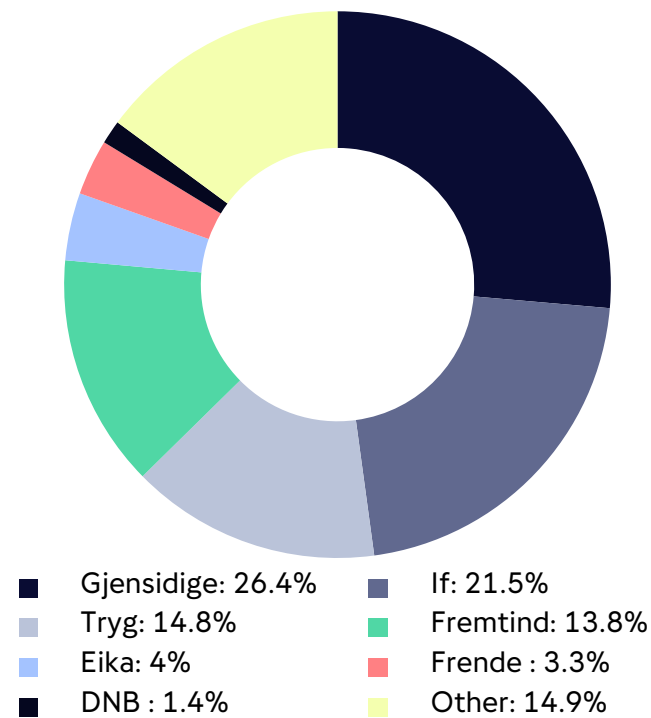
Main differences between approved and own PIM

- Windstorm model: Approved PIM based on standard formula. More validation required for approval.
- Correlation between market risk and underwriting risk: Approved PIM based on standard formula. Own PIM takes account of dependencies between underwriting risk and market risk through common exposure to interest rates, inflation rates and currency rates.
- Prudential margin: Approved PIM includes general prudential margins for both market risk and underwriting risk.

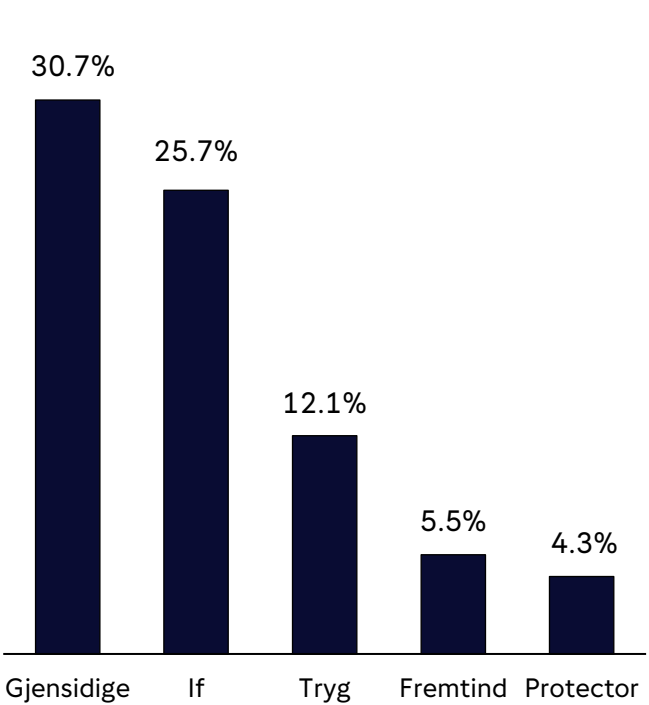


Market leader in Norway

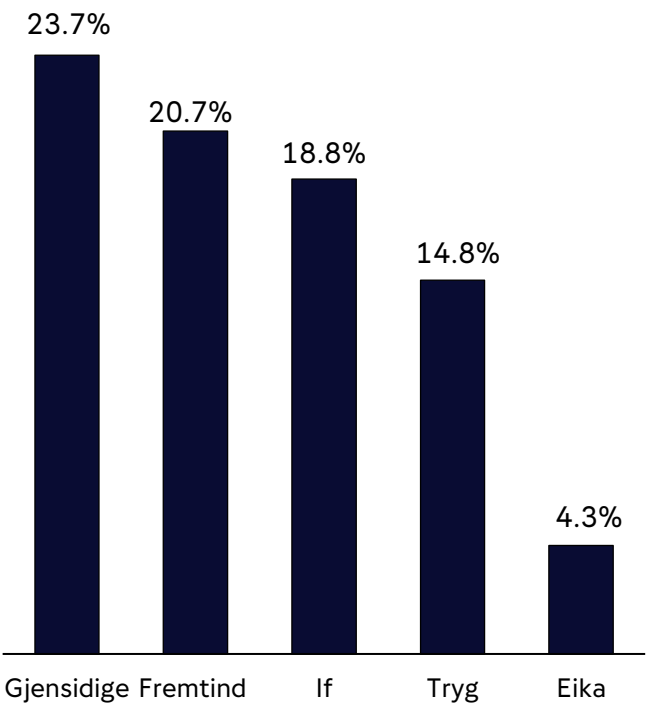
Market share – Total market



Market share – Commercial



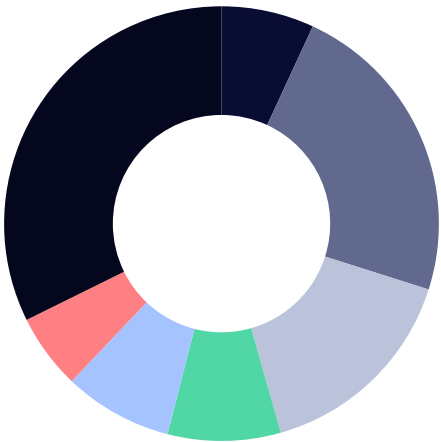
Market share – Private





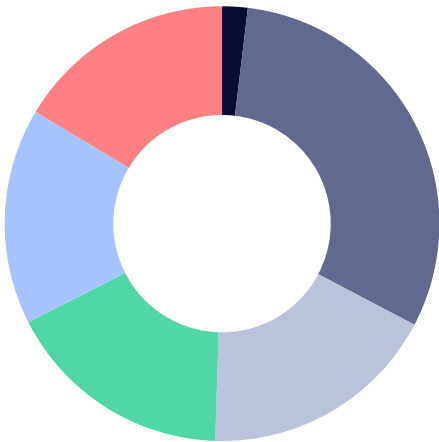
Growth opportunities outside Norway

Market shares Denmark



■ Gjensidige: 6.9%	■ Tryg: 23%
■ Topdanmark: 15.7%	■ Alm.Brand: 8.4%
■ Codan: 8.1%	■ If: 5.6%
■ Other: 32.3%	

Market shares Sweden



■ Gjensidige: 1.9%	■ Lansforsäkringar: 30.8%
■ If: 17.8%	■ Trygg Hansa: 17%
■ Folksam: 16.1%	■ Other: 16.4%

Market shares Baltics



■ Gjensidige: 7.0%	■ Vienna: 26.9%
■ PZU: 24.8%	■ Ergo: 13.0%
■ If: 11.2%	■ Other: 17.1%

Sources: Insurance Sweden, 1st quarter 2023 (Gjensidige including Vardia), The Danish Insurance Association 2nd quarter 2022.
Baltics Insurance Supervisory Authorities of Latvia and Lithuania, Estonia Statistics, competitor reports, and manual calculations, 1st quarter 2023.

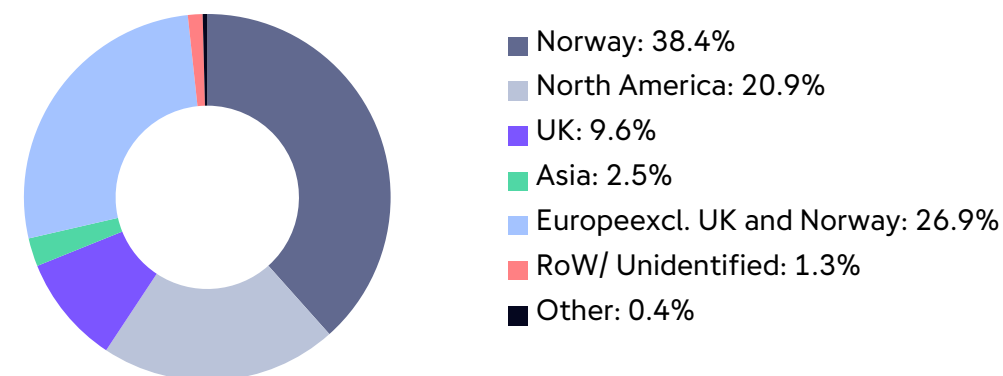


Ownership

10 largest shareholders¹

No	Shareholder	Stake (%)
1	Gjensidigestiftelsen	62.24
2	Folketrygdfondet	4.24
3	BlackRock Inc	3.02
4	Deutsche Bank	3.02
5	Scotia Bank	1.72
6	The Vanguard Group, Inc	1.21
7	Nordea	1.10
8	Storebrand Investments	1.05
9	Svenska Handelsbank Group	1.01
10	Danske Bank	0.99
Total 10 largest		79.60

Geographical distribution of shares²



Gjensidigestiftelsen ownership policy

- Long term target holding: >60%
- Can accept reduced ownership ratio in case of acquisitions and capital issues when in accordance with Gjensidige's overall strategy

¹) Shareholder list based on analysis performed by Orient Capital Ltd of the register of shareholders in the Norwegian Central Securities Depository (VPS) as per 30 June 2023. This analysis provides a survey of the shareholders who are behind the nominee accounts. There is no guarantee that the list is complete.

²) Distribution of shares excluding share held by the Gjensidige Foundation (Gjensidigestiftelsen).



Investor Relations

Mitra Hagen Negård
Head of Investor Relations
Mobile: (+47) 957 93 631
mitra-hagen.negard@gjensidige.no

Marius Michelsen Fjellbo
Investor Relations Officer
Mobile: (+47) 995 67 593
marius-michelsen.fjellbo@gjensidige.no

Address
Schweigaards gate 21,
P.O. Box 700 Sentrum,
NO-0106 OSLO
gjensidige.no/ir