Dear GJF-analyst,

It is time to start preparing for Gjensidige's Q1'23 reporting.

- **Q1'23 reporting date:** 28 April 2023
- **Silent period:** starts on 1 April 2023
- **Availability for responding to questions:** Until 31 March. Please send us an email to schedule a call.

Consensus estimates

As always, we kindly ask you to forward to us your estimates, using the attached template. To be able to return to you and publish a consistent consensus for all lines, we kindly ask you to fill in all open (light blue) cells in the sheet. Please fill inn your estimates according to new reporting standards IFRS 9 and 17. Please note that in order to assist you in the transition of your estimates, we have published preliminary figures for Q1-Q4 2022 stated according to IFRS 9 and 17. The sheet is available here together with the other IFRS 9 and 17 information material.

- **Deadline for submitting your estimates to us:** 12 April 2023
- **Re-distribution of consensus:** We will publish consensus in the morning on 24 April 2023

Some reminders

- **Weather:** Due to seasonality, the winter quarters **Q1** and Q4 normally have higher claims ratios than the summer quarters Q2 and Q3.

  There have been no significant natural perils events so far in the quarter. The storm named Otto which hit Norway in February created most damage in the northern region, while the claims in the south and western regions were limited, as stated in press releases from Gjensidige and the Norwegian Natural Perils Pool here:
  - Presse – Gjensidige
  - Tusen skader etter stormen i Nord-Norge | Naturskade

  The weather conditions in Norway have been difficult so far this quarter with heavy snowfall and variations in temperatures.

  We have published several press releases regarding the difficult driving conditions:
  - Presse – Gjensidige
  - Presse – Gjensidige
  - Presse – Gjensidige
  - Presse – Gjensidige
  - Presse – Gjensidige

  For weather statistics, see the links at the bottom of this page.

- **The proposed regular dividend for 2022** of NOK 8.25 per share will be paid on 31 March, subject to approval by the AGM on 23 March. The ex-date is 24 March.

- Bear in mind our communication on the **release of excess reserves**. According to IFRS 17, it is not possible to retain identified excess reserves on the balance sheet. Our release of excess reserves related to the specific vintages between 2008 and 2014 (appx. BNOK 1 per year) were completed by the end of 2022. These were our planned releases. Going forward we will continue to set reserves according to our best estimate. However, bearing history in mind, we do expect run-off gains and losses also in the future.

- Our general expectation for **normalised large losses**, defined as losses above NOK 10 million, is approximately NOK 388 million per quarter (NOK 1.55 billion per year). Please note that this estimate is a nominal figure. Large losses in our IFRS 17 accounts will appear as discounted figures.

- Regarding **inflation**, we will provide an update at our Q1'23 earnings call, as we have done over the past quarters. These are the key points in our latest communication on the topic as explained at our Q4'22 results presentation on 25 January:

    - Claims inflation so far has been in line with our expectations. And we continue to be able to pass on necessary price increases to stay ahead of the inflation curve. Demand for our products and services remains strong and we expect this to continue, thanks to low risk of a grave recession in our region and resilience in demand for insurance products.
    - Based on our latest analysis, we expect claims inflation for private property in Norway in the 4 to 6 per cent range going forward. For motor in Norway, we still expect claims inflation in the range of 4 to 7 per cent, at the higher end in the short term.
    - For all products, we will continue to put through price increases at least in line with expected claims inflation. And we are confident that we will be able to pass this through.

- Bear in mind that the **Group profit for Q1'22** included a NOK 0.8 billion gain on the sale of Oslo Areal, recorded under Other items.

- **Solvency II (SII) calculations** – a few general reminders

    - Transition to IFRS 9 and 17 will not affect the solvency position

    - The main items that explain changes in eligible own funds from quarter to quarter:
        - Capital generation through SII operating earnings and return on the free portfolio. Usually more or less equivalent to profit after tax based on IFRS accounts. However, differences in valuation of assets and liabilities between IFRS accounts and SII calculations (although less after IFRS 17), mainly related to intangible assets and technical provisions, and the subsequent tax effects realised in the P&L.
        - Subtraction of formulaic dividend (80 per cent of profit after tax – in accordance with our dividend policy). Replaced by actual proposed or declared dividend upon proposal/declaration.
        - Regulatory/model changes, for example approval of internal model changes by the Norwegian FSA.
        - Capital actions such as new loans or M&A-transactions (impact on eligible own funds dependent on intangible assets).

    - The main items that explain **solvency capital requirement** from quarter to quarter:
        - Change is mainly driven by growth. The components are non-life and health UW risk, life UW risk, market risk, counter-party risk, diversification, operational risk, adjustments related to loss-absorbing capacity of deferred tax and regulatory changes.
        - Generally, non-life and health underwriting risks are relatively stable over time increasing with growth in exposure and may change if there are significant changes in product composition.
        - Life underwriting risk primarily reflects lapse risk for unit-linked products. Lapse risk depends on the size of the unit-linked portfolio as it is related to loss of expected future

profit. Risk depends on growth in exposure and capital market developments, impacting assets under management.

- Market risk variations are driven by changes in asset allocation and asset values.
- Counterparty risk is limited as we have limited exposure to counterparties.
- Diversification depends on the development in the risks above.
- Operational risk is calculated as a percentage of the size of the business, and it is expected to increase gradually with growth in business volume.
- Loss-absorbing capacity of deferred tax reduces capital requirement. It represents the tax relief that will occur after a loss. The development is quite stable measured in percentage of the sum of basic capital requirement and operational risk.
- Regulatory changes and management actions such as changing reinsurance program, issuing new loans or M&A-transactions may affect own funds and capital requirement from time to time.

General information

- For information on asset classes and relevant benchmarks for our investment portfolio, please see slide no. 34 in our Q4’22 interim presentation: https://www.gjensidige.no/group/investor-relations/reports. Note! As explained earlier, bonds at amortised cost in the Match portfolio will be recorded at fair value from 1.1.23, due to IFRS 9.

- Weather is one of the most important indicators for understanding the seasonality in our UW-results. Below are misc. sources for weather data and information in Norway. Bear in mind the complexity of several factors including duration and levels of precipitation, intra-quarter temperature variations, wind, geographical variations etc.
  - https://www.met.no/en and https://www.met.no/publikasjoner/met-info
  - www.varsom.no/en
  - https://www.senorge.no/map

- Press releases from Finance Norway can be found here (in Norwegian only): https://www.finansnorge.no/aktuelt/nyheter/