Solvency Financial Condition Report (SFCR) for 2024

ERGO Forsikring AS

Content

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Summary

On September 21, 2023, the parent companies Storebrand ASA and ERGO International AG (ERGO) announced that ERGO International AG would acquire Storebrand ASA's 50% ownership stake and will thereafter own the company 100%. On April 1, 2024, the sale was approved by the Financial Supervisory Authority of Norway. Storebrand and ERGO have successfully developed the company together for many years. After a strategic review, it was concluded that it is in the company's best interest to have a single owner going forward. Storebrand will continue to distribute the company's products in the Norwegian and Swedish markets. On September 24, 2024, the company changed its name from Storebrand Helseforsikring AS to ERGO Forsikring AS (ERGO Forsikring).

ERGO Forsikring offers treatment insurance in the corporate and private markets in Norway and Sweden.
Total gross earned premium income amounts to NOK 1 387 million and total gross incurred claims amount to NOK 1 017 million for 2024. Total investment income was NOK 50 million in 2024.

Under Solvency II, all assets and liabilities must be assessed at market value. This is summarized in Table 1. The total value of the assets is NOK 1 005 million, while the total value of the liabilities is NOK 591 million. ERGO Forsikring thus has assets that are NOK 414 million more worth than the obligation they are supposed to cover. It is assumed that company will pay any dividend for 2024.

TABLE 1 SOLVENCY II BALANCE SHEET FOR ERGO FORSIKRING AS

(NOK million) Possessions	31.12.2024	31.12.2023	Obligations	31.12.2024	31.12.2023
Financial assets	975	857	Insurance technical obligations	306	360
Other assets	30	28	Other obligations	108	68
Total assets	1 005	885	Total liabilities	414	428
			Net assets	591	457

The principles of valuation, and the difference between the valuation in the solvency accounts and the financial accounts, are described in more detail in Chapter D. A fundamental difference from financial accounting is that the valuation of the insurance liability takes into account the prevailing interest rate.

Solvency II sets requirements for the minimum solvency capital. This is called a "solvency capital requirement" and is estimated to total NOK 227 million. See Table 2. The size of the solvency capital requirement is intended to ensure that it is 99.5% certain that you as a customer will receive the insurance settlement or pension payment to which they are entitled.

There are capital requirements for all significant risks that ERGO Forsikring AS has. Before diversification 77% the solvency capital requirement is related to health insurance risk. Additionally, 9% of the solvency capital requirement before diversification is related to financial market developments different from what is expected. ERGO Forsikring also has operational risk, and risk associated with counterparties not paying their debts. The overall requirement is reduced by diversification, where it is assumed that not all risks are realized simultaneously. There is also an effect of the fact that deductible losses can reduce tax the following year.

When the solvency capital of NOK 572 million is set in relation to the solvency capital requirement of NOK 227 million, ERGO Forsikring will have a solvency margin of 252%. The regulatory requirement is that the solvency margin shall be at least 100% in a normal situation. ERGO Forsikring has established a target for the solvency margin to be 140%.

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TABLE 2 SOLVENCY CAPITAL REQUIREMENTS

(NOK million)	31.12.2024	31.12.2023
Health insurance risk	251	200
Financial market risk	29	18
Counterparty risk	4	1
Diversification	-23	-14
Operational risk	42	37
Loss-absorbing tax effect	-76	-61
Total capital requirements	227	182

TABLE 3 SOLVENCY POSITION

(NOK million)	31.12.2024	31.12.2023
Solvency capital	572	456
Solvency capital requirements	227	182
Solvency margin	252%	251%

The Solvency II regulations contain transitional rules, but ERGO Forsikring does not apply any of these.

The company has carried out a self-assessment of risk and solvency (ORSA, see also section B.3). Based on ORSA, the company's Board of Directors concludes that the current solvency position is satisfactory and that it is also satisfactory from a forward-looking perspective covering the planning period 2025-2029.

A. Business and Results

A.1 BUSINESS

ERGO Forsikring AS is a fully owned subsidiary of ERGO International AG and is headquartered in Lysaker in Bærum municipality. ERGO Forsikring is subject to supervision by the Financial Supervisory Authority of Norway[1]. ERGO Forsikring 's accounts are audited by Revisorkonsult AS[2].

ERGO Forsikring's strategy is to deliver profitable growth.

A.2 INSURANCE PROFIT

The results in this chapter correspond with technical accounting in the financial reporting for ERGO Forsikring, cf. Note 12 in Annual Report 2024. Amounts in parentheses show 2023 figures.

For 2024, total overdue premiums amounted to NOK 1 449 million (NOK 1 284 million). ERGO Forsikring only offers products within the health insurance segment. Total compensation payments were NOK 931 million (NOK 1 004 million) and costs amounted to NOK 328 million (NOK 322 million). For a detailed overview of developments in compensation payments in recent years, please refer to ERGO Forsikring's annual report, note 5.

TABLE 4 PREMIUMS, INSURANCE PAYMENTS AND COSTS BY SEGMENT

(NOK million)	Health insurance	Total non-life insurance 2024	Total non-life insurance 2023
Gross overdue prizes	1 449	1 449	1 284
Reinsured share	3	3	3
Net overdue prizes	1 446	1 446	1 281
Gross earned premiums	1 387	1 387	1 220
Reinsured share	3	3	3
Net Earned Prizes	1 383	1 383	1 217
Gross insurance payments	931	931	1 004
Reinsured share	4	4	4
Net insurance payments	927	927	1 000
Costs	328	328	322

In the appendix to this report there is a table that provides more detailed information on how insurance payments have accrued over time for the last 15 years (S.19.01.21).

Geographical distribution of premiums, insurance payments and costs

Table 5 shows the geographical distribution of premiums, insurance payments and costs.

[1] Finanstilsynet: Revierstredet 3, 0151 Oslo; P.O. Box 1187 Sentrum, 0107 Oslo; Telephone: 22 93 98 00
[2] Revisorkonsult: Parkveien 1, 2500 Tynset; Telephone: 909 30 488

TABLE 5 PREMIUMS, INSURANCE PAYMENTS AND COSTS PER COUNTRY

(NOK million)	Home state (Norway)	Sweden	Sum
Gross overdue prizes	632	817	1 449
Gross earned premiums	627	760	1 387
Gross insurance payments	452	479	931
Costs	120	208	328

There is no material changes in geographical distribution compared to 2023.

Forecast 2025 to 2029

ERGO Forsikring has prepared a financial plan for the period 2025 to 2029. It is assumed that the earned premium will increase by 48% from NOK 1 663 million by the end of 2025 to NOK 2 468 million by the end of 2029, while the combined ratio is expected to increase over the same period to a level around from 81% to 91%.

A.3 INVESTMENT PERFORMANCE

Income from investments is presented in Note 17, Net income for different classes of financial instruments, in the annual report for ERGO Forsikring.

For 2024, ERGO Forsikring realized revenues on investments of NOK 49.5 million. Of this, NOK 51.6 million was interest income, NOK 4.9 million in increased capital gains on the sale of securities and NOK 7.0 million in unrealized losses.

TABLE 6 INCOME AND CAPITAL GAINS RELATED TO INVESTMENTS BY ASSET CLASS

(NOK million)	Interest income	Net capital gains	Change unrealized gains and losses
Fund	51.6	2.7	-5.4
Bank deposits			
Swaps			
Forwards		2.2	-1.7
Total	51.6	4.9	-7.0

ERGO Forsikring has not recorded investment income or costs directly against equity.

A.4 RESULTS FROM OTHER ACTIVITIES

ERGO Forsikring is financed through equity. ERGO Forsikring has little revenue or costs that are not related to its insurance activities and investments.

A.5 OTHER INFORMATION

The business and results for 2024 are described in detail in Årsapport 2024 for ERGO Forsikring AS.

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B. Risk Management and Internal Control System

B.1 GENERAL INFORMATION ON THE SYSTEM FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors and the Subcommittee of the Board of Directors

The board of ERGO Forsikring consists of four members, one of whom is elected by the employees.

The board is responsible for ensuring that the company is properly organized, that risk limits, strategy, plans and budgets are established for the business, and for ensuring that operations, accounts and asset management are subject to adequate control, including that the company is run in accordance with legislation (the board's fiduciary responsibility). The board shall also supervise the day-to-day management and the company's activities in general (the board's supervisory responsibility). The Board has three sub-committees: the "Audit Committee", the “Remuneration Committee” and the "Risk Committee".

The audit committee assists the board by reviewing, assessing and, if relevant, proposing measures in relation to the company's control environment, financial and operational reporting, risk management and internal control, as well as external and internal auditing. The committee assists the board in the preparation of cases, but decisions are made by the entire board.

The remuneration committee shall advise the Board of Directors on all matters relating to the company’s remuneration to the CEO.

The risk committee defines the strategy and risk tolerance for the Company in compliance with the ERGO Group guidelines, strategy and risk tolerance, and the relevant directives as part of strategic and operational planning. The strategy and risk tolerance is communicated to the operational units via guidelines, business plans, directives (in particular underwriting guidelines, claims handling guidelines and binding work instructions), mandates and limit systems.

Daily management

The CEO is responsible for the day-to-day management of ERGO Forsikring's operations and must comply with the guidelines and instructions issued by the Board. The chief executive reports to the company's board of directors. The chief executive's responsibilities and tasks are set out in instructions adopted by the board.

Independent control functions

The Board of ERGO Forsikring has established independent control functions in accordance with relevant legal requirements (risk management function, compliance function (which also acts as data protection officer), actuarial function, internal audit). The organization and responsibilities of independent control functions are described in more detail in chapters B.3-B-6.

Remuneration

ERGO Forsikring shall have competitive and stimulating remuneration principles that contribute to attracting, developing and retaining highly qualified employees.

The Company provides and pays for ordinary collective pension insurance for all employees, effective from the date of employment and in accordance with the pension agreement in force from time to time. The company offers defined contribution pension schemes for all employees.

The CEO of ERGO Forsikring is entitled to 6 months' severance pay.

Further details on remuneration, including the level of remuneration received for the board and executive management, can be found in Annual Report 2024 for ERGO Forsikring.

Transactions with related parties

ERGO Forsikring has transactions with other companies in the ERGO Group, senior executives and shareholders in these groups. These are transactions that are part of the products and services offered by the company. The transactions are entered into on market terms and include general reinsurance, actuarial consultancy, and IT-services.

Further details are provided in Annual Report 2024 for ERGO Forsikring.

B.2 SUITABILITY REQUIREMENTS

The Board of ERGO Forsikring has established processes to ensure that the company's Board of Directors, the Chief Executive/Executive Officer/Executive Management, as well as managers of independent control functions/key functions (risk management, compliance, actuary, internal audit), satisfy suitability requirements. Persons holding management or key functions shall have sufficient qualifications for the responsibilities and duties assigned to the respective roles, sufficient experience and education required to perform the role, as well as conduct and integrity that meet the requirements of honorable conduct and suitability. The board as a whole shall have a satisfactory breadth of qualifications, experience and knowledge related to the nature of the business.

Work on the implementation and documentation of the suitability assessment is carried out in connection with board elections, annual board evaluations, recruitment, including background checks, annual succession planning and succession processes, as well as employee follow-ups.

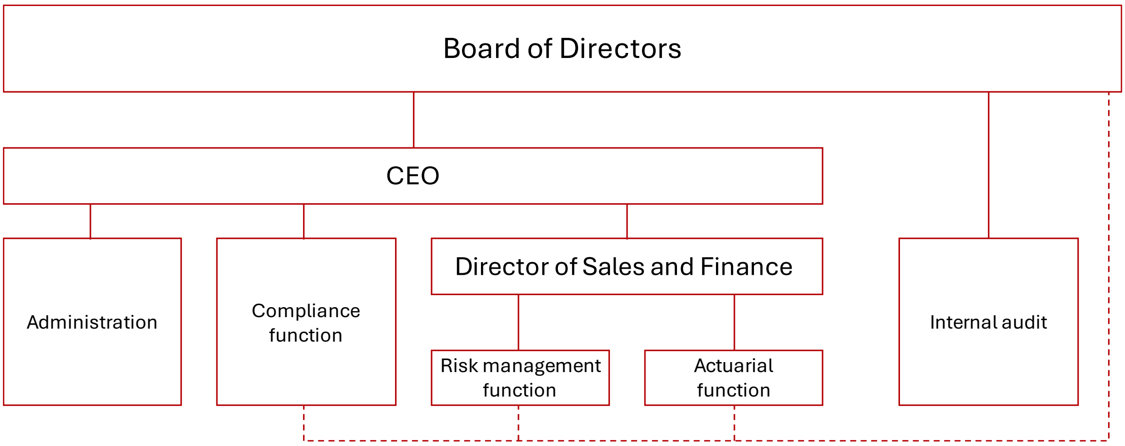
The Company shall ensure that management and key functions covered by this Code but handled by an external service provider shall be assessed in the same way as a corresponding role in its own company. At ERGO Forsikring, Internal Audit has been outsourced to KPMG Norway, the risk management function of Aksio Actuarial Intelligence and the actuarial function to ERGO Group.

The suitability assessment is carried out at least annually or in the event of significant strategic or organisational changes, by change or other change of management or key function and when outsourcing the management or key function. Finanstilsynet is continuously informed of which persons are covered by the suitability assessment.

B.3 THE RISK MANAGEMENT SYSTEM, INCLUDING SELF-ASSESSMENT OF RISK AND SOLVENCY

The risk management system

The company's organization of risk management follows a model based on 3 lines of defense[3].



The Board of Directors of ERGO Forsikring has the overall responsibility for limiting and following up the company's risks. The board annually establishes limits and guidelines for the company's risk-taking, receives reports on the actual risk level and conducts at least an annual forward-looking review of the risk situation.

As the first line, management has overall responsibility for the company's risk management. Company management, risk owners, shall support the CEO in his efforts to ensure his overall responsibility for all risks taken in ERGO Forsikring in a satisfactory manner. The chief executive is responsible for ensuring that risk management within his or her own company functions, including the establishment of independent control functions, and for ensuring that risk-taking is within regulatory requirements and board-established limits.

[3] The Three Lines of Defense Model (FERMA ECIIA Guidance on the 8th EU Company Law Directive, art. 41)

Managers at all levels of the business are responsible for risk management within their own area of responsibility. All employees must be aware that awareness of risks and risk management are important elements of the Group's culture.

Independent control functions (second line of defense) have been established for risk management (Chief risk officer), for compliance (Compliance function) and for actuarial tasks (Actuarial function). The independent control function of risk management and actuarial task are directly subordinate to the CFO of ERGO Forsikring, while the compliance function subordinated to the CEO. All the functions have independent reporting to the board. The responsibilities of the functions are described in instructions issued by the Board.

The mission of Chief risk officer is to ensure that all significant risks are identified, measured and appropriately reported. The function is actively involved in the development of ERGO Forsikring's risk appetite and risk strategy and shall have a holistic view of the company's risk exposure. This includes responsibility for ensuring compliance with relevant regulation for risk management and the company's operations.

Internal Audit (third line of defense) is directly subordinate to the Board of Directors and shall provide confirmation of the appropriateness and effectiveness of the enterprise's risk management, including the functioning of the control functions.

The risk management process

The risk management process includes identifying, measuring, setting, managing, monitoring, reporting, documenting and communicating risk.

Through the risk identification process, the business shall ensure that all significant risks are known. A risk universe has been established that groups the risks into appropriate risk categories. This ensures a common, holistic risk language. The starting point is the risk universe on which the Solvency II framework is based.

The total risk is measured in terms of capital requirements according to the standard model in Solvency II. The risk is also quantified using stress tests and scenario analyses. All risks have a risk owner. For the individual risks, the risk owner is responsible for measuring the risk, including the use of relevant stress tests and scenarios. The measurement shall enable the board to follow up objectives and limits defined in risk appetite and/or risk strategies.

Risk appetite is the overall level of risk and the types of risk ERGO Forsikring accepts to take to achieve its business goals.

The individual manager at all levels of the business is responsible for risk management within his or her own area of responsibility. Risk management shall ensure that the risk level is at all times compatible with risk appetite and within internal and regulatory frameworks. If the risk deviates from targets or breaches limits, the risk owner shall immediately ensure that necessary measures are implemented.

Risk owners continuously monitor developments in risk exposure and shall have reporting procedures in place to ensure that information about significant risks is analysed and communicated. At a general level, the board receives risk reporting through information about the business in board meetings and in the form of a quarterly activity report. Routines and systems have been established to enable all employees to report systematically and quickly to management if nonconformities, new risks are discovered or established control measures do not function.

Risk management is an integral part of the business and should support business decisions. The Board of Directors and management take relevant risk information into account in all decision-making processes.

Self-assessment of risk and solvency (ORSA)

The Board conducts a self-assessment of risk and solvency (ORSA) at least annually. The board is responsible for the ORSA process and adopts an ORSA document for ERGO Forsikring that is sent to the Financial Supervisory Authority of Norway.

The ORSA process shall give the board an overall picture of the risks to which the business is, or may be, exposed. All risks of material importance are included in ORSA and in the calculation of the solvency capital requirement. The board shall understand and assess how these risks can be met by holding capital or through risk-reducing measures. In addition to covering the current situation, the assessment shall be forward-looking with a time perspective at least equal to the company's planning horizon.

Based on the knowledge provided by ORSA, the Board of Directors shall approve the capital plan and assess the current financial plan. ORSA shall be based on the current plan and strategy, but the result of ORSA may provide a basis for reassessing elements of the plan and strategy. Significant commercial decisions shall be considered in the light of ORSA and, if necessary, a new ORSA process shall be implemented, in whole or in part.

Risk-taking shall be seen in the context of available risk capital and the board's attitude to risk appetite. Important guidelines are:

#	Statement
1	ERGO Forsikring will only take new or increase risk when it contributes positively to the company's net present value.
2	ERGO Forsikring's overall risk level shall be within the risk capacity defined by regulatory requirements and minimum requirements from customers and lenders.
3	ERGO Forsikring wants to increase insurance risk through growth.
4	ERGO Forsikring wants to keep the company's financial market risk low.
5	ERGO Forsikring shall not accept operational risks where quality deficiencies or errors entail a risk of the licence being withdrawn. ERGO Forsikring shall have little tolerance for operational risks where quality deficiencies or errors may result in low customer satisfaction or significant loss of reputation.

The Board's assessment is that the direction of risk-taking is consistent with the priorities set out in risk appetite.

ERGO Forsikring has a solvency margin floor of 140 per cent.

Assessment of the system for risk management and internal control
The Board of Directors, at least annually as part of the ORSA process, carries out an assessment of the system for risk management and internal control. The Board is of the opinion that the organisation is appropriate with regard to the nature, extent and complexity of the risks associated with ERGO Forsikring's activities.

B.4 INTERNAL CONTROL SYSTEM

The foundation for good risk management and internal control is a good control environment represented by the attitudes of the board, management and employees, integrity, values and ethics, as well as the formal and operational organisation of the business.

The term "internal control" encompasses everything the company does to achieve set goals and limit undesirable incidents so that value is safeguarded and created for customers, owners, employees and society at large. In other words, internal control entails more than mere control measures. This includes ensuring targeted and cost-effective operations, reliable reporting and compliance with external and internal regulations. Internal control is a continuous process carried out by the board, management and employees, integrated into the daily management and operation of the business.

As the first line of defense, managers at all levels of the organisation are responsible for internal control within their own area of responsibility and shall continuously assess the implementation of internal control. Control functions shall be organized so that they can perform their duties in an objective and independent manner. Emphasis shall be placed on ensuring sufficient independence for control functions with a view to avoiding possible conflicts of interest. Situations in which individuals are responsible for decisions they themselves must control should not occur.

Compliance Function/Chief Compliance Officer
ERGO Forsikring's compliance function reports to the CEO and the Board of Directors.

The responsibilities, duties and rights of the Chief Compliance Officer (CCO) are described in separate instructions that are updated and adopted by the Board annually. There have been no significant changes at the last update. The CCO shall support management's and the board's responsibility for compliance with external and internal regulations. The CCO shall provide the CEO and the Board with independent reporting and a comprehensive overview of the most important activities for advice, monitoring and control of internal and external regulations, as well as present an overall plan for the coming year's priorities.

The CCO reports in independent reports to the CEO and the Board of Directors. The reports show the status of work and controls. In addition, an annual report with a plan for work in the coming year will be presented. Regulatory changes are reviewed by boards annually or as needed.

B.5 INTERNAL AUDIT FUNCTION

Throughout 2024, there have been no changes that have a material impact on the internal audit function.

ERGO Forsikring has entered into an agreement with KPMG for the internal audit function. KPMG's partner in charge reports directly to ERGO Forsikring's Board of Directors, which sets instructions for Internal Audit and approves the audit's annual plan.

The purpose of Internal Audit is to assist the Board of Directors and management in exercising good corporate governance through an independent and neutral assessment of whether the company's most significant risks have been adequately managed and controlled.

Internal Audit is subordinate to the Board of Directors and shall in its work be independent of the areas and persons audited. Internal Audit shall be able to conduct investigations on its own initiative independently of management. At the request of the company, or on its own initiative, Internal Audit may conduct investigations when fraud is suspected.

Annual Report 2023 and Annual Plan 2024

The annual report for 2024 and the annual plan 2025 for Internal Audit have been considered by the Board of Directors of ERGO Forsikring.

The annual report provides a description of the internal audit activity performed during the reporting period, with a summary of material results and recommendations. The annual plan describes planned internal audit projects.

B.6 ACTUARIAL FUNCTION

The actuarial function for ERGO Forsikring reports to the Director of Sales and Finance in addition to the Board of Directors.

The responsibilities, tasks and rights of the actuarial function are described in the instructions adopted by the Board. The main task of the actuarial function is to ensure that the calculation of the insurance liability for the solvency balance sheet is reliable and suitable. The function shall also comment on the policy for underwriting insurance and the suitability and effectiveness of the company's reinsurance program. The function shall also contribute to the work of the risk management function, particularly related to insurance risk.

The actuarial function submits at least an annual written report to the Board of ERGO Forsikring that assesses the degree of reliability and suitability in calculating the insurance liability.

The actuarial function in ERGO Forsikring shall act independently in relation to the company's activities. This means that the function shall not decide, take responsibility for, or participate in the performance of the activities and services controlled, in such a way that questions arise about the independence or independence of the actuarial function. In connection with individual decisions that affect the company's insurance obligation in the solvency balance sheet, the role of the function shall be to express an opinion on advisability.

B.7 OUTSOURCING

Outsourcing means cases where ERGO Forsikring chooses to use contractors to perform tasks that could alternatively have been performed by the company itself. It is a fundamental principle of outsourcing that ERGO Forsikring always continues to be responsible for the outsourced business. ERGO Forsikring must therefore be able to perform its obligations, as well as control the contractor's risk management and internal control, including compliance with laws and regulations for the outsourced business.

A risk assessment is always carried out before it is decided that the business should be outsourced. The point of departure for the assessment is that outsourcing shall be prudent on the basis of commercial considerations, as well as in relation to satisfactory management and control, security for continuous operations, effective supervision and relations with our customers.

ERGO Forsikring has outsourced services to suppliers in various jurisdictions. The outsourced services include business processes (UK, Lithuania, India), IT infrastructure (Denmark), and operations and development (Norway, Sweden, Latvia). The board of ERGO Forsikring receives an annual report on outsourced activities. The reporting provides an overview of which tasks are outsourced and how outsourcing is followed up. The relevant supervisory authorities are informed about outsourcing in accordance with the rules applicable to the business in question.

B.8 OTHER INFORMATION

The system for risk management and internal control is also described in Annual Report 2024 for ERGO Forsikring AS.

C. Risk profile

C.1 INSURANCE RISK

Insurance risk is the risk of larger than assumed payments and/or an unfavorable change in the value of an insurance obligation as a result of actual developments deviating from what was assumed when calculating premiums or reservations (provisions).

For ERGO Forsikring, most of the insurance risk will be related to developments in the cost of medical treatment, which has a direct effect on the company's replacement costs. In order to reduce the risk, agreements have been entered into with the largest providers of health services that ERGO Forsikring cooperates with. In addition, ERGO Forsikring has entered into a reinsurance agreement with Munich Re, the company's reinsurer, to mitigate the effect of major damages. The company has an "excess of loss" protection of 80 percent of all damage payments per person per year exceeding NOK 550,000. The reinsurance agreement is terminated as of January 1, 2025.

In connection with ORSA, a quantification of risk is carried out. Health insurance risk with a similar technical basis as non-life insurance (referred to in the Solvency II regulations as "non SLT") is the greatest risk in ERGO Forsikring material different than the standard model. The risk measured using the company's own scenario analyses in ORSA is lower than the risk measured using the standard model.

C.2 MARKET RISK

Market risk is a change in values caused by financial market prices or volatility deviating from what is expected. This also includes the risk that the value of the insurance liability develops differently from the assets. The market risk in ERGO Forsikring is related to the company's investment portfolio, consisting of interest-bearing investments and therefore mainly exposed to changes in the fixed income markets. Exposure to market risk is considered low.

C.3 CREDIT RISK

Credit risk is the risk of loss associated with counterparties not meeting their debt obligations. The risk includes loan losses and losses related to bank deposits or non-performance by counterparties in reinsurance contracts or financial derivatives. It has been emphasized that credit exposure is diversified in order to avoid concentration of credit risk towards individual debtors and sectors. Changes in the debtor's credit rating are monitored and followed up. The credit risk is considered to be immaterial for ERGO Forsikring.

C.4 LIQUIDITY RISK

Liquidity risk is the risk that the company will not be able to meet its obligations without incurring significant additional costs in the form of a fall in the price of assets that must be realized, or in the form of extra expensive financing.

ERGO Forsikring's insurance obligations are usually known long before they mature, but a solid liquidity buffer is nevertheless important to be able to withstand unforeseen events. At the same time, separate liquidity strategies have been drawn up in line with statutory requirements. These strategies specify limits and measures to ensure good liquidity and specify a minimum allocation to assets that can be traded at short notice. The strategy defines limits for allocation to different types of assets and has meant that ERGO Forsikring primarily has money market investments that can be traded when needed.

The liquidity risk in ERGO Forsikring is considered to be negligible. Periodic stress tests are carried out.

C.5 OPERATIONAL RISK

Operational risk is the risk of financial loss, reputational impairment or sanctions related to breaches of internal or external regulations as a result of inefficient, inadequate or failing internal processes or systems, human error, external incidents or non-compliance with rules and guidelines.

Risk is measured as a combination of how often it can happen (probability) and consequence. In addition to direct financial losses, consequences for customers, regulatory compliance and additional work are assessed and measured. Where the risk assessment concludes that the risk here is higher than what is acceptable, measures shall be established to reduce the risk (probability or consequence).

We seek to reduce unwanted operational risk through an effective system of internal control. Risks are followed up through management's risk review with documentation of risks, measures and follow-up of incidents. In addition, Internal Audit's independent control comes through board-approved audit projects.

In order to handle serious incidents in business-critical processes, contingency plans have been prepared.

C.6 OTHER SIGNIFICANT RISKS

Business risks

In ERGO Forsikring 's terminology, "Business risk" consists of the sub-risks "Strategic risk", "Regulatory risk", "Macroeconomic risk" and "Reputational risk". The Company does not quantify business risks. Instead, the risk is described qualitatively and discussed by the board, which also adopts measures to limit the risk, if necessary.

Strategic risk

The strategic risk in ERGO Forsikring is considered to be at a normal level.

Regulatory risk

The regulatory risk in ERGO Forsikring is considered to be at a normal level.

Macroeconomic risk

The macroeconomic risk in ERGO Forsikring is considered to be at a normal level.

Reputational risk

A case of serious malpractice in connection with the use of health insurance may lead to negative media coverage.

C.7 OTHER INFORMATION

Information about the risk picture can also be found in Årsapport 2024 for ERGO Forsikring.

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D. Valuation for Solvency Purposes

D.1 ASSETS

Overview of assets in the solvency balance sheet

Table 12 shows ERGO Forsikring 's assets, valued based on the principles underlying Solvency II.

TABLE 7 ASSETS BY SOLVENCY II

(NOK million)	31.12.2024	31.12.2023
Deferred tax assets	14	29
Financial assets	912	783
Fund	*912*	*783*
Derivatives		
Cash and cash equivalents	50	44
Other assets	30	28
Total assets	1 005	885

Total assets are NOK 1 005 million. NOK 912 million, of which financial assets are assets.

Main principles of valuation of assets

For Solvency II, assets must be assessed at fair value. The valuation principles largely coincide with the fair value valuation principles of International Financial Reporting Standards (IFRS). The accounts for ERGO Forsikring are submitted in accordance with Norwegian GAAP, which mainly corresponds to IFRS.

ERGO Forsikring carries out an extensive process to ensure the most market-correct valuation of financial instruments. This is described in more detail in Annual Report 2024 for ERGO Forsikring.

Difference in valuation between Solvency II and financial statements

The following table shows differences in asset valuation between NGAAP (financial statement) and Solvency II:

TABLE 8 DIFFERENCE BETWEEN SOLVENCY II AND FINANCIAL ACCOUNTS

(NOK million)	Solvency II	Financial statement	Difference
Deferred tax assets	14	-3	17
Intangible assets		64	-64
Uninvoiced premium receivables		351	-351
Other			

Deferred tax assets

Changes in the value of the transition from NGAAP to the Solvency II balance sheet also affect the company's tax position. This applies to all changes in assets described in Chapter D.1 in addition to the change in the value of insurance technical provisions. The total effect for ERGO Forsikring will be an increase in deferred tax assets of NOK 17 million. Tax is described in ERGO Forsikring 's annual report.

Intangible assets

Intangible assets shall, in accordance with the Solvency II principles, be set to zero in the solvency balance sheet. The difference results in a lower valuation of the solvency balance sheet NOK 64 million.

Uninvoiced premium receivables
Uninvoiced premium receivables are recognized as an asset in the financial accounts but instead reduce the premium reserve in the solvency balance. This gives NOK 351 million lower valuation of both assets and liabilities in the solvency balance sheet than in the financial accounts. In other words, this difference does not affect equity.

D.2 INSURANCE TECHNICAL PROVISIONS
Under Solvency II, the insurance liability (insurance technical provisions) shall be valued at fair value (market value).

Methodology for valuing the insurance liability
In principle, insurance liabilities under Solvency II should be valued at what they would be traded for in a free market. Since there is no active secondary market for buying and selling insurance liabilities and thus no observable market price, fair value must be calculated in a model.

The value of the insurance liability is determined as the sum of a best estimate and a margin of risk. The best estimate corresponds to a probability-weighted average of discounted future cash flows from insurance contracts. The future cash flows used in calculating the best estimate take into account all cash flows necessary to meet the insurance obligation during the term of the contract.

For non-life insurance, the best estimate consists of premium provisions and compensation provisions. Premium provisions are provisions for future claims from current contracts, while compensation provisions are provisions for damages that have occurred but not settled.

Premium provisions are calculated in ERGO Forsikring with a simplification described in EIOPA's "Guidelines on the Currencies of Technical Provisions". Unearned premiums on current contracts are multiplied by the assumed combined ratio (operating expenses and damage payments as a percentage of premium earned). This amount is reduced by unpaid premiums on the contracts to arrive at an estimate for the premium provision.

Compensation provisions are calculated as the sum of the estimated remaining costs associated with incurred but not settled damages (IBNS), the estimate of costs related to damages that are higher than first assumed (IBNER, incurred but not enough reported), and costs.

IBNS is determined monthly through the well-established Bornhuetter-Ferguson model, which has been seasonally adjusted. IBNER is based on expert judgment and is determined monthly where the results of sales models appear unreasonable. Costs are fixed as a percentage of IBNS and IBNER.

Since there is uncertainty associated with the best estimate, a risk margin is calculated to reflect a third-party capital cost to take over the obligations of ERGO Forsikring.

TABLE 8 TECHNICAL INSURANCE LIABILITIES

(NOK million)	Best estimate	Risk margin	Insurance Technical Obligations 31.12.2024	Insurance Technical Obligations 31.12.2023
Health insurance	289	17	306	360
Total	289	17	306	360

The insurance obligations for ERGO Forsikring amount to NOK 360 million, divided into NOK 289 million in the best estimate and NOK 17 million in risk margin.

Difference between Solvency II and financial statements

Table 10 shows the value of the insurance liabilities in the financial accounts and under Solvency II.

TABLE 9 INSURANCE LIABILITIES UNDER SOLVENCY II AND IN THE FINANCIAL ACCOUNTS

(NOK million)	Solvency II	Financial accounts
Health insurance	306	653
Total	306	653

Overall, the insurance liability is valued at NOK 306 million in the solvency balance sheet, which is NOK 347 million lower than in the financial accounts.

The difference between the valuation of insurance liabilities in the financial accounts and the solvency balance sheet is explained in the Annual Report 2024 for ERGO Forsikring.

BASIS FOR THE CALCULATIONS

Data basis

The data basis for the calculations comes mainly from the company's insurance system.

Counter-response adjustment

ERGO Forsikring does not use any form of matching adjustment in its calculations.

Financial assumptions

EIOPA publishes two risk-free yield curves that can be used to discount the insurance liability, and ERGO Forsikring uses the variant without volatility adjustment (VA).

Rules of action

ERGO Forsikring has not implemented any management actions in its calculations.

Customer behavior

Customers can influence their insurance liability by going to departure. ERGO Forsikring 's simplified premium provision calculation does not take account of customer attrition, and this is considered to be a straightforward simplification.

Uncertainty related to the valuation of the insurance liability

The degree of uncertainty in the calculations of the insurance liability is driven by uncertainty in the underlying assumptions. The greatest uncertainty is found if there is no relevant history or market data on which to base the assumptions.

There is little uncertainty associated with the valuation of the insurance obligation in ERGO Forsikring since the largest part of the claims are settled within 6 months.

As part of the ORSA process, sensitivity analyses are conducted for the value of solvency capital and capital requirements for changed assumptions. The purpose is, among other things, to increase the understanding of the sensitivity of the calculations.

D.3 OTHER OBLIGATIONS

Obligations in addition to technical insurance obligations amount to NOK 107 million under Solvency II.

TABLE 10 LIABILITIES IN EXCESS OF INSURANCE LIABILITIES

(NOK million)	31.12.2024	31.12.2023
Deferred tax obligations		
Outstanding liabilities, insurance settlements, reinsurance and other	64	32
Other obligations	43	36
Total liabilities in excess of insurance liabilities	107	97

Deferred tax

See comment under chapter D.1 Assets.

Outstanding liabilities

The principle for valuing outstanding liabilities related to insurance settlement and reinsurance corresponds to the principle in the financial accounts, with the exception of expected dividends paid, which under Solvency II are part of net assets but are deducted from the solvency capital.

Other obligations

The guaranteed provision of NOK 26 million is considered to be part of the equity under NGAAP, but not under Solvency II. This is entered as "Other obligations".

D.4 ALTERNATIVE METHODS OF DEFERMENT

ERGO Forsikring's valuation principles for assets that cannot be valued based on quoted prices are described in Note 1 to Annual Report 2024 for ERGO Forsikring.

D.5. OTHER INFORMATION

The description of valuation for solvency purposes is deemed covered by the description in the preceding paragraphs.

E. Capital Management

The Board of Directors of ERGO Forsikring reviews the financial plan, including the capital plan, and ORSA to ensure coherence between business objectives, risk and capital. The financial plan and capital plan are drawn up with a five-year horizon.

E.1 SUBORDINATED CAPITAL

ERGO Forsikring has NOK 572 million in solvency capital. Capital is divided into groups depending on quality and availability. Table 17 shows the composition of solvency capital and the distribution into Group 1 (limited and unlimited), Group 2 and Group 3 capital.

TABLE 11 SOLVENCY CAPITAL

(NOK million)	Group 1 unlimited	Group 1 limited	Group 2	Group 3	Total 31.12.2024	Total 31.12.2023
Share capital	35				35	35
Share premium account	395				395	395
Reconciliation reserve	128				128	-2
Deferred tax assets				14	14	29
Cap tier 3 capital						-1
Total solvency capital	558			14	572	456
Total minimum capital	558				558	428

Group 1 capital represents capital of the best quality with regard to loss-bearing capacity and shall be available to cover any loss at any time. This consists of paid-in equity and reconciliation reserve. Deferred tax assets count as Group 3 capital, the rest of the solvency capital for ERGO Forsikring is Group 1 capital.

ERGO Forsikring has a minimum capital of NOK 558 million, where everything is categorized as Group 1 unlimited.

Difference between Solvency II and financial statements

The table below shows the solvency capital based on Solvency II and subordinated capital in the financial accounts.

TABLE 12 SOLVENCY CAPITAL VS SUBORDINATED CAPITAL IN THE FINANCIAL ACCOUNTS

(NOK million)	Solvency II	Financial accounts
Invested equity	430	430
Retained earnings		210
Reconciliation reserve before expected dividend paid	128	
Deferred tax	14	
Net assets	572	640
Expected dividend paid	19	19
Cap tier 3 capital		
Total solvency capital/subordinated capital	591	659

The value of the solvency capital is shown as net assets in the solvency balance sheet (Table 18) less expected dividends paid and cap of tier 3 capital. Solvency capital is divided between paid-in equity and reconciliation reserve. Accrued profits that are included as equity in the financial accounts shall be replaced in the solvency balance sheet by the reconciliation reserve. Also, the reconciliation reserve contains accrued profits, but based on the valuation of assets and liabilities of the solvency balance. The voting reserve will also include the present value of future surpluses. The value of future profits is implicitly included as a consequence of the valuation of the insurance liability.

Table 19 shows the transition from net assets in the financial accounts to Solvency II. The biggest differences are that the insurance obligation is valued at NOK 347 million lower in the solvency account and non-invoiced premium receivables of NOK 351 million included in the premium reserve in the financial accounts. Deferred tax will be reduced by NOK 14 million as a result of the other changes in value.

TABLE 19 TRANSITION FROM NET ASSETS IN FINANCIAL ACCOUNTS TO NET ASSETS SOLVENCY II

Deferred tax assets/obligations	14
Intangible assets	-64
Uninvoiced premium receivables included in the calculation of the premium reserve in non-life insurance	-351
Insurance obligations	347
Any other liabilities	-27
Total change	*80*

The table below provides a forecast for developments in own funds in accordance with the company's financial plan. The company has no plans to raise capital during the forecast period.

E.2 SOLVENCY CAPITAL REQUIREMENTS AND MINIMUM CAPITAL REQUIREMENTS

The solvency capital requirement and the minimum capital requirement are calculated according to the standard method pursuant to Sections 8 and 22 of the Solvency II Regulations, without the use of simplifications or company-specific parameters.

TABLE 13 CAPITAL REQUIREMENTS AND MINIMUM REQUIREMENTS

(NOK million)	31.12.2024	31.12.2023
Financial market risk	29	18
Counterparty risk	4	1
Health insurance risks	251	200
Diversification	-23	-14
Operational risk	42	37
Loss-absorbing tax effect	-68	-61
Total capital requirements	234	182
Total minimum requirements	82	77

ERGO Forsikring has a total net capital requirement of NOK 234 million and a minimum requirement of NOK 82 million. Health insurance risk contributes NOK 251 million, which constitutes 77% of the capital requirement before diversification. Financial market risk contributes NOK 29 million, which constitutes 9% of the capital requirement before diversification.

The minimum capital requirement is calculated as a linear function of technical provisions, subscribed premiums, uncovered risk, deferred tax and administrative costs with a floor of 25% and a ceiling of 45% of the solvency capital requirement. In addition, there is an absolute floor for the minimum requirement given in a fixed amount of EUR 2.5 million.

TABLE 14 MINIMUM REQUIREMENTS

(NOK million)	31.12.2024	31.12.2023
Linear minimum requirement	82	77
Minimum ceiling requirements	102	82
Minimum floor requirements	57	45
Combined minimum requirements	82	77
Absolute floor for the minimum requirement	26	26
Total minimum requirements	82	77

Solvency margin and minimum margin

As of December 31, 2024, ERGO Forsikring has a solvency margin of 253% and a minimum margin of 688%.

E.3 USE OF THE DURATION METHOD FOR EQUITY RISK WHEN CALCULATING THE SOLVENCY CAPITAL REQUIREMENT

ERGO Forsikring does not use the duration method for calculating the solvency capital requirement for equity risk.

E.4 DIFFERENCE BETWEEN THE STANDARD FORMULA AND USED INTERNAL MODELS

ERGO Forsikring uses the standard formula for calculating the solvency capital requirement.

E.5 FAILURE TO MEET THE MINIMUM CAPITAL REQUIREMENT OR SOLVENCY CAPITAL REQUIREMENT

ERGO Forsikring meets both the minimum capital requirement and the solvency capital requirement.

E.6 OTHER INFORMATION

None.

Appendix 1 – Mandatory tables

S.02.01.02 – The balance sheet, assets

(NOK million)		C0010
Goodwill	*R0010*	
Accrued acquisition expenses	*R0020*	
Intangible assets	*R0030*	
Asset-by-tax assets (deferred tax assets)	*R0040*	14
Overfunding of defined-benefit pension plans (employee benefits)	*R0050*	0
Property, plant and equipment for own use	*R0060*	
Investments (excluding, assets linked to contracts with investment choices)	*R0070*	912
Property (other than for personal use)	*R0080*	
Investments in affiliated enterprises, including participating interests	*R0090*	
Shares, etc.,	*R0100*	
Stocks - listed	*R0110*	
Stocks - not listed	*R0120*	
Bonds	*R0130*	
Government bonds, etc.,	*R0140*	
Corporate bonds, etc.,	*R0150*	
Structured securities	*R0160*	
Secured securities	*R0170*	
Mutual funds, etc.,	*R0180*	912
Derivatives	*R0190*	
Deposits other than cash equivalents	*R0200*	
Other investments	*R0210*	
Assets related to contracts with investment selection	*R0220*	
Loan	*R0230*	
Loans backed by insurance contracts	*R0240*	
Lending to individuals	*R0250*	
Other loans	*R0260*	
Reinsurance share of gross insurance technical provisions:	*R0270*	
Non-life insurance and health insurance handled as general insurance	*R0280*	
Non-life insurance excl. VAT, health insurance handled as general insurance	*R0290*	
Health insurance handled as general insurance	*R0300*	
Life insurance and health insurance handled as life insurance, excl., contracts with investment choice	*R0310*	
Health insurance handled as life insurance	*R0320*	
Life insurance excl. VAT, health insurance handled as life insurance and contracts with inv,options	*R0330*	
Life Insurance with Investment Choices	*R0340*	
Reinsurance Depots	*R0350*	
Receivables in connection with direct insurance, including insurance intermediaries	*R0360*	11
Reinsurance receivables	*R0370*	1
Non-insurance related receivables	*R0380*	12
Treasury shares (held directly)	*R0390*	
Overdue amounts related to items in subordinated capital that have been called up but not paid up	*R0400*	
Cash and cash equivalents	*R0410*	50

Other assets	*R0420*	6
Total assets	*R0500*	1005

S.02.01.02 – The balance sheet, liabilities

(NOK million)		C0010
Technical insurance provisions - non-life insurance	*R0510*	306
Technical insurance provisions - non-life insurance (excluding health insurance handled as general insurance)	*R0520*	
Technical insurance provisions calculated as a whole	*R0530*	
Best estimate	*R0540*	
Risk margin	*R0550*	
Insurance technical provisions - health insurance (handled as general insurance)	*R0560*	306
Technical insurance provisions calculated as a whole	*R0570*	
Best estimate	*R0580*	289
Risk margin	*R0590*	17
Insurance technical provisions - life insurance (excluding, contracts with investment choices)	*R0600*	
Insurance technical provisions – health insurance handled as life insurance	*R0610*	
Technical insurance provisions calculated as a whole	*R0620*	
Best estimate	*R0630*	
Risk margin	*R0640*	
Insurance technical provisions – life insurance (excluding, health insurance handled as life insurance and contracts with investment choices)	*R0650*	
Technical insurance provisions calculated as a whole	*R0660*	
Best estimate	*R0670*	
Risk margin	*R0680*	
Insurance technical provisions - contracts with investment selection	*R0690*	
Technical insurance provisions calculated as a whole	*R0700*	
Best estimate	*R0710*	
Risk margin	*R0720*	
Other technical insurance provisions	*R0730*	
Contingent liabilities	*R0740*	
Provisions, other than technical insurance provisions	*R0750*	
Pension obligations	*R0760*	
Premium depot from reinsurance companies	*R0770*	
Deferred tax obligations	*R0780*	
Derivatives	*R0790*	1
Debt to credit institutions	*R0800*	
Financial liabilities, other than debts to credit institutions	*R0810*	
Obligations in connection with direct insurance, including insurance intermediaries	*R0820*	26
Reinsurance obligations	*R0830*	0
Payment obligations (to suppliers, not insurance)	*R0840*	38
Fund bond capital and subordinated loan capital	*R0850*	
Fund bond capital and subordinated loan capital not included in the base capital	*R0860*	
Fund bond capital and subordinated loan capital included in the base capital	*R0870*	

Other obligations	*R0880*	43
Total liabilities	*R0900*	414
Total assets less total liabilities	*R1000*	591

S.04.05.21 - Premiums, compensation and costs – by land – non-life and reinsurance bonds

		Home state	By size of gross premiums due - non-life insurance liabilities
		C0010	*C0020*
	R0010		SE
			C0090
Overdue prizes			
Gross - direct insurance	*R0110*	632	817
Gross - received proportional reinsurance	*R0120*		
Gross - received non-proportional reinsurance	*R0130*		
Prizes earned			
Gross - direct insurance	*R0210*	627	760
Gross - received proportional reinsurance	*R0220*		
Gross - received non-proportional reinsurance	*R0230*		
Replacement costs			
Gross - direct insurance	*R0310*	452	479
Gross - received proportional reinsurance	*R0320*		
Gross - received non-proportional reinsurance	*R0330*		
Costs			
Gross - direct insurance	*R0410*	120	208
Gross - received proportional reinsurance	*R0420*		
Gross - received non-proportional reinsurance	*R0430*		

S.05.01.02 – Premiums, compensation and costs per insurance industry – General insurance (direct insurance, proportional reinsurance received and non-proportional reinsurance received) (only for relevant industries for ERGO Forsikring)

(NOK million)		General insurance liabilities – Direct insurance and proportional reinsurance received Insurance against expenses for medical treatment	Sum
		C0010	*C0200*
Overdue prizes			
Gross - direct insurance	*R0110*	1 449	1 449
Gross - received proportional reinsurance	*R0120*		
Gross - received non-proportional reinsurance	*R0130*		
Reinsurance share	*R0140*	3	3
At own expense (net)	*R0200*	1 446	1 446
Prizes earned			
Gross - direct insurance	*R0210*	1 387	1 387
Gross - received proportional reinsurance	*R0220*		
Gross - received non-proportional reinsurance	*R0230*		
Reinsurance share	*R0240*	3	3
At own expense (net)	*R0300*	1 383	1 383
Replacement costs			
Gross - direct insurance	*R0310*	931	931
Gross - received proportional reinsurance	*R0320*		
Gross - received non-proportional reinsurance	*R0330*		
Reinsurance share	*R0340*	4	4
At own expense (net)	*R0400*	927	927
Costs	*R0550*	328	328
Balance sheet - other technical expenses/revenues	*R1200*		-0,3
Total insurance-related costs	*R1300*		328

S.17.01.01 - Insurance technical provisions – non-life insurance (only for relevant industries for ERGO Forsikring)

(NOK million)		Direct insurance and received proportional reinsurance	
		C0020	*C0180*
Technical insurance provisions calculated as a whole	*R0010*	-	-
Total amount recoverable from reinsurance contracts and SPVs adjusted for expected losses due to default on counterparties (related to technical insurance provisions calculated as a whole)	*R0050*	-	-
Insurance technical provisions calculated as a sum of the best estimate and risk margin			-
Best estimate			-
Prize provision			-
Gross - total	*R0060*	183	183
Total amount recoverable from reinsurance and SPVs adjusted for expected losses (counterparty defaults)	*R0140*	-	-
Net Best Estimate for Premium Provision	*R0150*	183	183
Replacement provision		-	-
Gross - total	*R0160*	106	106
Total amount recoverable from reinsurance and SPVs adjusted for expected losses (counterparty defaults)	*R0240*	-	-
Net Best Estimate for Replacement Provision	*R0250*	106	106
Total best estimate – gross	*R0260*	289	289
Total best estimate – net	*R0270*	289	289
Risk margin	*R0280*	17	17
Total technical insurance provisions	*R0320*	306	306
Total amount recoverable from reinsurance and SPVs adjusted for expected losses (counterparty defaults)	*R0330*	-	-
Total insurance technical provisions less amounts recoverable from reinsurance and SPVs	*R0340*	306	306

S.19.01.21 – Compensation in general insurance

Injury year / Year of drawing	Z0010	Injury years

Gross compensation paid (not cumulatively) - Year of liquidation (nominal amounts)

Year of liquidation - Sum over years (cumulative)

	Year	0	1	2	3	4	5	6	7	8	9	10 & +		In the current year	Sum over years (cumulative)
	Figures in mills	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
Prior	R0100												R0100	0	0
N-9	R0160	332	44	1	0,1								R0160	0	376
N-8	R0170	347	47	1	0,1								R0170	0	395
N-7	R0180	369	52	1	0,1								R0180	0	422
N-6	R0190	401	65	1	0,1								R0190	0	467
N-5	R0200	465	70	1	0,1								R0200	0	535
N-4	R0210	497	70	1	0,3								R0210	0	568
N-3	R0220	604	60	1	0,1								R0220	0	666
N-2	R0230	759	70	1									R0230	0	831
N-1	R0240	912	95										R0240	1	1007
N	R0250	899											R0250	95	899
												Total	R0260	96	6 165

Non-discounted best estimate for gross compensation provision - Year of liquidation (nominal amounts)

Year of liquidation

	Year	0	1	2	3	4	5	6	7	8	9	10 & +
	Figures in mills	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100											
N-9	R0160			0,3	0,1				0,2	0,1	0,1	
N-8	R0170		0,8	0,3	0,1			0,2	0,1	0,1		
N-7	R0180	74	1,2	0,2	0,1		0,2	0,1	0,1			
N-6	R0190	71	1,3	0,2	0,3	0,2	0,1	0,1				
N-5	R0200	80	1,4	0,5	0,2	0,1	0,0					
N-4	R0210	84	2,0	0,5	0,2	0,1						
N-3	R0220	101	1,8	0,9	0,2							
N-2	R0230	87	3,2	0,5								
N-1	R0240	110	2,2									
N	R0250	104										

		Year-end (discounted amounts
		C0360
	R0100	
	R0160	0,1
	R0170	0,1
	R0180	0,1
	R0190	0,0
	R0200	0,0
	R0210	0,1
	R0220	0,2
	R0230	0,5
	R0240	2,1
	R0250	102,7
Total	R0260	106

S.23.01.01 – Own funds, page 1

(NOK million)		Sum	Capital Group 1 - without restrictions	Capital group 1 - with limitations	Capital Group 2	Capital Group 3
		C0010	*C0020*	*C0030*	*C0040*	*C0050*
Ordinary share capital (incl. value of treasury shares)						
Premium related to ordinary share capital	*R0010*	35	35			
Paid up member contributions, compensation funds, ownership share capital (excluding equalization funds) or equivalent basic capital items for mutual insurance companies	*R0030*	395	395			
Subordinated member accounts in mutual insurance companies	*R0040*					
Surplus funds	*R0050*					
Preference shares	*R0070*					
Premium related to preferred shares	*R0090*					
Reconciliation reserve	*R0110*					
Fund bond capital and subordinated loan capital	*R0130*	128	128			
An amount equal to the value of net assets by tax (deferred tax asset)	*R0140*					14
Other subordinated capital approved by Finanstilsynet as base capital not specified above	*R0160*					
Own funds (equity) from the accounts that are not to be included in the reconciliation reserve and that do not meet the conditions for being classified as subordinated capital under the Solvency II rules	*R0180*					
Deduction						
Deductions for participating interests in investment firms, mutual fund management companies, managers of alternative investment funds, loan intermediaries and financial undertakings that are not insurance companies or pension companies	*R0220*					
Total base capital after deduction						
Supplementary capital	*R0230*					
Unpaid and uncalled ordinary share capital that may be required to be called up	*R0290*	572	558			14
Unpaid and uncalled membership contributions or equivalent basic capital items for mutual enterprises that may be required to be called up						
Unpaid and uncalled preference shares that may be required to be called up	*R0300*					
A legally binding obligation to subscribe for and pay for fund bond capital and/or subordinated loan capital upon request	*R0310*					
Letters of credit and guarantees pursuant to Article 96(2) of Directive 2009/138/EC	*R0320*					
Letters of credit and guarantees other than those falling under Article 96(2) of Directive 2009/138/EC	*R0330*					

Requirement for additional premiums from members of mutual undertakings falling under Article 96(3) of Directive 2009/138/EC	*R0340*				
Requirements for additional premiums from members of mutual undertakings other than those falling under Article 96(3) of Directive 2009/138/EC	*R0350*				
Other supplementary capital	*R0360*				
Total supplementary capital	*R0370*				

S.23.01.01 – Subordinated capital, page 2

(NOK million,)		Sum	Capital Group 1 - without restrictions	Capital group 1 - with limitations	Capital Group 2	Capital-Group 3
		C0010	*C0020*	*C0030*	*C0040*	*C0050*
Available and counting own funds						
Total available subordinated capital to cover SCR	*R0500*	572	558			14
Total available subordinated capital to cover the MCR	*R0510*	558	558			
Total subordinated capital to cover SCR	*R0540*	572	558			14
Total subordinated capital to cover MCR	*R0550*	558	558			
SCR	*R0580*	227				
MCR	*R0600*	82				
The ratio of subordinated capital to SCR (solvency capital adequacy)	*R0620*	3				
The ratio of subordinated capital to the MCR (minimum capital adequacy)	*R0640*	7				

		C0060
Reconciliation reserve		
Total assets less total liabilities	*R0700*	591
Treasury shares (held directly and indirectly)	*R0710*	0
Expected dividends, distributions and fees	*R0720*	19
Other elements included in the base capital	*R0730*	444
Adjustment for subordinated capital elements with restrictions related to matching adjustment portfolios and restricted funds	*R0740*	0
Reconciliation reserve	*R0760*	128

S.25.01.21 - Solvency capital requirements - for enterprises using the standard method

(NOK million)		Net solvency capital requirements	Gross solvency capital requirements
		C0110	*C0040*
Market risk	*R0010*	29	29
Counterparty risk	*R0020*	4	4
Life Insurance Risks	*R0030*	0	0
Health insurance risks	*R0040*	251	251
Non-life insurance risk	*R0050*	0	0
Diversification	*R0060*	-23	-23
Risks related to intangible assets	*R0070*	0	0
Basic solvency capital requirements	*R0100*	261	261
Calculation of solvency capital requirements		*C0100*	*C0100*
Adjustment for RFF/MAP nSCR aggregation		*0*	
Operational risk	*R0130*	42	
Loss-absorbing ability of insurance technical provisions	*R0140*	0	
Loss-absorbing ability of deferred tax	*R0150*	-76	
Capital requirements for activities carried out pursuant to Article 4 of Directive 2003/41/EC	*R0160*	0	
Solvency capital requirements before capital requirement supplement	*R0200*	227	
Capital Requirements Supplement	*R0210*	0	
Of which additions already set - Article 37 (1) Type a		0	
Of which additions already set - Article 37 (1) Type b		0	
Of which additions already set - Article 37 (1) Type c		0	
Of which additions already set - Article 37 (1) Type d		0	
Solvency capital requirements	*R0220*	227	
Other information about SCR			
Capital requirements for duration-based equity risk	*R0400*		
Total theoretical solvency capital requirements for the remaining portion (parts other than restricted funds (RFF) and portfolios for matching-adjustment (MAP))	*R0410*		
Total theoretical solvency capital requirements for limited funds (RFF)	*R0420*		
Total theoretical solvency capital requirements for portfolios for matching adjustment (MAP) portfolios	*R0430*		
Diversification effects related to the aggregation of theoretical solvency capital requirements (nSCR) for delimited funds under Article 304 of Directive 2009/138/EC	*R0440*		
Approach to determining the tax rate			
Approach based on average tax rate	*R0590*	No	
Calculation of loss-absorbing capacity of deferred tax	*R0640*	-76	
LAC DT justified by reversal of deferred tax liabilities	*R0650*	0	
LAC DT justified by reference to probable future taxable profit (net profit)	*R0660*	-76	
LAC DT justified by the return of previous taxable profits - first year	*R0670*	0	
LAC DT justified by the return of previous taxable profits - later years	*R0680*	0	

Maximum tab-absorbing capability of deferred tax (maximum LAC DT)	*R0690*	-76

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Contribution from the linear formula for insurance and reinsurance liabilities in general insurance

		C0010
Linear formula for insurance and reinsurance liabilities in general insurance	R0010	82

		Best estimate at own expense (taking into account reinsurance and special purpose vehicles (SPV)) and technical insurance provisions calculated as a whole	Premium due at own expense last 12 months
		C0020	C0030
Insurance against expenses for medical treatment, incl. proportional reinsurance	R0020	289	1 446
Insurance against loss of income, incl. proportional reinsurance	R0030		
Occupational injury insurance, incl. proportional reinsurance	R0040		
Motor Vehicle Insurance - traffic, incl., proportional reinsurance	R0050		
Motor vehicle insurance - other, incl. proportional reinsurance	R0060		
Marine insurance, transport insurance and aviation insurance, incl. proportional reinsurance	R0070		
Insurance against fire and other property damage, incl. proportional reinsurance	R0080		
Liability insurance, incl. proportional reinsurance	R0090		
Credit and surety insurance, incl. proportional reinsurance	R0100		
Legal aid insurance, incl, proportional reinsurance	R0110		
Assistance insurance, incl., proportional reinsurance	R0120		
Insurance against various financial losses, incl. proportional reinsurance	R0130		
Non-proportional reinsurance of health insurance obligations	R0140		
Non-proportional reinsurance of liability insurance obligations	R0150		
Non-proportional reinsurance of marine, transport and aviation insurance obligations	R0160		
Non-proportional reinsurance of other non-life insurance obligations	R0170		

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Contributions from the linear formula for insurance and reinsurance liabilities within life insurance

		C0040
Linear formula for insurance and reinsurance obligations within life insurance	R0200	

		Best estimate at own expense (taking into account reinsurance and special purpose vehicles (SPV)) and technical insurance provisions calculated as a whole	Total uncovered risk (taking into account reinsurance and special purpose vehicles (SPV))
		C0050	C0060
Profit-sharing obligations - guaranteed benefits	R0210		
Profit-sharing obligations - future discretionary benefits	R0220		
Insurance liabilities with investment choices	R0230		
Other life insurance and health insurance obligations, incl. reinsurance obligations	R0240		
Total uncovered risk for all life insurance obligations, incl. reinsurance obligations	R0250		

Overall MCR calculation

		C0070
Linear calculated MCR	R0300	82
Solvency capital requirements (SCR)	R0310	227
Upper limit of MCR	R0320	102
Lower limit of MCR	R0330	57
Combined MCR (taking into account upper and lower limits)	R0340	82
Absolute lower limit of MCR	R0350	26
Minimum capital requirements	R0400	82