

Protector Forsikring ASA

ABG Insurance trip



Protector Forsikring ASA

1 Introduction to Protector

2 Price increases

3 Investments and Capital Allocation

4 H1 & Q2 results

5 ESG Responsibility

6 QA

A Focussed Company

Cost and quality leadership lead to profitable growth and a top 3 position

Our Performance culture

Vision

The Challenger

Business Idea

This will happen through unique relationships, best in class decision-making and cost effective solutions

Main targets

Cost and quality leadership

Profitable growth

Top 3

Values

Credible

Innovative/Open

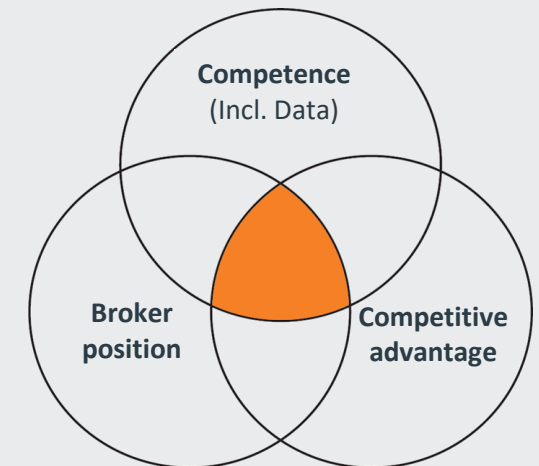
Bold

Committed

Our Strategy

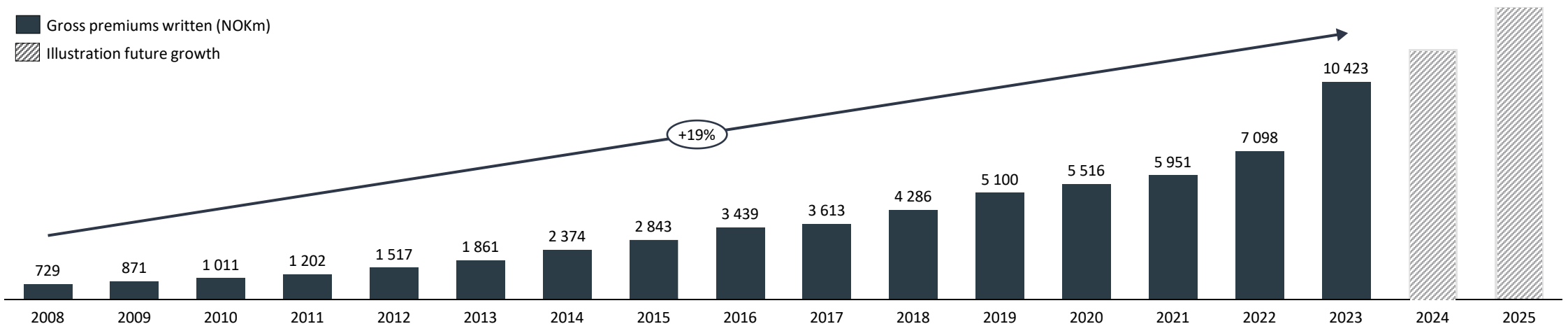
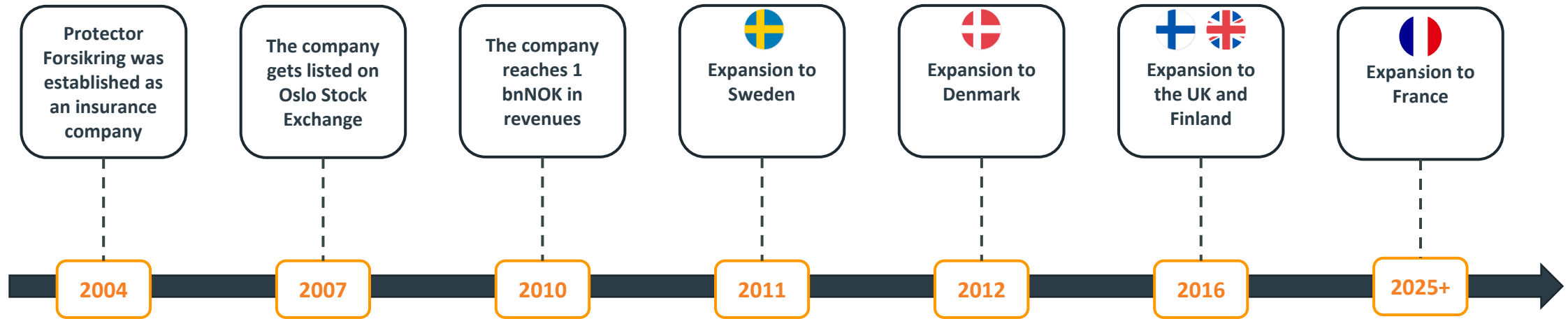
- All Property and Casualty products
- Market standard products
- Market segments – public sector, commercial and affinity
- Broker distribution only
- Attractive prices (supported by cost leadership)

Our Risk Appetite



Growing organically from 0 to NOK 10bn since 2004

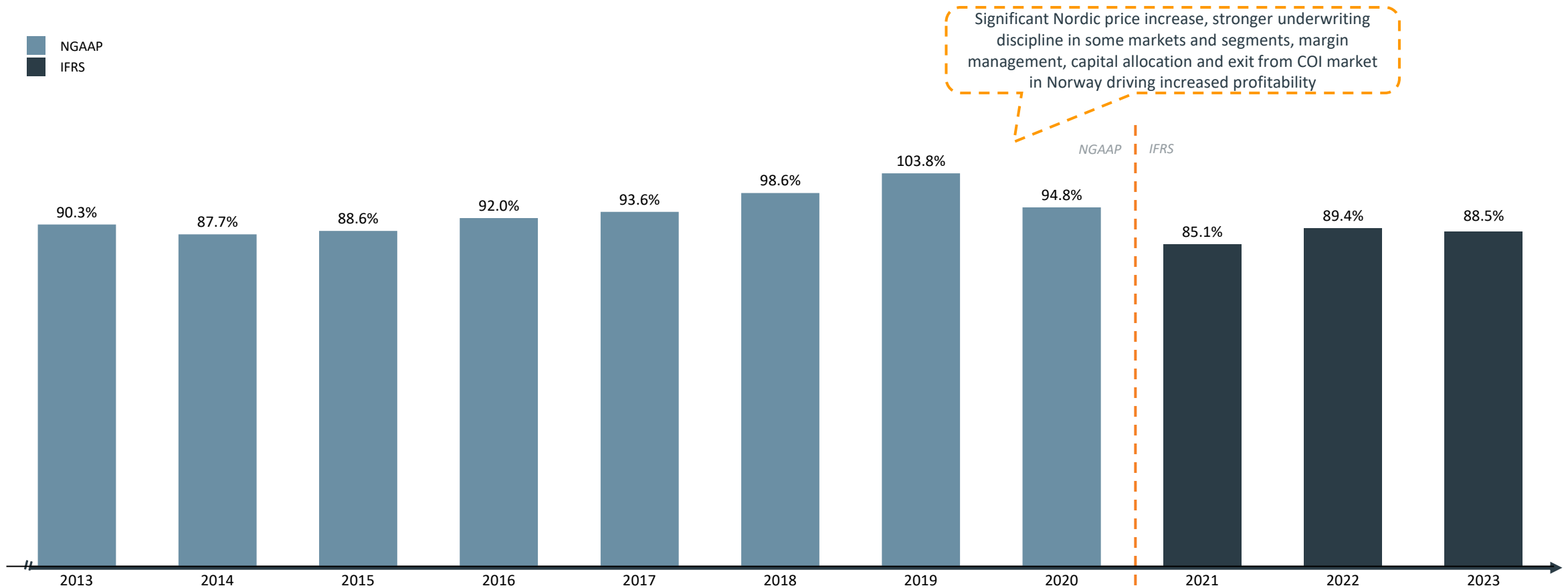
Operations in Norway, Sweden, Denmark, Finland, the UK and soon France



Profitability over time

Premium increases and portfolio de-risking since 2019

Development in (net) combined ratio⁽¹⁾



Notes: (1) Restated combined ratios as defined within IFRS from 2021 onwards. IFRS is not audited. IFRS not audited

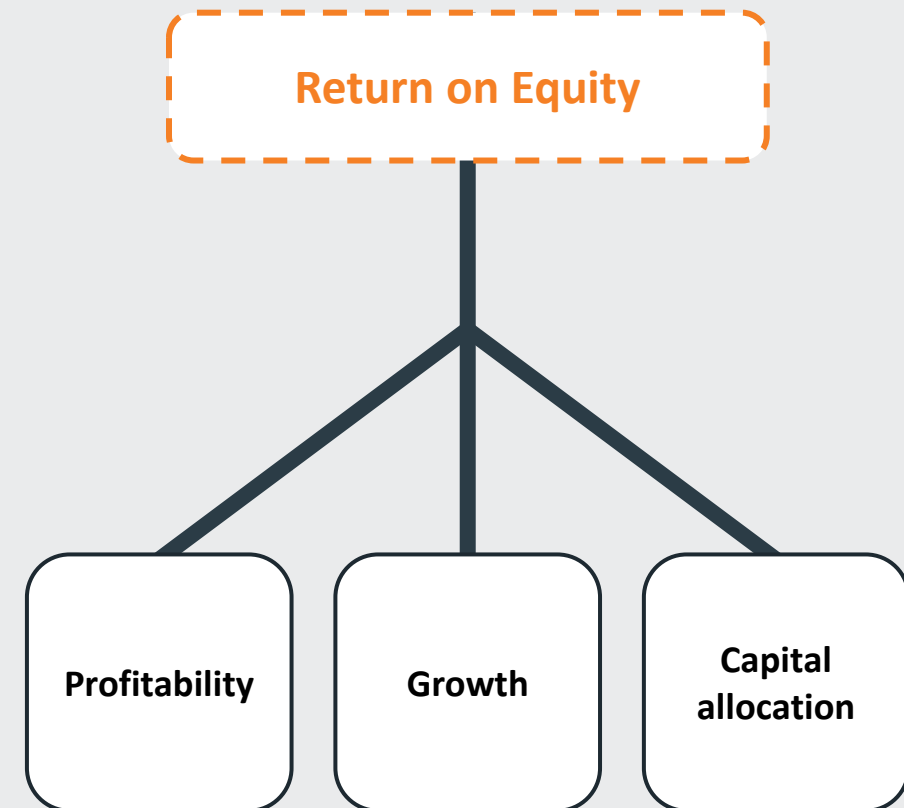
Protector's success story

20 year of disciplined risk and capital management

A focussed company over 20 years

- **Organic profitable growth from 0 to over NOK 10bn**
 - Organic profitable growth by copying a winning formula in new markets
 - Future growth coming from markets outside Norway
- **Profitability over time**
 - HTD ⁽¹⁾ combined ratio⁽²⁾ <92%
 - Long-term target 90-92%
- **Cost leadership** in our core markets
- **Strong investment return HTD⁽¹⁾**

ROE ≥ 20% a guiding principle for all



Cost Leadership

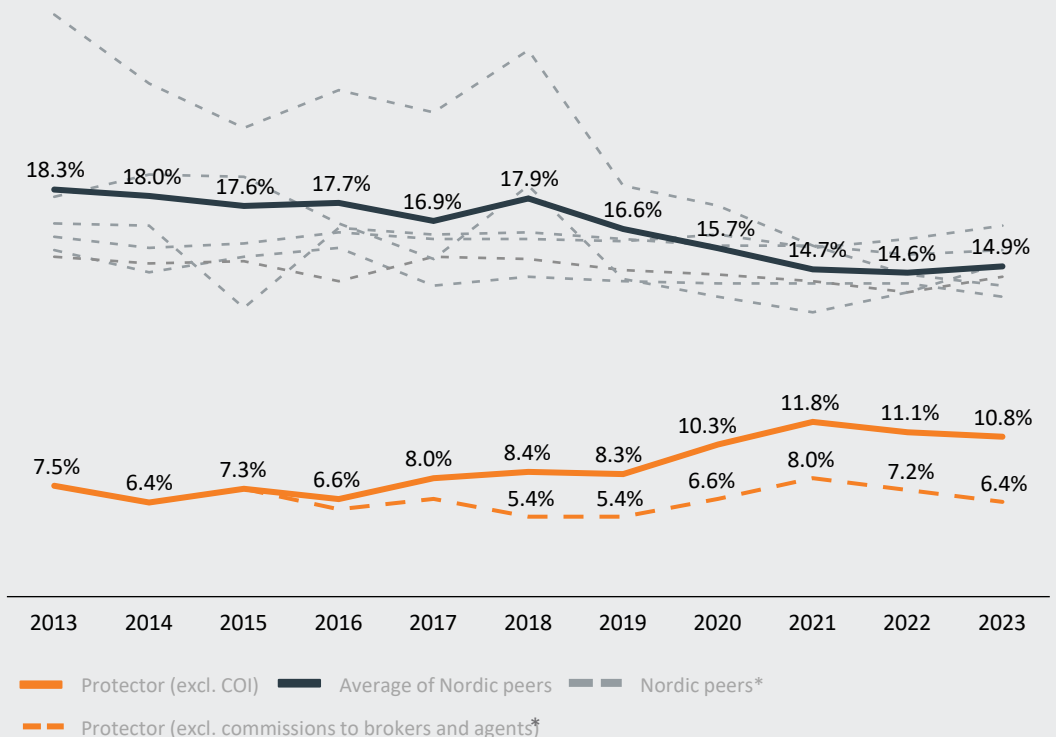
Cost efficiency yielding flexibility relative to competitors

Our drivers for low cost

- All IT systems developed in-house
 - IT with a cost ratio of $\approx 1\%$ vs 3.2% for industry⁽¹⁾
- Innovation to improve on quality and efficiency
 - Efficiency will gradually improve going forward. Economies of scale will come to effect as portfolio grows, but investments in quality will still be in focus
- A consistent strategy, well-designed value chains and great implementation is key to maintaining low costs
- The real secret to our cost leadership is **our performance culture**

Note: (1) Gartner

Gross expense ratio



Quality Leadership

Easy to do business with, commercially attractive and trustworthy

What defines a quality leader?

- The brokers are our only distribution channel
 - Definition aligned with brokers' own surveys
 - Measured annually
- How to improve is the most important purpose
 - Understand brokers' and our roles
 - Quick response times
 - Right first time, on time, every time
 - Continuous evaluation of definition

Achievements

Broker satisfaction index⁽¹⁾



Other merits

1st place in the Norwegian Broker Association survey

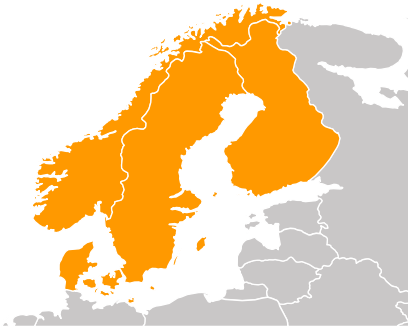
1st place in the Norwegian S&P Quality Price

1st place in the Danish Willis Quality Index

Top 3 in any segment we enter

Brokered Insurance Nordics & Public Sector UK

P&C Nordic



Nordic municipalities



Bergen



Aarhus



Helsinki



Stavanger



Bærum

Public Sector UK



THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA



Essex County Council



City of Westminster



East Dunbartonshire Council



SURREY COUNTY COUNCIL



VALE OF GLAMORGAN BRO MORGANNWG

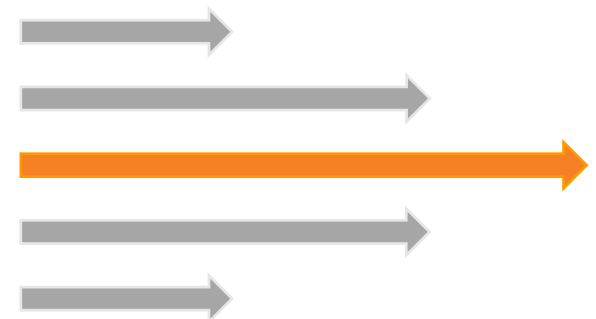
Nordic motor fleet



Nordic bus market



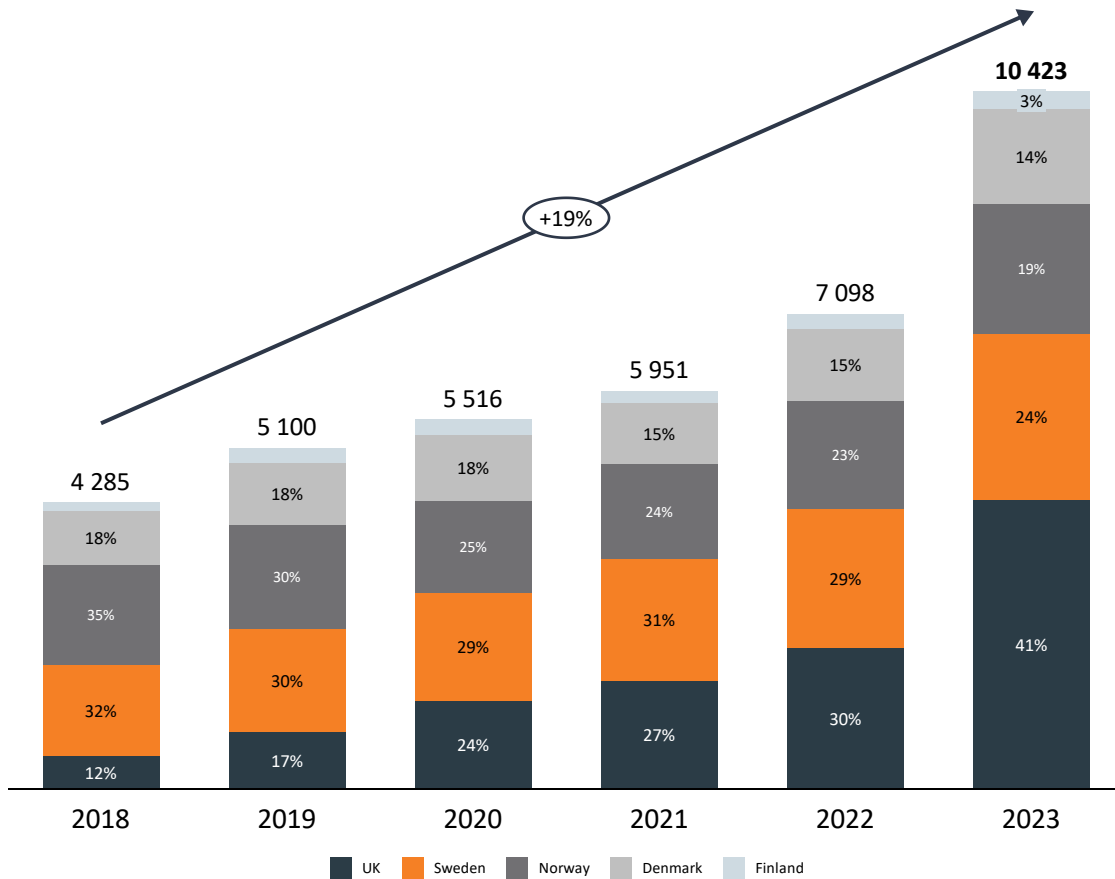
Stay disciplined



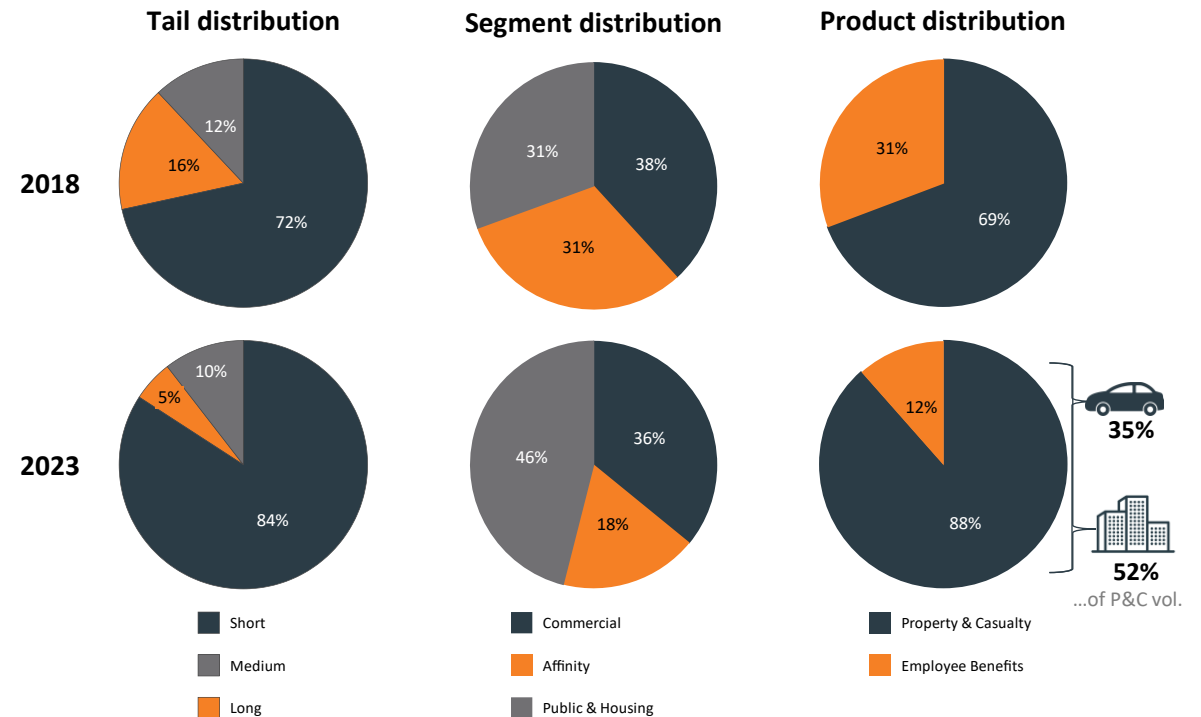
Premium growth and composition

Disciplined Underwriting and risk management

Gross written premium (GWP) development in NOKm



- 5-year and 10-year CAGR GWP at 19%



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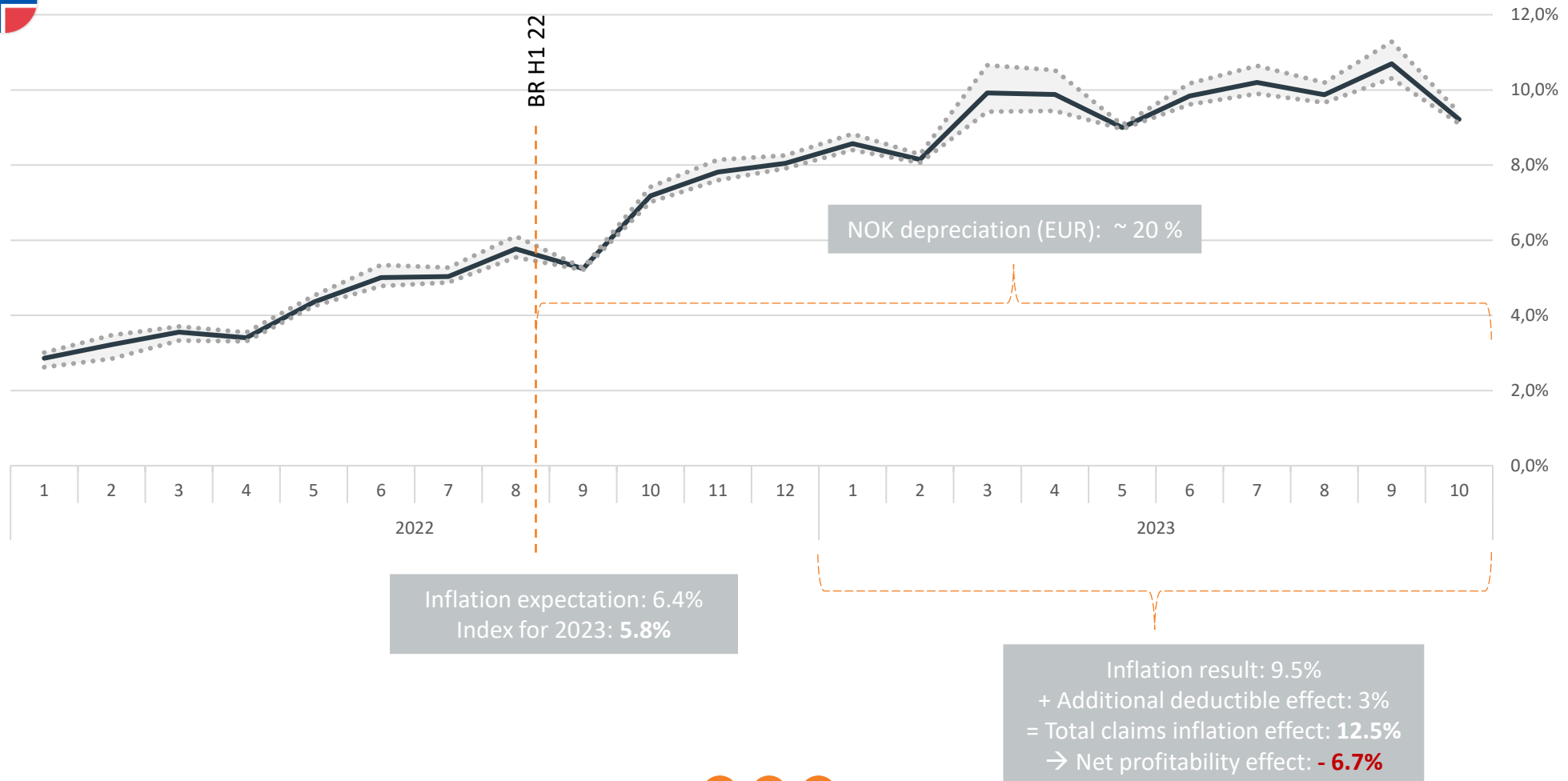
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Inflation Effect – Example from Norway

Wrong estimations can give a lag in effect of corrective actions



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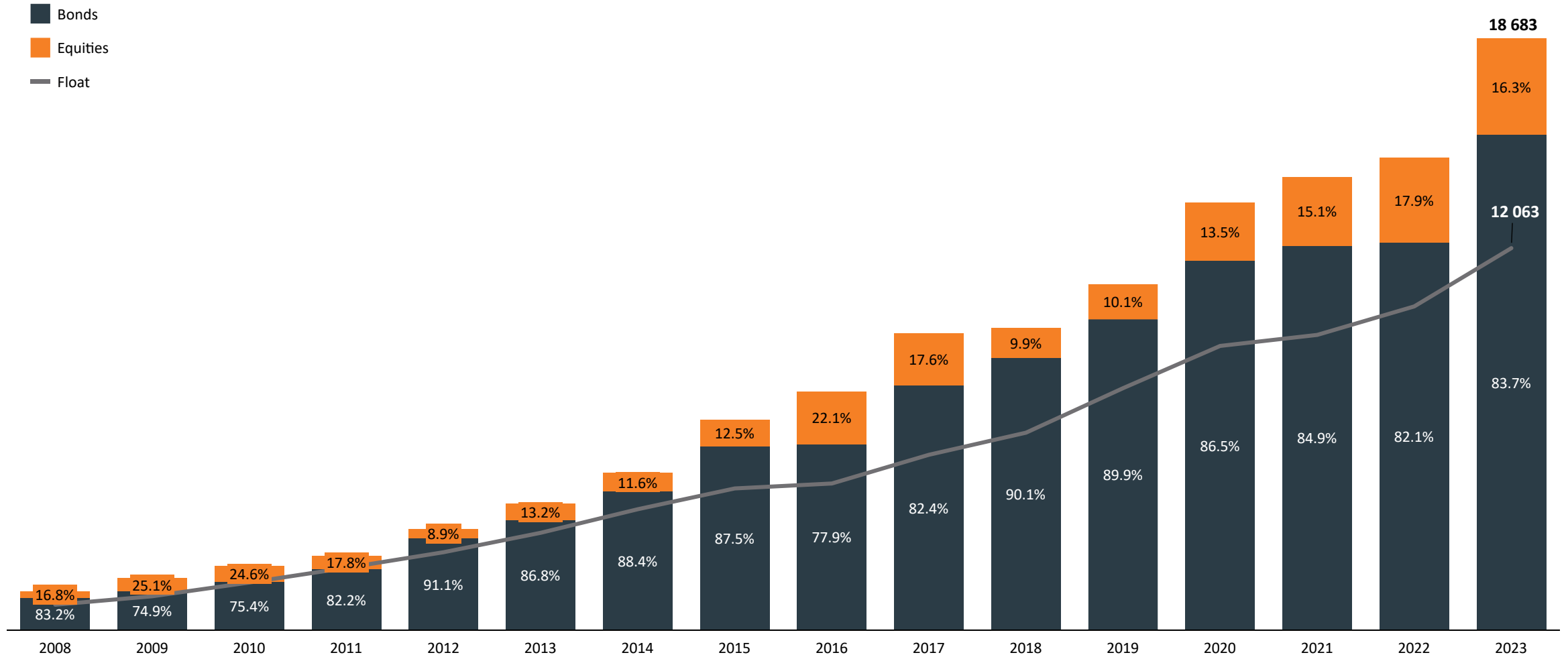
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Investment portfolio heavily weighted towards bonds

Priority #1 is to never allow risk for solvency issues



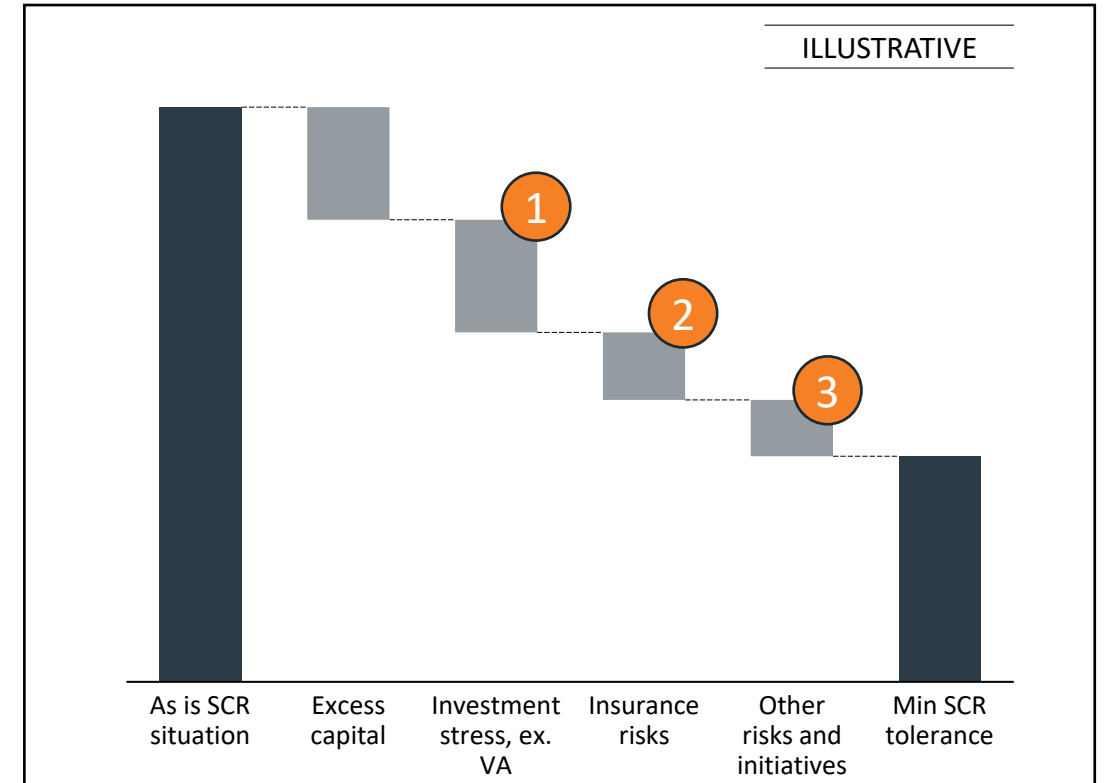
Risk and capital management process

Controlling all company risks and historical investment stress

Main objectives

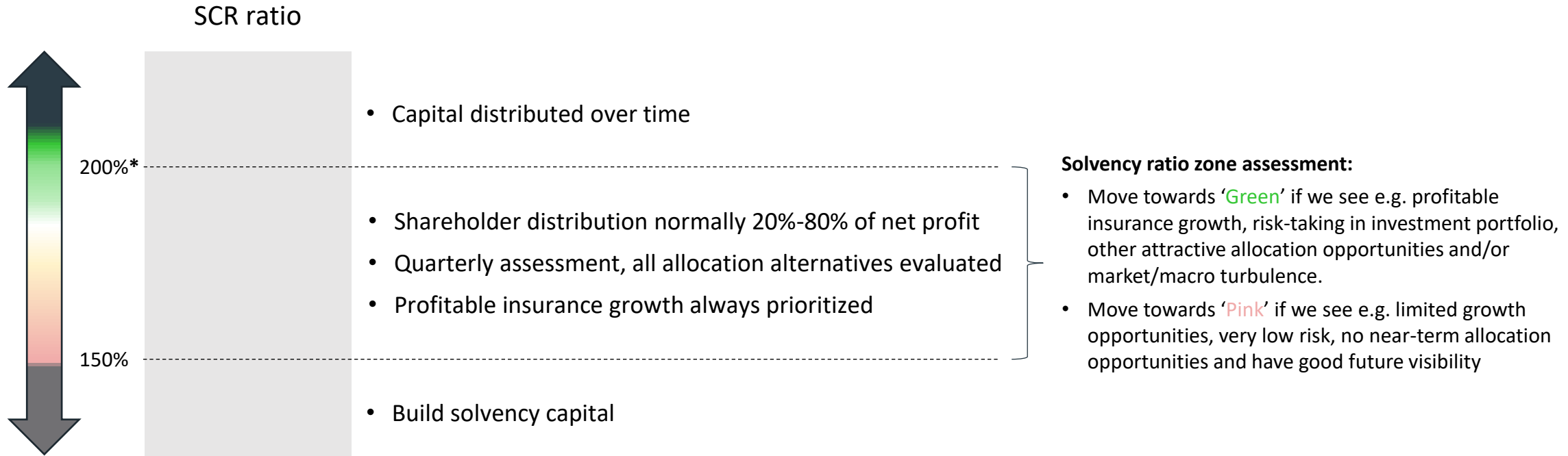


Three main risk categories



Flexible shareholder distribution policy

Quarterly assessment of capital position vs. capital need

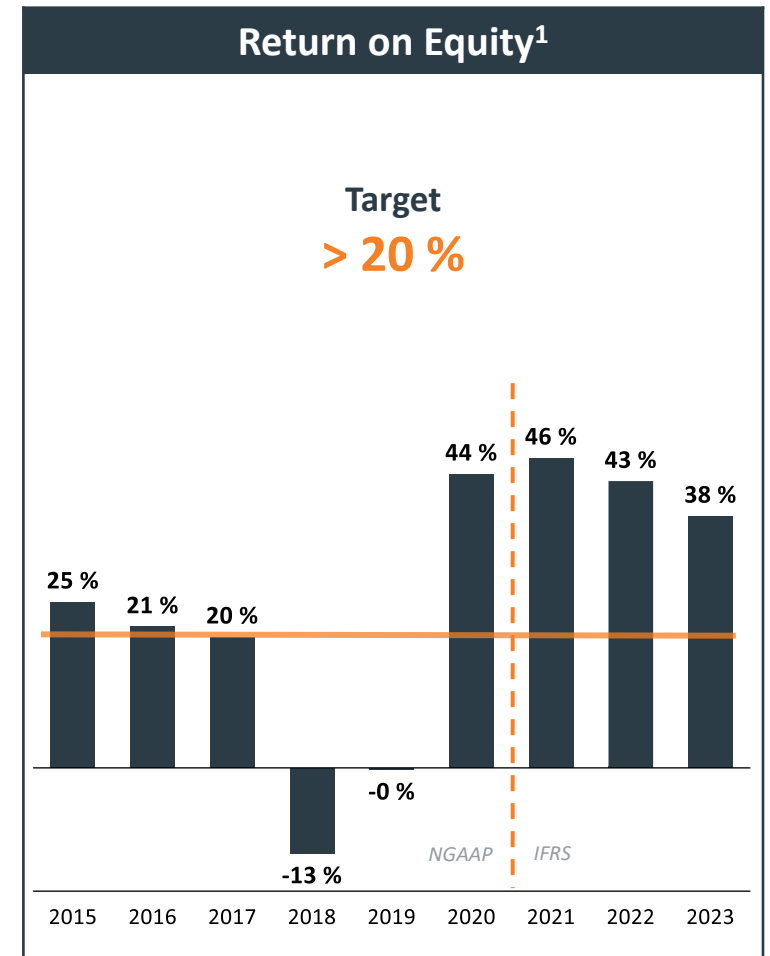
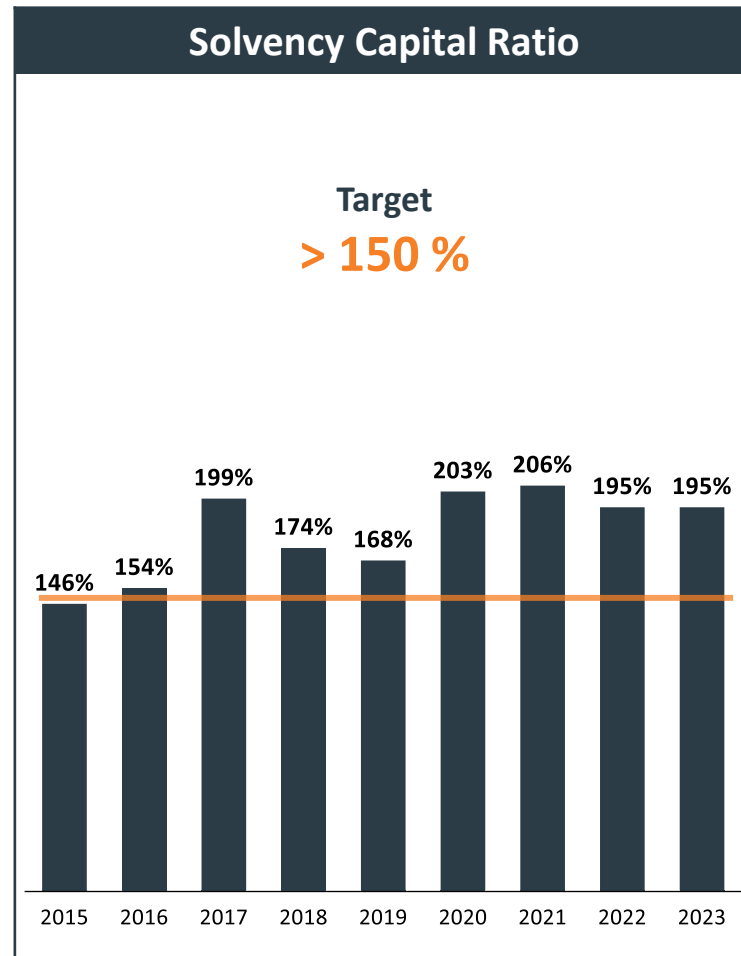
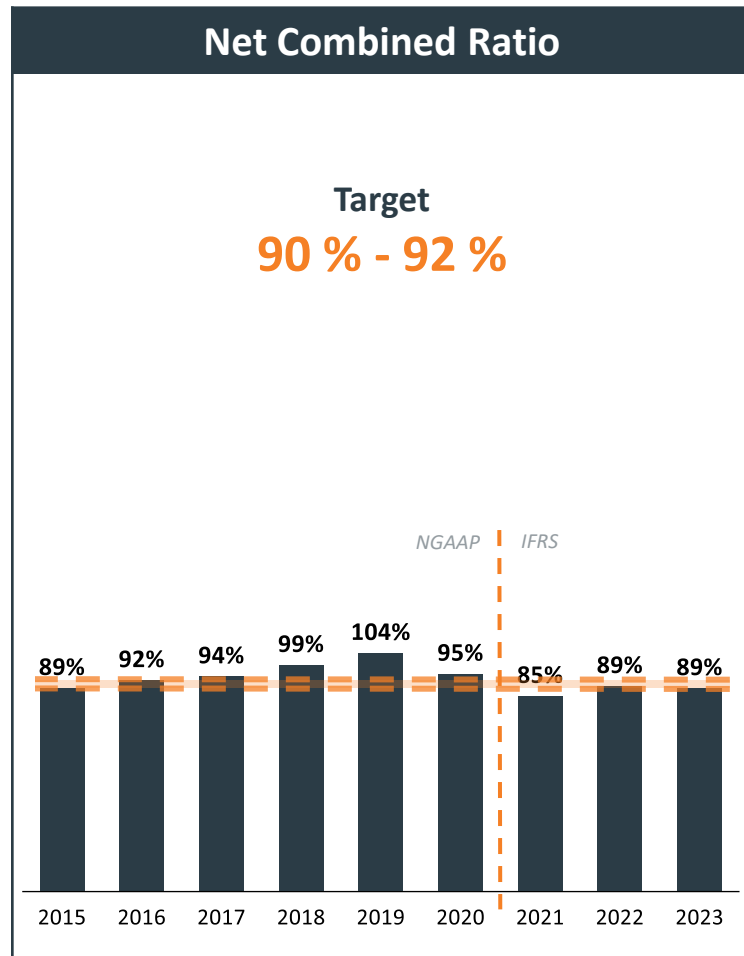


*** Increase in upper level:**

- Prolonged changes in risk profile
- Solvency-based reinsurance agreement not renewed
- Stricter internal stress testing
- Near-future allocation opportunities/ turbulence

Long term financial targets

Disciplined growth



¹ Return on Solvency Capital until 2016 when reflecting changes in accounting principles from Jan. 1st 2016 where Shareholder's Equity includes security provisions

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Highlights Q2 & H1 2024

Q2: Combined ratio at 94.5% | Total investment return of NOK 242m | EPS at NOK 3.1

Q2

94.5%

Combined Ratio

3 551

Gross premiums written

16%

LCY GWP growth

242

Total investment return

254

Profit for the period

191%

Solvency Capital Ratio

3.1

Earnings per share

H1

92.9%

Combined Ratio

7 981

Gross premiums written

12%

LCY GWP growth

614

Total investment return

710

Profit for the period

191%

Solvency Capital Ratio

8.6

Earnings per share

Other highlights

- “Project France” start quotation in Q3 for January 1st 2025
- Dividend of NOK 165m or NOK 2 per share

Claims update

Q2: Net loss ratio at 83.9% | Gross loss ratio at 77.7%

- Motor still behind target
 - Insufficient previous actions
 - Lagged premium increase effects
- Large losses¹ at 12.5% (4.7%)
 - Seven (7) large loss events only property claims
- Run-off gains at 2.1% (gains of 2.9%)
 - Run-off gains mainly driven by property Sweden
- H1: Large losses YTD² 9.5% (3.1%) driven by property, neutral run-off

Loss ratios

| Segment | Q2 24 Gross | Q2 24 Net | Q2 23 Gross | Q2 23 Net |
|------------------|----------------|--------------|----------------|--------------|
| Norway | 80% | 81% | 82% | 84% |
| Sweden* | 69% | 71% | 78% | 82% |
| Denmark | 139% | 146% | 82% | 89% |
| UK | 63% | 73% | 41% | 55% |
| Protector | 77.7% | 83.9% | 65.2% | 72.6% |

*Includes Finland

Loss ratios

| Segment | H1 24 Gross | H1 24 Net | H1 23 Gross | H1 23 Net |
|------------------|----------------|--------------|----------------|--------------|
| Norway | 86% | 87% | 82% | 85% |
| Sweden* | 76% | 77% | 81% | 85% |
| Denmark | 112% | 117% | 100% | 94% |
| UK | 62% | 72% | 62% | 59% |
| Protector | 77.0% | 82.3% | 77.4% | 77.2% |

*Includes Finland

¹ Large losses defined as absolute net losses > MNOK 10

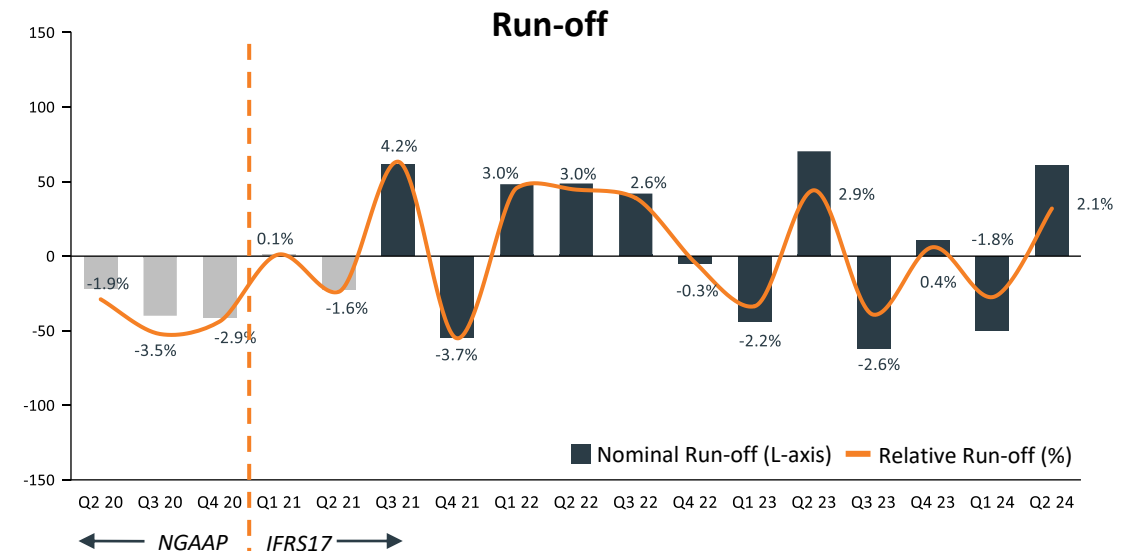
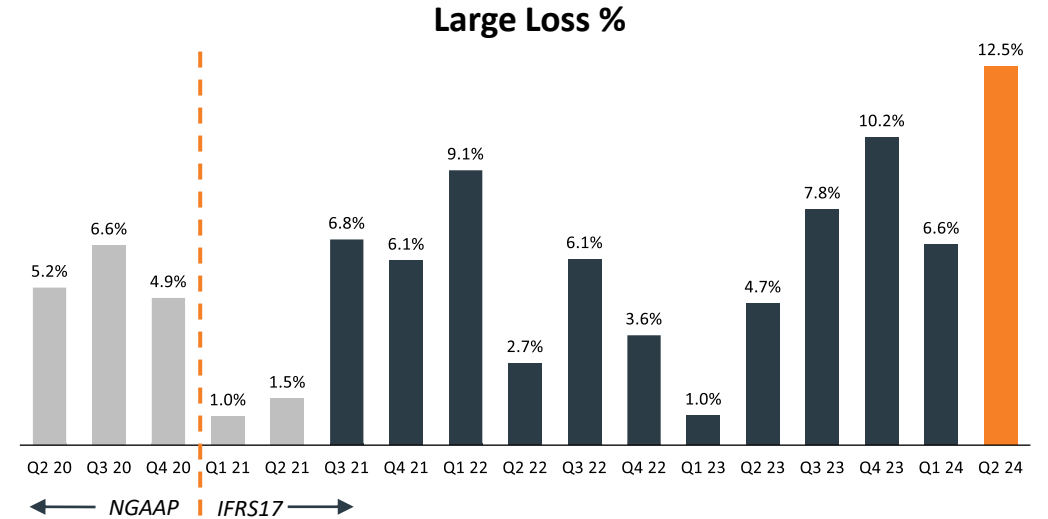
² Large losses YTD – defined as above, but evaluated over the cumulated time period. Further details can be found in a separate document on Alternative Performance Measures (APM) published at protectorforsikring.no/investor.

Large losses¹ and run-off

Q2: Large losses of NOK 358m (12.5%), run-off gains at 2.1%

- Large loss of NOK 358m or 12.5% (111.7 or 4.7%)
 - Mainly driven by 3 large property claims, 2 in Denmark and 1 in the UK
- Run-off gains at 2.1% (gain of 2.9%)
 - Run-off gains in SE, DK and NO, loss in UK
- Some volatility in reserves & large losses must be expected
 - Best estimate reserving practice, run-off at 0% over time

¹ Large losses defined as absolute net losses > MNOK 10



Volume update

Q2: GWP growth 16% | 16% in local currencies (LCY)

- Q2 growth at 16%
 - Renewal rate at 101%
 - Growth driven by low churn and new sales
- Negative growth in SE linked to consumer scheme run-of
 - Very limited in H2
- From Q1 presentation: April 1st is the largest inception date in the UK
 - NOK 477m growth in GWP (28% in LCY), driven by Public and Housing

NOKm, Gross written premiums

| Segment | Q2 24 | Q2 23 | Growth | ...NOK % | ...LCY% |
|------------------|--------------|--------------|------------|------------|------------|
| Norway | 505 | 373 | 133 | 36% | 36% |
| Sweden* | 556 | 635 | -79 | -12% | -6% |
| Denmark | 103 | 125 | -22 | -18% | -1% |
| UK | 2 387 | 1 925 | 462 | 24% | 20% |
| Protector | 3 551 | 3 057 | 494 | 16% | 16% |

*Includes Finland

NOKm, Gross written premiums

| Segment | H1 24 | H1 23 | Growth | ...NOK % | ...LCY% |
|------------------|--------------|--------------|------------|------------|------------|
| Norway | 1 855 | 1 539 | 315 | 20% | 20% |
| Sweden* | 2 055 | 2 062 | -7 | -0% | -1% |
| Denmark | 1 255 | 1 105 | 150 | 14% | 12% |
| UK | 2 816 | 2 294 | 521 | 23% | 18% |
| Protector | 7 981 | 7 001 | 980 | 14% | 12% |

*Includes Finland

Key metrics per segment

Quarterly volatility must be expected, especially by segment

Q2 24

| NOKm | Norway | | Sweden* | | Denmark | | UK | | Protector | |
|--|--------|--------|---------|--------|---------|--------|--------|--------|-----------|--------|
| | Q2 24 | Q2 23 | Q2 24 | Q2 23 | Q2 24 | Q2 23 | Q2 24 | Q2 23 | Q2 24 | Q2 23 |
| Gross premium written | 505 | 373 | 556 | 635 | 103 | 125 | 2 387 | 1 925 | 3 551 | 3 057 |
| Insurance revenues | 564 | 457 | 678 | 670 | 384 | 337 | 1 238 | 924 | 2 865 | 2 387 |
| Insurance service result | 63 | 50 | 101 | 26 | (204) | 14 | 198 | 293 | 157 | 384 |
| Loss ratio, gross | 79.9% | 82.1% | 68.6% | 78.5% | 139.4% | 82.1% | 62.5% | 41.0% | 77.7% | 65.2% |
| Net reinsurance ratio | 1.4% | 1.6% | 2.0% | 3.6% | 6.2% | 6.4% | 10.7% | 13.6% | 6.2% | 7.5% |
| Loss ratio, net of reinsurance | 81.2% | 83.6% | 70.6% | 82.0% | 145.6% | 88.5% | 73.2% | 54.6% | 83.9% | 72.6% |
| Cost ratio | 7.6% | 5.5% | 14.6% | 14.0% | 7.6% | 7.2% | 10.8% | 13.7% | 10.6% | 11.3% |
| Whereoff commissions to brokers and agents | 3.6% | 1.1% | 7.8% | 7.0% | 0.1% | 0.0% | 4.7% | 5.1% | 4.5% | 4.1% |
| Combined ratio | 88.8 % | 89.1 % | 85.1 % | 96.1 % | 153.2 % | 95.7 % | 84.0 % | 68.3 % | 94.5 % | 83.9 % |

*Includes Finland

H1 24

| NOKm | Norway | | Sweden* | | Denmark | | UK | | Protector | |
|---|--------|--------|---------|--------|---------|---------|--------|--------|-----------|--------|
| | H1 24 | H1 23 | H1 24 | H1 23 | H1 24 | H1 23 | H1 24 | H1 23 | H1 24 | H1 23 |
| Gross premium written | 1 855 | 1 539 | 2 055 | 2 062 | 1 255 | 1 105 | 2 816 | 2 294 | 7 981 | 7 001 |
| Insurance revenues | 1 098 | 920 | 1 391 | 1 320 | 766 | 629 | 2 345 | 1 505 | 5 600 | 4 374 |
| Insurance service result | 61 | 87 | 130 | 29 | (186) | (5) | 393 | 408 | 398 | 520 |
| Loss ratio, gross | 85.9% | 82.1% | 76.5% | 81.0% | 111.8% | 99.8% | 61.9% | 62.1% | 77.0% | 77.4% |
| Net reinsurance ratio | 1.4% | 2.5% | 0.5% | 3.6% | 5.1% | -6.1% | 9.9% | -2.8% | 5.2% | -0.2% |
| Loss ratio, net of reinsurance | 87.3% | 84.6% | 77.0% | 84.6% | 116.8% | 93.7% | 71.8% | 59.4% | 82.3% | 77.2% |
| Cost ratio | 7.2% | 5.9% | 13.7% | 13.2% | 7.5% | 7.0% | 11.4% | 13.5% | 10.6% | 10.9% |
| Whereof commissions to brokers and agents | 2.7% | 1.1% | 7.6% | 6.7% | 0.1% | 0.0% | 4.8% | 5.4% | 4.3% | 4.0% |
| Combined ratio | 94.5 % | 90.5 % | 90.7 % | 97.8 % | 124.3 % | 100.7 % | 83.2 % | 72.9 % | 92.9 % | 88.1 % |

*Includes Finland

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Protector aims to be a responsible, trusted and credible ESG actor

Accelerating our business through leveraging sustainability



We commit to **people value and employee engagement** in our organisation



We encourage and motivate our insured to choose **circular and climate efficient options** in claims



We focus on **climate resilience** to accommodate market needs, to adapt and mitigate climate change



We have **responsible business behaviour** at the heart of our operations

Priority Focus

- Diversity and inclusion in our workplace
- Labour and human rights in supply chain

- Circularity and use of residual values in claim settlements
- Climate footprint in claim settlements
- Safety precautions to prevent damages

- Climate resilience factors in product development and pricing
- Climate risk management routines and processes
- Up-to-date climate-related reporting

- Responsible business behaviour in our own operations
- Responsible business behaviour in our external relationships
- Responsible investments

Priority Rationale

- Norwegian Equality and Anti-Discrimination Act, UK Gender Pay Gap Regulation
- Norwegian and EU corporate supplier due diligence reporting requirements
- Increased pressure and concern on diversity and equality commitment disclosures

- Public demands to choose circular alternatives whenever possible in claims
- Customer expectations that circularity in claims will be of sufficient quality
- Requirements of minimum 30% environmental criteria in public procurement

- EU mandatory climate related financial disclosure
- EU Taxonomy
- Confirmed physical consequences of climate change that will pose risk to Protector

- EU Corporate Due Diligence
- Investors and banks are requesting standardized information and disclosures on risk management and business ethics compliance

What

Sustainability through insurance excellence

Based on our materiality analysis, we have **four focus areas** within sustainability:

- **People** - good working life throughout our value chain.
- **Climate-conscious underwriting** - climate risk considered in risk assessment and product development.
- **Climate-effective solutions** - reduced environmental footprint through loss prevention and competent claims settlement.
- **Responsible business behavior** – take responsibility in the fight against corruption, money laundering, and through our investments.

Our emissions in CO2 equivalents for 2023 was 12.95 tonnes per million GWP. This is a reduction from 13.68 tonnes per million GWP for 2022.

PROTECTOR'S OVERALL CLIMATE ACCOUNT FOR 2022 & 2023

