

Norli Group A/S
Annual Report 2025

Midtermolen 1,
2100 Copenhagen Ø
Reg.No.: 42 54 67 47

Reviewed and approved at the Annual General Meeting, April 30 2026

Chairman of the Annual General Meeting
Gitte Dahl

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Management review

Financial highlights (consolidated)

DKKm	2025	2024	2023	2022 ¹⁾
Premiums	1,084	1,203	1,318	1,049
Claims and benefits	-2,405	-2,453	-2,202	-1,618
Return on investment assets	212	344	386	-1,390
Total operating expenses relating to insurance	-207	-206	-199	-168
Profit/loss on business ceded	-2	-8	-5	-7
Change in life insurance provisions	1,206	1,150	933	2,478
Change in profit margin	183	99	-133	-329
Technical result	72	129	98	15
Investment return on shareholder equity	21	19	45	-18
Technical result of health and accident insurance	19	18	5	60
Other income / expenses	0	0	0	48
Profit before tax	112	166	148	-15
Tax	-38	-37	-36	9
Net profit for the year	75	129	112	-6
Total provisions for insurance contracts	13,539	14,927	16,210	16,943
Total shareholders equity	1,045	970	1,260	1,498
Total assets	14,931	17,182	20,608	23,032
Rate of return related to guaranteed pension products (%)	2.4	3.0	2.8	1.0
Expenses as a percent of provisions (%)	1.0	1.0	0.9	-
Expenses per policyholder (DKK)	2,451	2,275	2,076	-
Return on equity before tax (%)	10.8	14.1	9.5	-
Return on equity after tax (%)	7.2	10.9	7.2	-

The key ratios are calculated in accordance with the provisions of the Danish Insurance Business Act, including the Danish FSA's Executive Order No. 943 of 23 June 2025 on financial reports for insurance companies including later amendments.

¹⁾ 15/07/2021 - 31/12/2022

Norli Group A/S

Activity

Norli Group A/S (Norli Group or the Company) is a holding company investing in life insurance companies with a focus on guaranteed pension products in the Nordic region.

Norli Group was established 15 July 2021.

Currently Norli Group has three subsidiaries; Norli Pension Livsforsikring A/S (Norli Pension), Norli Liv og Pension Livsforsikring A/S (Norli Liv og Pension) and Nordisk Pensionservice A/S.

Norli Pension was taken over 2 December 2021 and Norli Liv og Pension (formerly Forsikringselskabet Alm Brand Liv og Pension A/S) was acquired from Alm Brand Forsikring on 1 March 2022. In 2025 Nordisk Pensionservice was established for the purpose of carrying out administrative functions including pension administration, financial management and related services for life and pension companies.

The activities in Norli Group are limited to management functions as the life insurance activities are carried out in the subsidiaries.

Across Europe, life and pension insurance companies have, over the past two decades, moved away from offering customers guaranteed pension products. Instead, they now provide savings solutions in which clients themselves bear the risks associated with financial markets, longevity and administrative costs.

At Norli, we focus exclusively on traditional guaranteed pension products. As the only commercial life insurance company in Denmark, we continue to offer new policyholders a product, that includes a fully guaranteed pension benefit. In addition, we provide life and pension insurers with the opportunity to consolidate historically sold guaranteed pension products within Norli. This will free up resources across the rest of the pension sector, enabling companies to focus on developing new pension solutions instead of managing traditional products for decades to come.

Our exclusive focus on managing traditional guaranteed pension products will benefit our policyholders. All our management attention, client service capacity and digital resources are dedicated to policyholders with these specific products. This makes us true experts in these products and the particular requirements they entail. The majority of our policyholders are retired or close to retirement. Policyholders in this segment have different expectations regarding advice and service, which is why we maintain a strong focus on what we refer to as senior advisory.

As part of Norli Groups Nordic strategy, Norli Pension carried out a capital increase of own funds amounting to DKK 127,6 million in its Norwegian subsidiary "Livsforsikringselskabet Norli Pensjon Norge AS" in order to support the company's growth plans. Subsequently, the Norwegian life insurance subsidiary received a licence from the Norwegian Financial

Supervisory Authority to operate as a life insurance company in Norway. Hence, Norli Group is looking into opportunities to expand its business through the subsidiary in Norway.

The solvency capital requirement as well as own funds in the group is calculated by use of the Solvency II standard model and stochastic modelling. The model ensures compliance with an enforcement order issued by the Danish Supervisory Authority in 2020 to most life and pension companies in Denmark.

Major events

Transfer of life insurance portfolio

The life insurance portfolio from Norli Pension and all assets and liabilities related to the portfolio has been transferred to the sister company Norli Liv og Pension as of the beginning of 2025 with the objective of realizing administrative synergies that will benefit both customers and shareholders. The portfolio is now managed within Norli Liv og Pension's administration systems, generating ongoing synergies.

Nordisk Pensionservice A/S

As of 1 November, the Companies within the group have outsourced part of the administrative tasks to the sister company Nordisk Pensionservice A/S. Nordisk Pensionservice A/S performs administrative tasks for the Norli Group in accordance with a management agreement. The administrative tasks include pension administration, financial management, and portfolio management. As part of the establishment of Nordisk Pensionservice A/S, 72 employees have been transferred from Norli Liv og Pension.

Financial results

Since all life insurance activities are carried out in the subsidiaries the result for Norli Group is mainly driven by the result of the subsidiaries. Thus, the results are positively affected by the development in 2025 in the financial markets.

The pre-tax result of Norli Group amounts to DKK 112 million. This consists of a pre-tax result for Norli Liv og Pension of DKK 172 million and a pre-tax result for Norli Pension of DKK -20 million as well as DKK -40 million primarily from the depreciation of customer relations and tax.

Timeline and recognised results

Compared to the Outlook for 2025 communicated in the annual report for 2024 the result for 2025 was lower than expected primarily due to a lower contribution from the interest rate result in Norli Liv og Pension than expected and higher costs related to acquisition of portfolios in Norli Pension.

Despite the above, the overall result is considered satisfactory. The company has maintained a high solvency ratio throughout the reporting period.

Pension contributions

Total premium income for the period was DKK 1,084 million compared to DKK 1,203 million in 2024 driven by a -9,9 %

drop in regular premiums due to the termination of a larger company pension scheme in 2025. The single premiums income remained stable from 2024 to 2025.

Insurance benefits

Total insurance benefits paid amounted to DKK 2,405 million, compared to DKK 2,452 million in 2024.

Expenses

Acquisition costs and administrative expenses totalled DKK 207 million for the period. All acquisition costs related to acquisition and renewal of the insurance portfolio originate from Norli Liv og Pension.

Administrative expenses amounting to DKK 124 million are influenced by depreciation of customer relations in the level of DKK 38 million. The remaining DKK 86 million are primarily generated from Norli Liv og Pension with DKK 55 million.

The level of expenses for the period was satisfactory given the extraordinary expenses incurred in 2025 related to acquisition of portfolios.

Investment return on asset allocation to equity

The return on investment assets allocated to equity was positive at DKK 21 million, compared to DKK 19 million in 2024.

Life insurance provisions

Total life insurance provisions decreased from DKK 14,927 million in 2024 to DKK 13,539 million in 2025, attributable mainly due to the decline in insurance assets due to surrenders and transferrals.

Events subsequent to 31 December 2025

No events have occurred between 31 December 2025 and the date of the signing of this financial statement that, in the opinion of the management, will materially affect Norli Group's financial position.

However, the executive management was altered as of 1st of February 2026, i.e. the executive management now consist of Søren Andersen and Peter Trägårdh Christensen.

Further, on an extraordinary general meeting held on 5 January 2026, two additional board members were elected.

Recognition and measurement uncertainty

The most significant estimates are related to the calculation of fair values of unlisted financial instruments and the measurement of liabilities under insurance contracts. Management believes that the level of uncertainty in the financial reporting for 2025 is acceptable. For a more detailed description of recognition and measurement uncertainties, see note 30.

Capitalisation

The total capital for solvency coverage purposes for Norli Group amounted to DKK 1,144 million, consisting of equity and profit margin in life subsidiaries net of risk margin.

The Company as well as subsidiaries applies the standard formula provided in the Solvency II legislation for the calculation of the capital requirements. In accordance with the Danish FSA's industry requirements, the solvency requirement has been calculated using a simulated provisioning model. This resulted in a total solvency capital requirement for Norli Group of DKK 330 million, and thereby a solvency coverage ratio of 347%.

Norli Group is including the loss-absorbing effect of potential deferred asset in calculation of the Company's capital requirement in accordance with the Solvency II regulation.

Financial reporting process

The primary responsibility for Norli Group's risk management and control organisation in relation to the financial reporting process rests with the Board of Directors and the Management Board, including compliance with applicable legislation and other financial reporting regulations.

The Board of Directors annual schedule ensures that the Board of Directors reviews, at least once a year:

- Policies and guidelines
- Organisation
- Plans and budgets
- Governance and compliance

The Board of Directors are responsible for establishing and approving strategies, general policies and guidelines and thereby the main procedures and controls related to the financial reporting process. The Management Board are responsible for the management of the Company according to the given policies and guidelines.

Financial reporting

The preparation of consolidated full period and interim financial statements together with the preparation of yearly budgets are handled by the finance department.

Investments

Development in Financial Markets

Financial asset returns were generally strong in 2025, supported by continued global growth, optimism around artificial intelligence, and further monetary policy easing by major central banks. European equities performed well, with the Euro Stoxx 600 up 21 percent, supported by fiscal stimulus and increased defence spending. The S&P 500 rose by 18 percent, however strong US asset performance in local currency terms was partly offset in EUR terms by a nearly 12 percent depreciation of the USD.

One asset class that stood out in 2025 was precious metals. Gold and silver recorded annual gains of 65 and 148 percent, respectively. These were their strongest annual gains since 1979, driven by a combination of significant weakening of the USD, geopolitical uncertainty, concerns about long-term inflation and high public debt levels, as well as central banks diversifying their reserve holdings.

Long-dated European government bonds were among the few asset classes that recorded negative returns, reflecting a significant increase in long-term European interest rates. Financial markets were also characterized by pronounced volatility episodes and sharp shifts in sentiment, driven primarily by trade policy uncertainty, fiscal concerns and geopolitical developments.

The year began with strong risk appetite, underpinned by better-than-expected US economic data. Following the German federal election in February, the new German government proposed a reform of the constitutional debt brake to enable higher defence spending, alongside a EUR 500bn infrastructure fund. In parallel, the European Commission announced that member states could substantially increase defence spending without breaching EU fiscal rules. These initiatives triggered a sharp rise in long-term European interest rates, and in the aftermath of the German announcements, the 10-year German government bond yield recorded its largest single-day increase of approximately 30 basis points since German reunification in 1990.

In the beginning of 2025 the new US administration announced a series of tariff measures, culminating in the so-called "Liberation Day" announcements in early April. These measures triggered one of the sharpest short-term corrections in global equity markets since World War II, with the S&P 500 index falling more than 10% in two days. Market conditions stabilised later in the quarter following a temporary pause in tariff implementation and continued signs of resilience in US economic data.

During the summer, concerns about the global growth outlook intensified as US labour market data weakened, reinforcing expectations of monetary easing. This resulted in the Federal Reserve delivering a total of 75 basis points of rate cuts between September and December, supporting bond prices and risk assets more broadly. At the same time, geopolitical tensions in the Middle East briefly led to a sharp spike in oil prices as Israel and US launched air strikes against Iran's nuclear facilities. However, these effects proved short-lived as tensions de-escalated.

In the final quarter of the year, Japanese equities rallied sharply following the election of a new Prime Minister and the announcement of a substantial fiscal stimulus package. European bond yields rose again towards year-end amid speculation that the European Central Bank's next policy move could be a rate hike in 2026.

All asset classes in the Company's investment portfolio delivered positive and solid returns. However, the interest rate hedging used to manage the interest rate risk in the life insurance provisions delivered a significant negative return due to the pronounced increase in long-term European interest rates. The negative return was further amplified by a decline in implied volatility, which negatively affected the return on interest rate options. Nevertheless, the options' role within the hedging portfolio also includes reducing duration during periods of rising interest rates, which proved particularly beneficial in 2025.

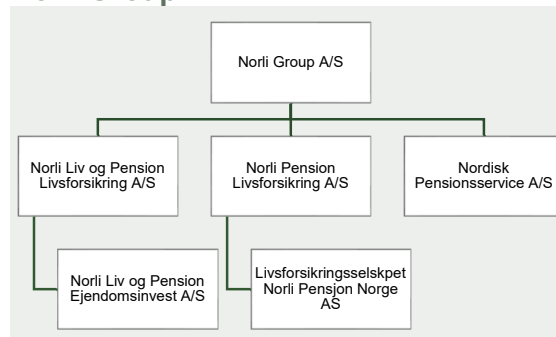
Organisation

Norli Group is the sole owner of Norli Pension, Norli Liv og Pension and Nordisk Pensjonsservice A/S. The voting shares of Norli Group are held by Thomas Vinge Hansen (100%) and the economic interest is held by Nordic I&P DK Finans ApS (100%).

Norli Liv og Pension Ejendomsinvest is a 100% owned subsidiary of Norli Liv og Pension and deals with investment in and management of rental properties.

Furthermore, Norli Pension holds 100% of the Norwegian subsidiary, Livsforsikringsselskapet Norli Pensjon Norge, which have been granted permission to carry out life insurance business in Norway. Currently there is no activity in Livsforsikringsselskapet Norli Pensjon Norge other than efforts in accordance with group strategy of inorganic growth and governance set-up.

Norli Group



Norli Group, Norli Liv og Pension and Norli Pension have outsourced the internal audit function to Advisense.

Management and employees

At end of 2025, Norli Group, had one full time and 6 split time employees. Several of these held key positions in other group companies at the same time.

Norli Group has approved a bonus program and a remuneration policy. The bonus program applies to the executive management. The bonus program is compliant with market standards and financial regulation.

The remuneration policy is established by the Board of Directors and afterwards approved by the Annual General Meeting. The remuneration policy applies to the Board of Directors, to the management, to employees in control functions and to employees, if the activity performed by the employees has a significant influence on the risk profile of Norli Group. For the management variable pay may constitute up to 50% of the basic pay including pension contribution. For significant risk takers the variable pay may constitute up to 100% of the basic pay including pension contribution. It also applies that at least 50% of the variable pay must consist of subordinated debt. For the management the payment of 40% of variable pay must be deferred according to law, for significant risk takers the duration of the postponement is

three years. However, if the variable pay exceeds a certain amount, 60% of the variable pay must be deferred according to law.

Gender composition

The gender composition of the Board of Directors causes a representation of 40% of the underrepresented gender. Given the number of board members (5), the representation cannot become more equal, and the gender composition is therefore also in line with company policy, which have been approved by the Board of Directors in June 2025.

At the end of 2025, the executive management consist of 3 members of same gender. The executive management as of 1st of February 2026 still consist of members of the same gender. When new members of the executive management are to be elected, the Company will prefer to ensure an equal gender composition.

The election of two additional members of the Board of Directors alters the gender composition as the underrepresented gender now is 2 out of 7 members.

Gender compositions

Members of Board of Directors	2025	2024
Members in total	5	5
Underrepresented gender in percentage	40%	40%
Gender target in percentage	40%	40%
Expected time for target realisation	Target met	Target met
Executive Management	2025	2024
Persons in total	3	3
Underrepresented gender in percentage	0%	0%
Gender target in percentage	40%	40%
Expected time for target realisation	Within 5 years	Within 5 years
Non-executive Management	2025	2024
Persons in total	2	2
Underrepresented gender in percentage	50%	50%
Gender target in percentage	40%	40%
Expected time for target realisation	Within 5 years	Within 5 years

Norli Group is committed to fostering an inclusive workplace culture that champions equal opportunities for both genders. The Company strive to achieve an even gender balance across all levels of management, with a goal to increase the representation of the underrepresented gender.

Board of Directors

In compliance with Danish legislation, Norli Group has a two-tier management system with a Board of Directors and a management board.

The Board of Directors conducts an annual overall assessment of its collective qualifications and working procedures. The evaluation is chaired by the Chair of the Board.

Composition and organisation of the board of directors

During 2025 the Board of Directors consisted of Vivian Lund, Nina Christensen, Henrik Gade Jepsen, Thomas Vinge Hansen and Jakob Sønderby. Vivian Lund is appointed chairman of the Board of Directors.

All members of the Board of Directors are elected annually by the Annual General Meeting, and the majority of Board members meet the statutory independence requirements.

Presentation of the members of the Board of Directors and the Management is provided in the section listing directorships below.

The Board of Directors has considered the qualifications and skills necessary for the Board of Directors in relation to the business plan of Norli Group and the assessment is that the Board of Directors meets these qualifications and skills.

In 2025 the Board of Directors has held 12 board meetings. 4 of these meetings were ordinary meetings, the remaining meetings were extraordinary meetings.

Corporate Social Responsibility

Due to the legal requirements stated in the Executive order of financial reporting by insurance companies' (Section 147), the company reports its policies and procedures regarding CSR and climate and anti-corruption.

Norli Group's responsibilities in respect of CSR and climate are covered by the company policy on sustainability (including CSR, responsible investment and active ownership).

The pension industry and the rest of the financial sector continue to have Anti-Money Laundering as a top priority. In accordance with the AML policy the company works to reduce financial crime in society through the continued effort to improve the company's AML policy and processes. As a pension service provider, Norli Group can be exploited by criminals intending to launder money or by criminals trying to use money for illicit purposes. AML risk for Norli Group (being part of the pensions industry) is considered low in accordance with the risk assessment set out in the "National AML Risk Assessment" issued in 2022 by the Danish Financial Intelligence Unit (FIU). In accordance with regulations and company policy, suspicious activities have been reported to the police without delay.

As to anti-corruption, the company has guidelines describing that the company does not tolerate corruption. In the current financial period, there have not been identified any corruption activities, as a result of the company's activities

Norli Group has a "Policy on sustainability (including CSR, responsible investment and active ownership)" that describes the approach approved by Norli Group Board for integrating its investment principles and processes with regard to

international conventions and declarations on human rights, responsible climate action, children's rights, etc.

Norli Group will observe fundamental human rights such as the United Nations' Universal Declaration of Human Rights, which Denmark has undertaken to comply with, in all aspects of business administration, product management, client relationships and investment processes. Furthermore, Norli Group will observe the principles in the OECD Guidelines for Multinational Enterprises, the United Nations Convention on the Rights of the Child and the United Nations Framework Convention on Climate Change (Paris Agreement).

In the current financial period, there have not been identified any human rights violations as a result of the company's activities.

Norli Group is actively screening all of its investment assets against a list of specific industries and types of activity that the Company wants to limit its exposure to. The "Policy on sustainability (including CSR, responsible investment and active ownership)" is available to the public on the corporate website, where the company makes its disclosures under SFDR 2019/2088, Article 4(1)(b).

Norli Group has a comprehensive risk assessment and risk management system which, in addition to the quantitative risks captured in the Solvency Capital Requirement (SCR) using the Standard Formula, identifies and includes other emerging risks and risks otherwise excluded from the SCR. In this respect there has been a growing risk of future losses from the effects of climate change.

Norli Group is actively investigating the potential impacts on the Company. Given the business model, climate risk is presently assessed as being non-material during the strategic planning period.

The Company assesses at least annually the degree of exposure to sustainability risk, including the impact of climate change. The assessment focuses on the investment assets and specifically the investment categories of Equities, Government and Mortgage Bonds, Corporate Credit, Credit to Infrastructure, Real Estate Financing and Real Estate. The assessments are based primarily on the maturity of the investments and the diversification of collateral, which for all categories is considered to contribute to a low overall risk of material adverse impact on investment performance. In addition to this, the company is considering the potential impact of climate change on the assumptions underlying the liabilities.

In addition to the above, most investments are of a long-term nature and managed by external managers through investment management agreements. The Company's credit investments mainly consist of debt issued by unlisted companies with limited public information on overall sustainability. Consequently, the Company has limited ability to reduce the climate footprint of the investments. The potential benefits of estimating the marginal CO₂-footprint are deemed insignificant and would be achieved at a high relative cost. The Company therefore does not estimate or disclose its CO₂-footprint as otherwise proposed by the standard from

Insurance & Pension Denmark on climate reporting. When the financial markets mature in terms of more readily available sustainability data, the Company will reconsider this approach.

A positive result of the approach set out in the Policy on sustainability (including CSR, responsible investment and active ownership) is that the investment portfolio has become less exposed to negative climate risk during the reporting period. It is the company's assessment that this risk reduction has been achieved without any reduction in expected future investment return.

Data Ethics policy

Due to the legal requirements stated in "Bekendtgørelse om finansielle rapporter" (Section 153), the Company reports its policy and procedures in relation to data ethics.

Norli Group has a strong commitment in relation to protection of personal data. In this regard Norli Group respects the principles covering the insurance industry as such.

Norli Group has a clear intention of being able to service its policy holders via digital solutions in a responsible manner which protects the personal data of the policy holders while at the same time providing them with an effective case management. This means that Norli Group collects information on its policy holders to provide them with relevant and accurate advice on insurance products and in order to fulfil its regulatory requirements.

In order to fulfil its legal obligations, the Company has appointed its inhouse legal counsel as Data Protection Officer. The Data Protection Officer will provide employees with guidance and support in relation to data protection.

Outlook for 2026

Norli Group's pre-tax profit for 2026 is expected to amount to DKK 138 million. The positive result is driven by positive expected results in Norli Liv og Pension and Nordisk Pensionservice respectively DKK 177 million and DKK 8 million and a negative effect of respectively Norli Pension of DKK -7 million DKK and -38 million from the amortisation of customer relations and operational expenses in Norli Group.

The regular premiums in Norli Liv og Pension are expected to decline slightly by 1-2%.

The financial guidance is based on the current level of interest rates.

Directorships and executive positions

Board of Directors

Vivian Lund

	Directorships within Norli Group	Directorships outside Norli Group
Chairman	Norli Liv og Pension Livsforsikring A/S Norli Pension Livsforsikring A/S	Fundrock Asset Management Denmark A/S DNB Bank ASA

Nina Christensen

	Directorships within Norli Group	Directorships outside Norli Group
Board Member	Norli Liv og Pension Livsforsikring A/S Norli Pension Livsforsikring A/S	
CEO		Utilis Consult

Henrik Gade Jepsen

	Directorships within Norli Group	Directorships outside Norli Group
Board Member	Norli Liv og Pension Livsforsikring A/S Norli Pension Livsforsikring A/S	

Thomas Vinge Hansen

	Directorships within Norli Group	Directorships outside Norli Group
Board member		Gabler Danmark A/S Gabler AS Nordic Insurance and Pensions AS
CEO		Cetra Life Advisory ApS Tvinge Holding ApS Nordic I&P DK Finans ApS Nordic I&P Holding ApS

Jan Jakob Wileniec Sønderby

	Directorships within Norli Group	Directorships outside Norli Group
Board member		

Santiago Corral

	Directorships within Norli Group	Directorships outside Norli Group
Board member		MedVida Partners SA Nazare Insurance Capital Limited Nazare Capital Europe Limited Nazare Capital Alpha Limited

Ignacio Camí Casellas

	Directorships within Norli Group	Directorships outside Norli Group
Board member		Assymmetriqa SICAV S.A. Meeting Lawyers S.L. Fundació Habitat3

Management Board

Peter Trägårdh Christensen

	Directorships within Norli Group	Directorships outside Norli Group
Board member	Livsforsikringsselskapet Norli Pensjon Norge AS Norli Liv og Pension Ejendomsinvest A/S	
Executive Officer	Norli Liv og Pension Livsforsikring A/S Norli Pension Livsforsikring A/S Nordisk Pensionservice A/S	

Søren Andersen

	Directorships within Norli Group	Directorships outside Norli Group
Chairman		Ress Life Investments A/S
Board member	Livsforsikringsselskapet Norli Pensjon Norge AS	
Executive Officer	Nordisk Pensionservice A/S	S.A. Consulting A/S

Company information

Registration		
Name:	Address:	Main phone:
Norli Group A/S	Midtermolen 1 DK-2100 Copenhagen Ø	+45 38 20 24 00
Company reg. no (CVR)	Municipality	
42 54 67 47	Copenhagen	
Board of Directors		
Vivian Lund <i>Chairman</i>	Nina Christensen	Henrik Gade Jepsen
Thomas Vinge Hansen	Jan Jakob Wileniec Sønderby	Santiago Corral
Ignacio Camí Casellas		
Management		
Peter Trägårdh Christensen <i>Executive Officer</i>	Søren Andersen <i>Executive Officer</i>	
Auditors		
EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 DK-2000 Frederiksberg		
Shareholder		
Norli Group A/S is owned by 100% by Nordic I&P DK Finans ApS		

Statement by the Management Board and the Board of Directors

The Board of Directors and the Management Board have today considered and approved the annual report of Norli Group A/S for the period 1 January to 31 December 2025.

The annual report has been prepared in accordance with the requirements of relevant law and regulations, including the Danish Insurance Business Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group's and the parent company's assets, liabilities and

financial position on 31 December 2025 and of the results of the group's and the parent company's operations for the prolonged financial year ended 31 December 2025.

In our opinion, the management's review contains a fair review of developments in the company's activities and financial position and describes the principal risks and uncertainties that may affect the group and the parent company.

We recommend the annual report for adoption at the annual general meeting.

Management Board

Copenhagen, 25 March 2026

Peter Trägårdh Christensen
Executive Officer

Søren Andersen
Group Chief Executive Officer

Board of Directors

Copenhagen, 25 March 2026

Vivian Lund
Chairman

Nina Christensen

Henrik Gade Jepsen

Thomas Vinge Hansen

Jan Jakob Wileniec Sønderby

Santiago Corral

Ignacio Camí Casellas

Independent auditor's report

To the shareholders of Norli Group A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Norli Group A/S for the financial year 1 January – 31 December 2025, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Insurance Business Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2025 and of the results of the Group's and the Parent Company's operations for the financial year 1 January - 31 December 2025 in accordance with the Danish Insurance Business Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Statement on the Management's review

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required by relevant law and regulations.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of relevant law and regulations. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Insurance Business Act for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be

expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction,

supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats and safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent company financial statements of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Copenhagen, 25 March 2026

EY Godkendt Revisionspartnerselskab

CVR no 30 70 02 28

Lars Rhod Søndergaard
State Authorised
Public Accountant
mne28632

Income and comprehensive income statement

DKKt	Note	2025		2024	
		Parent	Group	Parent	Group
Gross premiums	1	0	1.084.324	0	1.202.970
Ceded insurance premiums		0	-14.126	0	-18.839
Total premiums, net of reinsurance		0	1.070.198	0	1.184.131
Income from group enterprises	2	105.780	0	167.007	0
Income from investment properties		0	59.905	0	70.566
Interest income and dividends, etc.	3	298	231.725	1.077	222.390
Value adjustments	4	-12	79.864	0	268.440
Interest expenses		-307	-4.114	-908	-19.209
Administrative expenses related to investment activities		-7	-54.385	-4	-61.977
Total investment return		105.752	312.995	167.172	480.210
Tax on pension returns	5	0	-75.451	0	-107.864
Claims and benefits paid	6	0	-2.405.174	0	-2.452.615
Reinsurers' share received		0	6.617	0	14.134
Total claims and benefits, net of reinsurance		0	-2.398.557	0	-2.438.481
Change in life insurance provisions		0	1.206.279	0	1.149.929
Change in reinsurers' share		0	3.584	0	-7.629
Total change in life insurance provisions, net of reinsurance		0	1.209.863	0	1.142.300
Change in profit margin		0	183.454	0	98.604
Acquisition cost		0	-82.514	0	-80.439
Administrative expenses	7	-48.513	-124.033	-48.724	-125.054
Commissions paid and reinsurance cost		0	2.305	0	4.698
Total insurance operating expenses, net of reinsurance		-48.513	-204.242	-48.724	-200.795
Transferred investment return		0	-25.905	0	-28.737
Technical result		57.239	72.355	118.448	129.368
Technical result of health and accident insurance	8	0	18.867	0	18.158
Investment return on equity		0	20.953	0	19.498
Other income		9.256	214	0	0
Other expenses		0	0	0	-699
Profit before tax	9	66.495	112.389	118.448	166.325
Tax	10	8.831	-37.063	10.683	-37.192
Net profit for the year		75.326	75.326	129.131	129.133
Comprehensive income					
Net profit for the year		75.326	75.326	129.132	129.132
Total comprehensive income		75.326	75.326	129.132	129.132
Proposed allocation of profit/loss					
Proposed dividend		0	0	0	0
Retained earnings		75.326	75.326	129.132	129.132
Total comprehensive income		75.326	75.326	129.132	129.132

Balance sheet

DKKt	Note	2025		2024	
		Parent	Group	Parent	Group
Assets					
Intangible Assets	11	469.220	469.220	507.442	507.442
Investment property	12	0	1.656.292	0	1.603.628
Investments in group enterprises	13	614.495	0	508.315	0
Other financial asset		3.875	0	24.601	0
Total investments in group enterprises		618.370	0	532.916	0
Equity investments		0	801.126	0	1.254.382
Investment funds		0	8.809.610	0	10.721.504
Bonds		0	2.380.729	0	1.013.776
Share in collective investments		0	4.276	0	4.617
Other loans		0	119	0	174
Deposits with credit institutions		0	40.000	0	503.195
Derivative financial instruments	14	0	27.225	0	472.193
Total other financial investment assets		0	12.063.085	0	13.969.841
Total investment assets	15	618.370	13.719.377	532.916	15.573.469
Reinsurers' share of life insurance provisions		0	35.514	0	31.931
Reinsurers' share of claims provisions	16	0	264.711	0	239.933
Reinsurers' share of insurance contracts		0	300.225	0	271.864
Receivables from policyholders		0	48.695	0	52.920
Receivables from direct insurance contracts		0	48.695	0	52.920
Receivables from insurance companies		0	31	0	5.809
Receivables from group enterprises		201	0	272	0
Other receivables		92	32.101	15.074	24.258
Total receivables		293	32.132	15.346	30.067
Current tax assets on pensions returns		0	0	0	7.645
Current tax assets	17	234	12.068	2.274	9.146
Cash and cash equivalents		4.393	149.144	2.722	208.719
Other assets		0	131.067	0	453.550
Total other assets		4.627	292.279	4.996	679.060
Accrued interest and rent		0	32.964	0	39.152
Other prepayments and accrued income		0	36.257	0	28.223
Total prepayments and accrued income		0	69.221	0	67.375
Total assets		1.092.510	14.931.149	1.060.700	17.182.197

Balance sheet

DKKt	Note	2025		2024	
		Parent	Group	Parent	Group
Liability and equity					
Share capital		25.299	25.299	25.299	25.299
Contingency funds		0	100.883	0	100.883
Profit carried forward		1.019.643	918.760	944.317	843.434
Total shareholders equity	18	1.044.942	1.044.942	969.616	969.616
Premium provisions		0	20.889	0	31.982
Profit margin on non life contracts		0	9.312	0	9.436
Life insurance provisions	19	0	12.481.881	0	13.677.082
Profit margin on life insurance and investment contracts		0	510.105	0	695.686
Provisions for claims	20	0	512.432	0	507.518
Risk margin on non-life insurance contracts		0	4.830	0	5.316
Total provisions for insurance and investment contracts		0	13.539.449	0	14.927.020
Deferred tax	21	43.446	61.961	51.855	68.575
Other liabilities		0	0	0	0
Total provisions for liabilities		43.446	61.961	51.855	68.575
Payables related to direct insurance		0	27.600	0	35.926
Payables related to reinsurance		0	12.598	0	19.312
Payables to group enterprises		3.426	3.345	39.082	23.036
Other debt	22	696	240.553	147	1.102.144
Total debts		4.122	284.096	39.229	1.180.418
Accruals and deferred income		0	701	0	36.569
Total liabilities and equity		1.092.510	14.931.149	1.060.700	17.182.197
Contingent liabilities	23				
Collateral security	24				
Related parties	25				
Derivative financial instruments	26				
Financial highlights	27				
Capital and risk management	28				
Significant accounting estimates, assumptions and uncertainties	29				
Accounting policies	30				

Statement of changes in equity

DKKt	Share Capital	Contingency funds	Retained earnings	Proposed dividend	Group
Shareholders' equity at 1 January 2024:	25.299	100.883	1.134.302	0	1.260.484
Changes in shareholders' equity 2024:					
Net profit for the year			129.132		129.132
Extraordinary dividend distributed			-420.000		-420.000
Shareholders' equity at 1 January 2025	25.299	100.883	843.434	0	969.616
Changes in shareholders' equity 2025:					
Net profit for the year			75.326		75.326
Comprehensive income:	25.299	100.883	918.760	0	1.044.942
Changes in shareholders' equity:	25.299	100.883	918.760	0	1.044.942
Shareholders' equity at 31 December 2025:	25.299	100.883	918.760	0	1.044.942
DKKt	Share Capital	Contingency funds	Retained earnings	Proposed dividend	Parent
Shareholders' equity at 1 January 2024:	25.299	0	1.235.185	0	1.260.484
Changes in shareholders' equity 2024:					
Net profit for the year			129.132		129.132
Extraordinary dividend distributed			-420.000		-420.000
Shareholders' equity at 1 January 2025	25.299	0	944.317	0	969.616
Changes in shareholders' equity 2025:					
Net profit for the year			75.326		75.326
Comprehensive income:	25.299	0	1.019.643	0	1.044.942
Changes in shareholders' equity	25.299	0	1.019.643	0	1.044.942
Shareholders' equity at 31 December 2025	25.299	0	1.019.643	0	1.044.942

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 1 Gross premiums				
Direct insurance	0	1.084.324	0	1.202.970
Total gross premiums	0	1.084.324	0	1.202.970
Regular premiums	0	623.938	0	736.888
Single premiums	0	460.386	0	466.082
Total gross premiums	0	1.084.324	0	1.202.970
Insurance taken out individually	0	451.385	0	420.099
Insurance taken out in connection with employment	0	367.735	0	526.397
Group life insurance	0	265.204	0	256.474
Total gross premiums	0	1.084.324	0	1.202.970
Number of insured, direct insurance (1,000):				
Insurance taken out individually	0	39.441	0	46.784
Insurance taken out in connection with employment	0	11.009	0	9.752
Group life insurance	0	58.803	0	55.246
All policies in Life Insurance written include a bonus arrangement. The company only writes direct Danish insurance.				
Note 2 Income from group enterprises				
Norli Pension Livsforsikring A/S	-21.350	0	24.641	0
Norli Liv og Pension Livsforsikring A/S	127.982	0	142.366	0
Nordisk Pensionservice A/S	-852	0	0	0
Total income from group enterprises	105.780	0	167.007	0
<i>The results are recognised in the following items:</i>				
Income from group enterprises	105.780	0	167.007	0
Total income from group enterprises	105.780	0	167.007	0
Note 3 Interest income and dividend				
Equity investments	0	66.144	0	49.154
Investment funds	0	122.202	0	125.714
Bonds	0	26.336	0	69.684
Deposits in credit institutions	24	17.041	104	28.490
Derivative financial instruments	0	0	0	-63.844
Other investment assets	274	2	973	13.192
Total interest income and dividend	298	231.725	1.077	222.390
Note 4 Value adjustments				
Investment property	0	41.792	0	-5.588
Equity investments	0	67.919	0	59.522
Investment funds	0	106.981	0	444.751
Shares in collective investments	0	0	0	-206
Bonds	0	-2.129	0	34.772
Derivative financial instruments	0	-184.236	0	-226.773
Other investment assets	-12	49.537	0	-38.038
Total value adjustments	-12	79.864	0	268.440
Note 5 Tax on pension returns				
Individual tax on pension investment returns	0	-75.451	0	-76.826
Institute tax on pension investment returns	0	0	0	-31.038
Total tax on pension returns	0	-75.451	0	-107.864

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 6 Claims and benefits paid				
Insurance amounts on death	0	-96.145	0	-112.935
Insurance amounts on critical illness	0	-22.078	0	-22.260
Insurance amounts on disability	0	-7.347	0	-7.536
Insurance amounts on expiry	0	-195.370	0	-220.999
Pensions and annuity benefits	0	-388.949	0	-409.921
Surrenders	0	-1.513.638	0	-1.512.048
Cash bonus payments	0	-181.647	0	-166.916
Total claims and benefits paid	0	-2.405.174	0	-2.452.615
Note 7 Administrative expenses				
Staff expenses	-4.177	-115.350	-3.396	-96.192
Allocated staff expenses to acquisition/investment costs	0	80.634	0	65.805
Amortisation customer relations	-38.222	-38.222	-38.222	-38.222
Other administrative expenses	-6.114	-51.095	-7.106	-56.445
Total administrative expenses	-48.513	-124.033	-48.724	-125.054
<i>Staff expenses</i>				
Wages and salaries	-3.607	-87.011	-2.516	-80.162
Pensions	-569	-12.194	-463	-11.447
Other social security costs and payroll tax	-1	-16.146	-416	-4.584
Total staff expenses	-4.177	-115.351	-3.395	-96.193
Average number of full-time-equivalent employees during the year	1	98	1	85
<i>Remuneration to the Board of Directors</i>				
Salary, pension and remuneration - fixed part	-397	-2.438	-193	-2.417
Total remuneration to the Board of Directors	-397	-2.438	-193	-2.417
<i>Remuneration to the Management Board</i>				
Salary, pension and remuneration - fixed part	-9.483	-9.483	-3.078	-9.068
Salary, pension and remuneration - variable part	-1.586	-1.586	-257	-1.055
Total remuneration to the Management Board	-11.069	-11.069	-3.335	-10.123
<i>Remuneration to significant risk takers</i>				
Salary, pension and remuneration - fixed part	-6.005	-6.005	0	-7.158
Salary, pension and remuneration - variable part	0	0	0	0
Total remuneration to significant risk takers	-6.005	-6.005	0	-7.158
Number of members of the Board of Directors	5	5	5	5
Number of members of the Management Board	3	3	3	3
Number of members of significant risk takers	4	4	6	6

The Management Board is employed by other companies within the Norli Group, and the cost is allocated to the other companies within the Norli Group in accordance with the management agreement. The bonus amount awarded in 2025 relates to the financial results achieved in the 2024 financial year.

The companies within the Norli Group are required to identify all employees whose activities have a significant impact on the risk profile of the company. From 2025 the significant risk takers are also employed by other companies within the Norli Group, and a part of the cost is allocated to the other companies within the Norli Group in accordance with the management agreement.

Information on salaries and remuneration for the Board of Directors, the Management Board, and significant risk takers can be found on the company's website (www.norli.dk).

Fees to the audit firm appointed by the general meeting

EY - Statutory audit of financial statements	-170	-1.357	-108	-1.629
EY - Other assurance engagements	0	-410	-138	-571
EY - Tax services	0	-695	0	-4.889
EY - Other services	-75	-88	0	-1.325
Total audit fees	-245	-2.550	-246	-8.414

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 8 Technical result of health and accident insurance				
Gross premiums	0	100.287	0	116.835
Ceded insurance premiums	0	-60.909	0	-68.582
Change in premium provisions	0	10.243	0	-666
Change in profit and risk margin	0	118	0	877
Total premiums, net of reinsurance	0	49.739	0	48.464
Claims paid	0	-85.576	0	-85.553
Claims paid, reinsurer's share	0	39.244	0	35.662
Change in provisions for claims	0	-8.456	0	58.240
Change in risk margin	0	491	0	342
Change in provisions for claims, reinsurer's share	0	24.778	0	-19.966
Total claims, net of reinsurance	0	-29.519	0	-11.275
Acquisition cost	0	-11.395	0	-13.851
Administrative expenses	0	-7.710	0	-8.832
Commissions paid and reinsurance cost	0	8.410	0	13.523
Total insurance operating expenses, net of reinsurance	0	-10.695	0	-9.160
Technical result	0	9.525	0	28.029
Total investment return	0	4.953	0	9.240
Return on and value adjustments of technical provisions	0	4.389	0	-19.111
Total investment return after return on and value adjustment on technical provisions	0	9.342	0	-9.871
Technical result of health and accident insurance	0	18.867	0	18.158
Run-off result, gross	0	-57.794	0	14.864
Run-off result, net of reinsurance	0	-33.184	0	22.413
Gross claims ratio	0,0%	84,5%	0,0%	23,0%
Gross expense ratio	0,0%	17,7%	0,0%	19,4%
Number of claims	0	30	0	35
Claims frequency	0,0%	0,5%	0,0%	0,5%
Average amount of claims	0	878	0	1.308
Note 9 Profit before tax				
<i>Return requirements for shareholders' equity:</i>				
Return on investments allocated to equity	0	20.953	0	15.141
Result of portfolios without bonus entitlement	0	815	0	1.776
Profit before tax of the health and accident insurance	0	18.434	0	18.159
Interest result	0	72.957	0	139.459
Expense result	0	10.212	0	-16.221
Risk result	0	31.525	0	34.697
Forenede Gruppeliv / Group Life	0	23.033	0	21.871
Profit before tax, subsidiaries without life insurance portfolio	0	-26.256	0	0
Profit before tax, Norli Group A/S (Parent) 1)	66.495	-39.284	118.448	-48.557
Profit before tax	66.495	112.389	118.448	166.325

1) The amount of -39284,k DKK in 2025 comprises profit before tax (Norli Group A/S, Parent) of 66495,k DKK deducted for income from group enterprises of 105779,k DKK.

In accordance with the Executive Order on the Contribution Principle and the market discipline guidelines, the Danish FSA has been notified of Norli Liv og Pension's profit policy for 2025. Norli Liv og Pension's profit for the year comprises the investment return on assets in which shareholders' equity is invested plus the result of Forenede Gruppeliv, the health and accident result, plus a risk allowance based on technical provisions from the interest rate groups and a proportion of the risk results of the risk groups and the cost results of cost groups.

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 10 Tax				
Estimated tax on profit/loss for the year	233	-42.880	2.274	-53.272
Adjustment of prior-year current tax	189	-796	0	9.446
Adjustment of prior-year deferred tax	0	0	0	-178
Adjustment of deferred tax	8.409	6.613	8.409	6.812
Total tax	8.831	-37.063	10.683	-37.192
<i>Tax for the year consist of:</i>				
Tax on accounting profit/loss (current rate 22%)	-14.629	-24.726	-26.059	-36.591
Non-taxable income and non-deductible expenses	15.051	-18.950	32.173	-3.573
Adjustment of deferred tax (increase in tax base)	8.409	6.613	4.569	2.972
Total tax	8.831	-37.063	10.683	-37.192

* Norli Liv og Pension Livsforsikring A/S (reg. No. 64 14 57 11) and Norli Pension Livsforsikring A/S (re. No. 29 63 78 73), within the Group are affected by the increased tax are for the financial companies in Denmark. The tax rate has been increased to 26% in 2023

Note 11 Intangible Assets

	31-12-2025		
	Parent and group		
	Goodwill	Customer relations	Total
Cost, beginning of the period	271.738	344.000	615.738
Acquisitions during the year	0	0	0
Cost, end of year	271.738	344.000	615.738
Impairment and amortisation charges, beginning of the period	0	-108.296	-108.296
Amortisation during the period	0	-38.222	-38.222
Impairment and amortisation charges, end of year	0	-146.518	-146.518
Intangible assets, end of year	271.738	197.482	469.220

	31-12-2024		
	Parent and group		
	Goodwill	Customer relations	Total
Cost, beginning of the period	271.738	344.000	615.738
Acquisitions during the year	0	0	0
Cost, end of year	271.738	344.000	615.738
Impairment and amortisation charges, beginning of the period	0	-70.074	-70.074
Amortisation during the period	0	-38.222	-38.222
Impairment and amortisation charges, end of year	0	-108.296	-108.296
Intangible assets, end of year	271.738	235.704	507.442

Goodwill

Norli Group acquired Norli Liv og Pension Livsforsikring A/S on 1 March 2022. Management have prepared an impairment test of the carrying value of goodwill as of 31 December 2025. The goodwill is related to the cash generating unit (CGU) Norli Liv og Pension Livsforsikring A/S. The model is based on budgets approved by management. The significant assumptions are Capital and Capital requirement, expected growth and WACC. The impairment test did not result in any impairment.

Customer Relations

As of 31 December 2025 management have tested the valuation of customer relations as part of the impairment test of goodwill. The impairment test did not result in any impairment.

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 12 Investment property				
Fair value, beginning of year	0	1.603.628	0	1.533.852
Acquisitions and improvements during the year	0	13.132	0	15.855
Disposals during the year	0	0	0	1.011
	0	1.616.760	0	1.550.718
Fair value adjustments	0	39.532	0	52.910
Fair value, end of year	0	1.656.292	0	1.603.628

Rates of return on which the fair value of the companys' individual properties are based on:

Weighted average rates of return for corporate properties	0	4,6%	0	4,6%
Weighted average rates of return for residential properties	0	6,4%	0	6,4%
Total weighted average rates of return for investment properties	0	4,7%	0	4,7%

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 13 Investment in group enterprises				
Cost, beginning of year	1.152.684	0	1.152.284	0
Cost, end of year	1.152.684	0	1.152.284	0
Revaluation and impairment, beginning of year	-643.969	0	-380.976	0
Profit / loss for the year	105.780	0	167.007	0
Dividend received	0	0	-430.000	0
Revaluation and impairment, end of year	-538.189	0	-643.969	0
Investment in group enterprises, end of year	614.495	0	508.315	0

Holdings in group enterprises consist of:

Name and domicile	Activity	Ownership	Result	Equity
Norli Liv og Pension Livsforsikring A/S, Copenhagen	Life Insurance	100%	127.982	459.277
Norli Pension Livsforsikring A/S, Copenhagen	Life Insurance	100%	-21.350	155.669
Nordisk Pensionservice A/S, Copenhagen	Service company	100%	-852	-452

Note 14 Other financial investment assets

Derivatives	0	27.225	0	472.193
Other financial investment assets, end of year	0	27.225	0	472.193

Note 15 Total investment assets

DKKt	Carrying amount		Return % p.a. before tax
	1 January	31 December	
1. Investment property	2.508.240	1.656.292	6,6%
2.1 Equity investments	1.527.822	801.126	10,8%
2.2 Unlisted investments	4.626	4.276	0,9%
2. Equity investment, total	1.532.448	805.402	10,7%
3.1 Government and mortgage bonds	7.552.996	7.826.019	2,0%
3.2 Index-linked bonds	0	0	0,0%
3.3 Credit bonds and emerging market bonds	1.845.468	2.013.821	4,5%
3.4 Loans	1.158.929	1.477.316	4,7%
3. Bonds and loans, total	10.557.393	11.176.170	3,0%
4. Equity investments in group enterprises	0	0	0,0%
5. Other financial investment assets	503.195	40.000	0,0%
6. Derivative financial instruments	472.193	27.225	0,0%

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Level 1				
<u>Financial assets</u>				
Equity investments	0	801.126	0	713.006
Investments funds	0	7.459.113	0	7.972.949
Bonds	0	2.380.727	0	1.092.009
Other assets	0	40.000	0	503.195
Total financial assets	0	10.680.966	0	10.281.159
Level 2				
<u>Financial assets</u>				
Investment funds	0	0	0	1.127.111
Bonds	0	0	0	21.211
Derivative financial instruments	0	27.225	0	472.193
Total financial assets	0	27.225	0	1.620.515
<u>Financial liabilities</u>				
Derivatives	0	-92.065	0	-914.570
Total financial liabilities	0	-92.065	0	-914.570
Level 3				
<u>Financial assets</u>				
Investment property	0	1.656.292	0	1.603.626
Investment funds	0	1.350.498	0	2.063.367
Share in collective investments	0	4.276	0	4.628
Other loans	0	119	0	174
Total financial assets	0	3.011.185	0	3.671.795

The fair value is the price obtained in a sale of an asset or paid for transferring a liability in an arm's length transaction at the time of measurement. The fair value may be identical to the net asset value if the net asset value is calculated on the basis of underlying assets and liabilities measured at fair value. There are three levels of fair value measurement:

Level 1 is based on quoted (unadjusted) prices in active markets.

Level 2 is used where no quoted price is available but where the use of another official price is deemed to best reflect the fair value. In the case of listed securities for which the closing price does not represent fair value, valuation techniques or other observable data are used to determine fair value. Depending on the nature of the asset or liability, these may be calculations based on underlying parameters such as yields, exchange rates and volatility or with reference to transaction prices for similar instruments.

Level 3 is used for financial assets and liabilities the valuation of which cannot be based on observable data due to such data not being available or not being deemed to be usable for the determination of fair value. Instead recognised techniques, including discounted cash flows, and internal models and assumptions are used for the determination of fair value.

Transfer between the categories of the fair value hierarchy is only effected in case of changes to available data for use in measurement.

Bonds measured at quoted prices primarily comprise Danish mortgage bonds and, to a lesser extent, Danish government bonds and corporate bonds. These bonds are attributed to level 1 if a quoted price is identified within 1-3 trading days before the date of calculation (depending on the type of bond). Bonds which are not traded are attributed to level 2. Equity investments mainly comprise listed shares and equity futures measured at quoted prices. For unlisted shares where no observable input is immediately available, the measurement is based on an estimate which builds on information from the companies' financial statements, experience from transactions involving shares in the companies in question as well as input from qualified third parties. The shares are included in level 3.

Other assets comprises positive values of derivative financial instruments at DKK 27,2 million.

Derivative financial instruments mainly comprise interest rate swaps, which are measured by way of calculation of the net present value of expected future cash flows discounted on the basis of obtainable interest rate points, interpolation between interest rate points and exchange rates. Listed futures and options are measured on the basis of obtainable prices. Unlisted options are measured on the basis of obtainable volatilities, prices of underlying assets and exercise prices using Black-Scholes. Forward exchange transactions are measured on the basis of obtainable forward premiums and exchange rates.

Other liabilities comprises negative values of derivative financial instruments at DKK 92,1 million.

Interest rates are measured on the basis of normal principles of accrual. Derivative financial instruments are valued on the basis of listed prices from an active market and using generally accepted valuation models with observable data, including yield curves, volatilities and equity indices.

The fair value of investment properties is calculated according to the discounted cashflow method on the basis of market-based rental income and operating expenses for a 10 year budget period plus terminal year relative to the required rate of return of the individual properties. The valuation takes into account the type, location, state of repair, vacancy rate, etc. of the property

Notes

DKKt	2025		2024	
	Group		Group	
Development in level 3 financial instruments				
<i>Investment property</i>				
Carrying amount, beginning of period	0	1.603.628	0	1.533.852
Additions during the period	0	13.132	0	0
Unrealised value adjustments	0	39.532	0	69.776
Carrying amount, end of period	0	1.656.292	0	1.603.628
Value adjustments recognised in the income statement	0	39.532	0	69.776
<i>Investment funds</i>				
Carrying amount, beginning of the period	0	2.063.376	0	2.052.290
Additions during the period	0	314.757	0	140.283
Disposals during the period	0	-869.244	0	-110.710
Distributed dividend	0	-196.927	0	-67.494
Unrealised value adjustments	0	38.537	0	48.997
Carrying amount, end of period	0	1.350.499	0	2.063.366
Value adjustments recognised in the income statement	0	-158.390	0	-18.497
<i>Bonds</i>				
Carrying amount, beginning of the period	0	0	0	30.498
Disposals during the period	0	0	0	-32.211
Unrealised value adjustments	0	0	0	1.712
Carrying amount, end of period	0	0	0	-1
Value adjustments recognised in the income statement	0	0	0	1.712
<i>Share in collective investments</i>				
Carrying amount, beginning of the period	0	4.617	0	4.840
Distributed dividend	0	0	0	-652
Unrealised value adjustments	0	-341	0	439
Carrying amount, end of period	0	4.276	0	4.627
Value adjustments recognised in the income statement	0	-341	0	1.091
Note 16 Reinsurers' share of claims provisions				
Regarding health and accident insurance	0	264.711	0	239.933
Reinsurers' share of claims provisions, end of year	0	264.711	0	239.933
Note 17 Current tax assets and liabilities				
Current tax assets and liabilities, beginning of year	2.274	9.146	1.236	-25.362
Prior year tax adjustment	0	-985	0	8.330
Tax paid/received in respect of prior years	-2.274	6.786	-1.236	39.450
Tax paid during the year	0	40.000	0	40.000
Estimated tax on profit/loss for the year	234	-42.879	2.274	-53.272
Current tax assets and liabilities, end of year	234	12.068	2.274	9.146

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 18 Shareholders equity				
Share capital				
Share capital, beginning of year	25.299	25.299	25.299	25.299
Share capital, end of year	25.299	25.299	25.299	25.299
The share capital is made up of 1 A-share of DKK 0.01 and 2,529,873,446 B-shares of DKK 0.01 each. Each A-share of DKK 0.01 carries one vote, whereas the B-shares carry no voting rights. The A- and B-shares carry equal economic rights.				
Contingency fund				
Contingency fund, beginning of the period	0	100.883	0	100.883
Contingency fund, addition in the period	0	0	0	0
Contingency fund, end of year	0	100.883	0	100.883
Profit carried forward / Retained earnings				
Profit carried forward, beginning of year	944.317	843.434	1.235.185	1.134.302
Net profit for the year	75.326	75.326	129.132	129.132
Extraordinary dividend distributed	0	0	-420.000	-420.000
Profit carried forward / Retained earnings, end of year	1.019.643	918.760	944.317	843.434
Shareholders equity, end of year	1.044.942	1.044.942	969.616	969.616
Capital base				
Shareholders equity end of year	0	1.044.942	0	969.615
Intangible assets	0	-469.220	0	-507.442
Equity adjusted for tax assets	0	575.722	0	462.174
Adjustment between Solvency II and accounting balance sheet	0	568.323	0	522.858
Capital base, end of year	0	1.144.045	0	985.032
Note 19 Life insurance provisions				
Provisions, beginning of year	0	13.677.082	0	14.819.029
Profit margin, beginning of year	0	695.686	0	797.264
Total provisions for insurance contracts, beginning of year	0	14.372.768	0	15.616.293
Collective bonus potential, beginning of year	0	-70.002	0	-137.685
Loss absorption in individual bonus potential, beginning of year	0	9.062	0	20.979
Accumulated value adjustment, beginning of year	0	-22.790	0	-176.248
Retrospective provisions, beginning of year	0	14.289.038	0	15.323.339
Adjustments, beginning of year	0	-1.348	0	5.416
Gross premiums	0	1.084.324	0	1.202.970
Interest	0	0	0	58.087
Addition of return	0	234.164	0	275.355
Resetting of negative bonus	0	141.288	0	29.210
Changes in negative bonus	0	-62.892	0	-9.491
Claims and benefits	0	-2.405.174	0	-2.452.797
Expense supplement after addition of expense bonus	0	-89.057	0	-77.293
Risk gain after addition of risk bonus	0	-26.475	0	-51.657
Other changes	0	-48.812	0	-14.102
Retrospective provisions, end of year	0	13.115.056	0	14.289.037
Accumulated value adjustment, end of year	0	551.933	0	619.220
Loss absorption in individual bonus potential, end of year	0	-5.341	0	-9.062
Collective bonus potential, end of year	0	49.415	0	70.002
Applied individual bonus potential, end of year	0	-108.731	0	-118.858
Accumulated pension return tax adjustment, end of year	0	-610.346	0	-477.571
Total provisions for insurance contracts, end of year	0	12.991.986	0	14.372.768
Profit margin, end of year	0	-510.105	0	-695.686
Life insurance provisions, end of year	0	12.481.881	0	13.677.082

Norli Group writes average rate products with guaranteed benefits and options of surrender.

Notes

Life insurance provisions by subsidiaries	Group 31-12-2025					Return (%)	Bonus ratios (%)
	Guaranteed provisions	Individual bonus potential	Collective bonus potential	Total provisions			
Norli Pension	-	-	-	-		0,0%	
Norli Liv og Pension	10.913.434	1.519.032	49.415	12.481.881		2,1%	11,6%
Life insurance provisions, end of year	10.913.434	1.519.032	49.415	12.481.881			

No collective bonus potential has been accessed for the cost groups.

DKKt	2025		2024	
	Parent	Group	Parent	Group
Expense result				
Cost contribution after addition of expense bonus	0	143.470	0	122.395
Insurance operating expenses for the period, net of reinsurance	0	-133.258	0	-127.896
Expense result, net of reinsurance	0	10.212	0	-5.501
Risk result				
Norli Pension Livsforsikring A/S, Copenhagen	0	0	0	-6.413
Norli Liv og Pension Livsforsikring A/S, Copenhagen	0	31.525	0	41.110
Risk result after addition of risk bonus, net of reinsurance	0	31.525	0	34.697
Risk margin:				
Norli Pension Livsforsikring A/S, Copenhagen	0	0	0	20.407
Norli Liv og Pension Livsforsikring A/S, Copenhagen	0	43.099	0	41.348
Total risk margin	0	43.099	0	61.755
Profit margin:				
Norli Pension Livsforsikring A/S, Copenhagen	0	0	0	0
Norli Liv og Pension Livsforsikring A/S, Copenhagen	0	510.105	0	695.686
Total profit margin	0	510.105	0	695.686
Note 20 Provisions for claims				
<i>Regarding health and accident insurance</i>				
Provisions for claims, beginning of year	0	507.518	0	547.949
Change in provisions for claims	0	4.914	0	-40.431
Provisions for claims, end of year	0	512.432	0	507.518
Note 21 Deferred tax assets and liabilities				
Deferred tax liabilities, beginning of year	51.855	68.575	60.264	75.224
Change for the year	-8.409	-6.614	-8.409	-6.649
Deferred tax liabilities, end of year	43.446	61.961	51.855	68.575
Deferred tax on real estate	0	18.516	0	16.720
Note 22 Other debt				
Deposits prepaid rent	0	39.495	0	38.668
Tax on pension returns	0	46.118	0	90.576
Other taxes and VAT	0	6.676	141	5.196
Derivative financial instruments	0	92.065	0	914.570
Other liabilities	696	56.199	6	53.134
Other debt, end of year	696	240.553	147	1.102.144

Of the debt relating to derivative financial instruments, DKK 25 million are due more than five years after the balance sheet date. All other debts fall due within five years.

Notes

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 23 Contingent liabilities				
VAT adjustment liability related to investment properties	0	4.102	0	4.981
VAT post-payment for the years 2023-2025	0	2.400	0	3.400
Rental obligations	0	1.509	0	1.460
Minimum lease payments regarding company cars	0	1.654	0	1.899
Investment commitments in unlisted, alternative investments	0	250.621	0	270.678
Contingent liabilities, end of year	0	260.286	0	282.418

Norli Liv og Pension have undertaken to participate in investing in unlisted property and credit funds in the amount of DKK 1375 million.

Norli Group A/S is jointly and severally liable together with the other co-registered group companies for the total tax and VAT liability.

For Danish tax purposes, the company is taxed jointly with the other companies within Norli with Norli Group A/S as an administration company. The company has unlimited, joint and several liability together with the other jointly taxed companies for corporate income tax payable effective from 1 March 2022 and for for withholding taxes on dividends, interest and royalties. The net liability of the jointly taxed companies to 'Skattestyrelsen' is specified in the administration company's consolidated accounts. Any subsequent adjustments of income subject to joint taxation and withholding tax, etc. could cause the company's liability amounts to a larger amount.

DKKt	2025		2024	
	Parent	Group	Parent	Group
Note 24 Collateral security				
<i>Carrying amounts of assets provided as collateral security for technical provisions:</i>				
Corporate bonds	0	2.259.137	0	926.364
Equity investments	0	2.475.103	0	2.234.656
Collective investment undertakings	0	8.668.624	0	11.120.681
Cash and deposits	0	114.546	0	411.082
Property plant and equipment	0	132.308	0	25.775
Other	0	0	0	808
Collateral security, end of year	0	13.649.718	0	14.719.367

Notes

Note 25 Related parties

Norli Group A/S is a wholly owned subsidiary of Nordic I&P Finans Aps, Midtermolen 1, DK-2100 Copenhagen Ø. on the company, and in which the company is included as investment in participating interest in the financial statements. The voting shares of Norli Group A/S are held by Thomas Vinge Hansen (100%).

Related parties comprise:

- (a) Norli Group A/S, Midtermolen 1, DK-2100 Copenhagen Ø
- (b) Norli Pension Livsforsikring A/S, Midtermolen 1, DK-2100 Copenhagen Ø
- (c) Norli Liv og Pension Ejendomsinvest A/S, Midtermolen 1, DK-2100 Copenhagen Ø
- (d) Nordisk Pensionservice A/S, Midtermolen 1, DK-2100 Copenhagen Ø
- (e) Livsforsikringsselskapet Norli Pensjon Norge AS, Hieronymus Heyerdahls Gate 1, NO - 0160 Oslo
- (f) Members of the Management Bord and Board of Directors

Related parties also include related family members of the Management Board, Board of Directors and key employees as well as companies in which these persons have significant interests.

The Norli Group maintains cross-cutting functions that solve joint administrative tasks for the group's companies. The consideration paid for this administrative function is fixed on an arm's length basis or, where there is no specific market, on a cost-recovery basis.

DKKt	2025		2024	
	Parent	Group	Parent	Group
Financial relations, Norli Liv og Pension Livsforsikring A/S				
Administration fee	6.277	0	1.529	0
Administration expenses	4.674	0	5.126	0
Interest	274		0	
Receivables	4.077	0	272	0
Payables	0	0	593	0
Financial relations, Norli Pension Livsforsikring A/S				
Administration fee	585	0	101	0
Administration expenses	0	0	1.534	0
Receivables	0	0	0	0
Payables	0	0	380	0
Financial relations, Nordisk Pensionservice A/S				
Administration fee	2.394	0	101	0
Administration expenses	62	0	1.534	0
Receivables	0	0	0	0
Payables	82	0	380	0

In addition, no significant intra-group transactions have been carried out.

Note 26 Derivative financial instruments

Financial derivatives are applied to manage FX-, interest rate and equity risk. Cash collateral is exchanged to settle any market value exposures with derivative counterparts or central clearing counterparts. Net collateral margin posted in favour of the group amounted to DKK 120 million at 31 December 2025.

Financial contracts are recognized at fair value

DKKm	Group 31-12-2025		
	Expiration	Principal	Market value
Interest rate swaps	2026-2045	6.512	-2
Swaptions	2026-2029	12.137	-62
Forward exchange transactions	2.026	312	0
Derivative financial instruments, end of year			-64

Notes

Note 27 Financial highlights

DKKm	2025	2024	2023	2022
Premiums	1.084	1.203	1.318	1.049
Claims and benefits	-2.405	-2.453	-2.202	-1.618
Return on investment	212	344	386	-1.390
Total operating expenses relating to insurance	-207	-205	-199	-168
Profit/loss on business ceded	-2	-8	-5	-7
Change in life insurance provisions	1.206	1.150	933	2.478
Change in profit margin	183	99	-133	-329
Technical result	72	129	98	15
Investment return on equity	21	19	45	-18
Technical result of health and accident insurance	19	18	5	-60
Other Income / expenses	0	0	0	48
Profit before tax	112	167	148	-15
Tax	-38	-37	-36	9
Net profit for the year	75	130	112	-5
Total provisions for insurance contracts	13.539	14.927	16.210	16.943
Total shareholders equity	1.045	970	1.260	1.498
Total assets	14.931	17.182	20.608	23.032
Rate of return related to guaranteed pension products (%)	2,4	3,0	2,8	-
Expenses as percent of provisions	1,0	1,0	0,9	-
Expenses per policyholder	2.451	2.275	2.076	-
Return on equity before tax (%)	11,6	14,1	9,5	-
Return on equity after tax (%)	7,8	10,9	7,2	-

The key ratios are calculated in accordance with the provisions of the Danish Financial Business Act, including the Danish FSA's Executive Order No. 943 of 23 June 2025 on financial reports for insurance companies including later amendments.

1) 15/07/2021 - 31/12/2022

Note 28 Risk Management

Objectives

The objective of risk management in Norli Group is to ensure that the risks assumed at any given time are identified, measured, reported and managed and that they are in accordance with the written policies and guidelines and thereby within the boundaries for the risk profile as defined in the overall risk strategy.

The Norli Group will seek to maximize the risk adjusted returns for both shareholders and policyholders while policyholders will assume most risks where possible – in particular investment risks - and shareholders will bear residual risk.

The risk profile is managed with a specific target to maintain comfortable buffers relative to regulatory and economic minimum requirements throughout the strategic planning period.

The business activities of the Norli Group are carried out in the life insurance subsidiaries and the description of the risk management framework for the Norli Group below comprises Norli Group, Norli Liv og Pension and Norli Pension.

Risk management system

The risk management framework of the Norli Group complies with the rules set forth in EU Solvency II regulation (EU directive and delegated regulation) as well as Danish prudential regulation.

The Boards of the Group have approved a range of policies and guidelines that govern the risk management practices and risk exposure for all of the areas of risk in the Group. The most relevant policies under the umbrella of the overall Risk Management Policy covers the following areas: investments, asset valuations, insurance risks and valuation, outsourcing, ORSA, capital planning, operational risk, credit risk and non-financial credit. The policies covering the System of Control in the Group are: Internal Controls, Internal Audit and Compliance. Based on the business model and risk strategy of the group the Boards have determined business and financial targets for underwriting, solvency, insurance and investment risks for the planning period.

In accordance with prudential regulation the Board of each of the two life insurance subsidiaries have appointed an Audit and Risk subcommittee that oversee accounting practices, risk identification, internal controls, effectiveness of risk management systems, Own Risk and Solvency Assessment (ORSA) processes, capital planning, annual audit, auditor's independence, related party transactions etc. in accordance with the yearly planning.

At the management level the Group has set up two further risk management committees in the life insurance subsidiaries: Financial Risk Committee (FRK) and Risk and Compliance Committee (RCK) that will report to the Audit and Risk Sub-Committee.

The FRK will monitor capital resources, assets, insurance liabilities, liquidity and solvency. Based on current financial markets FRK will make investment proposals in accordance

with the investment strategy and policy and hedge any unwanted financial risks. FRK will monitor the performance of all financial assets with a particular focus on the performance and valuation of assets that are not traded in public markets such as properties and loans.

The RCK will monitor operational risks, incidents, IT risk, legal risks, reputational risks, all outsourced processes and execution of the internal audit plan. Work between key personal is coordinated as part of the RCK process.

The risk management system is built to comply with legislation, industry standards, corporate best practice, and sound business practices such as separation of functions, four-eyes principle and valuation at arms-length principle. Finally, the risk management model is built on proportionality and effectiveness in line with the principles set out in the policy for internal controls.

Group risk committee's and risk function



Risk areas

The Group is exposed to various types of risk in support of the long-term business model and objectives. The content and size of risks encountered in the various business areas differ considerably.

Life insurance risks

Biometric risks consist of mortality, longevity, disability and catastrophe risk. Further insurance risks also include expense risk and policyholder behaviour risk (option risk related to the extent of surrenders and re-writing to paid-up policies). The insurance risks: longevity, mortality and disability risks, cover the situation where policyholder mortality or disability changes significantly for a period or permanently, resulting in wrong assessment of future developments in mortality and disability risks.

Option risks arise when surrender and premium cessation assumptions in provisions at market value deviate from actual developments and must be adjusted, or in situations where the Group experiences mass surrenders in a short period of time.

Financial statements

Expense risk is the risk that provisions related to future expenses differ from actual expenses and must be revised. Expenses are related to variations in the costs related to honouring insurance or reinsurance contracts.

Revision risk is the risk that disability benefits awarded are revised resulting in higher pay out than anticipated.

Health insurance risks

Health and accident insurance is affected by legislative amendments and changed legal practice as well as by social inflation. Social inflation means that claims expenses increase due to developments in social and socio-economic factors. Such factors arise due to trends in society and will tend to drive up the number of insurance-covered claims and average claims expenses.

Reinsurance

An insurance company can protect itself against losses by taking out reinsurance, often with major international reinsurers that have a high credit rating. Reinsurance cover can be designed in different ways, depending on which losses the insurance company wishes to manage.

The purpose of Group reinsurance programme is to ensure that a single loss event or a random accumulation of large claims does not lead to unacceptable loss of capital and to reduce fluctuations in technical results. The reinsurance programme provides extensive and broad coverage and reduces the overall risks.

Financial risks

Market risks

The company is exposed to the risks of impairments to the value of financial assets due to fluctuations in prices in financial markets. The risks arise both for assets and liabilities and for derivative financial instruments (derivatives), for which only the positive or negative market value of the derivative appears in the balance sheet.

The management of these risks are intended to ensure a high return without putting the total capital of the Group at risk of significant impairment due to financial market developments or financial difficulties of individual issuers.

Interest rate risks

Interest rate risk is the risk of incurring a loss on an interest rate exposure as a result of an interest rate increase or decline. The investment assets are predominantly placed in interest-bearing assets, most of which are Danish mortgage bonds with a high credit rating, while a smaller part is placed in credit bonds and emerging market government bonds. The insurance liability cash flows are discounted using a yield curve provided by the EU insurance regulator EIOPA. The interest rate risk on assets and liabilities is monitored and adjusted on an ongoing basis, and derivatives are used to adjust the overall interest rate risk on assets. A mismatch of duration between liability cashflows and investment cashflows will lead to a net interest rate risk.

Currency risks

Currency exchange risk primarily arises from the portfolio of investment assets. The Group pursues a hedging strategy for non-euro currency exposures in major international currencies.

Spread risks

The group is exposed to the volatility of credit spreads and the subsequent risk of impairments to the market value of credit spread related investments like mortgage bonds or government bonds. The Group has set limits on the allowed exposure to credit spread risks.

Concentration risks

Concentration risk is the risk arising when the Group's exposures are concentrated, for instance, on few lines or on few large individual exposures. The Group has determined procedures for the monitoring and mitigation of concentration risks.

Liquidity risks

Liquidity risk arises due to differences in the timing of ingoing and outgoing payments. Such differences may arise because of unexpected events or may be a deliberate strategy. The objective of liquidity risk management is to ensure that liquidity at all times is sufficient to support operations and comply with regulatory requirements. Should the Group's liquidity come under substantial pressure, liquidity may be procured within a short period of time by selling assets.

Equity risks

The group is exposed to risk on changes in the market valuation of listed equities. The equity portfolio consists of European equities and Danish Large Cap equities. The company has very limited exposure to Private Equity or Venture Capital Markets. From time-to-time equity risk has been reduced using equity derivatives.

Real estate risks

The group has a portfolio of directly owned real estate as well as number of funds invested in real estate. Overall, the holdings are in high quality assets, but with a certain concentration risk towards office buildings on Midtermolen in Copenhagen.

Counterparty risks

Counterparty risk arises when a counterparty in a financial agreement, e.g. reinsurance contracts or financial contracts, fails to meet its obligations. Counterparty risk related to reinsurance is the uncertainty associated with the situation that one or more of the Group's reinsurers go into insolvent liquidation, resulting in a full or partial loss of receivables and in new coverage of the business having to be purchased. To minimise the risk related to each reinsurer, reinsurers must be rated according to a certain credit quality level. Deviations from this rating must be approved by the Board of Directors. Counterparty risk arising from derivative transactions is mitigated through the use of central clearing in London Clearing House for the larger part of the Group's transactions.

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Counterparty risk arising from bilateral derivative trades is mitigated by posting collateral or by depositing cash funds in a bank account. Placement limits contain restrictions as to the companies' maximum receivable from specific credit institutions. The Group limits counterparty risks in connection with derivative agreements by entering into margin agreements and netting with the counterparties.

Operational risks

Operational risk is the risk of incurring a financial loss due to inexpedient or faulty internal procedures, human or system errors or because of external events, including legal risks.

Procedures

The Group has several control procedures in the form of work routines, business procedures and reconciliation processes, performed locally and centrally throughout the organisation. Most of these activities are carried out by the Group's outsourcing/TSA-partners. The scope of control measures is assessed against the expenses they involve. Security measures are assessed relative to potential threats and their assessed probability of occurrence as well as the potential business consequences, should such threats materialise. ITC risks are managed as part of the operational risk management framework in line with regulatory requirements.

In 2025 the group has outsourced most business processes to an administration provider within the Norli Group. Governance and management of these processes are subject to standard outsourcing requirements with contracts, schedules with deliveries, reporting and follow up. The company expects the impact for operational risks to be limited as the business processes remain largely unchanged on a group level.

With a view to reducing risks relative to the GDPR rules, the Group has a number of common procedures to accommodate

requests for access to and erasure of data etc. and to handle and report personal data breaches to the Danish Data Protection Agency. The Group has appointed data protection officers with a specific role to oversee GDPR compliance.

Other risks

Compliance risks

Compliance risk is the risk of legal or regulatory sanctions, material financial loss, loss of customers or reputational damage to which the Group is exposed due to non-compliance with applicable legislation, market standards or internal rules (policies, business procedures etc.). The Group has determined methods and procedures to identify, assess and mitigate the compliance risks.

AML Risk

Anti Money Laundry and Counter Terrorist Finance (AML/CTF) is an important risk. AML risk is assessed as being low for the life insurance and labour market pensions industry. The Group has extensive risk assessment and procedures to mitigate the risk. The Group also has a whistleblower program operated by an independent external legal partner.

Strategic risks

Strategic risks arise due to inexpedient business decisions, insufficient implementation of business initiatives or slow response to the challenges facing the Group.

Note 29 Significant accounting estimates, assumptions and uncertainties

The preparation of the financial statements involves the use of accounting estimates. Such estimates are made by the company's management in accordance with the accounting policies and on the basis of historical experience and assumptions, which management considers prudent and realistic, but which are inherently uncertain and unpredictable. The financial statements have been prepared using the going concern basis of accounting and in accordance with applicable rules.

The most significant estimates are applied in the valuation of mortgage deeds and provisions for insurance and investment contracts. In addition, significant estimates made by management are related to the calculation of fair values of properties and unlisted financial instruments.

This note should be read in conjunction with note 30, which contains information about the determination of fair value.

Business acquisitions

In connections with the business acquisitions, significant estimates were made in relation to the calculation of the fair value of assets acquired and liabilities assumed and in connection with the identification of customer relations and goodwill.

Financial instruments

Significant estimates are not used for the valuation of financial instruments where the valuation is based on prices quoted in an active market or on generally accepted valuation models employing observable market data.

Valuations of financial instruments that are only to a limited extent based on observable market data are subject to estimates. This applies for example to unlisted shares and certain bonds for which an active market does not exist. For securities that are not listed on a stock exchange, or for which no price is quoted that reflects the fair value of the instrument, the fair value is determined using a model calculation.

The valuation models include the discounting of the instrument cash flow using an appropriate market rate.

The valuation of unlisted shares is based on information from the companies' financial statements, experience from transactions involving shares in the companies in question as well as input from qualified third parties.

Provisions for insurance and investment contracts

Provisions for insurance and investment contracts are measured based on a number of actuarial calculations, applying, among other things, assumptions about a number of variables. The liabilities are furthermore affected by the discount rate.

Norli Group is focused on hedging the guaranteed benefits provided, applying derivative financial instruments to ensure that interest rate exposures on assets and liabilities are more or less aligned. Changes in the value of investment assets

resulting from changes in interest rates are therefore partly offset by corresponding changes in the value of the technical provisions and the individual and collective bonus potentials. If, over time, the return generated is lower than the discount rate applied, the bonus potentials will be affected initially, and shareholders' equity may be affected subsequently.

Real estate

In connection with the valuation of properties, a fair value is calculated on the basis of market-based rental income and operating expenses for a 10 year budget period plus terminal year relative to the required rate of return of the individual properties. The valuation takes into account the type, location, state of repair, vacancy rate, etc. of the property.

Note 30 Accounting policies

General

The financial statements have been prepared in accordance with the provisions of the Danish Insurance Business Act, including the Executive Order on Financial Reporting for insurance companies and multi-employer occupational pension funds.

The accounting policies used in the preparation of the financial statement are consistent with the accounting policies used for the financial statements of Norli Group A/S 2024.

The annual financial statements are presented in Danish kroner (DKK), which is considered the primary currency of the group's activities and the functional currency. All other currencies are deemed to be foreign currencies. Assets and liabilities denominated in foreign currency are recognised at the rates of exchange prevailing at the balance sheet date. Income and expenses denominated in foreign currency are recognised at the rates of exchange prevailing at the transaction date. Exchange gains and losses are recognised in the income statement.

Consolidation

The consolidated financial statements comprise the parent company and subsidiaries in which the parent company holds the majority of the voting rights or otherwise holds a controlling interest. Companies in which the group holds between 20% and 50% of the voting rights or otherwise exercises a significant but not a controlling influence are considered associates.

The consolidated financial statements have been prepared by consolidating items of a uniform nature in the income statements and balance sheets of each company. Intercompany income, expenses, intra-group accounts, shareholdings and gains and losses on transactions between the consolidated enterprises are eliminated.

The financial statements of subsidiary undertakings that present annual reports under other jurisdictions have been restated to the accounting policies applied by the group.

In the preparation of the consolidated financial statements, accounting items of subsidiaries are fully recognised, regardless of the percentage of ownership. The proportionate shares of the results and equity of subsidiary undertakings attributable to minority interests are recognised as separate items in the income statement and the balance sheet. Intra-group services are settled on market terms or on a cost recovery basis. Intra-group financial statements carry interest on market terms. Intra-group transactions in securities and other assets are settled at market prices.

General recognition and measurement policies

Income is recognised in the income statement as earned in the financial year and costs are recognised by the amounts attributable to the financial year. Value adjustments of financial assets and liabilities are recognised in the income statement unless otherwise described in the accounting

policies. Amounts recognised in other comprehensive income are adjusted for the tax effect.

Assets are recognised in the balance sheet when, due to a previous event, it is probable that future economic benefits will flow to the group and the value of the asset can be reliably measured. Liabilities are recognised in the balance sheet when, due to a previous event, it is probable that future economic benefits will flow from the group and the value of the liability can be reliably measured.

Otherwise, assets and liabilities are recognised and measured as described for each individual item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report and which confirm or invalidate conditions existing at the balance sheet date.

Financial instruments are measured at fair value on initial recognition at the settlement date. Changes to the value of the asset acquired or sold during the period from the transaction date to the settlement date are included as derivative financial instruments. If the acquired item is measured at cost or amortised cost after initial recognition, any value changes during the period from the transaction date to the settlement date are not recognised.

Certain financial assets and liabilities are measured at amortised cost, implying the recognition of a constant effective rate of interest to maturity. Amortised cost is stated as original cost less any principal payments and plus or minus the accumulated amortisation of any difference between cost and the nominal amount. This method allocates capital gains and losses over the term to maturity.

Financial assets and liabilities are classified on the basis of the business model and the contractual cash flows related to the financial assets and liabilities.

Financial assets are generally measured according to the time of initial recognition at fair value through other comprehensive income if the financial assets are held in a mixed business model in which some financial assets are held to collect the contractual cash flows and other financial assets are sold and if the contractual cash flows are solely payments of interest and principal on the principal amount outstanding. However, the relevant financial assets form part of a risk management system and an investment strategy based on fair values and on that basis form part of Norli's internal management reporting. Against this background, Norli assesses that the financial assets do not satisfy the criteria of a business model relating to the measurement categories amortised cost and fair value through other comprehensive income. The relevant financial assets are instead measured at fair value through profit or loss.

If financial assets do not satisfy the above-mentioned business model criteria or if the contractual cash flows are not solely payments of interest and principal on the principal amount outstanding, the financial assets will subsequent to initial recognition be measured at fair value through profit or loss.

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Below is a description of the accounting policies applied to financial assets and liabilities as well as other items.

Tax

All Danish companies in the Norli Group are jointly taxed.

Tax includes tax for the year, comprising income tax payable for the year, movements in deferred tax and prior-year adjustments. Changes in deferred tax resulting from changes in tax rates are also recognised in this item.

Current tax assets and liabilities are recognised in the balance sheet at the amount that can be calculated on the basis of the expected taxable income for the year adjusted for prior years' tax losses carried forward.

Deferred tax is recognised according to the balance sheet liability method on all temporary differences between the carrying amount and tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax regulations and tax rates that, according to the rules in force at the balance sheet date, will apply at the time the deferred tax is expected to crystallise as current tax. Deferred tax assets, including the tax base of tax losses carried forward, are measured at the amount at which they are expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities. At each balance sheet date, it is reassessed whether it is likely that there will be sufficient future taxable income for the deferred tax asset to be utilised.

Income statement

General

In accordance with the accrual basis of accounting, income and expenses concerning the financial year are recognised in the income statement irrespective of the time of payment. The accrual basis of accounting also forms the basis of recognition of technical results. In accounts broken down by line of business and on claims processing costs, insurance operating expenses (acquisition costs and administrative expenses) and administrative expenses related to investment activities, the allocation of non-directly attributable expenses is based on estimated time spent or estimated cost charge.

Premium income

Regular and single premiums on insurance contracts are included in the income statement at the due dates. Reinsurance premiums paid are deducted from premiums received.

Claims expenses

Claims and benefits comprise benefits due during the year, amounts paid for repurchases and bonus amounts paid in cash, including deduction of reinsurance share.

Investment return

The item Income from investment property includes the operating profit on investment property net of related administrative expenses.

Income from group enterprises comprises the Company's share of the group enterprises profit or loss after tax, including value adjustments.

Interest income and dividends, etc. includes dividends received and interest earned during the financial year. The item also includes interest-like fees and commissions that are an integral part of the effective rate of interest on financial assets measured at amortised cost.

Value adjustments comprise all realised and unrealised gains and losses on investment assets, except for value adjustment of group enterprises. Brokerage and commission relating to the purchase and sale of securities are recognised under market value adjustments.

Interest expenses comprises interest and interest-like expenses concerning debt and liabilities.

In connection with investment activities, the item administrative expenses comprises amounts associated with the management of investment assets.

Tax on pension investment returns

Tax on pension investment returns includes paid PAL (pension yield tax). Receivable negative PAL are recognised in life insurance provisions affecting the Change in life insurance provisions.

Profit/loss from business ceded

For reinsurance contracts containing a combination of financial terms and traditional terms with transfer of risk, the risk premium is recognised on an accruals basis under premium income. The accrual is based on the value of the contracts at the end of the year. Realised losses relating to these contracts are included in claims after adjustment for movements in financial deposits.

Reinsurance premiums ceded and reinsurers' share received are accrued and recognised in the income statement according to the same principles as those applied for the corresponding items under the gross business.

Insurance operating expenses

The part of the insurance operation expenses that can be ascribed to acquisition and renewal of the insurance portfolio is recognised under acquisition costs. Acquisition costs are generally charged to the income statement when the insurance takes effect.

Administrative expenses comprise expenses related to managing the group's activities. Administrative expenses are accrued to match the financial year.

Insurance operating expenses are regulated for commissions from reinsurers.

Health and accident insurance

Premiums, net of reinsurance are included in the income statement as they fall due. Premiums, calculated net of discounts not related to claims and the like and insurance premiums ceded, are accrued.

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Claims, net of reinsurance comprise claims paid for the year, adjusted for changes in outstanding claims provisions including gains and losses on prior-year provisions (run-off result) and change in risk margin. Furthermore, claims include expenses for assessment of claims, expenses for damage control and an estimate of the expected administrative and claims handling expenses on the insurance contracts written by the undertaking. Adjustment is also made for change in risk margin.

Total gross claims are calculated net of reinsurance.

For the health and accident business, the profit margin is determined independently of the life insurance business and on the basis of the contract periods of the health and accident business. For the health and accident business, there is no expectation of future earnings in the contract periods, and the profit margin is therefore nil. If the contracts are deemed to become loss-making within the guaranteed contract periods, provision is made for such losses.

Other income

Other income include income that cannot be attributed to the company's insurance portfolio or investment assets.

Balance sheet

Assets

Intangible assets

Intangible assets are measured at the lower of cost less accumulated amortisation and impairment and the recoverable amount. Intangible assets are amortised on a straight-line basis over an expected useful life not exceeding nine years.

In determining cost, all costs that are directly attributable to development and that will probably generate economic benefits for the group are recognised. All other costs are expensed as incurred. Amortisation and impairment are recognised as administrative expenses.

Goodwill

Goodwill arises on the acquisition of a business and is the difference between the cost of the acquired business and the fair value of the net assets acquired. Goodwill is allocated to business units constituting the smallest identifiable cash generating unit.

Goodwill is not amortised but is tested for impairment at least once a year or more if indications of impairment exist.

Goodwill is written down to its recoverable amount in the income statement if the carrying amount of the net assets of the cash-generating unit exceeds the highest of the net selling price or value in use.

Negative goodwill arises on the acquisition of a business where the cost of the acquired business is lower than the fair value of the net assets acquired. Negative goodwill is recognised in the income statement at the acquisition date.

Customer relations

Customer relations acquired in connection with business combinations are recognised as separate identifiable assets. The fair value of customer relations are calculated based on expected earnings and the useful life of customer relations and expected future earnings. Customer relations are amortised over a period of 9 years, reflecting the expected useful life.

Investment properties

Investment properties are **measured** at a fair value calculated in accordance with the guidelines issued by the Danish Financial Supervisory Authority.

The fair value is calculated on the basis of the discounted cash flow method, which involves a valuation of each individual property on the basis of the individual period's net cash flow in a 10 year budget period as well as the terminal value, where the expected and normalized long term earnings are determined and a rate of return.

The rate of return is determined based on current market conditions for the type of property taking into account the state of repair, location, use, leases, etc.

The calculated value corresponds to the fair value.

Adjustments of the value of investment properties are recognised in the income statement in the financial year when the change occurred.

Investments in group enterprises

Investments in group enterprises are measured according to the equity method.

Other financial investment assets

Investment assets comprise financial assets measured at fair value. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments on initial recognition and re-evaluates this at every reporting date.

Investment assets are measured at fair value on initial and subsequent recognition. The determination of fair value and the classification of value adjustments of financial instruments in the financial statements depend on whether the fair value can be reliably measured. Generally, the group's financial instruments form part of the trading book, however, not unlisted shares and parts of the portfolio of mortgage deeds designated at fair value.

Listed financial assets are measured at fair value based on the closing price at the balance sheet date, or, in the absence of a closing price, another public price deemed to be most similar thereto.

Bonds at amortised cost comprise listed bonds intended to be held to maturity and to generate the contractual payments over the period. Bonds at amortised cost are measured at fair value plus transaction costs on initial recognition.

For the majority of the unlisted shares, it is assessed that the fair values can be measured sufficiently reliably using recognised valuation methods. These assets are on this basis

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measured at fair value, and value adjustments are taken to the income statement. For unlisted assets that are managed by external fund managers, these calculate an estimated market value based on the estimated present value of expected future cash flows.

The measurement of financial instruments at fair value is consistent with the group's internal risk management, which is based on market exposure of assets and liabilities subject to risk.

Financial assets are recognised or derecognised at the settlement date.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets are recognised in the income statement in the period in which they arise.

Securities sold under agreements to repurchase at a later date (repo transactions) remain in the balance sheet. Amounts received are included as amounts owed to the purchaser and are subject to interest at the agreed rate. Measurement of securities is unchanged, and both value adjustments and interest etc. are recognised in the income statement. Securities purchased under agreements to resell at a later date (reverse transactions) are not recognised in the balance sheet. Amounts paid are recognised as a receivable and are subject to interest at the agreed rate.

Derivative financial instruments

Derivatives are measured at fair value on initial recognition. Subsequently, derivatives are measured at fair value at the balance sheet date. Changes in fair value are recognised in the income statement as financial income or expenses.

Positive and negative fair values of derivatives are recognised as "Other financial investment assets" or "Other liabilities" respectively.

Reinsurers' share from insurance contracts

The reinsurers' share of the technical provisions is calculated as the amounts expected to be received from reinsurance companies under the applicable reinsurance contracts.

The group regularly assesses its reinsurance assets for impairment. If there is a clear indication of impairment, the carrying amount of the asset is written down.

Other receivables

Other receivables are measured at amortised cost. On initial recognition, the portfolio is measured at fair value plus transaction costs less fees and commissions received that are directly related to the acquisition or issue of the financial instrument. On subsequent recognition, other receivables will be adjusted to amortised cost on a current basis.

An ongoing evaluation takes place to detect any objective evidence of impairment of the group's other receivables determined at amortised cost. If there is any objective evidence of impairment, the need to write down the loan, advance or receivable is assessed.

Cash in hand and balances at call

Cash in hand and balances at call are measured at fair value on initial recognition and subsequently at amortised cost, which largely corresponds to nominal value.

Prepayments

Interest and rent receivable comprise interest and rent accrued during the year which become payable in the following financial year. Prepayments comprises expenses incurred prior to the balance sheet date but which relate to a subsequent accounting period.

Liabilities and equity

Dividend

Dividends are recognised as a liability in the financial statements at the time of adoption by the shareholders at the annual general meeting. Proposed dividends in respect of the financial year are stated as a separate line item in the notes relating to shareholders' equity.

Provisions for insurance contracts

All provisions are measured at their discounted value using a maturity-dependent discount rate including volatility adjustment for the duration in question. Norli uses the yield curve published by EIOPA.

Unearned premium provisions

Unearned premium provisions relating to health and personal accident insurance are made up according to market value principles. They are calculated as the difference between the present value of the group's liabilities in respect of health and personal accident policies and the present value of the premiums to be paid by policyholders in the future using a best estimate of insurance risk and costs incurred in managing insurance and claims processing. The market value expectations include a risk margin in accordance with the Solvency II principles. The insurance period for health and personal accident insurances is calculated until the next renewal date of the insurance. Unearned premium provisions will, however, as a minimum correspond to an accrual of the premiums collected.

The provisions are calculated based on an assumption of a lower mortality and disability than in the group's calculation basis for new contracts. The reduction is estimated based on the group's historical claims ratios on mortality and disability, respectively, and costs relative to the assumptions in the calculation basis for new contracts. The actuary regularly assesses whether the assumptions used to determine the market value calculation basis still apply to the group's portfolio.

Profit margin

Profit margin is the expected future earnings for the insurance contracts which the group has entered into at the end of the year. The profit margin is measured as the present value of the accrued profit on profit-making contracts.

Measurement of the profit margin comprises all insurance contracts entered into. Both newly written insurance contracts and renewed insurance contracts in the Health and Personal

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Accident Insurance portfolio are recognised as from the beginning of the risk period.

Risk margin

The risk margin comprises the amount which the group is expected to have to pay to a third party to take over the risk that the realised future costs deviate from the estimated level stated under unearned premium and claims provisions at the end of the accounting period.

The risk margin is measured as the present value of the future cost of capital related to maintaining the solvency capital required for settlement of the group's current liabilities and risks.

The measurement is based on the group's solvency capital requirement where the provisions are calculated according to § 67 in the Danish accounting regulation. The future solvency capital requirements are approximated by the current solvency capital requirement written down proportionally by the remaining share of the expected cash flow for the unearned premium and claims provisions. The calculation of the cost of capital is based on the Cost-of-Capital rate of 6% under Solvency II. The risk margin development tracks the development in the group's solvency capital requirement.

Life insurance provisions

Life insurance provisions are measured at market value based on an expected cash flow discounted the yield curve including volatility adjustment published by EIOPA. The market value expectations include a risk margin. The risk margin comprises the amount which the group is expected to have to pay to a third party to take over the risk. A profit margin is also calculated, which represents the value of the future profit which the group is expected to be able to recognise as income from its life insurance and pension business. The actuary regularly assesses whether the assumptions used to determine the market value calculation basis still apply to the group's portfolio.

The expected future insurance benefits are estimated based on projections of mortality, surrender of insurance policies and cessation of premiums (paid-up policies). These are estimated based on the group's historical claims ratios on mortality and disability, respectively, and actual costs relative to the assumptions in the calculation basis for new contracts and actual surrenders and premium cessations.

Life insurance provisions are divided into provisions for guaranteed benefits, individual bonus potential and collective bonus potential. Life insurance provisions are calculated at market value, based on individual calculations for each policy. Also, bonuses earned but not yet added to the individual policies are added to the provisions. For amounts exempt from tax on pension returns, a discount rate without deduction of tax on pension returns is used.

Provisions for the guaranteed benefits comprise obligations to pay benefits guaranteed to the policyholder. Provisions for guaranteed benefits are calculated as the difference between the present value of the benefits guaranteed by the insurance policy and the present value of the expected future insurance administration costs less the present value of the agreed future premiums. The provision includes an estimated amount

in cover of future benefits resulting from already incurred claims and an estimated amount for claims incurred but not reported.

The individual bonus potential comprises obligations to pay a bonus in relation to both expected not yet due premiums and premiums already due. The bonus potential is calculated as the value of policyholders' savings less provisions for guaranteed benefits, including expectations in relation to surrenders and paid-up policies. Whether the bonus potential is to be strengthened is determined individually for each policy.

Pension return tax

Outstanding pension return tax (PAL) are recognised in the life insurance provisions

Outstanding claims provisions

Provisions for claims relating to health and personal accident insurance are calculated at the present value of expected future payments. The outstanding claims provisions regarding health and personal accident insurance also include amounts to cover direct and indirect costs which are reasonably considered to be adequate in relation to settling the claims obligations. For reported claims, an individual assessment is made of the date of payment. The costs are estimated on the basis of the average duration of established claims payments and an assessment of the annual costs incurred in processing claims. The provisions for current disablement benefits are determined individually, and an assessment of the duration of the benefits is made for each policy. The provision calculated is increased by a risk margin.

Liability adequacy test

The outstanding claims provisions are calculated according to actuarial methods and with a view to avoiding runoff losses as well as run-off gains. At the calculation date, the provisions thus represent the best estimate of future claims for the current and previous claims years. The outstanding claims provisions are calculated on a monthly basis, and the level is therefore assessed to be adequate at all times.

The provision will be discounted if such discounting has a material impact on the size of the liability.

Provisions

Provisions comprise deferred tax liabilities and are measured in accordance with applicable tax legislation.

Other financial liabilities

On initial recognition, other financial liabilities are measured at fair value less transaction costs. The liabilities are subsequently measured at amortised cost.