

# Q2 2024 Interim report

KLP Group and KLP

# KLP



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# KLP Group

## Report for the second quarter of 2024

Good return on pension assets:

- Return on the common portfolio of 1.5 per cent in the second quarter and 4.6 per cent in the year to date.
- Moderate risk result due to increase in disability payments
- Premium income used to finance adjustments to pension obligations in line with wage growth and changes in the basic amount (G) came to NOK 21.7 billion in the second quarter, compared to NOK 36.0 billion for the same period last year
- The accrued pension rights that KLP manages on behalf of its customers exceeded NOK 600 billion in the second quarter
- The solvency margin for the Group is 283 per cent.

## KLP – a customer-owned group with a 75-year history

15 February this year marks 75 years since the directors of the Union of Norwegian Cities (Norges Byforbund) and the Norwegian Association of Rural Municipalities (Norges Herredsforbund) decided to establish a joint local government pension fund, KLP. The aim was to establish a pension scheme for small municipalities with few employees. KLP has gradually expanded its offering in response to its owners' wishes, and now provides services in the areas of non-life insurance, banking and asset management in addition to public-sector occupational pensions. We are now Norway's largest pension company.

At the end of the second quarter of 2024, the Group had total assets of NOK 1,079 billion.

## Public-sector occupational pensions

NOK MILLIONS	Customers	Company	Total
Investment result	26 383	169	26 553
Risk result	81		81
Interest guarantee premium		7	7
Administration result		65	65
Net income from investments in the corporate portfolio and other income/expenses in non-technical accounts		609	609
Tax		-172	-172
Other profit/loss elements		247	247
<b>Profit/loss after Q2 2024</b>	<b>26 464</b>	<b>926</b>	<b>27 390</b>
Profit/loss after Q2 2023	21 318	892	22 210

## Investment result

KLP has guaranteed to provide customers on public-sector occupational pensions with financial income equivalent to NOK 6.6 billion after the first half-year. Actual financial income amounted to NOK 33.6 billion, a return of 4.6 per cent, so the investment result was NOK 26.4 (21.2)<sup>1</sup> billion. Customers' assets are mainly managed in the common portfolio.

## Management of the common portfolio

The assets in the common portfolio totalled NOK 761.8 (709.1) billion:

Per cent	30.06.2024	30.06.2023
Return on the common portfolio	4,6	4,2
Return incl. value changes in hold-to-maturity bonds and lending	4,4	3,3
<i>The returns figures apply to the common portfolio</i>		
Capital adequacy, Solvency II	344	330
Capital adequacy, Solvency II, with transitional measures	344	330

## Equities

Total exposure in shares and alternative investments, including equity derivatives, was 34.0 per cent at the end of the second quarter. The total return on shares and alternative investments was 2.3 per cent in the quarter. The return on KLP's global listed equities was 1.9 per cent, while its Norwegian equity portfolio returned 7.2 per cent in the second quarter.

The currency hedging ratio for equities in developed markets and the most liquid currencies in emerging markets was between 40 and 60 per cent. In the second quarter, the Norwegian krone strengthened against the US dollar and the euro, among other currencies. Currency hedging had a positive impact on the return on shares this quarter.

## Short-term bonds and money market instruments measured at fair value

Short-term bonds accounted for 10.8 per cent and money-market instruments 2.8 per cent of the assets in the common portfolio at the end of the quarter. In Norway, the US and Europe, long-term government rates rose in the second quarter. KLP's global government bond index achieved a currency-hedged return of minus 0.9 per cent in the quarter, while the return on the Norwegian government bond index was plus 0.5 per cent. Global credit margins increased slightly during the quarter. The quarterly return on KLP's global credit bond index was minus 0.2 per cent, while the return on the Norwegian bond index was plus 1.2 per cent. Short-term bonds produced a total return of 1.1 per cent in the second quarter. The money market return was 1.3 per cent for the quarter.

<sup>1</sup> Figures in brackets give values for the corresponding period in 2023.

### **Bonds measured at amortised cost**

Investments in bonds measured at amortised cost made up 28.0 per cent of the common portfolio at the end of the quarter. Unrecognised decreases in value in the portfolio amounted to NOK 9.8 billion at the end of the second quarter. The portfolio is well diversified and consists of securities issued by creditworthy borrowers. The return measured at amortised cost in this quarter was 0.9 per cent.

### **Property**

Property investments, including Norwegian and international real estate funds, made up 13.2 per cent of the common portfolio.

Property investments in the common portfolio achieved a return of 1.1 per cent so far this year. The returns include currency hedging and property funds.

### **Lending**

Lending in the common portfolio totals NOK 84.7 billion. This is split between NOK 72.7 billion in loans to the public sector, NOK 2.7 billion in secured mortgage loans and NOK 1.3 billion in loans with government guarantees, with the remaining NOK 7.6 billion made up of direct lending. The lending portfolio is of high quality, with no losses on municipal loans and very modest provisions for losses on mortgage loans. Unrecognised decreases in value in the lending portfolio (fixed-interest loans) totalled NOK 1.5 billion at the end of the quarter. Returns so far this year are 2.2 per cent.

### **Returns on the corporate portfolio**

The corporate portfolio covers assets financed by owners' equity and subordinated loans/hybrid Tier 1 and Tier 2 securities.

The corporate portfolio is managed with a moderate-risk long-term investment horizon, with the objective of stable returns. Investments in the corporate portfolio achieved a return of 1.4 per cent in the second quarter. Returns so far this year are 1.9 per cent

### **Risk result**

The risk result is an indication of whether disability and mortality in the insured population are developing as expected.

During the first six months, there have been slightly higher disability payments than KLP had assumed. The result so far this year related to disability amounts to NOK -493 (-313) million. In handling settlement cases for disability pensions, KLP has seen many applications coming in long after the applicants could have been granted a disability pension. KLP wants, and has a responsibility, for ensuring that members receive the compensation they are entitled to as quickly as possible. KLP therefore took an initiative against NAV to get an overview over which members who had received payments from NAV but had not applied for the same from KLP. This led us to contact these members and urge them to apply for a disability pension with

KLP. This resulted in a backlog of cases which affected the disability payments in the first half of the year. In the future, similar actions with members will become an annual routine

So far this year, the result related to mortality amounts to NOK 574 (582) million. The overall risk result is NOK 81 (270) million after the first six months.

In the second quarter, the disability result was NOK -190 (+67) million, while the results related to life expectancy and survivor's pensions show a surplus of NOK 189 (131) million.

The overall risk result in the second quarter shows a deficit of NOK 1 (199) million.

### Administration result

The difference between the cost elements within premium income, withdrawals from management reserves and insurance-related operating expenses constitutes the administration result. This shows a profit of NOK 65 (62) million for the year to date. Insurance-related operating costs came to NOK 793.2 (761) million so far this year.

### Financial strength and capital-related matters

KLP's total assets have increased by NOK 49.3 billion in the year to date and amount to NOK 836.4 billion. The premium reserve increased by NOK 27.2 billion to NOK 600.1 billion in the same period.

The buffer fund amounts to NOK 109.1 billion after the second quarter. The fund can be used to cover any shortfall in returns from the management of customer funds and is thus a financial buffer. A positive interim result to customers of NOK 26.5 billion also constitutes a buffer.

Without applying transitional rules, the Company's solvency capital requirement (SCR) is 344 per cent. This is a reduction of 7 percentage points in the quarter.

KLP's target is for capital adequacy to exceed 150 per cent. Solvency is well above this target and thus enables sound and stable management of customer funds in a multi-year perspective.

### Key figures

Assets	30.06.2024		30.06.2023	
	Proportion	Return	Proportion	Return
All figures in per cent				
Equities	34,0 %	10,5 %	32,4 %	11,7 %
Short-term bonds	28,0 %	1,8 %	28,8 %	1,6 %
Long-term/HTM bonds	13,2 %	1,1 %	14,6 %	-0,8 %
Lending	11,2 %	2,2 %	11,7 %	1,7 %
Property	10,8 %	1,6 %	11,0 %	1,3 %
Other financial assets	2,8 %	2,7 %	1,4 %	1,8 %

## Premium income

Premium income excluding premium reserves received on transfers in amounts to NOK 37.3 (51.0) billion at the end of the second quarter. Of this, premiums related to the regulation of accrued rights amount to NOK 22 (36.6) billion.

## Claims/benefits

Pensions paid and other claims, excluding ceded premium reserves, amounted to NOK 13.7 (12.7) billion at the end of the second quarter.

## Other matters

The market situation for public-sector occupational pensions is stable. KLP places great emphasis on close consultation with its customers to further develop service concepts and online solutions with good pension guidance. Efforts have been made in recent years to renew and further develop our pension systems. All benefits now fall within the new system, which enhances the customer experience and provides valuable guidance to the individual employee, as well as immediate responses to most pension applications.

Storebrand has filed a complaint against Norway with the ESA, alleging that KLP is receiving unlawful state aid, and that Norwegian municipalities and health trusts have breached the rules on public procurement. The government has rejected both complaints. KLP has provided relevant information to shed light on the complaint cases when this has been requested. The complaints are still being processed by the ESA, and no formal action has been initiated on either of them. In both cases, as part of its information gathering, the ESA has made its preliminary assessments and asked for the government's comments on these.

## Non-life insurance

The second quarter of 2024 shows a profit/loss before tax and other provisions of NOK 181.3 (90.2) million. The insurance result was good in the second quarter, with no large natural perils claims. No other major claim events were reported in the period. Dissolution of previous years' reserves also had a positive effect. Financial income amounted to NOK 74.8 (47.2) in the quarter, representing a return of 1.2 per cent.

The profit for the year to date before tax and other provisions amounts to NOK 63.7 (189.5) million as of 30.06.24. This is less than expected and is due to the weak first quarter results.

Volume growth so far this year is NOK 165 million, and premium volume was NOK 2,750 (2,534) million at the end of the second quarter of 2024. The increase is primarily due to increased premiums. Premium income increased by 11.0 per cent, or NOK 135 million, compared with the same time in 2023. For the public-sector and corporate markets, premiums increased by 9.3 per cent, while the corresponding increase for the retail market was 13.6 per cent.

No claims over NOK 20 million were reported in the second quarter, but three such claims have been filed so far this year, with a total provision of NOK 163 million. There were also 30 claims in the NOK 2-20 million

range, with total payments of NOK 152 million; 16 of these claims were filed in the first quarter. The result as at 30.06 is also affected by a major natural event in the first quarter, storm Ingunn, where the Company's costs came to NOK 28 million after an upwards adjustment of NOK 3 million during the second quarter.

Reversals of previous years' claims are positive, and NOK 62 million have been recognised so far this year, equivalent to 2.6 per cent of the reserves at the beginning of the year.

## Key figures

	30.06.2024	30.06.2023	2023
Claims ratio	81,4	82,6	83,5
Reinsurance percentage	9,7	5	2,8
Cost ratio	13,6	13,9	14
<b>Combined ratio</b>	<b>104,8</b>	<b>101,5</b>	<b>100,4</b>

Net financial income as of 30.06.24 was NOK 171.5 (197.0) million, equivalent to 2.9 (3.6) per cent.

The solvency margin (SCR) increased from 210 per cent in the first quarter to 223 per cent at the end of the second quarter of 2024. The equivalent SCR at the end of 2023 was 227 percent. The decrease in the year to date is due to the weak first quarter performance.

## Asset and fund management

KLP Kapitalforvaltning AS provides securities management in the KLP Group. It had a total of NOK 818 billion under management at the end of the first half-year, of which NOK 214 billion came from external customers. The majority of the assets are managed on behalf of KLP and its subsidiaries.

Net new subscriptions to KLP funds came to NOK 6.8 billion in the second quarter, and NOK 11.6 billion for the year to date. External customers had positive net new subscriptions of NOK 7 billion in the quarter, and NOK 12.7 billion in the year to date.

KLP Kapitalforvaltning achieved a profit before tax of NOK 53.1 million in the first half-year.

## Bank

The KLP Banken Group finances mortgages and other credit to individual customers (retail market) as well as loans to municipalities, county municipalities and companies that provide public services (public-sector market). The Bank's lending business is financed by deposits from private customers and companies, loans from the securities market and owners' equity. The Bank also manages a substantial volume of lending financed by pension assets in KLP.

The KLP Banken Group had a pre-tax operating profit of NOK 166.9 (121.5) million in the second quarter. The change is mainly related to increased net interest income and gains on financial instruments.



Broken down by area, profits were NOK 121.9 (87.4) million in the retail market and NOK 45.0 (34.1) million in the public-sector market.

Persistent high interest rates contributed to increased earnings on the Bank's lending, which is financed with equity. The Bank's operating income, in the form of net interest income, was NOK 254.6 (220.8) million in the second quarter. At the end of the quarter, the income statement includes a net gain on changes in the value of financial instruments of NOK 5.9 (-9.3) million. This profit/loss effect is mainly related to changes in the market value of the bank's liquidity investments. Realised income makes up a negligible proportion of this.

Operating expenses and depreciation amounted to NOK -140 (-133.4) million in the second quarter.

Losses and loss provisions taken to profit/loss total NOK 0.0 (-0.4) million so far in 2024. . The rise in interest rates has so far not resulted in a significant increase in mortgage losses. Nor have we experienced any losses related to public-sector lending in 2024.

The KLP Banken Group's lending balance as of 30 June 2024 was NOK 42.6 (42.9) billion. The split between the retail and public-sector markets was NOK 24.4 (23.4) billion and 18.2 (19.4) billion respectively.

The Bank's mortgage products are aimed at the target group of members of the KLP pension schemes. Net mortgage growth in the second quarter was NOK 536 million, which is significantly higher than at the same time last year (NOK 168 million).

Lending volume to the public-sector market on KLP Banken's balance sheet has decreased in 2024 by NOK 0.7 (increase of 0.3) billion. Loans to public-sector borrowers managed on behalf of KLP increased by NOK 1.8 (1.0) billion in the same period.

KLP Banken manages NOK 2.7 (2.9) billion in mortgage loans and NOK 79.7 (74.7) billion in loans to public-sector borrowers and other businesses on behalf of KLP.

## Group

KLP is a mutual insurance company which produces consolidated financial statements in accordance with IFRS Accounting Standards®. These accounting rules reflect the fact that KLP is a mutual insurance company where all value creation accrues to policyholders. This means that the Group generally sets aside all of the profit as a liability to policyholders, and its equity is normally zero. However, some technical equity may still arise if assets or liabilities have been measured at anything other than fair value in the balance sheet, as the liability to policyholders is based on the fair value of net assets. The equity will then represent the difference between book value and fair value, and the change in the measurement difference will be posted as a net gain/loss. Changes in measurement difference amounted to NOK 953 million in the second quarter, NOK 179 million so far this year. Equity totals NOK -2,556 million, which corresponds to unrecognised increases in the value of the Group's assets of NOK 2,556 million.

In the second quarter, the Group achieved a profit reserved for policyholders of NOK 12.3 billion, and the figure for the year to date is NOK 32.1 billion. This is mainly due to an appreciation of the assets.

The best estimate of the insurance liability associated with public-sector occupational pensions was increased from NOK 366.0 to 367.2 billion in the quarter.

Liabilities to policyholders in public-sector occupational pension schemes, by virtue of their ownership role (residual value), grew from NOK 387.5 to 397.9 billion in the quarter.

## Sustainability

### Updated climate targets and transition plan

Along with many other Norwegian financial institutions, KLP has committed to complying with the Paris Agreement. If we are to achieve the climate targets and stop global warming, the whole of the global economy has to move towards zero emissions. In this perspective, all actors are small with limited individual influence. Through proposed updates to climate targets and initiatives, KLP will help to accelerate the pace of change within realistic limits, but we depend on everyone moving in the same direction to achieve our goals.

In light of this, KLP decided in May to update the climate strategy for the investment portfolio with quantitative targets for the short, medium and long term, along with measures that make it realistic to achieve the targets. To achieve the 2030 targets, we are putting forward an overall package of actions:

1. *Influencing work*: Bilaterally and as a contributor to broad investor cooperation
2. *Long-term bonds*: Companies with science-based transition plans aligned with to 1.5°C emissions paths will be prioritised for new investments
3. *Equities and short-term bonds*: Risk-based divestment from companies that are poorly adapted to the climate transition in selected high-emission sectors
4. *Direct investments* in climate and nature solutions

It is proposed to implement these measures in stages through to 2030, with a flexibility to cater for KLP's financial objectives and management practice. The four measures together are considered both necessary and sufficient for us realistically to achieve the proposed climate targets in the short and long term. The proposed allocation measures are judged to be both efficient and cost effective, viewed against KLP's climate targets and management of climate risk, while contributing to the transition in the real economy.

### Responsible ownership

In the second quarter, KLP focused on voting at general meetings and scrutinising companies for any involvement in rights violations in war and conflict situations.

The second quarter of the year is known as the high season for general meetings, and voting at these meetings is one of the key tools KLP uses in exercising its ownership. In the second quarter, we voted for 5,324 general meetings in Norway and around the world. We have supported a number of shareholder proposals related to topics such as climate lobbying, due diligence on human rights and climate transition plans. KLP has also promoted shareholder proposals together with other institutional investors for better tax reporting and reporting of compliance with employee rights, particularly the right to unionise.

	Q2/2024	30.06.2024	31.12.2023
Number of company dialogues	46	120	243
Number of general meetings of Norwegian companies at which KLP voted	85	106	132
Percentage of general meetings of Norwegian companies at which KLP voted	100 %	100 %	99 %
Number of general meetings of foreign companies at which KLP voted	5 239	6 417	8 472
Percentage of general meetings of foreign companies at which KLP voted	99 %	100 %	100 %
Number of companies excluded from the investments	25	819	799

KLP wants to ensure that good ideas can be pursued locally and to create jobs in Norway. By investing in innovation linked to Norwegian research institutions, we aim to contribute to local value creation and the green transition in Norway. In the second quarter, KLP increased its investments in several of the seed funds in which we are already invested.

NOK MILLIONS	Q2/2024	30.06.2024	31.12.2023
	Amount invested	Fair value	
Seedcorn investments	159	625	575
Investments in banking and finance in developing countries	0	897	921

## Climate-friendly investments

An important part of KLP's climate goal of net zero emissions is to increase our climate-friendly investments. Climate-friendly investments are investments that contribute directly to emission reductions or otherwise contribute to the green transition in Norway and around the world. KLP aims to increase its climate-friendly investments by a further NOK 6 billion each year

KLP's climate-friendly investments have accumulated over time, and accounted for 11.9 per cent of its financial assets at the end of the second quarter of 2024. This includes investments in renewable energy and infrastructure investments needed for the green transition. We also invest in technological solutions such as zero-emission ferries, and particularly in energy-efficient green buildings in KLP's large portfolio of commercial buildings in Norway, Sweden and Denmark.

In the second quarter, these investments increased by around NOK 6.8 billion. The increase comes mainly from KLP's investment in long-term bonds in the renewable energy sector as well as green bonds in Norway. We have also increased our investments in several mutual funds that invest in renewable energy around the world. See Appendix A at the back of the quarterly report for a definition of the sustainability indicators.

NOK MILLIONS	Q2/2024	30.06.2024	31.12.2023
	Amount invested	Fair value	
<b>Zero-emission investments</b>	<b>5 447</b>	<b>47 523</b>	<b>44 174</b>
<i>As a share of KLP's investments</i>		5,9 %	5,6 %
Renewable energy	5 447	44 756	41 594
<i>As a share of KLP's investments</i>		5,5 %	5,3 %
of which: renewable energy in Norway	5 363	25 278	22 458
of which: renewable energy abroad	85	17 522	16 789
of which: renewable energy in developing countries	0	1 956	2 348
Sustainable forests	0	2 766	2 580
<b>Transitional financing</b>	<b>1 388</b>	<b>48 941</b>	<b>46 932</b>
<i>As a share of KLP's investments</i>		6,0 %	6,0 %
Green buildings in the property portfolio	0	25 299	25 420
Green buildings via mutual funds and bonds	0	2 503	2 502
Green loans	341	3 938	3 737
Green bonds	1 047	11 871	12 121
Sustainable infrastructure	0	5 329	3 152
<b>Total climate-friendly investments</b>	<b>6 836</b>	<b>96 463</b>	<b>91 106</b>
<i>As a share of KLP's investments</i>		11,9 %	11,6 %
<b>Fossil energy</b>		<b>16 029</b>	<b>15 020</b>
<i>As a share of KLP's investments</i>		2,0 %	1,9 %

## Future leaders in the Norwegian local government and healthcare sector

For the fourth year running, KLP and AFF (the Administrative Research Institute at the Norwegian School of Economics) celebrated “Future leaders in the Norwegian local government and healthcare sector”. This year saw 90 leaders nominated, all young people at the start of their management careers. Of these, three were selected as winners, based on the way they stood out from the crowd in their style of leadership and the feedback they get from their colleagues.

With this award, KLP and AFF promote leaders in the public sector – a group that is in great demand in today’s labour market. As the pension company for the Norwegian local government and healthcare sector, we believe it is important for us to support the work of developing good managers, so the prize is a chance to take part in AFF’s renowned Solstrand management programme, Accelerate.

## Changes in the Board of Directors

Eli Arnstad was elected to the Board at the Corporate Assembly in April. She replaces Ingunn Trosholmen, who stepped down from the Board in October 2023.

## Future prospects

KLP has achieved good results so far in 2024. However, these are uncertain times, and KLP’s owners have chosen to build up financial buffers so the pension funds can be managed effectively even through financially troubled times.

KLP is prepared for increasing tendering activity. We will maintain our efforts to be the best provider to the Norwegian local government and healthcare sector. We will continue to focus on delivering great services to our customers and being a responsible and sustainable player in the market in the next 75 years too.

**Oslo, 23 August 2024**

The Board of Directors of Kommunal Landspensjonskasse gjensidig forsikringsselskap

**TINE SUNDTOFT**

Chair

**Terje Rootwelt**

Deputy Chair

**Egil Matsen**

**Kjerstin Fyllingen**

**Eli Arnstad**

**Odd Haldgeir Larsen**

**Vibeke Heldal**

Elected by and from among the  
employees

**Erling Bendiksen**

Elected by and from among the  
employees

**Sverre Thornes**

CEO

The Board of Directors uses digital signature

## Income statement

### KLP Group

NOTE	NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
3, 5	<b>Insurance service result</b>	<b>191</b>	<b>- 120</b>	<b>184</b>	<b>- 30</b>	<b>- 1 925</b>
	Net income from investments measured at fair value with changes in P/L	16 445	13 702	54 198	41 437	76 263
	Net income from investments not measured at fair value with changes in P/L	20	21	39	39	78
4	Fair value adjustment investment properties and rental income	1 446	-559	1 475	-63	-2 547
	Net income from associated companies and joint ventures	64	-44	-486	31	504
	Net interest income banking	129	112	256	222	468
	Unit holder's value change in consolidated securites funds	-4 463	-8 405	-21 785	-20 540	-27 286
	<b>Total net income</b>	<b>13 641</b>	<b>4 826</b>	<b>33 698</b>	<b>21 127</b>	<b>47 480</b>
	Policyholder's share of changes in fair value of underlying items	-12 307	-4 321	-32 144	-21 946	-44 179
	Other insurance related financial cost	-24	26	-43	6	-42
5	<b>Net insurance related financial cost</b>	<b>-12 331</b>	<b>-4 295</b>	<b>-32 187</b>	<b>-21 939</b>	<b>-44 221</b>
	<b>Net insurance services and financial result</b>	<b>1 501</b>	<b>411</b>	<b>1 695</b>	<b>-842</b>	<b>1 334</b>
6	Net costs subordinated loan and hybrid Tier 1 securities	128	-84	-133	-551	-463
	Operating expenses	-250	-258	-577	-525	-1 124
	Other income	15	9	25	17	77
	Other expenses	4	-20	-68	-93	-77
	<b>Pre-tax income</b>	<b>1 398</b>	<b>58</b>	<b>942</b>	<b>-1 995</b>	<b>-253</b>
	Cost of taxes <sup>1</sup>	-445	-431	-763	-761	-1 031
	<b>Income</b>	<b>953</b>	<b>-373</b>	<b>179</b>	<b>-2 756</b>	<b>-1 284</b>
12	Actuarial loss and profit on post employment benefit obligations	134	365	332	396	-146
	Tax on items that will not be reclassified to profit or loss	-26	-57	-53	-62	22
	<b>Items that will not be reclassified to profit or loss</b>	<b>107</b>	<b>308</b>	<b>280</b>	<b>334</b>	<b>-125</b>
4	Revaluation real property for use in own operation	13	-113	14	-121	-308
4	Currency translation foreign properites	-537	155	115	2 470	2 139
	Tax on items that will be reclassified to profit or loss	-3	28	-4	30	77
	<b>Items that will be reclassified to income particular specific conditions are met</b>	<b>-527</b>	<b>70</b>	<b>125</b>	<b>2 379</b>	<b>1 908</b>
	<b>Total other comprehensive income</b>	<b>-419</b>	<b>378</b>	<b>405</b>	<b>2 713</b>	<b>1 784</b>
	<b>Total comprehensive income <sup>2</sup></b>	<b>534</b>	<b>5</b>	<b>584</b>	<b>-42</b>	<b>499</b>
	<sup>1</sup> Unit holders share of taxes in consolidated security funds	-124	-117	-234	-204	-375

<sup>2</sup> From and including 2023, the KLP group will submit accounts according to the new accounting standard IFRS 17 Insurance contracts. The new standard takes into account the fact that KLP is mutually owned, and the policyholders on public occupational pensions are entitled to all value creation in the group. This means that according to IFRS 17 the group has no equity and that the result will be zero. However, the group has reported an equity as of 30.06.2024 of minus NOK 2,556 million. This equity arises as a result of the fact that the policyholders are entitled to the fair value of all assets and liabilities in the business, but certain asset and liability items are not accounted for at fair value. This creates a valuation difference that constitutes equity in a mutual insurance company. The period's change in valuation difference NOK 584 million, will thus appear as a result.

## Financial position statement

### KLP Group

NOTE	NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
	Deferred tax assets	25	35	48
	Other intangible assets	1 517	1 234	1 379
	Tangible fixed assets	2 299	2 485	2 277
	Investments in associated companies and joint venture	6 017	5 745	6 620
4, 9	Investment property	95 529	96 070	92 322
5	Reinsurance contract assets	538	728	728
7, 9	Fixed income securitites and other debt instruments at fair value	403 953	362 781	410 569
7	Fixed income securitites and other debt instruments at amortized costs	2 294	2 217	2 254
7, 9	Lending local government, enterprises & retail customers at fair value through profit / loss	84 057	78 975	81 136
7	Lending local government, enterprises & retail customers at amortized costs	42 804	42 930	42 856
7, 9	Equity capital instruments at fair value through profit/loss	421 518	336 111	354 757
7, 9	Financial derivatives	3 766	3 868	15 587
7	Receivables	10 221	19 831	2 678
	Cash and bank deposits	4 743	3 301	3 509
	<b>TOTAL ASSETS</b>	<b>1 079 281</b>	<b>956 311</b>	<b>1 016 721</b>
7, 8	Hybrid Tier 1 securities	1 356	1 540	1 434
7, 8	Subordinated loan capital	3 358	3 346	3 327
12	Pension obligations	640	469	913
5	Insurance obligations with the right to residual value	792 460	707 059	762 789
5	Other insurance liabilities	3 941	3 776	3 392
7, 8	Covered bonds issued	29 986	30 606	30 504
7, 8	Debt to credit institutions	3 286	4 368	13 041
7, 8	Liabilities to and deposits from customers	15 629	14 524	14 060
7	Financial derivatives	3 218	4 853	3 249
	Deferred tax	1 179	1 129	1 187
13	Other current liabilities	12 145	24 265	6 036
	Equity	-2 556	-3 684	-3 140
	Unit holders `s interest in consolidated securites funds	214 640	164 060	179 929
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 079 281</b>	<b>956 311</b>	<b>1 016 721</b>
	Contingent liabilities	37 355	33 096	31 409

## Changes in owners' equity

### KLP Group

2024 NOK MILLIONS	Equity
<b>Owners' equity 31 December 2023</b>	<b>- 3 140</b>
<b>Income</b>	<b>179</b>
Items that will not be reclassified to income	280
Items that will be reclassified to income later when particular conditions are met	125
<b>Total other comprehensive income</b>	<b>405</b>
<b>Total comprehensive income</b>	<b>584</b>
<b>Owners' equity 30 June 2024</b>	<b>- 2 556</b>

2023 NOK MILLIONS	Equity
<b>Owners' equity 31 December 2022</b>	<b>8 396</b>
Change of principle 01.01.2023, IFRS 9 <sup>1</sup>	- 12 035
<b>Owners' equity 1 January 2023</b>	<b>- 3 639</b>
<b>Income</b>	<b>- 2 756</b>
Items that will not be reclassified to income	334
Items that will be reclassified to income later when particular conditions are met	2 379
<b>Total other comprehensive income</b>	<b>2 713</b>
<b>Total comprehensive income</b>	<b>- 43</b>
<b>Other changes</b>	<b>- 2</b>
<b>Owners' equity 30 June 2023</b>	<b>- 3 684</b>

2023 NOK MILLIONS	Equity
<b>Owners' equity 31 December 2022</b>	<b>8 396</b>
Change of principle 01.01.2023, IFRS 9 <sup>1</sup>	- 12 035
<b>Owners' equity 1 January 2023</b>	<b>- 3 639</b>
<b>Income</b>	<b>- 1 284</b>
Items that will not be reclassified to income	- 125
Items that will be reclassified to income later when particular conditions are met	1 908
<b>Total other comprehensive income</b>	<b>1 784</b>
<b>Total comprehensive income</b>	<b>499</b>
<b>Owners' equity 31 December 2023</b>	<b>- 3 140</b>

<sup>1</sup> For more information see the annual report 2022, note 37, points 37.1.11 and 37.2.5 Transitional effects.



## Statement of cashflow

KLP Group

NOK MILLIONS	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Net cash flow from operational activities	-13 757	-3 581	-17 076
Net cash flow from investment activities <sup>1</sup>	-213	-252	-470
Net cash flow from financing activities <sup>2</sup>	15 203	3 812	17 734
<b>Net changes in cash and bank deposits</b>	<b>1 234</b>	<b>-21</b>	<b>188</b>
Holdings of cash and bank deposits at start of period	3 509	3 321	3 321
<b>Holdings of cash and bank deposits at end of period</b>	<b>4 743</b>	<b>3 301</b>	<b>3 509</b>

<sup>1</sup> Payments on the purchase of tangible fixed assets.

<sup>2</sup> Net receipts of owners' equity contribution, rising of new loans and repayment of debt, in addition to payments from unit holders in consolidated security funds.

## Notes to the financial statement

KLP Group

### Note 1 **Accounting principles – and estimates**

#### **Accounting principles**

The financial statements in this interim report show the Kommunal Landspensjonskasse (KLP) group financial statements and parent company financial statements for the period 01.01.2024 – 30.06.2024. The accounts have not been audited.

The consolidated financial statements for KLP have been prepared in accordance with IFRS® accounting standards, as approved by the EU, with additions set out in the Norwegian Regulations on annual accounts for insurance companies. The part of the interim report that relates to the Group financial statements has been prepared in accordance with IAS 34 Interim financial Reporting.

All amounts are presented in NOK millions without decimals unless indicated otherwise.

No other changes have been made to the accounting principles that affect the interim financial statements as of 30.06.2024. Refer to the Group's annual report for 2023 for a more detailed description of accounting principles.

The interim financial statements do not contain all the information required for complete annual financial statements, and this interim report should be read in conjunction with the annual financial statements for 2023. The annual report can be retrieved from [www.klp.no](http://www.klp.no).

#### **Changes in IFRS® Accounting Standards**

A new accounting standard for presentation and disclosures in financial statements, IFRS 18, has been published by the IASB in April 2024. This new standard will replace IAS 1 Presentation of Financial Statements. If endorsed by the EU, the standard will be effective for annual reporting periods beginning on or after 1 January 2027. IFRS 18 is not expected to have a significant impact on the group's financial reporting. KLP does not plan to early implement the standard.

#### **Accounting estimates**

In preparing the interim financial statements, we have exercised discretion and used estimates and assumptions that affect the accounting figures. Actual figures may differ from the estimates used.

The measurement of insurance contracts under IFRS 17 uses a number of new parameters that are fraught with considerable uncertainty. The most important for the various business areas are:

### Life insurance activities

- All cash flows arising from the insurance contracts that are within the contract limit are included in the measurement of the insurance contract. Future cash flows are calculated using assumptions of future annual wage growth/adjustment derived from a projection of the NAM (Norwegian Aggregate Model). The model produces a macro projection of key economic variables year by year based on the economic situation at the measurement date.
- The cash flow calculations use best estimates of mortality and disability.
- The cash flows are discounted with an interest rate curve that takes account of the time value of money and any financial risk that is not included in the estimated cash flows. The interest rate curve is based on the EIOPA interest rate curve with an illiquidity mark-up.
- The risk adjustment for non-financial risk is based on the risk appetite in the life insurance business and a 98 % confidence level and amounts to 8.4 % of the insurance liability in 2024.

### Non-life insurance activities

- The claims provisions are estimated from the company's historical payment patterns.
- The claims provisions are discounted with an interest rate curve that takes account of the time value of money and any financial risk that is not included in the estimated payments. The interest rate curve is based on the EIOPA interest rate curve with an illiquidity mark-up.

Insurance income under IFRS 17 corresponds to pro-rata premiums earned, adjusted for seasonal variations.

- Seasonal variations are estimated from the historical variation in the company's history of claims received through the year.

The risk adjustment is derived from the company's risk appetite. The risk adjustment represents an addition to technical provisions so there is a 75 % probability that they will be sufficient to cover all insurance obligations. The risk adjustment for non-financial risk is based on the risk appetite in the non-life insurance business and a 75 % confidence level and amounts to 4.1 % of the insurance liability in 2024.

## Note 2 Segment information

NOK MILLIONS	Group pensions pub. sect. & group life			Non-life insurance			Banking			Asset management		
	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Result from insurance services	0	0	0	121	152	342	0	0	0	0	0	0
Premium income for own account	37 257	51 102	70 326	0	0	0	0	0	0	0	0	0
Net financial income from investments	33 573	27 556	42 712	174	200	319	261	212	468	16	7	23
Claims for own account	-16 132	-14 840	-28 261	0	0	0	0	0	0	0	0	0
Insurance provisions for own account	-53 661	-62 655	-84 315	0	0	0	0	0	0	0	0	0
Policyholder's share of changes in fair value of underlying items	0	0	0	0	0	0	0	0	0	0	0	0
Other insurance related financial cost	0	0	0	-43	6	-42	0	0	0	0	0	0
Unit holder's value change in consolidated security funds	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total income</b>	<b>1 038</b>	<b>1 164</b>	<b>462</b>	<b>253</b>	<b>358</b>	<b>619</b>	<b>261</b>	<b>212</b>	<b>468</b>	<b>16</b>	<b>7</b>	<b>23</b>
Net financial income from investments in companys portfolio	713	972	1 494	0	0	0	0	0	0	0	0	0
Net costs subordinated loan and hybrid Tier 1 securities	-90	-580	-443	0	0	0	0	0	0	0	0	0
Operating expenses	-793	-761	-1 512	-189	-174	-356	-139	-132	-268	-260	-285	-528
Other income	748	703	1 463	0	5	10	48	45	92	298	282	560
Other expenses	-766	-724	-1 484	0	0	0	-3	-3	-7	0	0	0
<b>Pre-tax income</b>	<b>850</b>	<b>774</b>	<b>-20</b>	<b>64</b>	<b>189</b>	<b>273</b>	<b>167</b>	<b>121</b>	<b>285</b>	<b>53</b>	<b>4</b>	<b>55</b>
Cost of taxes	-172	-172	-82	-16	-47	-37	-6	21	-19	-13	-1	-12
<b>Income</b>	<b>678</b>	<b>602</b>	<b>-101</b>	<b>48</b>	<b>142</b>	<b>235</b>	<b>161</b>	<b>142</b>	<b>267</b>	<b>40</b>	<b>3</b>	<b>42</b>
Total other comprehensive income	247	290	-111	27	32	-10	12	13	-10	27	33	-14
<b>Total comprehensive income</b>	<b>926</b>	<b>892</b>	<b>-213</b>	<b>75</b>	<b>174</b>	<b>225</b>	<b>173</b>	<b>155</b>	<b>257</b>	<b>67</b>	<b>36</b>	<b>29</b>
Lending	309 773	290 270	301 887	0	0	0	44 646	44 214	44 434	0	0	0
Other assets	526 653	498 530	485 280	7 111	6 868	6 559	5 326	5 343	4 494	683	609	682
<b>Total assets</b>	<b>836 426</b>	<b>788 800</b>	<b>787 167</b>	<b>7 111</b>	<b>6 868</b>	<b>6 559</b>	<b>49 973</b>	<b>49 557</b>	<b>48 928</b>	<b>683</b>	<b>609</b>	<b>682</b>
Insurance liabilities	778 458	715 239	725 781	3 941	3 776	3 392	0	0	0	0	0	0
Other liabilities	13 220	29 756	17 541	501	548	573	46 693	46 485	45 754	195	180	260
<b>Total liabilities</b>	<b>791 678</b>	<b>744 996</b>	<b>743 322</b>	<b>4 441</b>	<b>4 325</b>	<b>3 965</b>	<b>46 693</b>	<b>46 485</b>	<b>45 754</b>	<b>195</b>	<b>180</b>	<b>260</b>

NOK MILLIONS	Other			Eliminations			Total		
	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Result from insurance services	0	0	0	63	-182	-2 268	184	-30	-1 925
Premium income for own account	0	0	0	-37 257	-51 102	-70 326	0	0	0
Net financial income from investments	0	0	0	21 458	13 692	31 245	55 482	41 667	74 766
Claims for own account	0	0	0	16 132	14 840	28 261	0	0	0
Insurance provisions for own account	0	0	0	53 661	62 655	84 315	0	0	0
Policyholder's share of changes in fair value of underlying items	0	0	0	-32 144	-21 946	-44 179	-32 144	-21 946	-44 179
Other insurance related financial cost	0	0	0	0	0	0	-43	6	-42
Unit holder's value change in consolidated security funds	0	0	0	-21 785	-20 540	-27 286	-21 785	-20 540	-27 286
<b>Total income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>128</b>	<b>-2 582</b>	<b>-238</b>	<b>1 695</b>	<b>-842</b>	<b>1 334</b>
Net financial income from investments in companys portfolio	0	0	0	-713	-973	-1 494	0	0	0
Net costs subordinated loan and hybrid Tier 1 securities	0	0	0	-44	29	-20	-133	-551	-463
Operating expenses	-5	-6	-12	810	832	1 553	-577	-525	-1 124
Other income	6	6	13	-1 076	-1 025	-2 062	25	17	77
Other expenses	0	0	0	701	635	1 414	-68	-93	-77
<b>Pre-tax income</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>-194</b>	<b>-3 084</b>	<b>-847</b>	<b>942</b>	<b>-1 995</b>	<b>-253</b>
Cost of taxes	0	0	0	-555	-561	-881	-763	-761	-1 031
<b>Income</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>-749</b>	<b>-3 645</b>	<b>-1 728</b>	<b>179</b>	<b>-2 756</b>	<b>-1 284</b>
Total other comprehensive income	1	1	0	90	2 345	1 930	405	2 713	1 784
<b>Total comprehensive income</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>-659</b>	<b>-1 300</b>	<b>201</b>	<b>584</b>	<b>-43</b>	<b>499</b>
Lending	0	0	0	-227 558	-212 580	-222 329	126 861	121 905	123 992
Other assets	12	11	11	412 635	323 046	395 702	952 420	834 406	892 729
<b>Total assets</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>185 077</b>	<b>110 466</b>	<b>173 373</b>	<b>1 079 281</b>	<b>956 311</b>	<b>1 016 721</b>
Insurance liabilities	0	0	0	14 002	-8 180	37 009	796 401	710 835	766 181
Other liabilities	2	2	4	224 826	172 188	189 547	285 436	249 160	253 680
<b>Total liabilities</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>238 828</b>	<b>164 008</b>	<b>226 556</b>	<b>1 081 837</b>	<b>959 995</b>	<b>1 019 861</b>

The KLP Group's business is divided into the five areas: Group pensions public sector & group life, non-life insurance, banking, asset management and other. All business is directed towards customers in Norway.

## PUBLIC SECTOR OCCUPATIONAL PENSION AND GROUP LIFE

Kommunal Landspensjonskasse offers group public sector occupational pensions. This segment is followed up according to NGAAP, which deviates from the IFRS Accounting Standards used in the group. Adjustments have therefore been entered in the elimination column to make the total reconcilable to the consolidated accounts.

## NON-LIFE INSURANCE

KLP Skadeforsikring AS offers property and personal injury products to employers within the public and private sectors. In addition a broad specter of standard insurance products is offered to the the retail market.

## BANKING

KLP's banking business embraces the companies KLP Banken AS and its wholly-owned subsidiaries: KLP Kommunekreditt AS and KLP Boligkreditt AS. The banking business covers services such as deposits and lending to the retail market, credit cards, as well as lending with public sector guarantee.

## ASSET MANAGEMENT

Asset management is offered from the company KLP Kapitalforvaltning AS. The company offers a broad selection of securities mutual funds both to retail customers and to institutional customers. The securities management has a socially responsible profile.

## OTHER

Other segments comprises KLP Forsikringservice AS which offers a broad specter of services to local authority pension funds.

### Note 3 Insurance service result

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Insurance income	1 009	776	2 243	1 823	1 780
Insurance service expenses	-790	-821	-1 926	-1 791	-3 635
Reinsurance income (+)/ cost (-)	-27	-76	-133	-62	-71
<b>Insurance service result</b>	<b>191</b>	<b>-120</b>	<b>184</b>	<b>-30</b>	<b>-1 925</b>

## Note 4 Investment property

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Net rental income	1 072	880	2 099	1 809	3 873
Net value adjustment	374	-1 439	-624	-1 871	-6 420
<b>Net income from investment properties</b>	<b>1 446</b>	<b>-559</b>	<b>1 475</b>	<b>-63</b>	<b>-2 547</b>
Currency translate foreign properites (taken to other comprehensive income)	-537	155	115	2 470	2 139
<b>Net income from investment properties included currency translate</b>	<b>910</b>	<b>-404</b>	<b>1 590</b>	<b>2 407</b>	<b>-407</b>

NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
Investment property 01.01.	92 322	93 992	93 992
Value adjustment, including currency translation	- 509	598	- 4 280
Net additions	3 726	1 501	2 653
Other changes	- 4	- 22	- 42
<b>Book value</b>	<b>95 529</b>	<b>96 070</b>	<b>92 322</b>

## Note 5 Technical provisions

NOK MILLIONS	Estimates of present value of future cash flows	Risk adjustment for non financial risk	Residual value	Total
<b>Insurance obligations with the right to residual value 1 January 2024</b>	<b>377 742</b>	<b>29 068</b>	<b>355 979</b>	<b>762 789</b>
<b>Changes that realte to current services</b>	0	0	0	0
Change in risk adjustment for non-financial risk for risk expired	0	-20	0	-20
Experience adjustment not related to future service	-43	0	0	-43
<b>Insurance service result</b>	<b>-43</b>	<b>-20</b>	<b>0</b>	<b>-63</b>
Change in risk adjustment for non-financial risk at the start of the period	0	-924	924	0
Accured interest	7 999	672	-8 671	0
Released cash flows	21	0	0	21
Changes in estimates related to future service	-4 240	-356	4 596	0
Change due to changes in discount curve	-13 404	-1 126	14 531	0
Result addes to policyholders	1 564	0	30 560	32 124
<b>Insurance related financial cost</b>	<b>-8 061</b>	<b>-1 734</b>	<b>41 940</b>	<b>32 144</b>
Premium	13 952	0	0	13 952
Claims and other insurance service expenses (incl. Investmentcomponents)	-16 361	0	0	-16 361
<b>Total cash flows</b>	<b>-2 410</b>	<b>0</b>	<b>0</b>	<b>-2 410</b>
<b>Insurance obligations with the right to residual value 30 June 2024</b>	<b>367 228</b>	<b>27 313</b>	<b>397 919</b>	<b>792 460</b>

NOK MILLIONS	Liability for incurred claims (LIC)			Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Liabilities for remaining coverage	
<b>Other insurance liabilities 1 January 2024</b>	<b>2 944</b>	<b>128</b>	<b>320</b>	<b>3 392</b>
Insurance income	0	0	-1 365	-1 365
Claims	1 155	47	0	1 202
Expenses	87	3	0	91
Other movements related to current service	0	-17	0	-17
Changes that relate to past service	-131	-32	0	-163
Insurance service expenses	1 111	1	0	1 112
<b>Insurance service result</b>	<b>1 111</b>	<b>1</b>	<b>-1 365</b>	<b>-254</b>
<b>Insurance related financial cost</b>	<b>53</b>	<b>-2</b>	<b>0</b>	<b>52</b>
Premium	0	0	1 966	1 966
Claims and other insurance service expenses	-1 173	0	0	-1 173
<b>Total cash flows</b>	<b>-1 173</b>	<b>0</b>	<b>1 966</b>	<b>793</b>
<b>Other changes</b>	<b>0</b>	<b>0</b>	<b>-42</b>	<b>-42</b>
<b>Other insurance liabilities 30 June 2024</b>	<b>2 936</b>	<b>127</b>	<b>878</b>	<b>3 941</b>

NOK MILLIONS	Liability for incurred claims (LIC)			Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Liabilities for remaining coverage	
<b>Reinsurance contracts assets 1 January 2024</b>	<b>699</b>	<b>39</b>	<b>-10</b>	<b>728</b>
Premium paid - reinsurance	0	0	-67	-67
Recoveries of incurred claims and other insurance service expenses				
Reinsurance expenses -related to past service	-55	-11	0	-66
Insurance service expenses	-55	-11	0	-66
<b>Insurance service result</b>	<b>-55</b>	<b>-11</b>	<b>-67</b>	<b>-133</b>
<b>Insurance related financial cost</b>	<b>10</b>	<b>-2</b>	<b>0</b>	<b>9</b>
Premium	-154	0	80	-74
<b>Total cash flows</b>	<b>-154</b>	<b>0</b>	<b>80</b>	<b>-74</b>
<b>Other changes</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>
<b>Reinsurance contracts assets 30 June 2024</b>	<b>508</b>	<b>27</b>	<b>3</b>	<b>538</b>

NOK MILLIONS	Insurance obligation with the right to residual value	Other insurance liabilities	Reinsurance	Intercompany eliminations	Total
<b>Specification of P/L items per product group 1 half year 2024</b>					
Insurance service result	63	254	-133	0	184
Net insurance related financial cost	-32 144	-52	9	0	-32 187



NOK MILLIONS	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Residual value	Total
<b>Insurance obligations with the right to residual value 1 January 2023</b>	<b>322 226</b>	<b>27 304</b>	<b>337 305</b>	<b>686 834</b>
<b>Changes that relate to current services</b>	0	0	0	0
Change in risk adjustment for non-financial risk for risk expired	0	158	0	158
Experience adjustment not related to future service	24	0	0	24
<b>Insurance service result</b>	<b>24</b>	<b>158</b>	<b>0</b>	<b>182</b>
Change in risk adjustment for non-financial risk at the start of the period	0	-2 257	2 257	0
Accrued interest	6 745	524	-7 269	0
Released cash flows	3 923	0	0	3 923
Changes in estimates related to future service	12 451	968	-13 419	0
Change due to changes in discount curve	-5 596	-435	6 031	0
Result added to policyholders' residual value	0	0	18 022	18 022
<b>Insurance related financial cost</b>	<b>17 524</b>	<b>-1 200</b>	<b>5 622</b>	<b>21 946</b>
Premium	13 093	0	0	13 093
Claims and other insurance service expenses (incl. Investment components)	-15 003	0	0	-15 003
<b>Total cash flows</b>	<b>-1 910</b>	<b>0</b>	<b>0</b>	<b>-1 910</b>
<b>Total other changes</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>
<b>Insurance obligations with the right to residual value 30 June 2023</b>	<b>337 863</b>	<b>26 262</b>	<b>342 933</b>	<b>707 059</b>

NOK MILLIONS	Liability for incurred claims (LIC)			Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Liabilities for remaining coverage	
<b>Other insurance liabilities 1 January 2023</b>	<b>2 790</b>	<b>115</b>	<b>276</b>	<b>3 181</b>
Insurance income	0	0	-1 230	-1 230
Claims	1 013	41	0	1 054
Expenses	77	3	0	80
Other movements related to current service	0	-14	0	-14
Changes that relate to past service	-78	-26	0	-104
Insurance service expenses	<b>1 012</b>	<b>4</b>	<b>0</b>	<b>1 016</b>
<b>Insurance service result</b>	<b>1 012</b>	<b>4</b>	<b>-1 230</b>	<b>-214</b>
<b>Insurance related financial cost</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>8</b>
Premium	0	0	1 828	1 828
Claims and other insurance service expenses	-985	0	0	-985
<b>Total cash flows</b>	<b>-985</b>	<b>0</b>	<b>1 828</b>	<b>843</b>
<b>Other changes</b>	<b>-4</b>	<b>0</b>	<b>-38</b>	<b>-41</b>
<b>Other insurance liabilities 30 June 2023</b>	<b>2 817</b>	<b>122</b>	<b>837</b>	<b>3 776</b>

NOK MILLIONS	Liability for incurred claims (LIC)			Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Liabilities for remaining coverage	
<b>Reinsurance contracts assets 1 January 2023</b>	<b>705</b>	<b>30</b>	<b>0</b>	<b>736</b>
Premium paid - reinsurance	0	0	-80	-80
Recoveries of incurred claims and other insurance service expenses	55	3	0	58
Reinsurance expenses -related to past service	-36	-4	0	-40
Insurance service expenses	19	-1	0	18
<b>Insurance service result</b>	<b>19</b>	<b>-1</b>	<b>-80</b>	<b>-62</b>
<b>Insurance related financial cost</b>	<b>6</b>	<b>8</b>	<b>0</b>	<b>14</b>
Premium	-50	0	82	32
<b>Total cash flows</b>	<b>-50</b>	<b>0</b>	<b>82</b>	<b>32</b>
<b>Other changes</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>7</b>
<b>Reinsurance contracts assets 30 June 2023</b>	<b>688</b>	<b>38</b>	<b>3</b>	<b>728</b>

NOK MILLIONS	Insurance obligation with the right to residual value	Other insurance liabilities	Reinsurance	Intercompany eliminations	Total
<b>Specification of P/L items per product group 1. half year 2023</b>					
Insurance service result	-182	214	-62	0	-30
Insurance related financial cost	-21 946	-8	14	0	-21 939

NOK MILLIONS	Estimates of present value of future cash flows	Risk adjustment for non financial risk	Residual value	Total
<b>Insurance obligations with the right to residual value 1 January 2023</b>	<b>322 226</b>	<b>27 304</b>	<b>337 305</b>	<b>686 834</b>
<b>Changes that relate to current services</b>	0	0	0	0
Change in risk adjustment for non-financial risk for risk expired	0	2 321	0	2 321
Experience adjustment not related to future service	-53	0	0	-53
<b>Insurance service result</b>	<b>-53</b>	<b>2 321</b>	<b>0</b>	<b>2 268</b>
Change in risk adjustment for non-financial risk at the start of the period	0	-2 257	2 257	0
Accrued interest	12 553	1 089	-13 643	0
Released cash flows	-15 978	0	0	-15 978
Changes in estimates related to future service	-2 558	-222	2 780	0
Change due to changes in discount curve	9 599	833	-10 432	0
Result adds to policyholders' residual value	22 526	0	37 631	60 158
<b>Insurance related financial cost</b>	<b>26 143</b>	<b>-557</b>	<b>18 594</b>	<b>44 179</b>
Premium	57 921	0	0	57 921
Claims and other insurance service expenses (incl. Investmentcomponents)	-28 494	0	0	-28 494
<b>Total cash flows</b>	<b>29 426</b>	<b>0</b>	<b>0</b>	<b>29 426</b>
Other changes	0	0	81	81
<b>Total other changes</b>	<b>0</b>	<b>0</b>	<b>81</b>	<b>81</b>
<b>Insurance obligations with the right to residual value 31 December 2023</b>	<b>377 742</b>	<b>29 068</b>	<b>355 979</b>	<b>762 789</b>

NOK MILLIONS	Liability for incurred claims (LIC)			Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Liabilities for remaining coverage	
<b>Other insurance liabilities 1 January 2023</b>	<b>2 790</b>	<b>115</b>	<b>276</b>	<b>3 181</b>
Insurance income	0	0	-2 505	-2 505
Claims	2 043	83	0	2 126
Expenses	158	6	0	164
Other movements related to current service	0	-40	0	-40
Changes that relate to past service	-118	-41	0	-158
Insurance service expenses	2 084	9	0	2 092
<b>Insurance service result</b>	<b>2 084</b>	<b>9</b>	<b>-2 505</b>	<b>-413</b>
<b>Insurance related financial cost</b>	<b>62</b>	<b>5</b>	<b>0</b>	<b>66</b>
Premium	0	0	2 551	2 551
Claims and other insurance service expenses	-1 983	0	0	-1 983
<b>Total cash flows</b>	<b>-1 983</b>	<b>0</b>	<b>2 551</b>	<b>568</b>
<b>Other changes</b>	<b>-8</b>	<b>0</b>	<b>-2</b>	<b>-10</b>
<b>Other insurance liabilities 31 December 2023</b>	<b>2 944</b>	<b>128</b>	<b>320</b>	<b>3 392</b>

NOK MILLIONS	Liability for incurred claims (LIC)			Liabilities for remaining coverage	Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk			
<b>Reinsurance contracts assets 1 January 2023</b>	<b>705</b>	<b>30</b>	<b>0</b>	<b>736</b>	
Premium paid - reinsurance	0	0	-164	-164	
Recoveries of incurred claims and other insurance service expenses	137	8	0	145	
Reinsurance expenses -related to past service	-44	-8	0	-52	
Insurance service expenses	93	0	0	93	
<b>Insurance service result</b>	<b>93</b>	<b>0</b>	<b>-164</b>	<b>-71</b>	
<b>Insurance related financial cost</b>	<b>16</b>	<b>9</b>	<b>0</b>	<b>25</b>	
Premium	-108	0	154	45	
<b>Total cash flows</b>	<b>-108</b>	<b>0</b>	<b>154</b>	<b>45</b>	
<b>Other changes</b>	<b>-7</b>	<b>0</b>	<b>0</b>	<b>-7</b>	
<b>Reinsurance contracts assets 31 December 2023</b>	<b>699</b>	<b>39</b>	<b>-10</b>	<b>728</b>	

NOK MILLIONS	Insurance obligation with the right to residual value	Other insurance liabilities	Reinsurance	Intercompany eliminations	Total
Specification of P/L items per product group 01.01.2023 - 31.12.2023					
Insurance service result	-2 268	413	-71	0	-1 925
Insurance related financial cost	-44 179	-66	25	0	-44 221

## IMPORTANT ASSUMPTIONS

### Discount curve for IFRS 17

Expected cash flows from the insurance contracts will mature at various times in the future. The future cash flows are therefore discounted to the value on the balance sheet date with an interest rate curve that is determined on the balance sheet date. The discount curve for IFRS 17 is generally determined according to the same principles as the curve EIOPA calculates for Solvency II purposes. The main difference is that EIOPA's estimate for volatility adjustment is replaced with an estimate for the illiquidity spread in the bond market, and this is calibrated to the illiquidity degree of the KLP's obligation. Selected values of discounting curves for IFRS 17 are listed below:

Year	30.06.2024	30.06.2023	31.12.2023
1	5,1 %	5,5 %	4,8 %
2	5,0 %	5,3 %	4,7 %
3	4,8 %	5,1 %	4,4 %
4	4,6 %	4,9 %	4,2 %
5	4,5 %	4,7 %	4,1 %
10	4,3 %	4,4 %	4,0 %
15	4,2 %	4,3 %	4,0 %
25	4,0 %	4,1 %	3,9 %
50	3,8 %	3,8 %	3,7 %
75	3,7 %	3,7 %	3,7 %
100	3,6 %	3,7 %	3,6 %

## Salary growth curve

Future cash flows within the contract boundary are calculated with assumptions about annual future salary growth/regulation as stated in the table below. The salary growth curve is projected by the NAM model (Norwegian aggregate model), which makes a macro projection of key economic figures (salary growth, inflation, etc.) year by year.

Year	30.06.2024	30.06.2023	31.12.2023
1	5,2 %	5,3 %	5,3 %
5	4,4 %	4,0 %	4,9 %
10	3,3 %	3,3 %	3,7 %
15	3,2 %	2,9 %	3,2 %
25	3,5 %	3,3 %	3,3 %
50	3,5 %	3,5 %	3,5 %
80	3,5 %	3,5 %	3,5 %

## SENSITIVITY

For insurance contracts with a right to residual value, interest rate changes will have a major impact on the best estimate of the pension liabilities.

NOK MILLIONER	Change	30.06.2024	30.06.2023	31.12.2023
Reduced mortality	-5 %	-4 375	-4 520	-4 519
Increased mortality	5 %	4 191	4 329	4 329
Increased disability	5 %	-388	-401	-401
Reduced disability	-5 %	391	404	404
Increased costs	5 %	-1 261	-1 303	-1 303
Reduced costs	-5 %	1 261	1 303	1 303
Increased yield curve	*)	32 536	31 810	33 594
Reduced yield curve	**)	-39 298	-38 858	-42 074

All changes to assumptions are in % change of the standard assumption applied as of 30/06/2024( 30/06/2023/31/12/2023).

\*) Increased interest rate curve by 50 basis points for the liquid part of the discount rate curve, 1:10 years. Then extrapolated to an estimate for long-term interest based on the sum of long-term real GDP growth and Norges Bank's inflation target.

\*\*\*) Reduced by 50 basis points for the liquid part of the discount rate curve, 1:10 years. Then extrapolated to an estimate for long-term interest based on the sum of long-term real GDP growth and Norges Bank's inflation target.

## Note 6 Subordinated loans and perpetual hybrid tier 1 securities

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
<b>SUBORDINATED LOANS</b>					
Interest costs	-32	-41	-72	-82	-153
Value changes	65	-108	-101	-319	-229
<b>Net costs subordinated loans</b>	<b>33</b>	<b>-149</b>	<b>-173</b>	<b>-401</b>	<b>-382</b>
<b>PERPETUAL HYBRID TIER 1 SECURITIES</b>					
Interest costs	-18	-19	-38	-38	-75
Value changes	113	85	78	-112	-6
<b>Net costs perpetual hybrid tier 1 securities</b>	<b>95</b>	<b>66</b>	<b>39</b>	<b>-150</b>	<b>-81</b>
<b>Net costs subordinated loan and hybrid Tier 1 securities</b>	<b>128</b>	<b>-84</b>	<b>-133</b>	<b>-551</b>	<b>-463</b>

This note gives a specification of the line "Net costs subordinated loan and hybrid Tier 1 securities" in the income statement.

The fluctuations in value change are predominantly due to the loans being denominated in foreign currency. The subordinated loan is issued in euros and the perpetual hybrid Tier 1 security are issued in Japanese yen.

## Note 7 **Fair value of financial assets and liabilities**

Fair value is to be a representative price based on what the equivalent assets or liabilities would be sold for under normal market terms and conditions. A financial instrument is considered as being listed in an active market if listed prices are easily and regularly accessible from a stock exchange, dealer, broker, commercial group, pricing service or regulatory authority, and such prices represent actual transactions that occur regularly at arm's length. If the market for the security is not active, or the security is not listed on a stock exchange or similar, the Group uses valuation techniques to determine fair value. These are based on information on transactions recently carried out on business conditions, reference to the purchase and sale of similar instruments and pricing by means of externally obtained interest-rate curves and interest-rate differential curves. Estimates are based to the greatest possible extent on external observable market data, and to a small degree on company-specific information.

In the case of this note, there are three different categories of financial instruments: balance sheet classification, accounts classification, and type of instrument. It is for this last category that information is provided about how fair value is derived.

### FINANCIAL INSTRUMENTS MEASURED AT AMORTISED COST

#### **This category includes:**

- Fixed-income securities and other debt instruments measured at amortised cost
- Lending to local government, enterprises & retail customers measured at amortised cost
- Liabilities to and deposits from customers
- Other debt issued (liabilities)

Financial instruments not measured at fair value are measured at amortised cost by using the effective interest rate method. The internal rate of exchange is determined by discounting contractual cash flows over their expected term. The cash flows include arrangement/up-front fees and direct transaction costs as well as any residual value on the expiry of the expected term. Amortised cost is the present value of these cash flows discounted by the internal rate of interest. This note contains information about the fair value of the financial instruments that are measured at amortised cost.

## FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

### **This category includes:**

- Equity instruments
- Fixed-income securities and other debt instruments measured at fair value
- Lending local government, enterprises & retail customers at fair value through profit/loss
- Derivatives (assets and liabilities)
- Debt to credit institutions (liabilities)
- Subordinated loan capital (liabilities)

Below is a list of which types of financial instrument come under the various accounts categories, and how fair value is calculated.

## FIXED-INCOME SECURITIES AND OTHER DEBT INSTRUMENTS MEASURED AT FAIR VALUE

### **a) Foreign fixed-income securities**

Foreign fixed-income securities are generally priced based on prices obtained from an index provider. At the same time, prices are compared between several different sources to spot any errors.

#### **The following sources are used:**

- Barclays Capital Indices
- Bloomberg

Barclays Capital Indices have first priority (they cover foreign government and foreign credit respectively). Then comes Bloomberg based on Bloomberg's pricing service Business Valuator Accredited in Litigation (BVAL). BVAL has verified prices from Bloomberg.

### **b) Norwegian fixed-income securities – government**

Nordic Bond Pricing is used as the primary source for pricing Norwegian Government Bonds.

### **c) Norwegian fixed-income securities – other than government ones**

Norwegian fixed-income securities – other than government ones Norwegian fixed-income securities (denominated in NOK) are generally priced based on rates from Nordic Bond Pricing. Securities not covered by Nordic Bond Pricing are priced theoretically. The theoretical price should be based on the discounted value of the security's future cash flows. Discounting is performed using a swap curve adjusted for credit

spread and liquidity spread. The credit spread should, to the extent possible, be based on a comparable bond from the same issuer. The liquidity spread is determined at the discretion of the evaluator.

**d) Fixed-income securities issued by foreign enterprises but denominated in NOK**

Fair value is calculated on the same general principles as those applied on Norwegian fixed-income securities described above.

**e) Receivables on credit institutions**

The fair value of these are considered as being approximately the same as the book value since the terms and conditions of the contract are continually revised in accordance with changes in the market rates.

**f) Loans to municipalities and enterprises with municipal guarantee**

Receivables are valued by means of a valuation model using relevant credit premium adjustments obtained in the market. For guaranteed loans fair value is calculated as discounted cash flow based on the same interest-rate curves as direct loans, but the credit margin is adjusted to market values for the appropriate combination of guarantee category and type of guarantee. The guarantor is either a state, municipality or a bank.

**g) Loans secured by mortgage**

The principles for calculating fair value are subject to the loans having fixed-interest rates or not. Fair value of fixed-rate loans is calculated by discounting contractual cash flows by the market rate including a relevant risk margin on the reporting date. The fair value of loans with no fixed rate is approximately equal to book value since the terms and conditions of the contract are continually revised in accordance with changes in the market rates.

## EQUITY INSTRUMENTS

**h) Shares (listed)**

Liquid shares are generally valued on the basis of prices from an index provider. At the same time, prices are compared between different sources in order to spot any errors.

**The following sources are used for Norwegian shares:**

- Oslo Børs/Oslo Stock Exchange (primary source)
- Morgan Stanley Capital International (MSCI)
- Bloomberg

**The following sources are used for foreign shares:**

- Morgan Stanley Capital International (MSCI) (primary source)
- Bloomberg

**i) Shares (unlisted)**

As far as possible, The Group uses the Norwegian Mutual Funds Association's industry recommendations. This basically means the following:

This means that the last traded price is used as long as it is considered representative. If the price information is deemed outdated, a derived valuation is performed in relation to a relevant proxy (such as a stock index or one or more companies). If this is not possible, a discretionary assessment is made, which may be based on fundamental analysis, broker evaluations, or risk and liquidity adjustments to the price.

**j) Private Equity**

Most of the investment in Private Equity goes through funds. The funds' fair value is to be based on reported market values that follow from the International Private Equity and Venture Capital Valuation Guidelines ('IPEV Guidelines'). These guidelines are established by the European Venture Capital Association (EVCA) and are based on the principle of approximate market assessment of the companies. Fair value is calculated on the basis of the funds' reported market value adjusted for payments in and out during the period between the fund's last reported market value and the period being reported on for the Group. Direct investments in Private Equity are treated in the same way as with current stocks, but valuation can be daily, quarterly or yearly. In cases where it's possible to obtain information on what co-investments are priced within the funds, it will be considered in the valuation process. Other direct investments are valued based on either cost prices, reported market values from companies or available trading prices.

**DERIVATIVES**

**k) Futures/FRA/IRF**

All futures contracts for KLP are traded on the stock exchange. Bloomberg is used as a price source. Prices are also obtained from another source in order to check that Bloombergs' prices are correct. Reuters acts as a secondary source.

**l) Options**

Bloomberg is used as a source for pricing options traded on the stockmarket. Reuters is a secondary source.



### **m) Interest-rate swaps**

Interest-rate swaps are valued in a model that takes observable market data such as interest-rate curves and relevant credit premiums into account.

### **n) FX-swaps**

FX-swaps with a one-year maturity or less are priced on curves that are built up from FX swap-points obtained from Reuters. The market is not considered particularly liquid for FX-swaps with a maturity of more than one year and basis-adjusted swap curves are used for pricing purposes.

## DEBT TO CREDIT INSTITUTIONS

### **o) Placements with credit institutions and deposits**

Placements with credit institutions are made as short-term deposits. Fair value is calculated by discounting contractual cash flows by market rate including a relevant risk margin on the reporting date. Deposits are priced on swap curves.

## SUBORDINATED LOAN CAPITAL, OTHER DEBT ISSUED, AND DEPOSITS FROM CUSTOMERS

### **p) Fair value of subordinated loans**

The observable price is used as the fair value of loans listed on an active stock exchange. In the case of other loans that are not part of an active market the fair value is based on an internal valuation model based on observable data.

### **q) Fair value of subordinated bond/perpetual bond issued**

Fair value in this category is determined on the basis of internal valuation models based on external observable data.

### **r) Covered bonds issued**

Fair value in this category is determined on the basis of internal valuation models based on observable data.

### **s) Deposits from customers**

All deposits are without fixed-rate interest. The fair value of these is considered as approximately equal to book value since the contractual terms are continually revised in accordance with the market rate.

The tables below give a more detailed specification of the content of the different classes of assets and financial liabilities.

NOK MILLIONS	30.06.2024		30.06.2023		31.12.2023	
	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>FIXED-INCOME SECURITIES AND OTHER DEBT INSTRUMENTS AT AMORTIZED COST</b>						
Norwegian bonds	1 058	1 018	1 001	941	1 017	935
Foreign bonds	1 236	1 166	1 216	1 100	1 237	1 108
<b>Fixed-income securities and other debt instruments at amortized cost</b>	<b>2 294</b>	<b>2 184</b>	<b>2 217</b>	<b>2 041</b>	<b>2 254</b>	<b>2 043</b>
<b>LENDING LOCAL GOVERNMENT, ENTERPRISES &amp; RETAIL CUSTOMERS AT FAIR VALUE THROUGH PROFIT/LOSS</b>						
Loans secured by mortgage	2 480	2 480	2 854	2 854	2 564	2 564
Loans to local government sector or enterprises with local government guarantee	74 736	74 736	68 866	68 866	71 056	71 056
Loans abroad secured by mortgage and local government guarantee	6 181	6 181	5 311	5 311	5 245	5 245
Other lending	661	661	1 944	1 944	2 271	2 271
<b>Total loans to local government, enterprises &amp; retail customers at fair value</b>	<b>84 057</b>	<b>84 057</b>	<b>78 975</b>	<b>78 975</b>	<b>81 136</b>	<b>81 136</b>
<b>LENDING TO LOCAL GOVERNMENT, ENTERPRISES &amp; RETAIL CUSTOMERS – AT AMORTIZED COST</b>						
Loans to and receivables from customers	42 804	42 817	42 930	42 937	42 856	42 850
<b>Total loans to local government, enterprises &amp; retail customers at amortized cost</b>	<b>42 804</b>	<b>42 817</b>	<b>42 930</b>	<b>42 937</b>	<b>42 856</b>	<b>42 850</b>
<b>FIXED-INCOME SECURITIES AND OTHER DEBT INSTRUMENTS AT FAIR VALUE</b>						
Norwegian bonds	129 675	129 675	117 941	117 941	133 716	133 716
Norwegian certificates	13 679	13 679	9 341	9 341	8 189	8 189
Foreign bonds	213 997	213 997	198 491	198 491	209 125	209 125
Foreign certificates	700	700	468	468	898	898
Investments with credit institutions	45 901	45 901	36 540	36 540	58 641	58 641
<b>Fixed income securities and other debt instruments at fair value</b>	<b>403 953</b>	<b>403 953</b>	<b>362 781</b>	<b>362 781</b>	<b>410 569</b>	<b>410 569</b>
<b>EQUITY CAPITAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Shares	362 801	362 801	284 032	284 032	302 882	302 882
Equity funds	48 741	48 741	44 877	44 877	44 885	44 885
Property funds	7 566	7 566	7 202	7 202	6 990	6 990
<b>Total equity capital instruments at fair value</b>	<b>421 518</b>	<b>421 518</b>	<b>336 111</b>	<b>336 111</b>	<b>354 757</b>	<b>354 757</b>
<b>RECEIVABLES</b>						
Receivables related to direct business	996	996	642	642	750	750
Receivables related to securites	8 177	8 177	18 516	18 516	1 309	1 309
Prepaid rent related to real estate activities	360	360	148	148	148	148
Other receivables	688	688	525	525	470	470
<b>Total other loans and receivables including receivables from policyholders</b>	<b>10 221</b>	<b>10 221</b>	<b>19 831</b>	<b>19 831</b>	<b>2 678</b>	<b>2 678</b>
<b>FINANCIAL LIABILITIES</b>						
Debt to credit institutions	3 286	3 286	4 368	4 368	13 041	13 041
Covered bonds issued	29 986	30 084	30 606	30 541	30 504	30 526
Liabilities and deposits from customers	15 629	15 629	14 524	14 524	14 060	14 060
<b>Total financial liabilities</b>	<b>53 615</b>	<b>53 712</b>	<b>54 383</b>	<b>54 319</b>	<b>62 366</b>	<b>62 389</b>

NOK MILLIONS	30.06.2024		30.06.2023		31.12.2023	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<b>FINANCIAL DERIVATIVES - AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Forward exchange contracts	2 654	579	2 802	1 641	13 525	1 152
Interest rate swaps	620	2 639	500	3 212	1 383	2 096
Interest rate and currency swaps	491	0	566	0	679	0
Share option	0	0	0	0	0	0
<b>Total financial derivatives</b>	<b>3 766</b>	<b>3 218</b>	<b>3 868</b>	<b>4 853</b>	<b>15 587</b>	<b>3 249</b>

## Note 8 Borrowing

NOK MILLIONS	Nominal in NOK	Currency	Interest	Due date	Book value 30.06.2024	Book value 31.12.2023
<b>FIXED - TERM SUBORDINATED LOAN</b>						
Kommunal Landspensjonskasse	2 530	EUR	Fixed <sup>1</sup>	2045	3 358	3 327
<b>Total subordinated loan capital</b>	<b>2 530</b>	-	-	-	<b>3 358</b>	<b>3 327</b>
<b>HYBRID TIER 1 SECURITIES</b>						
Kommunal Landspensjonskasse	984	JPY	Fixed <sup>2</sup>	2034	1 356	1 434
<b>Total hybrid Tier 1 securities</b>	<b>984</b>	-	-	-	<b>1 356</b>	<b>1 434</b>
<b>COVERED BONDS</b>						
KLP Kommunekreditt AS	0	NOK	Floating	2024	0	1 562
KLP Kommunekreditt AS	3 000	NOK	Floating	2025	3 009	5 015
KLP Kommunekreditt AS	5 000	NOK	Floating	2026	5 053	5 053
KLP Kommunekreditt AS	1 000	NOK	Fixed	2027	1 017	1 012
KLP Kommunekreditt AS	6 000	NOK	Floating	2027	6 052	6 052
KLP Kommunekreditt AS	3 000	NOK	Floating	2028	3 027	0
KLP Kommunekreditt AS	700	NOK	Fixed	2029	722	706
KLP Boligkreditt AS	599	NOK	Floating	2024	599	1 555
KLP Boligkreditt AS	2 500	NOK	Floating	2025	2 501	2 501
KLP Boligkreditt AS	4 500	NOK	Floating	2026	4 533	4 536
KLP Boligkreditt AS	2 500	NOK	Floating	2027	2 516	2 516
KLP Boligkreditt AS	1 000	NOK	Floating	2029	1 003	0
Other					-45	-4
<b>Total covered bonds</b>	<b>28 799</b>	-	-	-	<b>29 986</b>	<b>30 504</b>
<b>DEBT TO CREDIT INSTITUTIONS</b>						
KLP Banken AS	0	NOK	Floating	2023	0	0
KLP Banken AS	126	NOK	Floating	2024	127	453
KLP Banken AS	300	NOK	Floating	2025	301	301
KLP Banken AS	150	NOK	Floating	2026	151	151
KLP Banken AS	200	NOK	Floating	2027	202	0
KLP Fond	0	NOK/EUR/USD	Floating	2023	0	4 218
KLP Fond	0	NOK/EUR/USD	Fixed	2023	0	1 111
KLP Fond	0	NOK/EUR/USD	Floating	2024	487	0
KLP Fond	0	NOK/EUR/USD	Fixed	2024	147	0
Kommunal Landspensjonskasse	0	NOK/EUR/USD	Floating	2023	0	6 727
Kommunal Landspensjonskasse	0	NOK/EUR/USD	Fixed	2023	0	0
Kommunal Landspensjonskasse	0	NOK/EUR/USD	Floating	2024	1 784	0
Other					87	80
<b>Total liabilities to credit institutions</b>	<b>776</b>	-	-	-	<b>3 286</b>	<b>13 041</b>
<b>LIABILITIES AND DEPOSITS FROM CUSTOMERS <sup>3</sup></b>						
Retail	13 173	NOK			13 173	12 087
Business	2 412	NOK			2 412	1 924
Foreign	43	NOK			43	50
<b>Liabilities to and deposits from customers</b>	<b>15 629</b>	-			<b>15 629</b>	<b>14 060</b>
<b>Total financial liabilities</b>	<b>48 717</b>				<b>53 615</b>	<b>62 366</b>

<sup>1</sup> The loan has an interest change date in 2025.

<sup>2</sup> The loan has an interest change date in 2034.

<sup>3</sup> There is no contractual maturity date on deposits.

This note shows the financial liabilities that the Group had at the end of the reporting period; where the majority is funding for KLP Bank Group.

The companies listed above are the issuers of the financial debt. Deposits belongs to KLP Banken AS.

## Note 9 Fair value hierarchy

30.06.2024 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>ASSETS BOOKED AT FAIR VALUE</b>				
<i>Land/plots</i>	0	0	1 283	1 283
<i>Buildings</i>	0	0	94 247	94 247
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>95 529</b>	<b>95 529</b>
<b>Lending local government, enterprises &amp; retail customers at fair value</b>	<b>0</b>	<b>84 057</b>	<b>0</b>	<b>84 057</b>
<i>Certificates</i>	3 524	10 855	0	14 380
<i>Bonds</i>	23 283	320 561	0	343 845
<i>Fixed-income funds</i>	0	9 161	16 115	25 276
<i>Loans and receivables</i>	19 786	667	0	20 453
<b>Fixed income securitites and other debt instruments at fair value</b>	<b>46 594</b>	<b>341 244</b>	<b>16 115</b>	<b>403 953</b>
<i>Shares</i>	350 929	6 048	5 824	362 801
<i>Equity funds</i>	2 707	0	39	2 745
<i>Property funds</i>	0	2 606	4 961	7 566
<i>Special funds</i>	0	759	1 651	2 410
<i>Private Equity</i>	0	0	45 995	45 995
<b>Equity capital instruments at fair value</b>	<b>353 636</b>	<b>9 412</b>	<b>58 470</b>	<b>421 518</b>
<b>Financial derivatives</b>	<b>0</b>	<b>3 766</b>	<b>0</b>	<b>3 766</b>
<b>Total assets at fair value</b>	<b>400 229</b>	<b>438 478</b>	<b>170 114</b>	<b>1 008 822</b>
<b>LIABILITIES BOOKED AT FAIR VALUE</b>				
<i>Financial derivatives</i>	0	3 218	0	3 218
<i>Debt to credit institutions<sup>1</sup></i>	2 358	147	0	2 506
<i>Subordinated loan capital</i>	0	3 358	0	3 358
<i>Hybrid Tier 1 securities</i>	0	1 356	0	1 356
<b>Total financial liabilities at fair value</b>	<b>2 358</b>	<b>8 078</b>	<b>0</b>	<b>10 437</b>

<sup>1</sup> The line «Debt to credit institutions» includes liabilities measured at fair value and amortized cost. This line is therefore not reconcilable against the Balance sheet. The liabilities measured at amortized cost amounted to NOK 781 million per 30.06.2024.

30.06.2023 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>ASSETS BOOKED AT FAIR VALUE</b>				
<i>Land/plots</i>	0	0	1 370	1 370
<i>Buildings</i>	0	0	94 700	94 700
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>96 070</b>	<b>96 070</b>
<b>Lending local government, enterprises &amp; retail customers at fair value</b>	<b>0</b>	<b>78 975</b>	<b>0</b>	<b>78 975</b>
<i>Certificates</i>	2 274	7 536	0	9 809
<i>Bonds</i>	25 465	290 994	0	316 459
<i>Fixed-income funds</i>	0	9 744	12 523	22 267
<i>Loans and receivables</i>	13 024	1 222	0	14 246
<b>Fixed income securitites and other debt instruments at fair value</b>	<b>40 763</b>	<b>309 496</b>	<b>12 523</b>	<b>362 781</b>
<i>Shares</i>	273 631	7 100	3 301	284 032
<i>Equity funds</i>	2 378	0	57	2 435
<i>Property funds</i>	0	2 242	4 960	7 202
<i>Special funds</i>	0	0	0	0
<i>Private Equity</i>	0	0	42 442	42 442
<b>Equity capital instruments at fair value</b>	<b>276 008</b>	<b>9 342</b>	<b>50 761</b>	<b>336 111</b>
<b>Financial derivatives</b>	<b>0</b>	<b>3 868</b>	<b>0</b>	<b>3 868</b>
<b>Total assets at fair value</b>	<b>316 771</b>	<b>401 680</b>	<b>159 353</b>	<b>877 804</b>
<b>LIABILITIES BOOKED AT FAIR VALUE</b>				
Financial derivatives	0	4 853	0	4 853
Debt to credit institutions <sup>1</sup>	1 772	1 541	0	3 313
Subordinated loan capital	0	3 346	0	3 346
Hybrid Tier 1 securities	0	1 540	0	1 540
<b>Total financial liabilities at fair value</b>	<b>1 772</b>	<b>11 280</b>	<b>0</b>	<b>13 052</b>

<sup>1</sup> The line «Debt to credit institutions» includes liabilities measured at fair value and amortized cost. This line is therefore not reconcilable against the Balance sheet. The liabilities measured at amortized cost amounted to NOK 1 055 million per 30.06.2023.

31.12.2023 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>ASSETS BOOKED AT FAIR VALUE</b>				
<i>Land/plots</i>	0	0	1 283	1 283
<i>Buildings</i>	0	0	91 040	91 040
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>92 322</b>	<b>92 322</b>
<b>Lending local government, enterprises &amp; retail customers at fair value</b>	<b>0</b>	<b>81 136</b>	<b>0</b>	<b>81 136</b>
<i>Certificates</i>	1 578	7 508	0	9 086
<i>Bonds</i>	27 564	315 287	0	342 850
<i>Fixed-income funds</i>	0	9 591	16 041	25 632
<i>Loans and receivables</i>	32 349	651	0	33 000
<b>Fixed income securitites and other debt instruments at fair value</b>	<b>61 491</b>	<b>333 037</b>	<b>16 041</b>	<b>410 569</b>
<i>Shares</i>	293 389	5 996	3 497	302 882
<i>Equity funds</i>	2 378	0	37	2 415
<i>Property funds</i>	0	1 980	5 010	6 990
<i>Special funds</i>	0	0	0	0
<i>Private Equity</i>	0	0	42 470	42 470
<b>Equity capital instruments at fair value</b>	<b>295 767</b>	<b>7 976</b>	<b>51 014</b>	<b>354 757</b>
<b>Financial derivatives</b>	<b>0</b>	<b>15 587</b>	<b>0</b>	<b>15 587</b>
<b>Total assets at fair value</b>	<b>357 258</b>	<b>437 735</b>	<b>159 377</b>	<b>954 370</b>
<b>LIABILITIES BOOKED AT FAIR VALUE</b>				
Financial derivatives	0	3 249	0	3 249
Debt to credit institutions <sup>1</sup>	11 026	1 111	0	12 137
Subordinated loan capital	0	3 327	0	3 327
Hybrid Tier 1 securities	0	1 434	0	1 434
<b>Total financial liabilities at fair value</b>	<b>11 026</b>	<b>9 120</b>	<b>0</b>	<b>20 146</b>

<sup>1</sup> The line «Debt to credit institutions» includes liabilities measured at fair value and amortized cost. This line is therefore not reconcilable against the Balance sheet. The liabilities measured at amortized cost amounted to NOK 905 million per 31.12.2023.

Changes in Level 3, Investment Property	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023
Opening balance 1 January	92 322	93 992	93 992
Sold	-104	0	0
Bought	3 831	1 501	2 653
Unrealised changes	-509	598	-4 280
Other changes	-10	-22	-42
<b>Closing balance 30.06./31.12.</b>	<b>95 529</b>	<b>96 070</b>	<b>92 322</b>
Realised gains/losses	0	0	0

Changes in Level 3, Financial Assets	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023
Opening balance 1 January	67 055	53 407	53 407
Sold	-2 575	-1 563	-4 923
Bought	6 630	6 911	15 430
Unrealised changes	3 475	4 528	3 141
<b>Closing balance 30.06./31.12.</b>	<b>74 585</b>	<b>63 284</b>	<b>67 055</b>
Realised gains/losses	695	565	1 863
<b>Closing balance 30.06./31.12.</b>	<b>170 114</b>	<b>159 353</b>	<b>159 377</b>

Unrealised changes and realized gains/losses are reflected on the line "Net value changes on financial instruments" in the consolidated income statement.

The table "Changes in level 3" shows changes in level 3 classified instruments in the period indicated.

Fair value shall be a representative price based on what a corresponding asset or liability would have been traded for on normal market terms and conditions. Highest quality in regard to fair value is based on listed prices in an active market. A financial instrument is considered as noted in an active market if noted prices are easily and regularly available from a stock market, dealer, broker, industry grouping, price setting service or regulatory authority, and these prices represent actual and regularly occurring transactions at arm's length.

#### Level 1:

Instruments at this level obtain fair value from listed prices in an active market for identical assets or liabilities that the entity has access to at the reporting date. Examples of instruments at Level 1 are stock market listed securities.

#### Level 2:

Instruments at this level obtain fair value from observable market data. This includes prices based on identical instruments, but where the instrument does not maintain a high enough trading frequency and is corresponding therefore not considered to be traded in an active market, as well as prices based on assets and price-leading indicators that can be confirmed from market information. Example instruments at Level 2 are fixed income securities priced on the basis of interest rate paths.

#### Level 3:

Instruments at Level 3 contain no observable market data or are traded in markets considered to be inactive. The price is based generally on discrete calculations where the actual fair value may deviate if the

instrument were to be traded. The instruments covered at Level 3 in the Group include unlisted shares and Private Equity.

Valuations related to items in the various levels are described in Note 9. For description of the pricing of investment property, please see the annual financial statements. No sensitivity analysis has been carried out on securities included in Level 3. A sensitivity analysis for investment property is available in the annual report. A change in the variables of the pricing is considered of little significance. On a general basis, a 5 percent change in the pricing would produce a change of NOK 8 506 million as of 30.06.2024.

With regard to transferring securities between the levels, a limit is set for the number of trading days and the amount of trading for shares by separating Level 1 and Level 2. The general principles related to the distribution between levels basically concern whether the asset or liability is listed or not and whether the listing can be stated to be in an active market. As regards shares, there is a further distinction between trading days and amount of trading which separates out listed securities that do not form part of an active market. The values at the end of the reporting period provide the basis for any movement between the levels.

During the 2nd quarter, NOK 1 416 million in stocks moved from Level 1 to Level 2, and NOK 723 million moved from level 2 to level 1. The movements are due to changes in liquidity.

## Note 10 Presentation of assets and liabilities that are subject to net settlement

30.06.2024 NOK MILLIONS	Gross financial assets/ liabilities	Gross assets/ liabilities presented net	Book value	Related amounts not presented net				Adjusted for the unit holders' interest in consolidated securities funds
				Financial instruments	Security in cash	Security in securities	Net amount	
<b>ASSETS</b>								
Financial derivatives	3 766	0	3 766	-1 115	-2 246	-4 199	79	80
Repos	2 881	0	2 881	0	0	0	2 265	2 882
<b>Total</b>	<b>6 646</b>	<b>0</b>	<b>6 646</b>	<b>-1 115</b>	<b>-2 246</b>	<b>-4 199</b>	<b>2 344</b>	<b>2 962</b>
<b>LIABILITIES</b>								
Financial derivatives	3 218	0	3 218	-1 115	-35	-44	2 101	2 102
Repos	147	0	147	0	0	0	147	147
<b>Total</b>	<b>3 364</b>	<b>0</b>	<b>3 364</b>	<b>-1 115</b>	<b>-35</b>	<b>-44</b>	<b>2 249</b>	<b>2 249</b>

30.06.2023 NOK MILLIONS				Related amounts not presented net				
	Gross financial assets/ liabilities	Gross assets/ liabilities presented net	Book value	Financial instruments	Security in cash	Security in securities	Net amount	Adjusted for the unit holders' interest in consolidated securities funds
<b>ASSETS</b>								
Financial derivatives	3 868	0	3 868	-1 932	-1 254	-2 408	649	625
Repos	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3 868</b>	<b>0</b>	<b>3 868</b>	<b>-1 932</b>	<b>-1 254</b>	<b>-2 408</b>	<b>649</b>	<b>625</b>
<b>LIABILITIES</b>								
Financial derivatives	4 853	0	4 853	-1 932	-344	-1 186	2 742	2 742
Repos	1 541	0	1 541	0	0	0	1 541	1 541
<b>Total</b>	<b>6 395</b>	<b>0</b>	<b>6 395</b>	<b>-1 932</b>	<b>-344</b>	<b>-1 186</b>	<b>4 284</b>	<b>4 284</b>

31.12.2023 NOK MILLIONS				Related amounts not presented net				
	Gross financial assets/ liabilities	Gross assets/ liabilities presented net	Book value	Financial instruments	Security in cash	Security in securities	Net amount	Adjusted for the unit holders' interest in consolidated securities funds
<b>ASSETS</b>								
Financial derivatives	15 587	0	15 587	-1 376	-10 882	-7 399	214	209
Repos	6 172	0	6 172	-1 113	0	0	5 058	5 058
<b>Total</b>	<b>21 759</b>	<b>0</b>	<b>21 759</b>	<b>-2 489</b>	<b>-10 882</b>	<b>-7 399</b>	<b>5 272</b>	<b>5 267</b>
<b>LIABILITIES</b>								
Financial derivatives	3 249	0	3 249	-1 376	-25	-6	1 866	1 885
Repos	1 111	0	1 111	0	0	0	1 111	0
<b>Total</b>	<b>4 360</b>	<b>0</b>	<b>4 360</b>	<b>-1 376</b>	<b>-25</b>	<b>-6</b>	<b>2 977</b>	<b>1 885</b>

The purpose of the note is to show the potential effect of netting agreements at the KLP Group; what possibilities the KLP Group has to net bilateral agreements against other counterparties should the latter go bankrupt and the remaining amount if all such netting agreements are materialized. The note shows derivative positions and repo agreements in the financial position statement. Repos are a part of the line "Debt to credit institutions" in the balance sheet. The consolidated figures include all entities the KLP Group is considered to have control over. In addition, the outer line shows which de facto net amount remains if all the Groups netting agreements are set off; which only includes subsidiaries and entities, where the Group carries the risk.

## Note 11 **SCR ratio**

The Solvency II balance sheet includes assets and liabilities at fair value. For assets that have a different value in the accounts change in balance value are added. There are no observable market values for KLP's insurance liabilities, which are thus calculated by way of a best estimate based on actuarial assumptions. In addition there is a risk margin that is to reflect a third party's capital costs by taking over these liabilities.

Tier 1 capital appears from the Solvency II balance sheet and Hybrid Tier 1 securities. Tier 2 capital consist of subordinated loans, the risk equalization fund, the natural perils fund and ancillary own funds. The Financial Supervisory Authority of Norway has accepted that KLP's right to call in further member



contribution if necessary, which is laid down in the Company's articles of association, can be counted as ancillary own funds, the amount corresponding to 2.5 per cent of the Company's premium reserve. Capital that may be included in Tier 2 capital is limited upwards to 50 per cent of SCR.

Without the use of the transitional measure on technical provisions the Company's SCR ratio is 283 per cent, which is well over the Company's target of at least 150 per cent. With the transitional measure on technical provisions the SCR ratio is 283 per cent.

	30.06.2024	30.06.2023	31.12.2023 <sup>1</sup>
<b>Solvency II - SCR ratio</b>	<b>283 %</b>	<b>297 %</b>	<b>285 %</b>

<b>NOK BILLIONS</b>	<b>30.06.2024</b>	<b>30.06.2023</b>	<b>31.12.2023 <sup>1</sup></b>
<b>Simplified Solvency II Financial Position Statement</b>			
Assets, book value	839	792	790
Added values - hold-to-maturity portfolio/loans and receivables	-11	-19	-9
Added values - other lending	-1	-2	-1
Other added/lesser values	0	0	0
Deferred tax asset	0	0	0
<b>Total assets - solvency II</b>	<b>827</b>	<b>771</b>	<b>779</b>

NOK BILLIONS	30.06.2024	30.06.2023	31.12.2023 <sup>1</sup>
<b>Simplified Solvency II Financial Position Statement</b>			
Best estimate	757	687	706
Risk margin	11	11	11
Hybrid Tier 1 securities/Subordinated loan capital	5	5	5
Other liabilities	8	25	13
Deferred tax liabilities	0	0	0
<b>Total liabilities - solvency II</b>	<b>782</b>	<b>728</b>	<b>735</b>
Excess of assets over liabilities	46	43	44
- Deferred tax asset	0	0	0
- Risk equalization fund and natural perils fund	-4	-5	-4
+ Hybrid Tier 1 securities	1	2	1
<b>Tier 1 basic own funds</b>	<b>43</b>	<b>40</b>	<b>42</b>
<b>Total eligible tier 1 own funds</b>	<b>43</b>	<b>40</b>	<b>42</b>
Subordinated loans	3	3	3
Risk equalization fund and natural perils fund	4	5	4
<b>Tier 2 basic own funds</b>	<b>7</b>	<b>8</b>	<b>7</b>
Ancillary own funds	15	14	14
<b>Tier 2 ancillary own funds</b>	<b>15</b>	<b>14</b>	<b>14</b>
Deduction for max. eligible tier 2 own funds	-15	-15	-14
<b>Total eligible tier 2 own funds</b>	<b>7</b>	<b>7</b>	<b>7</b>
Deferred tax asset	0	0	0
<b>Total eligible tier 3 own funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Solvency II total eligible own funds</b>	<b>50</b>	<b>47</b>	<b>49</b>
Market risk	169	139	141
Counterparty risk	3	3	4
Life risk	126	125	113
Non-life risk	1	1	1
Health risk	0	0	0
Diversification	-63	-58	-56
Operational risk	3	3	3
Loss absorbing capacity of technical provisions	-223	-197	-190
Loss absorbing capacity deferred tax	-2	-2	-2
Capital requirement for other financial sectors	3	1	3
<b>Solvency capital requirement (SCR)</b>	<b>18</b>	<b>16</b>	<b>17</b>
<b>Minimum consolidated group solvency capital requirement</b>	<b>4</b>	<b>4</b>	<b>5</b>
<b>Eligible own funds to meet the minimum consolidated group SCR</b>	<b>40</b>	<b>40</b>	<b>39</b>
<b>Solvency II- SCR ratio</b>	<b>283 %</b>	<b>297 %</b>	<b>285 %</b>

<sup>1</sup> Numbers per 31.12.2023 are changed to reflect a new capital requirement for the bank, taking effect by year-end 2023 for KLP group.

## Note 12 Pension obligations

NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
Capitalized net liability 01.01.	913	815	815
Capitalized pension costs	117	97	197
Capitalized financial costs	16	14	28
Actuarial gains and losses	-332	-396	146
Premiums / contributions received	-73	-60	-274
<b>Capitalized net liability 30.06./31.12.</b>	<b>640</b>	<b>469</b>	<b>913</b>

Assumptions	30.06.2024	30.06.2023	31.12.2023
Discount rate	3.50%	3.70%	3,10 %
Salary growth	3.50%	3.50%	3,50 %
The National Insurance basic amount (G)	3.25%	3.25%	3,25 %
Pension increases	2.80%	2.60%	2,80 %
Social security contribution rate	14.10%	14.10%	14,10 %
Capital activity tax	5.00%	5.00%	5,00 %

The effect of changes in pension assumptions reduces the pension liability for employees with NOK 332 million as of 30.06.2024. The change is recognized in other comprehensive income in the income statement.

### Note 13 **Other current liabilities**

NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
Short-term payables trade in securities	9 024	20 392	3 357
Incurring not assessed taxes	560	763	572
Accounts payable	290	389	301
Public fees	1 233	1 031	691
Other current liabilities	1 038	1 689	1 114
<b>Total other current liabilities</b>	<b>12 145</b>	<b>24 265</b>	<b>6 036</b>

## Key figures – Accumulated

NOK MILLIONS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
<b>KLP GROUP</b>								
Total assets	1 079 281	1 065 541	1 016 721	972 345	956 311	948 185	900 068	913 144
Equity	-2 556	-3 090	-3 140	-3 555	-3 684	-3 687	8 396	12 823
Solvency SCR ratio	283 %	288 %	285 %	332 %	297 %	282 %	288 %	306 %
Number of employees in the Group	1 168	1 153	1 133	1 120	1 099	1 091	1 093	1 095
<b>KOMMUNAL LANDSPENSJONSKASSE</b>								
Profit before tax	926	183	-20	1 136	774	539	918	461
Premium income for own account	37 257	7 842	70 326	60 032	51 102	7 663	50 523	40 248
- of which inflow of premium reserve	1	0	92	91	91	91	386	386
Insurance customers' funds incl. acc. profit	16 132	9 265	28 261	21 501	14 840	8 331	28 517	22 453
- of which funds with guaranteed returns	2 419	2 456	2 139	2 125	2 121	2 125	4 659	4 658
Net investment common portfolio	761 757	751 512	734 337	718 214	701 944	690 902	660 366	671 095
Net investment choice portfolio	3 064	2 953	2 830	2 730	2 833	2 683	2 609	2 602
Insurance funds incl. earnings for the year	778 458	745 385	725 781	704 815	715 239	668 235	654 324	641 805
- of which funds with guaranteed interest	642 860	617 219	616 315	586 941	592 053	552 840	552 101	542 820
Solvency capital requirement (SCR)	50 482	49 575	49 517	49 918	47 624	46 768	46 158	46 307
Solvency SCR ratio	344 %	351 %	346 %	368 %	329 %	316 %	318 %	341 %
Riskprofit	81	82	648	364	270	71	558	963
Return profits	26 553	18 729	29 466	15 822	21 243	13 232	-20 006	-27 421
Administration profit	65	-8	144	176	62	54	-17	56
Solvency capital	167 161	155 824	164 487	147 893	151 993	151 550	140 958	129 556
Value-adjusted return on common portfolio	4,6 %	3,0 %	6,4 %	3,9 %	4,2 %	2,5 %	-1,1 %	-2,6 %
Return on unit-linked portfolio	5,8 %	4,0 %	8,3 %	4,8 %	5,6 %	3,4 %	-2,5 %	-4,2 %
Return on corporate portfolio	1,9 %	0,5 %	3,0 %	2,1 %	1,5 %	0,9 %	2,8 %	1,4 %
<b>KLP SKADEFORSIKRING AS</b>								
Profit before tax	64	-118	273	255	189	99	111	49
Insurance income	1 365	707	2 505	1 863	1 230	630	2 200	1 629
Owners' equity	2 669	2 523	2 594	2 589	2 543	2 446	2 369	2 339
Claims ratio, gross	81,4 %	98,2 %	83,5 %	78,9 %	82,6 %	93,9 %	98,3 %	104,4 %
Net reinsurance ratio	9,7 %	15,0 %	2,8 %	4,7 %	5,0 %	-2,2 %	-19,0 %	-25,4 %
Claims ratio, net of reinsurance	91,2 %	113,1 %	86,3 %	83,6 %	87,6 %	91,7 %	79,3 %	79,0 %
Cost ratio	13,6 %	14,6 %	14,0 %	13,0 %	13,9 %	13,9 %	13,9 %	13,6 %
Combined ratio	104,8 %	127,7 %	100,4 %	96,6 %	101,5 %	105,6 %	93,2 %	92,6 %
Return on assets under management	2,9 %	1,7 %	5,5 %	3,3 %	3,6 %	2,7 %	-1,7 %	-2,5 %
Solvency capital requirement (SCR)	2 598	2 487	2 446	2 514	2 377	2 309	2 222	2 250
Solvency SCR ratio	223 %	210 %	227 %	246 %	222 %	215 %	222 %	219 %
Annual premium in force – retail market	1 149	1 107	1 068	1 042	1 013	982	954	933
Annual premium in force – public sector market	1 601	1 624	1 517	1 533	1 521	1 474	1 341	1 325
Net new subscriptions (accumulated within the year)	-38	-3	72	61	43	20	121	123
<b>KLP BANKEN GROUP</b>								
Profit/loss before tax	167	75	285	203	122	53	181	98
Net interest income	255	127	465	340	221	110	369	258
Other operating income	46	22	89	67	44	21	85	63
Operating expenses and depreciation	-140	-81	-271	-201	-134	-71	-247	-181
Net realized/unrealized changes in financial instruments to fair value	6	7	3	-3	-9	-7	-26	-43
Contributions	15 628	14 158	14 061	14 351	14 524	14 136	13 779	13 607
Housing mortgages granted	24 494	24 102	23 855	23 754	23 481	23 333	23 258	23 369
Loan(s) with public guarantee(s)	18 311	18 735	19 001	19 371	19 449	19 384	19 117	18 718
Defaulted loans	54	53	44	52	43	46	44	43

NOK MILLIONS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Borrowing on the issuance of securities	30 767	31 253	31 408	31 616	31 661	31 999	33 485	32 613
Total assets	49 973	48 857	48 928	49 403	49 557	49 373	50 511	49 370
Average total assets	49 450	48 892	49 719	49 957	50 034	49 942	48 996	48 426
Owners' equity	3 280	3 189	3 174	3 132	3 072	3 008	2 966	2 897
Net interest rate	0,51 %	0,26 %	0,93 %	0,68 %	0,44 %	0,22 %	0,75 %	0,53 %
Profit/loss from general operations before tax	0,34 %	0,15 %	0,57 %	0,41 %	0,24 %	0,11 %	0,90 %	0,20 %
Return on owners' equity before tax	10,52 %	9,47 %	9,62 %	9,13 %	8,19 %	7,16 %	7,16 %	5,15 %
Capital adequacy	20,8 %	21,2 %	21,7 %	20,2 %	20,3 %	20,5 %	20,7 %	19,7 %
Number of private customers	55 670	54 058	52 488	51 340	50 231	49 697	48 804	48 216
Of this members of KLP	36 986	36 139	35 390	34 802	34 307	33 512	32 988	32 681
<b>KLP KAPITALFORVALTNING AS</b>								
Profit/loss before tax	53	12	55	42	4	11	5	-19
Total assets under management	818 496	797 875	760 484	715 698	687 956	670 937	640 183	615 589
Assets managed for external customers	214 053	202 680	179 219	162 321	163 444	151 269	134 215	126 187

# Kommunal Landspensjonskasse

Q2 2024

## Income statement

Kommunal Landspensjonskasse

NOTE	NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
2	Premium income	29 416	43 439	37 257	51 102	70 326
	Income from investments in subsidiaries, associated enterprises and jointly controlled entities	831	-261	907	2 386	241
	Interest income and dividends etc. on financial assets	4 377	3 735	8 808	6 996	14 507
3	Value changes on investments	7 135	14 695	21 065	28 356	32 140
	Gains and losses realized on investments	-1 019	-7 031	2 631	-10 325	-4 388
	<b>Net income from investments in the common portfolio</b>	<b>11 324</b>	<b>11 138</b>	<b>33 410</b>	<b>27 413</b>	<b>42 500</b>
3	Net income from investments in the investment option portfolio	50	56	163	143	212
	Other insurance-related income	362	344	718	686	1 415
4	Claims	-6 867	-6 509	-16 132	-14 840	-28 261
	Changes in insurance liabilities taken to profit/loss - contractual liabilities	-25 574	-39 328	-27 135	-41 223	-63 368
	Changes in insurance liabilities taken to profit/loss - individual investment option portfolio	-92	-157	-95	-158	-315
	Funds assigned to insurance contracts - contractual liabilities	0	0	0	0	-20 632
	Unallocated profit to insurance contracts	-7 756	-8 090	-26 432	-21 274	0
5	Insurance-related operating expenses	-361	-384	-793	-761	-1 512
	Other insurance-related costs	-368	-347	-721	-689	-1 408
	<b>Technical profit/loss</b>	<b>134</b>	<b>163</b>	<b>241</b>	<b>400</b>	<b>-1 043</b>
3, 6	Net income from investments in the corporate portfolio	588	143	734	515	1 282
	Other income	17	10	30	17	48
	Administration costs and other costs associated with the corporate portfolio	-71	-81	-155	-159	-306
	<b>Non-technical profit/loss</b>	<b>533</b>	<b>72</b>	<b>609</b>	<b>374</b>	<b>1 024</b>
	<b>Profit/loss pre-tax</b>	<b>667</b>	<b>235</b>	<b>850</b>	<b>774</b>	<b>-20</b>
	Tax	-89	-64	-172	-172	-82
	<b>Income before other income and expenses</b>	<b>579</b>	<b>171</b>	<b>678</b>	<b>602</b>	<b>-101</b>
7	Actuarial gains and losses on defined benefits pension schemes	91	230	211	250	-88
	Proportion of other comprehensive income on application of the equity method	43	135	122	147	-59
	Adjustment of the insurance liabilities	-9	-40	-32	-44	13
	Tax on other income and expenses that will not be reclassified to profit or loss	-26	-57	-53	-62	22
	<b>Total other income and expenses that will not be reclassified to profit or loss</b>	<b>98</b>	<b>267</b>	<b>247</b>	<b>290</b>	<b>-111</b>
	<b>TOTAL COMPREHENSIVE INCOME</b>	<b>677</b>	<b>438</b>	<b>926</b>	<b>892</b>	<b>-213</b>

## Statement of financial position

### Kommunal Landspensjonskasse

NOTE	NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
	<b>ASSETS</b>			
	<b>ASSETS IN THE CORPORATE PORTFOLIO</b>			
	Intangible assets	1 465	1 169	1 326
8	Buildings and other real estate	1 322	1 388	1 301
	Shares and holdings in property subsidiaries	3 017	3 287	3 068
	Shares and holdings in other subsidiaries, associated enterprises and jointly controlled entities	6 450	6 055	6 200
9	Financial assets valued at amortized cost	21 620	21 107	21 256
8, 9	Financial assets valued at fair value	13 314	12 598	13 423
	Receivables	21 740	36 308	1 486
10	Right-of-use assets	702	811	756
	Other assets	1 975	1 300	1 182
	<b>Total assets in the corporate portfolio</b>	<b>71 605</b>	<b>84 023</b>	<b>49 999</b>
	<b>ASSETS IN THE CUSTOMER PORTFOLIOS</b>			
	Shares and holdings in property subsidiaries	77 712	77 172	73 742
	Shares and holdings in other subsidiaries, associated enterprises and jointly controlled entities	6 065	5 792	6 662
	Receivables on and securities issued by subsidiaries, associated enterprises and jointly controlled entities	10 756	11 486	11 137
9	Financial assets valued at amortized cost	295 694	276 865	288 086
8, 9	Financial assets valued at fair value	371 530	330 629	354 711
	<b>Total investment in the common portfolio</b>	<b>761 757</b>	<b>701 944</b>	<b>734 337</b>
	Shares and holdings in property subsidiaries	312	310	296
	Receivables on and securities issued by subsidiaries, associated enterprises and jointly controlled entities	58	61	58
9	Financial assets at amortized costs	1 007	972	989
8, 9	Financial assets at fair value	1 687	1 490	1 488
	<b>Total investments in the investment option portfolio</b>	<b>3 064</b>	<b>2 833</b>	<b>2 830</b>
	<b>Total assets in the customer portfolios</b>	<b>764 821</b>	<b>704 777</b>	<b>737 168</b>
	<b>TOTAL ASSETS</b>	<b>836 426</b>	<b>788 800</b>	<b>787 167</b>

NOTE	NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
	<b>OWNERS' EQUITY AND LIABILITIES</b>			
	Owners' equity contributed	22 956	21 405	22 978
	Retained earnings	21 792	22 399	20 866
	<b>Total owners' equity</b>	<b>44 748</b>	<b>43 804</b>	<b>43 845</b>
9	Subordinated loan capital etc.	4 703	4 969	4 795
	Premium reserve etc.	598 484	557 773	571 399
	Buffer fund	108 949	101 807	109 281
	Premium funds, defined contribution funds, pension regulation funds etc.	41 619	31 604	42 251
	Unallocated profit to customers	26 331	21 202	0
	<b>Total insurance liabilities - contractual liabilities</b>	<b>775 383</b>	<b>712 385</b>	<b>722 931</b>
	Pension capital etc.	2 261	2 156	2 173
	Buffer fund	185	61	185
	Premium funds, defined contribution funds, pension regulation funds etc.	497	521	491
	Unallocated profit to customers	133	116	0
	<b>Total insurance liabilities - special investment portfolio</b>	<b>3 075</b>	<b>2 854</b>	<b>2 850</b>
7	Pension obligations	400	306	572
	Current tax liabilities	222	410	107
	Deferred tax liabilities	503	315	503
10	Lease liabilities	772	872	822
11	Liabilities	6 513	22 767	10 508
	Accrued costs and prepaid income	107	117	234
	<b>TOTAL OWNERS' EQUITY AND LIABILITIES</b>	<b>836 426</b>	<b>788 800</b>	<b>787 167</b>
	<b>OFF-BALANCE SHEET ITEMS</b>			
	Contingent liabilities	34 187	30 133	28 895



## Changes in owners' equity

### Kommunal Landspensjonskasse

2024 NOK MILLIONS	Owners' equity contributed	Retained earnings		Total owners' equity
		Risk equalization fund	Other retained earnings	
<b>Own funds 1 January 2024</b>	<b>22 978</b>	<b>3 674</b>	<b>17 193</b>	<b>43 845</b>
Income before other income and expenses		169	509	678
Actuarial gains and losses on defined benefits pension schemes			211	211
Proportion of other comprehensive income on application of the equity method			122	122
Adjustment of the insurance liabilities			-32	-32
Tax on other income and expenses that will not be reclassified to profit or loss			-53	-53
<b>Total other income and expenses that will not be reclassified to profit or loss</b>			<b>247</b>	<b>247</b>
<b>Total comprehensive income (unallocated)</b>		<b>169</b>	<b>756</b>	<b>926</b>
Owners equity contribution received <sup>1</sup>	-23			-23
<b>Total transactions with owners</b>	<b>-23</b>			<b>-23</b>
<b>Own funds 30 June 2024</b>	<b>22 956</b>	<b>3 843</b>	<b>17 949</b>	<b>44 748</b>

<sup>1</sup> During the second quarter, NOK 1 324 million of ordinary equity capital contributions has been called in to be paid during third quarter.

2023 NOK MILLIONS	Owners' equity contributed	Retained earnings		Total owners' equity
		Risk equalization fund	Other retained earnings	
<b>Own funds 31 December 2022</b>	<b>21 388</b>	<b>4 643</b>	<b>16 768</b>	<b>42 799</b>
Change recognized directly in equity <sup>1</sup>			96	96
<b>Own funds 1 January 2023</b>	<b>21 388</b>	<b>4 643</b>	<b>16 864</b>	<b>42 896</b>
Income before other income and expenses		195	408	602
Actuarial gains and losses on defined benefits pension schemes			250	250
Proportion of other comprehensive income on application of the equity method			147	147
Adjustment of the insurance liabilities			-44	-44
Tax on other income and expenses that will not be reclassified to profit or loss			-62	-62
<b>Total other income and expenses that will not be reclassified to profit or loss</b>			<b>290</b>	<b>290</b>
<b>Total comprehensive income (unallocated)</b>		<b>195</b>	<b>698</b>	<b>892</b>
Owners equity contribution received <sup>2</sup>	17			17
<b>Total transactions with owners</b>	<b>17</b>			<b>17</b>
<b>Own funds 30 June 2023</b>	<b>21 405</b>	<b>4 838</b>	<b>17 561</b>	<b>43 804</b>

<sup>1</sup> Implementation effects due to changes in IFRS Accounting Standards

<sup>2</sup> During the second quarter, NOK 1 227 million of ordinary equity capital contributions has been called in to be paid during third quarter.

2023 NOK MILLIONS	Owners' equity contributed	Retained earnings		Total owners' equity
		Risk equalization fund	Other retained earnings	
<b>Own funds 31 December 2022</b>	<b>21 388</b>	<b>4 643</b>	<b>16 768</b>	<b>42 799</b>
Change recognized directly in equity <sup>1</sup>			96	96
<b>Own funds 1 January 2023</b>	<b>21 388</b>	<b>4 643</b>	<b>16 864</b>	<b>42 896</b>
Income before other income and expenses	428	-969	440	-101
Actuarial gains and losses on defined benefits pension schemes			-88	-88
Proportion of other comprehensive income on application of the equity method			-59	-59
Adjustment of the insurance liabilities			13	13
Tax on other income and expenses that will not be reclassified to profit or loss			22	22
<b>Total other income and expenses that will not be reclassified to profit or loss</b>			<b>-111</b>	<b>-111</b>
<b>Total comprehensive income</b>	<b>428</b>	<b>-969</b>	<b>329</b>	<b>-213</b>
Owners equity contribution received	1 162			1 162
<b>Total transactions with owners</b>	<b>1 162</b>			<b>1 162</b>
<b>Own funds 31 December 2023</b>	<b>22 978</b>	<b>3 674</b>	<b>17 193</b>	<b>43 845</b>

<sup>1</sup> Implementation effects due to changes in IFRS Accounting Standards

## Statement of cash flows

Kommunal Landspensjonskasse

NOK MILLIONS	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Net cashflow from operational activities	1 095	885	-341
Net cashflow from investment activities <sup>1</sup>	-208	-249	-468
Net cashflow from financing activities <sup>2</sup>	-89	-292	1 032
<b>Net changes in cash and bank deposits</b>	<b>797</b>	<b>344</b>	<b>223</b>
Holdings of cash and bank deposits at start of period	1 141	918	918
<b>Holdings of cash and bank deposits at end of period</b>	<b>1 938</b>	<b>1 261</b>	<b>1 141</b>

<sup>1</sup> Payments on the purchase of tangible fixed assets.

<sup>2</sup> Net receipts of owners' equity contribution, rising of new loans and repayment of debt.

## Notes to the financial statement

Kommunal Landspensjonskasse

### Note 1 Accounting principles and -estimates

#### Accounting principles

The financial statements in this interim report show the interim accounts for Kommunal Landspensjonskasse (KLP), for the period 01.01.2024 – 30.06.2024. The accounts have not been audited.

The interim financial statements have been prepared in accordance with the Regulations of 18 December 2015 No 1824 relating to annual financial statements for life insurance companies (the Financial Reporting Regulations) and IAS 34 Interim Reporting. The interim financial statements have been prepared on the same principles as the annual financial statements for 2023, unless stated otherwise.

The interim financial statements do not contain all the information required of complete annual financial statements, and this interim report should be read in conjunction with the annual financial statements for 2023. The company's annual report is available from [klp.no](http://klp.no).

#### Accounting estimates

In preparing the interim financial statements, management has exercised discretion and used estimates and assumptions that affect the accounting figures. Actual figures may deviate from estimates used. Reference is made to note 3 "Important accounting estimates and valuations" in the annual report for 2023 for a description of accounting items where there is a significant risk of material changes in balance sheet values in future periods.

### Note 2 Premium income

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Gross premiums due	29 414	43 439	37 256	51 011	70 234
Transfer of premium reserves from others	1	0	1	91	92
<b>Total premium income</b>	<b>29 416</b>	<b>43 439</b>	<b>37 257</b>	<b>51 102</b>	<b>70 326</b>

### Note 3 **Loss provisions on fixed-income securities and loans measured at amortised cost**

The note shows provisions for losses on fixed-income securities measured at amortised cost as well as loans and receivables measured at amortised cost. During the second quarter of 2024, no changes have been made to the models used to calculate the expected loss. The total net loss provisions as of 30.06.24 is reduced by NOK 14.8 million compared to 01.01.24.

#### **Expected credit loss (ECL) fixed-income securities measured at amortised cost**

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2024	30.06.2023	31.12.2023
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	24 474	3 264	0	27 738	33 832	33 832
Transfer to stage 1 during Q2	0	0	0	0	0	0
Transfer to stage 2 during Q2	0	0	0	0	0	0
Transfer to stage 3 during Q2	0	0	0	0	0	0
Net changes	-467	-92	0	-559	-3 727	-3 803
New losses	1 153	0	0	1 153	1 764	4 497
Write-offs	-532	-37	0	-569	-2 504	-6 788
<b>Closing balance ECL 30.06./31.12.</b>	<b>24 628</b>	<b>3 134</b>	<b>0</b>	<b>27 763</b>	<b>29 364</b>	<b>27 738</b>
Change (01.01. - 30.06./31.12.)	155	-130	0	25	-4 468	-6 094

#### **Expected credit loss (ECL) loans and receivables at amortised cost- all segments**

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2024	30.06.2023	31.12.2023
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	4 325	10 009	175 732	190 065	5 289	5 289
Transfer to stage 1 during Q2	0	0	0	0	0	0
Transfer to stage 2 during Q2	0	0	0	0	0	0
Transfer to stage 3 during Q2	0	0	0	0	0	0
Net changes	-641	-9 959	-4 188	-14 787	228 902	184 303
New losses	39	0	0	39	246	653
Write-offs	-89	0	0	-89	-19	-180
<b>Closing balance ECL 30.06./31.12.</b>	<b>3 634</b>	<b>49</b>	<b>171 544</b>	<b>175 228</b>	<b>234 417</b>	<b>190 065</b>
Change (01.01. - 30.06./31.12.)	-690	-9 959	-4 188	-14 837	229 128	184 776

### Expected credit loss (ECL) - segments excluded from the balance sheet

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2024	30.06.2023	31.12.2023
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	0	0	0	0	0	0
Transfer to stage 1 during Q2	0	0	0	0	0	0
Transfer to stage 2 during Q2	0	0	0	0	0	0
Transfer to stage 3 during Q2	0	0	0	0	0	0
Net changes	0	0	0	0	18	0
New losses	0	0	0	0	0	0
Write-offs	0	0	0	0	-18	0
<b>Closing balance ECL 30.06./31.12.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change (01.01. - 30.06./31.12.)	0	0	0	0	0	0

### Book value fixed-income securities measured at amortised cost

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2024	30.06.2023	31.12.2023
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance 01.01.	220 181 807	6 751 897	1 458 606	228 392 310	215 135 762	215 135 762
Transfer to stage 1 during Q2	0	0	0	0	0	0
Transfer to stage 2 during Q2	0	0	0	0	0	0
Transfer to stage 3 during Q2	0	0	0	0	0	0
Net changes	2 721 997	-458 135	10 485	2 274 346	-14 244 506	11 240 660
New fixed-income securities	8 181 657	0	0	8 181 657	11 554 350	16 777 244
Write-offs	-3 616 753	-52 079	-1 469 090	-5 137 923	6 780 300	-14 761 356
<b>Fixed-income securities at amortised cost 30.06./31.12.</b>	<b>227 468 707</b>	<b>6 241 683</b>	<b>0</b>	<b>233 710 390</b>	<b>219 225 906</b>	<b>228 392 310</b>
Book value ECL	24 628	3 134	0	27 763	29 364	27 738
<b>Book value fixed-income securities at amortised cost 30.06./31.12.</b>	<b>227 444 079</b>	<b>6 238 549</b>	<b>0</b>	<b>233 682 627</b>	<b>219 196 542</b>	<b>228 364 572</b>

### Book value loans and receivables at amortised cost- all segments

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2024	30.06.2023	31.12.2023
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance 01.01.	81 067 106	466 828	622 592	82 156 525	78 253 630	78 253 630
Transfer to stage 1 during Q2	20 828	-20 828	0	0	0	0
Transfer to stage 2 during Q2	0	0	0	0	0	0
Transfer to stage 3 during Q2	0	0	0	0	0	0
Net changes	-1 314 345	-359 319	466 209	-1 207 455	-473 118	-2 201 927
New loans	5 353 256	0	0	5 353 256	4 240 867	12 133 524
Write-offs	-1 484 934	-2 781	0	-1 487 715	-2 039 914	-6 028 701
<b>Loans and receivables measured at amortised cost 30.06./31.12.</b>	<b>83 641 911</b>	<b>83 900</b>	<b>1 088 801</b>	<b>84 814 612</b>	<b>79 981 464</b>	<b>82 156 525</b>
Book value ECL	3 634	49	171 544	175 228	234 417	190 065
<b>Book value loans and receivables measured at amortised cost 30.06./31.12.</b>	<b>83 638 276</b>	<b>83 850</b>	<b>917 257</b>	<b>84 639 384</b>	<b>79 747 047</b>	<b>81 966 460</b>

**Book value loans and receivables – all segments excluded from the balance sheet**

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2024	30.06.2023	31.12.2023
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance 01.01.	61 813	2 783	0	64 596	71 818	71 818
Transfer to stage 1 during Q2	683	-683	0	0	0	0
Transfer to stage 2 during Q2	0	0	0	0	0	0
Transfer to stage 3 during Q2	0	0	0	0	0	0
Net changes	769	0	0	769	-1 908	-4 347
New loans	0	0	0	0	0	0
Write-offs	-9 418	0	0	-9 419	0	-2 875
<b>Book value loans and receivables - excluded from the balance sheet 30.06./31.12.</b>	<b>53 847</b>	<b>2 100</b>	<b>0</b>	<b>55 947</b>	<b>69 910</b>	<b>64 596</b>

**Note 4 Claims**

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Claims paid	6 904	6 513	13 713	12 719	26 122
Transfers of premium reserves to others	-37	-4	2 419	2 121	2 139
<b>Total claims</b>	<b>6 867</b>	<b>6 509</b>	<b>16 132</b>	<b>14 840</b>	<b>28 261</b>

**Note 5 Insurance-related operating expenses**

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Personnel costs	163	207	414	426	882
Depreciation	65	63	128	111	224
Other operating expenses	134	114	251	223	406
<b>Total insurance-related operating expenses</b>	<b>361</b>	<b>384</b>	<b>793</b>	<b>761</b>	<b>1 512</b>

**Note 6 Value-adjustment investment property**

The portfolio of investment properties, including investment properties owned via subsidiaries, has been valued as at 30. June 2024.

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
Value adjustment incl. foreign exchange	-233	-1 299	-580	563	-4 422
Foreign exchange effect on hedging	576	-199	-208	-2 547	-1 969
<b>Net value adjustment incl. exchange hedging</b>	<b>343</b>	<b>-1 499</b>	<b>-788</b>	<b>-1 984</b>	<b>-6 391</b>

## Note 7 Pension obligations

NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
Capitalized net liability 01.01.	572	524	524
Capitalized pension costs	67	60	120
Capitalized financial costs	10	9	19
Actuarial gains and losses	-211	-250	88
Premiums / contributions received	-39	-38	-179
<b>Capitalized net liability 30.06. / 31.12.</b>	<b>400</b>	<b>306</b>	<b>572</b>

ASSUMPTIONS	30.06.2024	30.06.2023	31.12.2023
Discount rate	3.50%	3.70%	3.10%
Salary growth	3.50%	3.50%	3.50%
The National Insurance basic amount (G)	3.25%	3.25%	3.25%
Pension increases	2.80%	2.60%	2.80%
Social security contribution rate	14.10 %	14.10 %	14.10 %
Capital activity tax	5.00 %	5.00 %	5.00 %

The effect of changes in pension assumptions reduce the pension liability for employees with NOK 211 million as of 30.06.2024. The change is recognized in "Total other income and expenses that will not be reclassified to profit or loss".

## Note 8 Fair value hierarchy

30.06.2024 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
<i>Certificates</i>	0	966	0	966
<i>Bonds</i>	0	7 732	0	7 732
<i>Fixed-income funds</i>	3 363	0	0	3 363
<b>Fixed-income securities</b>	<b>3 363</b>	<b>8 698</b>	<b>0</b>	<b>12 062</b>
<b>Loans and receivables</b>	<b>571</b>	<b>224</b>	<b>0</b>	<b>795</b>
<i>Shares</i>	0	0	4	4
<b>Shares and units</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>
<b>Financial derivatives</b>	<b>0</b>	<b>402</b>	<b>0</b>	<b>402</b>
<b>Other financial assets</b>	<b>0</b>	<b>52</b>	<b>0</b>	<b>52</b>
<b>Total corporate portfolio</b>	<b>3 934</b>	<b>9 376</b>	<b>4</b>	<b>13 314</b>
<b>COMMON PORTFOLIO</b>				
<i>Certificates</i>	3 288	2 531	0	5 819
<i>Bonds</i>	18 790	27 143	0	45 934
<i>Fixed-income funds</i>	21 749	10 680	16 115	48 544
<b>Fixed-income securities</b>	<b>43 827</b>	<b>40 355</b>	<b>16 115</b>	<b>100 297</b>
<b>Loans and receivables</b>	<b>12 901</b>	<b>878</b>	<b>0</b>	<b>13 780</b>
<i>Shares</i>	80 955	1 844	5 495	88 294
<i>Equity funds</i>	101 691	0	39	101 730
<i>Property funds</i>	0	2 606	8 076	10 682
<i>Special funds</i>	0	3 449	1 651	5 100
<i>Private Equity</i>	0	0	45 995	45 995
<b>Shares and units</b>	<b>182 646</b>	<b>7 899</b>	<b>61 256</b>	<b>251 801</b>
<b>Financial derivatives</b>	<b>0</b>	<b>2 268</b>	<b>0</b>	<b>2 268</b>
<b>Other financial assets</b>	<b>0</b>	<b>3 384</b>	<b>0</b>	<b>3 384</b>
<b>Total common portfolio</b>	<b>239 375</b>	<b>54 784</b>	<b>77 371</b>	<b>371 530</b>



30.06.2024 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>INVESTMENT OPTION PORTFOLIO</b>				
<i>Fixed-income funds</i>	315	9	0	324
<b>Fixed-income securities</b>	<b>315</b>	<b>9</b>	<b>0</b>	<b>324</b>
<b>Loans and receivables</b>	<b>98</b>	<b>0</b>	<b>0</b>	<b>98</b>
<i>Equity funds</i>	1201	0	0	1201
<i>Property funds</i>	0	0	42	42
<i>Special funds</i>	0	15	0	15
<b>Shares and units</b>	<b>1201</b>	<b>15</b>	<b>42</b>	<b>1258</b>
<b>Financial derivatives</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>6</b>
<b>Other financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total investment option portfolio</b>	<b>1614</b>	<b>30</b>	<b>42</b>	<b>1687</b>
<b>Total financial assets valued at fair value</b>	<b>244 923</b>	<b>64 190</b>	<b>77 417</b>	<b>386 531</b>
<b>CORPORATE PORTFOLIO</b>				
Buildings and other real estate	0	0	1322	1322
<b>Total buildings and other real estate</b>	<b>0</b>	<b>0</b>	<b>1322</b>	<b>1322</b>
<b>FINANCIAL LIABILITIES BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
Financial derivatives	0	0	0	0
Debt to credit institutions	413	0	0	413
<b>Total corporate portfolio</b>	<b>413</b>	<b>0</b>	<b>0</b>	<b>413</b>
<b>COMMON PORTFOLIO</b>				
Financial derivatives	0	443	0	443
Debt to credit institutions	1355	0	0	1355
<b>Total common portfolio</b>	<b>1355</b>	<b>443</b>	<b>0</b>	<b>1798</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
Financial derivatives	0	2	0	2
Debt to credit institutions	17	0	0	17
<b>Total investment option portfolio</b>	<b>17</b>	<b>2</b>	<b>0</b>	<b>19</b>
<b>Total financial liabilities at fair value</b>	<b>1784</b>	<b>445</b>	<b>0</b>	<b>2 229</b>

30.06.2023 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
<i>Certificates</i>	0	547	0	547
<i>Bonds</i>	0	7 054	0	7 054
<i>Fixed-income funds</i>	3 224	0	0	3 224
<b>Fixed-income securities</b>	<b>3 224</b>	<b>7 601</b>	<b>0</b>	<b>10 825</b>
<b>Loans and receivables</b>	<b>260</b>	<b>870</b>	<b>0</b>	<b>1 130</b>
<i>Shares</i>	0	0	6	6
<b>Shares and units</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>
<b>Financial derivatives</b>	<b>0</b>	<b>592</b>	<b>0</b>	<b>592</b>
<b>Other financial assets</b>	<b>0</b>	<b>46</b>	<b>0</b>	<b>46</b>
<b>Total corporate portfolio</b>	<b>3 484</b>	<b>9 108</b>	<b>6</b>	<b>12 598</b>
<b>COMMON PORTFOLIO</b>				
<i>Certificates</i>	1 857	1 009	0	2 865
<i>Bonds</i>	18 818	27 852	0	46 671
<i>Fixed-income funds</i>	22 092	11 200	12 523	45 816
<b>Fixed-income securities</b>	<b>42 767</b>	<b>40 061</b>	<b>12 523</b>	<b>95 352</b>
<b>Loans and receivables</b>	<b>5 899</b>	<b>790</b>	<b>0</b>	<b>6 689</b>
<i>Shares</i>	59 371	1 987	3 190	64 548
<i>Equity funds</i>	89 772	0	57	89 829
<i>Property funds</i>	0	2 242	7 790	10 032

30.06.2023 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<i>Special funds</i>	0	2 225	0	2 225
<i>Private Equity</i>	0	0	42 442	42 442
<b>Shares and units</b>	<b>149 143</b>	<b>6 453</b>	<b>53 479</b>	<b>209 076</b>
<b>Financial derivatives</b>	<b>0</b>	<b>2 078</b>	<b>0</b>	<b>2 078</b>
<b>Other financial assets</b>	<b>0</b>	<b>17 435</b>	<b>0</b>	<b>17 435</b>
<b>Total common portfolio</b>	<b>197 810</b>	<b>66 817</b>	<b>66 002</b>	<b>330 629</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
<i>Fixed-income funds</i>	237	9	0	246
<b>Fixed-income securities</b>	<b>237</b>	<b>9</b>	<b>0</b>	<b>246</b>
<b>Loans and receivables</b>	<b>160</b>	<b>0</b>	<b>0</b>	<b>160</b>
<i>Equity funds</i>	1 022	0	0	1 022
<i>Property funds</i>	0	0	45	45
<i>Special funds</i>	0	12	0	12
<b>Shares and units</b>	<b>1 022</b>	<b>12</b>	<b>45</b>	<b>1 079</b>
<b>Financial derivatives</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>Other financial assets</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Total investment option portfolio</b>	<b>1 419</b>	<b>27</b>	<b>45</b>	<b>1 490</b>
<b>Total financial assets valued at fair value</b>	<b>202 713</b>	<b>75 952</b>	<b>66 053</b>	<b>344 717</b>
<b>CORPORATE PORTFOLIO</b>				
Buildings and other real estate	0	0	1 388	1 388
<b>Total buildings and other real estate</b>	<b>0</b>	<b>0</b>	<b>1 388</b>	<b>1 388</b>
<b>FINANCIAL LIABILITIES BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
Financial derivatives	0	1	0	1
Debt to credit institutions	663	0	0	663
<b>Total corporate portfolio</b>	<b>663</b>	<b>1</b>	<b>0</b>	<b>664</b>
<b>COMMON PORTFOLIO</b>				
Financial derivatives	0	1 401	0	1 401
Debt to credit institutions	543	0	0	543
<b>Total common portfolio</b>	<b>543</b>	<b>1 401</b>	<b>0</b>	<b>1 944</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
Financial derivatives	0	5	0	5
Debt to credit institutions	11	0	0	11
<b>Total investment option portfolio</b>	<b>11</b>	<b>5</b>	<b>0</b>	<b>17</b>
<b>Total financial liabilities at fair value</b>	<b>1 218</b>	<b>1 407</b>	<b>0</b>	<b>2 624</b>
<b>31.12.2023 NOK MILLIONS</b>				
<b>FINANCIAL ASSETS BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
<i>Certificates</i>	0	440	0	440
<i>Bonds</i>	0	7 975	0	7 975
<i>Fixed-income funds</i>	3 344	0	0	3 344
<b>Fixed-income securities</b>	<b>3 344</b>	<b>8 416</b>	<b>0</b>	<b>11 760</b>
<b>Loans and receivables</b>	<b>913</b>	<b>219</b>	<b>0</b>	<b>1 132</b>
<i>Shares</i>	0	0	4	4
<b>Shares and units</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>
<b>Financial derivatives</b>	<b>0</b>	<b>527</b>	<b>0</b>	<b>527</b>
<b>Other financial assets</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Total corporate portfolio</b>	<b>4 258</b>	<b>9 162</b>	<b>4</b>	<b>13 423</b>

31.12.2023 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>COMMON PORTFOLIO</b>				
<i>Certificates</i>	1 578	1 618	0	3 196
<i>Bonds</i>	20 668	28 533	0	49 202
<i>Fixed-income funds</i>	24 743	11 070	16 041	51 854
<b>Fixed-income securities</b>	<b>46 989</b>	<b>41 221</b>	<b>16 041</b>	<b>104 252</b>
<b>Loans and receivables</b>	<b>19 960</b>	<b>829</b>	<b>0</b>	<b>20 788</b>
<i>Shares</i>	68 712	2 134	3 403	74 248
<i>Equity funds</i>	89 660	0	37	89 696
<i>Property funds</i>	0	1 980	8 176	10 156
<i>Special funds</i>	0	2 497	0	2 497
<i>Private Equity</i>	0	0	42 470	42 470
<b>Shares and units</b>	<b>158 371</b>	<b>6 611</b>	<b>54 085</b>	<b>219 067</b>
<b>Financial derivatives</b>	<b>0</b>	<b>9 814</b>	<b>0</b>	<b>9 814</b>
<b>Other financial assets</b>	<b>0</b>	<b>790</b>	<b>0</b>	<b>790</b>
<b>Total common portfolio</b>	<b>225 320</b>	<b>59 265</b>	<b>70 126</b>	<b>354 711</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
<i>Fixed-income funds</i>	249	9	0	257
<b>Fixed-income securities</b>	<b>249</b>	<b>9</b>	<b>0</b>	<b>257</b>
<b>Loans and receivables</b>	<b>102</b>	<b>0</b>	<b>0</b>	<b>102</b>
<i>Equity funds</i>	1 048	0	0	1 048
<i>Property funds</i>	0	0	43	43
<i>Special funds</i>	0	14	0	14
<b>Shares and units</b>	<b>1 048</b>	<b>14</b>	<b>43</b>	<b>1 104</b>
<b>Financial derivatives</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>24</b>
<b>Other financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total investment option portfolio</b>	<b>1 398</b>	<b>47</b>	<b>43</b>	<b>1 488</b>
<b>Total financial assets valued at fair value</b>	<b>230 976</b>	<b>68 473</b>	<b>70 173</b>	<b>369 622</b>
<b>CORPORATE PORTFOLIO</b>				
Buildings and other real estate	0	0	1 301	1 301
<b>Total buildings and other real estate</b>	<b>0</b>	<b>0</b>	<b>1 301</b>	<b>1 301</b>
<b>FINANCIAL LIABILITIES BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
Financial derivatives	0	0	0	0
Debt to credit institutions	578	0	0	578
<b>Total corporate portfolio</b>	<b>578</b>	<b>0</b>	<b>0</b>	<b>578</b>
<b>COMMON PORTFOLIO</b>				
Financial derivatives	0	1 137	0	1 137
Debt to credit institutions	6 126	0	0	6 126
<b>Total common portfolio</b>	<b>6 126</b>	<b>1 137</b>	<b>0</b>	<b>7 263</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
Financial derivatives	0	1	0	1
Debt to credit institutions	23	0	0	23
<b>Total investment option portfolio</b>	<b>23</b>	<b>1</b>	<b>0</b>	<b>25</b>
<b>Total financial liabilities at fair value</b>	<b>6 727</b>	<b>1 139</b>	<b>0</b>	<b>7 866</b>
<b>Changes in Level 3 shares, unlisted</b>				
<b>CORPORATE PORTFOLIO</b>				
	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023	
Opening balance 01.01.	4	6	6	
Sold	0	0	0	
Bought	0	0	0	
Unrealised changes	0	0	-2	
<b>Closing balance 30.06./31.12.</b>	<b>4</b>	<b>6</b>	<b>4</b>	
Realised gains/losses	0	0	0	

Changes in Level 3 shares, unlisted COMMON PORTFOLIO	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023
Opening balance 01.01.	3 403	3 262	3 262
Sold	0	-20	-43
Bought	2 016	25	84
Unrealised changes	76	-76	100
<b>Closing balance 30.06./31.12.</b>	<b>5 495</b>	<b>3 190</b>	<b>3 403</b>
Realised gains/losses	-1	-15	-27

  

Changes in Level 3 equity funds, unlisted COMMON PORTFOLIO	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023
Opening balance 01.01.	37	60	60
Sold	0	0	0
Bought	0	0	0
Unrealised changes	2	-3	-23
<b>Closing balance 30.06./31.12.</b>	<b>39</b>	<b>57</b>	<b>37</b>
Realised gains/losses	0	0	0

  

Changes in Level 3, private equity and property funds COMMON PORTFOLIO	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023
Opening balance 01.01.	66 687	52 703	52 703
Sold	-2 633	-1 495	-4 798
Bought	4 377	7 044	15 886
Unrealised changes	3 406	4 503	2 895
<b>Closing balance 30.06./31.12.</b>	<b>71 838</b>	<b>62 755</b>	<b>66 687</b>
Realised gains/losses	696	542	1 844

  

Changes in Level 3, property funds INVESTMENT OPTION PORTFOLIO	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023
Opening balance 01.01.	43	48	48
Sold	-1	-1	-2
Bought	0	0	0
Unrealised changes	1	-2	-3
<b>Closing balance 30.06./31.12.</b>	<b>42</b>	<b>45</b>	<b>43</b>
Realised gains/losses	0	0	0

  

Changes in Level 3, buildings and other real estate CORPORATE PORTFOLIO	Book value 30.06.2024	Book value 30.06.2023	Book value 31.12.2023
Opening balance 01.01.	1 301	1 392	1 392
Sold	0	-3	-3
Bought	21	0	0
Unrealised changes	0	21	-50
Other	0	-22	-39
<b>Closing balance 30.06./31.12.</b>	<b>1 322</b>	<b>1 388</b>	<b>1 301</b>
Realised gains/losses	0	3	0
<b>Total level 3</b>	<b>78 739</b>	<b>67 441</b>	<b>71 474</b>

The amounts in the level distribution can in turn be found in the financial position statement under various portfolios' allocation of "financial instruments at fair value" and "buildings and other real estate". Unrealised changes are reflected in the line "Value changes on investments" in the different portfolios in the income statement.

Fair value shall be a representative price based on what a corresponding asset or liability would have been traded for on normal market terms and conditions. Highest quality in regard to fair value is based on listed prices in an active market. A financial instrument is considered as noted in an active market if noted prices are easily and regularly available from a stock market, dealer, broker, industry grouping, price setting service or regulatory authority, and these prices represent actual and regularly occurring transactions at arm's length.

**Level 1:**

Instruments at this level obtain fair value from listed prices in an active market for identical assets or liabilities that the entity has access to at the reporting date. Examples of instruments at Level 1 are stock market listed securities.

**Level 2:**

Instruments at this level obtain fair value from observable market data. This includes prices based on identical instruments, but where the instrument does not maintain a high enough trading frequency and is therefore not considered to be traded in an active market, as well as prices based on corresponding assets and price-leading indicators that can be confirmed from market information. Fixed income securities priced on the basis of interest rate paths are examples of instruments at level 2.

**Level 3:**

Instruments at Level 3 contain no observable market data or are traded in markets considered to be inactive. The price is based generally on discrete calculations where the actual fair value may deviate if the instrument were to be traded. The instruments covered at Level 3 in the company include unlisted shares and Private Equity.

Valuations related to items in the various levels are described in note 7 for the Group. For description of the pricing of investment property please see the annual financial statements. The fair value of assets and liabilities measured at amortized cost are stated in note 9. Level based classification of these items will be as follows; assets classified as held to maturity are included in level 1, lending and loans and receivables are included in level 2. Liabilities measured at amortized cost, will be categorized as follows: subordinated loans are included in both level 1 and 2, hybrid tier 1 securities are included in level 2 and debt to credit institutions are included in level 1. Information regarding pricing of these interest bearing instruments are available in note 7 for the Group.

No sensitivity analysis has been carried out on securities included in Level 3. A change in the variables of the pricing is considered of little significance on the securities. A sensitivity analysis for investment property is available in the annual report. On a general basis, a 5 percent change in the pricing would produce a change of NOK 3 937 million as of 30.06.2024 on the assets in level 3.

With regard to transferring securities between the levels, a limit is set for the number of trading days and the amount of trading for shares by separating Level 1 and Level 2. The general principles related to the distribution between levels basically concern whether the asset or liability is listed or not and whether the

listing can be stated to be in an active market. For shares there is a further distinction between trading days and amount of trading which separates out listed securities that do not form part of an active market. The values at the end of the reporting period provide the basis for any movement between the levels.

During the 2nd quarter, NOK 91 million moved from Level 1 to Level 2 and NOK 49 million moved from level 1 to level 3. In addition, NOK 312 million moved from level 2 to level 1. The amounts are related to equity instruments and the movements are due to change in liquidity. There were no other movements between the different levels in KLP

## Note 9 Fair value of financial assets and liabilities

For information regarding pricing of financial assets and liabilities see note 7 Fair value of financial assets and liabilities in the consolidated financial statement.

30.06.2024 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>ASSETS – AT AMORTIZED COST</b>								
FIXED-INCOME SECURITIES								
Norwegian bonds	5 043	5 492	67 523	63 953	363	344	72 929	69 789
Accrued not due interest	78	78	983	983	6	6	1 067	1 067
Foreign bonds	16 295	14 953	139 954	133 753	627	595	156 876	149 301
Accrued not due interest	204	204	2 595	2 595	11	11	2 811	2 811
<b>Total fixed-income securities</b>	<b>21 620</b>	<b>20 727</b>	<b>211 055</b>	<b>201 285</b>	<b>1 007</b>	<b>956</b>	<b>233 683</b>	<b>222 968</b>
OTHER LOANS AND RECEIVABLES								
Secured loans	0	0	2 678	2 591	0	0	2 678	2 591
Lending with public sector guarantee	0	0	75 409	74 198	0	0	75 409	74 198
Loans abroad secured by mortgage and local government guarantee	0	0	5 888	5 930	0	0	5 888	5 930
Accrued not due interest	0	0	665	665	0	0	665	665
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>84 639</b>	<b>83 384</b>	<b>0</b>	<b>0</b>	<b>84 639</b>	<b>83 384</b>
<b>Total financial assets at amortized cost</b>	<b>21 620</b>	<b>20 727</b>	<b>295 694</b>	<b>284 669</b>	<b>1 007</b>	<b>956</b>	<b>318 322</b>	<b>306 352</b>
<b>ASSETS – AT FAIR VALUE</b>								
EQUITY CAPITAL INSTRUMENTS								
Norwegian shares	4	4	15 177	15 177	0	0	15 181	15 181
Foreign shares	0	0	73 117	73 117	0	0	73 117	73 117
<b>Total shares</b>	<b>4</b>	<b>4</b>	<b>88 294</b>	<b>88 294</b>	<b>0</b>	<b>0</b>	<b>88 298</b>	<b>88 298</b>
Property funds	0	0	10 682	10 682	42	42	10 724	10 724
Norwegian equity funds	0	0	101 257	101 257	1 201	1 201	102 459	102 459
Foreign equity funds	0	0	48 877	48 877	0	0	48 877	48 877
<b>Total equity fund units</b>	<b>0</b>	<b>0</b>	<b>160 817</b>	<b>160 817</b>	<b>1 243</b>	<b>1 243</b>	<b>162 060</b>	<b>162 060</b>
Norwegian alternative investments	0	0	2 690	2 690	15	15	2 705	2 705
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>2 690</b>	<b>2 690</b>	<b>15</b>	<b>15</b>	<b>2 705</b>	<b>2 705</b>
<b>Total shares and units</b>	<b>4</b>	<b>4</b>	<b>251 801</b>	<b>251 801</b>	<b>1 258</b>	<b>1 258</b>	<b>253 063</b>	<b>253 063</b>
DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	7 267	7 267	26 348	26 348	0	0	33 615	33 615
Foreign bonds	404	404	19 115	19 115	0	0	19 519	19 519
Accrued not due interest	61	61	471	471	0	0	532	532
Norwegian fixed-income funds	3 346	3 346	23 151	23 151	322	322	26 819	26 819
Foreign fixed-income funds	0	0	25 276	25 276	0	0	25 276	25 276

30.06.2024 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Accrued not due interest	18	18	118	118	2	2	137	137
Norwegian certificates	962	962	5 109	5 109	0	0	6 071	6 071
Foreign certificates	0	0	700	700	0	0	700	700
Accrued not due interest	4	4	10	10	0	0	13	13
<b>Fixed income securities</b>	<b>12 062</b>	<b>12 062</b>	<b>100 297</b>	<b>100 297</b>	<b>324</b>	<b>324</b>	<b>112 683</b>	<b>112 683</b>
Norwegian loans and receivables	238	238	6 357	6 357	26	26	6 621	6 621
Foreign loans and receivables	557	557	7 423	7 423	72	72	8 052	8 052
<b>Total loans and receivables</b>	<b>795</b>	<b>795</b>	<b>13 780</b>	<b>13 780</b>	<b>98</b>	<b>98</b>	<b>14 673</b>	<b>14 673</b>
DERIVATIVES								
Interest rate swaps	328	328	221	221	0	0	550	550
Share options	0	0	0	0	0	0	0	0
Forward exchange contracts	73	73	2 047	2 047	6	6	2 126	2 126
<b>Total financial derivatives classified as assets</b>	<b>402</b>	<b>402</b>	<b>2 268</b>	<b>2 268</b>	<b>6</b>	<b>6</b>	<b>2 676</b>	<b>2 676</b>
OTHER FINANCIAL ASSETS								
<b>Other financial assets</b>	<b>52</b>	<b>52</b>	<b>3 384</b>	<b>3 384</b>	<b>0</b>	<b>0</b>	<b>3 436</b>	<b>3 436</b>
<b>Total financial assets valued at fair value</b>	<b>13 314</b>	<b>13 314</b>	<b>371 530</b>	<b>371 530</b>	<b>1 687</b>	<b>1 687</b>	<b>386 531</b>	<b>386 531</b>
LIABILITIES								
DERIVATIVES								
Interest rate swaps	0	0	111	111	0	0	111	111
Forward exchange contracts	0	0	325	325	2	2	327	327
<b>Total financial derivatives classified as liabilities</b>	<b>0</b>	<b>0</b>	<b>436</b>	<b>436</b>	<b>2</b>	<b>2</b>	<b>438</b>	<b>438</b>
SUBORDINATED LOAN CAPITAL								
Subordinated loan capital	3 348	3 358	0	0	0	0	3 348	3 358
Hybrid Tier 1 securities	1 356	1 356	0	0	0	0	1 356	1 356
<b>Total subordinated loan capital etc.</b>	<b>4 703</b>	<b>4 713</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 703</b>	<b>4 713</b>
LIABILITIES TO CREDIT INSTITUTIONS								
Repos	0	0	0	0	0	0	0	0
Norwegian call money <sup>1</sup>	0	0	126	126	0	0	126	126
Foreign call money <sup>1</sup>	413	413	1 229	1 229	17	17	1 658	1 658
<b>Total liabilities to credit institutions</b>	<b>413</b>	<b>413</b>	<b>1 355</b>	<b>1 355</b>	<b>17</b>	<b>17</b>	<b>1 784</b>	<b>1 784</b>

<sup>1</sup> Call money is collateral for paid/received margin related to derivatives.

30.06.2023 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>ASSETS – AT AMORTIZED COST</b>								
FIXED-INCOME SECURITIES								
Norwegian bonds	5 708	5 225	59 609	54 734	308	278	65 625	60 237
Accrued not due interest	78	78	890	890	5	5	972	972
Foreign bonds	15 149	14 039	134 652	122 775	648	591	150 449	137 405
Accrued not due interest	172	172	1 968	1 968	11	11	2 150	2 150
<b>Total fixed-income securities</b>	<b>21 107</b>	<b>19 514</b>	<b>197 118</b>	<b>180 366</b>	<b>972</b>	<b>885</b>	<b>219 197</b>	<b>200 765</b>
OTHER LOANS AND RECEIVABLES								
Secured loans	0	0	2 881	2 780	0	0	2 881	2 780
Lending with public sector guarantee	0	0	71 150	69 282	0	0	71 150	69 282
Loans abroad secured by mortgage and local government guarantee	0	0	5 234	5 244	0	0	5 234	5 244
Accrued not due interest	0	0	483	483	0	0	483	483
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>79 747</b>	<b>77 789</b>	<b>0</b>	<b>0</b>	<b>79 747</b>	<b>77 789</b>

30.06.2023 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>Total financial assets at amortized cost</b>	<b>21 107</b>	<b>19 514</b>	<b>276 865</b>	<b>258 155</b>	<b>972</b>	<b>885</b>	<b>298 944</b>	<b>278 554</b>
<b>ASSETS – AT FAIR VALUE</b>								
EQUITY CAPITAL INSTRUMENTS								
Norwegian shares	6	6	11 278	11 278	0	0	11 284	11 284
Foreign shares	0	0	53 270	53 270	0	0	53 270	53 270
<b>Total shares</b>	<b>6</b>	<b>6</b>	<b>64 548</b>	<b>64 548</b>	<b>0</b>	<b>0</b>	<b>64 554</b>	<b>64 554</b>
Property funds	0	0	10 032	10 032	45	45	10 076	10 076
Norwegian equity funds	0	0	89 508	89 508	1 022	1 022	90 530	90 530
Foreign equity funds	0	0	42 763	42 763	0	0	42 763	42 763
<b>Total equity fund units</b>	<b>0</b>	<b>0</b>	<b>142 303</b>	<b>142 303</b>	<b>1 067</b>	<b>1 067</b>	<b>143 369</b>	<b>143 369</b>
Norwegian alternative investments	0	0	2 225	2 225	12	12	2 237	2 237
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>2 225</b>	<b>2 225</b>	<b>12</b>	<b>12</b>	<b>2 237</b>	<b>2 237</b>
<b>Total shares and units</b>	<b>6</b>	<b>6</b>	<b>209 076</b>	<b>209 076</b>	<b>1 079</b>	<b>1 079</b>	<b>210 161</b>	<b>210 161</b>
DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	6 316	6 316	27 469	27 469	0	0	33 785	33 785
Foreign bonds	689	689	18 801	18 801	0	0	19 490	19 490
Accrued not due interest	49	49	400	400	0	0	449	449
Norwegian fixed-income funds	3 218	3 218	23 517	23 517	245	245	26 980	26 980
Foreign fixed-income funds	0	0	22 267	22 267	0	0	22 267	22 267
Accrued not due interest	6	6	32	32	1	1	38	38
Norwegian certificates	542	542	2 382	2 382	0	0	2 924	2 924
Foreign certificates	0	0	468	468	0	0	468	468
Accrued not due interest	5	5	15	15	0	0	20	20
<b>Fixed income securities</b>	<b>10 825</b>	<b>10 825</b>	<b>95 352</b>	<b>95 352</b>	<b>246</b>	<b>246</b>	<b>106 422</b>	<b>106 422</b>
Norwegian loans and receivables	900	900	1 450	1 450	96	96	2 446	2 446
Foreign loans and receivables	230	230	5 239	5 239	64	64	5 533	5 533
<b>Total loans and receivables</b>	<b>1 130</b>	<b>1 130</b>	<b>6 689</b>	<b>6 689</b>	<b>160</b>	<b>160</b>	<b>7 979</b>	<b>7 979</b>
DERIVATIVES								
Interest rate swaps	556	556	0	0	0	0	556	556
Share options	0	0	0	0	0	0	0	0
Forward exchange contracts	36	36	2 078	2 078	5	5	2 118	2 118
<b>Total financial derivatives classified as assets</b>	<b>592</b>	<b>592</b>	<b>2 078</b>	<b>2 078</b>	<b>5</b>	<b>5</b>	<b>2 675</b>	<b>2 675</b>
OTHER FINANCIAL ASSETS								
<b>Other financial assets</b>	<b>46</b>	<b>46</b>	<b>17 435</b>	<b>17 435</b>	<b>1</b>	<b>1</b>	<b>17 482</b>	<b>17 482</b>
<b>Total financial assets valued at fair value</b>	<b>12 598</b>	<b>12 598</b>	<b>330 629</b>	<b>330 629</b>	<b>1 490</b>	<b>1 490</b>	<b>344 717</b>	<b>344 717</b>
<b>LIABILITIES</b>								
DERIVATIVES								
Interest rate swaps	0	0	183	183	0	0	183	183
Forward exchange contracts	1	1	1 218	1 218	5	5	1 224	1 224
<b>Total financial derivatives classified as liabilities</b>	<b>1</b>	<b>1</b>	<b>1 401</b>	<b>1 401</b>	<b>5</b>	<b>5</b>	<b>1 407</b>	<b>1 407</b>
SUBORDINATED LOAN CAPITAL								
Subordinated loan capital	3 429	3 346	0	0	0	0	3 429	3 346
Hybrid Tier 1 securities	1 540	1 644	0	0	0	0	1 540	1 644
<b>Total subordinated loan capital etc.</b>	<b>4 969</b>	<b>4 990</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 969</b>	<b>4 990</b>



30.06.2023 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
LIABILITIES TO CREDIT INSTITUTIONS								
Repos	0	0	502	502	0	0	502	502
Norwegian call money <sup>1</sup>	0	0	0	0	0	0	0	0
Foreign call money <sup>1</sup>	663	663	41	41	11	11	716	716
<b>Total liabilities to credit institutions</b>	<b>663</b>	<b>663</b>	<b>543</b>	<b>543</b>	<b>11</b>	<b>11</b>	<b>1 218</b>	<b>1 218</b>

<sup>1</sup> Call money is collateral for paid/received margin related to derivatives.

31.12.2023 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>ASSETS – AT AMORTIZED COST</b>								
FIXED-INCOME SECURITIES								
Norwegian bonds	5 720	5 469	65 501	63 444	333	317	71 554	69 231
Accrued not due interest	89	89	874	874	4	4	967	967
Foreign bonds	15 288	14 671	137 631	131 700	641	609	153 560	146 980
Accrued not due interest	158	158	2 114	2 114	11	11	2 283	2 283
<b>Total fixed-income securities</b>	<b>21 256</b>	<b>20 388</b>	<b>206 120</b>	<b>198 132</b>	<b>989</b>	<b>941</b>	<b>228 365</b>	<b>219 461</b>
OTHER LOANS AND RECEIVABLES								
Secured loans	0	0	2 782	2 689	0	0	2 782	2 689
Lending with public sector guarantee	0	0	73 602	72 237	0	0	73 602	72 237
Loans abroad secured by mortgage and local government guarantee	0	0	4 991	5 040	0	0	4 991	5 040
Accrued not due interest	0	0	591	591	0	0	591	591
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>81 966</b>	<b>80 556</b>	<b>0</b>	<b>0</b>	<b>81 966</b>	<b>80 556</b>
<b>Total financial assets at amortized cost</b>	<b>21 256</b>	<b>20 388</b>	<b>288 086</b>	<b>278 688</b>	<b>989</b>	<b>941</b>	<b>310 331</b>	<b>300 017</b>

<b>ASSETS – AT FAIR VALUE</b>								
EQUITY CAPITAL INSTRUMENTS								
Norwegian shares	4	4	12 271	12 271	0	0	12 275	12 275
Foreign shares	0	0	61 977	61 977	0	0	61 977	61 977
<b>Total shares</b>	<b>4</b>	<b>4</b>	<b>74 248</b>	<b>74 248</b>	<b>0</b>	<b>0</b>	<b>74 252</b>	<b>74 252</b>
Property funds	0	0	10 156	10 156	43	43	10 198	10 198
Norwegian equity funds	0	0	89 369	89 369	1 048	1 048	90 417	90 417
Foreign equity funds	0	0	42 797	42 797	0	0	42 797	42 797
<b>Total equity fund units</b>	<b>0</b>	<b>0</b>	<b>142 322</b>	<b>142 322</b>	<b>1 090</b>	<b>1 090</b>	<b>143 412</b>	<b>143 412</b>
Norwegian alternative investments	0	0	2 497	2 497	14	14	2 511	2 511
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>2 497</b>	<b>2 497</b>	<b>14</b>	<b>14</b>	<b>2 511</b>	<b>2 511</b>
<b>Total shares and units</b>	<b>4</b>	<b>4</b>	<b>219 067</b>	<b>219 067</b>	<b>1 104</b>	<b>1 104</b>	<b>220 175</b>	<b>220 175</b>

DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	7 064	7 064	29 484	29 484	0	0	36 548	36 548
Foreign bonds	846	846	19 205	19 205	0	0	20 052	20 052
Accrued not due interest	65	65	512	512	0	0	577	577
Norwegian fixed-income funds	3 344	3 344	26 222	26 222	257	257	29 824	29 824
Foreign fixed-income funds	0	0	25 632	25 632	0	0	25 632	25 632
Accrued not due interest	0	0	0	0	0	0	0	0
Norwegian certificates	435	435	2 272	2 272	0	0	2 707	2 707
Foreign certificates	0	0	898	898	0	0	898	898
Accrued not due interest	5	5	26	26	0	0	31	31

31.12.2023 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>Fixed income securities</b>	<b>11 760</b>	<b>11 760</b>	<b>104 252</b>	<b>104 252</b>	<b>257</b>	<b>257</b>	<b>116 269</b>	<b>116 269</b>
Norwegian loans and receivables	414	414	14 977	14 977	25	25	15 417	15 417
Foreign loans and receivables	718	718	5 811	5 811	77	77	6 606	6 606
<b>Total loans and receivables</b>	<b>1 132</b>	<b>1 132</b>	<b>20 788</b>	<b>20 788</b>	<b>102</b>	<b>102</b>	<b>22 023</b>	<b>22 023</b>
<b>DERIVATIVES</b>								
Interest rate swaps	437	437	963	963	0	0	1 400	1 400
Share options	0	0	0	0	0	0	0	0
Forward exchange contracts	89	89	8 851	8 851	24	24	8 964	8 964
<b>Total financial derivatives classified as assets</b>	<b>527</b>	<b>527</b>	<b>9 814</b>	<b>9 814</b>	<b>24</b>	<b>24</b>	<b>10 365</b>	<b>10 365</b>
<b>OTHER FINANCIAL ASSETS</b>								
<b>Other financial assets</b>	<b>1</b>	<b>1</b>	<b>790</b>	<b>790</b>	<b>0</b>	<b>0</b>	<b>791</b>	<b>791</b>
<b>Total financial assets valued at fair value</b>	<b>13 423</b>	<b>13 423</b>	<b>354 711</b>	<b>354 711</b>	<b>1 488</b>	<b>1 488</b>	<b>369 622</b>	<b>369 622</b>
<b>LIABILITIES</b>								
<b>DERIVATIVES</b>								
Interest rate swaps	0	0	57	57	0	0	57	57
Forward exchange contracts	0	0	1 081	1 081	1	1	1 082	1 082
<b>Total financial derivatives classified as liabilities</b>	<b>0</b>	<b>0</b>	<b>1 137</b>	<b>1 137</b>	<b>1</b>	<b>1</b>	<b>1 139</b>	<b>1 139</b>
<b>SUBORDINATED LOAN CAPITAL</b>								
Subordinated loan capital	3 361	3 327	0	0	0	0	3 361	3 327
Hybrid Tier 1 securities	1 434	1 434	0	0	0	0	1 434	1 434
<b>Total subordinated loan capital etc.</b>	<b>4 795</b>	<b>4 761</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 795</b>	<b>4 761</b>
<b>LIABILITIES TO CREDIT INSTITUTIONS</b>								
Repos	0	0	0	0	0	0	0	0
Norwegian call money <sup>1</sup>	0	0	1 277	1 277	0	0	1 277	1 277
Foreign call money <sup>1</sup>	578	578	4 849	4 849	23	23	5 450	5 450
<b>Total liabilities to credit institutions</b>	<b>578</b>	<b>578</b>	<b>6 126</b>	<b>6 126</b>	<b>23</b>	<b>23</b>	<b>6 727</b>	<b>6 727</b>

<sup>1</sup> Call money is collateral for paid/received margin related to derivatives.

## Note 10 Leases

NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
<b>RIGHT-OF-USE ASSETS</b>	<b>Property</b>		
Opening balance 01.01.	756	865	865
Depreciation	-54	-54	-108
Deduction	0	0	-2
<b>Closing balance 30.06. / 31.12.</b>	<b>702</b>	<b>811</b>	<b>756</b>

NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
<b>LEASE LIABILITIES</b>	<b>Property</b>		
Opening balance 01.01.	822	920	920
Repayments	-50	-48	-96
Deduction	0	0	-2
<b>Closing balance 30.06. / 31.12.</b>	<b>772</b>	<b>872</b>	<b>822</b>

NOK MILLIONS	Q2 2024	Q2 2023	01.01.2024 -30.06.2024	01.01.2023 -30.06.2023	01.01.2023 -31.12.2023
	<b>Property</b>				
Interest expense lease liabilities	5	5	10	11	21
<b>Interest expense lease liabilities</b>	<b>5</b>	<b>5</b>	<b>10</b>	<b>11</b>	<b>21</b>

## Note 11 Liabilities

NOK MILLIONS	30.06.2024	30.06.2023	31.12.2023
Short-term liability securities	3 131	19 052	729
Advance tax-deduction pension scheme	1 013	957	577
Accounts payable	46	32	13
Derivatives	438	1 407	1 139
Debt to credit institutions	1 784	1 218	6 727
Liabilities related to direct insurance	62	74	1 279
Other liabilities	38	28	44
<b>Total liabilities</b>	<b>6 513</b>	<b>22 767</b>	<b>10 508</b>

## Note 12 Presentation of assets and liabilities that are subject to net settlement

30.06.2024 NOK MILLIONS					Related amounts not presented net		
	Gross financial assets/ liabilities	Gross assets/ liabilities presented net	Book value	Financial instruments	Security in cash	Security in securities	Net amount
<b>ASSETS</b>							
Financial derivatives	2 676	0	2 676	-371	-1 773	-717	94
<b>Total</b>	<b>2 676</b>	<b>0</b>	<b>2 676</b>	<b>-371</b>	<b>-1 773</b>	<b>-717</b>	<b>94</b>
<b>PORTFOLIO ALLOCATION OF ASSETS</b>							
Total assets – common portfolio	2 268	0	2 268	-371	-1 343	-717	18
Total assets – corporate portfolio	402	0	402	0	-413	0	70
Total assets – investment option portfolio	6	0	6	-1	-17	0	6
<b>Total</b>	<b>2 676</b>	<b>0</b>	<b>2 676</b>	<b>-371</b>	<b>-1 773</b>	<b>-717</b>	<b>94</b>
<b>LIABILITIES</b>							
Financial derivatives	438	0	438	-371	-75	-1	2
<b>Total</b>	<b>438</b>	<b>0</b>	<b>438</b>	<b>-371</b>	<b>-75</b>	<b>-1</b>	<b>2</b>
<b>PORTFOLIO ALLOCATION OF LIABILITIES</b>							
Total liabilities – common portfolio	436	0	436	-371	-75	-1	0
Total liabilities – corporate portfolio	0	0	0	0	0	0	0
Total liabilities – investment option portfolio	2	0	2	-1	0	0	1
<b>Total</b>	<b>438</b>	<b>0</b>	<b>438</b>	<b>-371</b>	<b>-75</b>	<b>-1</b>	<b>2</b>

30.06.2023 NOK MILLIONS					Related amounts not presented net		
	Gross financial assets/liabilities	Gross assets/liabilities presented net	Book value	Financial instruments	Security in cash	Security in securities	Net amount
<b>ASSETS</b>							
Financial derivatives	2 675	0	2 675	-1 178	-663	-312	629
<b>Total</b>	<b>2 675</b>	<b>0</b>	<b>2 675</b>	<b>-1 178</b>	<b>-663</b>	<b>-312</b>	<b>629</b>
<b>PORTFOLIO ALLOCATION OF ASSETS</b>							
Total assets – common portfolio	2 078	0	2 078	-1 176	0	-312	590
Total assets – corporate portfolio	592	0	592	0	-663	0	36
Total assets – investment option portfolio	5	0	5	-2	0	0	2
<b>Total</b>	<b>2 675</b>	<b>0</b>	<b>2 675</b>	<b>-1 178</b>	<b>-663</b>	<b>-312</b>	<b>629</b>
<b>LIABILITIES</b>							
Financial derivatives	1 407	0	1 407	-1 178	-44	-991	27
<b>Total</b>	<b>1 407</b>	<b>0</b>	<b>1 407</b>	<b>-1 178</b>	<b>-44</b>	<b>-991</b>	<b>27</b>
<b>PORTFOLIO ALLOCATION OF LIABILITIES</b>							
Total liabilities – common portfolio	1 401	0	1 401	-1 176	-38	-991	23
Total liabilities – corporate portfolio	1	0	1	0	0	0	1
Total liabilities – investment option portfolio	5	0	5	-2	-6	0	3
<b>Total</b>	<b>1 407</b>	<b>0</b>	<b>1 407</b>	<b>-1 178</b>	<b>-44</b>	<b>-991</b>	<b>27</b>

31.12.2023 NOK MILLIONS					Related amounts not presented net		
	Gross financial assets/liabilities	Gross assets/liabilities presented net	Book value	Financial instruments	Security in cash	Security in securities	Net amount
<b>ASSETS</b>							
Financial derivatives	10 365	0	10 365	-1 077	-6 716	-2 755	149
<b>Total</b>	<b>10 365</b>	<b>0</b>	<b>10 365</b>	<b>-1 077</b>	<b>-6 716</b>	<b>-2 755</b>	<b>149</b>
<b>PORTFOLIO ALLOCATION OF ASSETS</b>							
Total assets – common portfolio	9 814	0	9 814	-1 076	-6 114	-2 755	100
Total assets – corporate portfolio	527	0	527	0	-578	0	32
Total assets – investment option portfolio	24	0	24	-1	-23	0	17
<b>Total</b>	<b>10 365</b>	<b>0</b>	<b>10 365</b>	<b>-1 077</b>	<b>-6 716</b>	<b>-2 755</b>	<b>149</b>
<b>LIABILITIES</b>							
Financial derivatives	1 139	0	1 139	-1 077	-62	-5	0
<b>Total</b>	<b>1 139</b>	<b>0</b>	<b>1 139</b>	<b>-1 077</b>	<b>-62</b>	<b>-5</b>	<b>0</b>
<b>PORTFOLIO ALLOCATION OF LIABILITIES</b>							
Total liabilities – common portfolio	1 137	0	1 137	-1 076	-62	-5	0
Total liabilities – corporate portfolio	0	0	0	0	0	0	0
Total liabilities – investment option portfolio	1	0	1	-1	0	0	0
<b>Total</b>	<b>1 139</b>	<b>0</b>	<b>1 139</b>	<b>-1 077</b>	<b>-62</b>	<b>-5</b>	<b>0</b>

The purpose of this note is to show the potential effect of netting agreements at KLP; what possibilities KLP has to net bilateral agreements against other counterparties should the latter go bankrupt and the remaining amount if all such netting agreements are materialized. The note shows derivative positions in

the financial position statement, and one additional table with information on the different portfolios in the company.

## Note 13 **SCR ratio**

The Solvency II balance sheet includes assets and liabilities at fair value. For assets that have a different value in the accounts change in balance value are added. There are no observable market values for KLP's insurance liabilities, which are thus calculated by way of a best estimate based on actuarial assumptions. In addition there is a risk margin that is to reflect a third party's capital costs by taking over these liabilities.

Tier 1 own funds appears from the Solvency II balance sheet and Hybrid Tier 1 securities. Tier 2 own funds consist of subordinated loans, the risk equalization fund and ancillary own funds. The Financial Supervisory Authority of Norway has accepted that KLP's right to call in further member contribution if necessary, which is laid down in the Company's articles of association, can be counted as ancillary own funds, the amount corresponding to 2.5 per cent of the Company's premium reserve. Capital that may be included in Tier 2 own funds is limited upwards to 50 per cent of SCR.

Without the use of the transitional measure on technical provisions the Company's SCR ratio is 344 per cent, which is well over the Company's target of at least 150 per cent. With the transitional measure on technical provisions the SCR ratio is 344 per cent.

	30.06.2024	30.06.2023	31.12.2023
<b>SOLVENCY II-SCR RATIO</b>	<b>344 %</b>	<b>329 %</b>	<b>346 %</b>

<b>NOK BILLIONS</b>	30.06.2024	30.06.2023	31.12.2023
<b>SIMPLIFIED SOLVENCY II FINANCIAL POSITION STATEMENT</b>			
Assets, book value	835	788	786
Added values - hold-to-maturity portfolio/loans and receivables	-11	-18	-9
Added values - other lending	-1	-2	-1
Other added/lesser values	0	0	0
Deferred tax asset	0	0	0
<b>Total assets - solvency II</b>	<b>823</b>	<b>767</b>	<b>776</b>

NOK BILLIONS	30.06.2024	30.06.2023	31.12.2023
<b>SIMPLIFIED SOLVENCY II FINANCIAL POSITION STATEMENT</b>			
Best estimate	753	683	702
Risk margin	11	11	11
Hybrid Tier 1 securities/Subordinated loan capital	5	5	5
Other liabilities	8	24	12
Deferred tax liabilities	0	0	0
<b>Total liabilities - solvency II</b>	<b>777</b>	<b>723</b>	<b>731</b>
Excess of assets over liabilities	46	44	45
- Deferred tax asset	0	0	0
- Risk equalization fund	-4	-5	-4
+ Hybrid Tier 1 securities	1	2	1
<b>Tier 1 basic own funds</b>	<b>43</b>	<b>40</b>	<b>42</b>
<b>Total eligible tier 1 own funds</b>	<b>43</b>	<b>40</b>	<b>42</b>
Subordinated loans	3	3	3
Risk equalization fund	4	5	4
<b>Tier 2 basic own funds</b>	<b>7</b>	<b>8</b>	<b>7</b>
Ancillary own funds	15	14	14
<b>Tier 2 ancillary own funds</b>	<b>15</b>	<b>14</b>	<b>14</b>
Deduction for max. eligible tier 2 own funds	-15	-15	-14
<b>Total eligible tier 2 own funds</b>	<b>7</b>	<b>7</b>	<b>7</b>
Deferred tax asset	0	0	0
<b>Total eligible tier 3 own funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Eligible own funds to meet the solvency capital requirement</b>	<b>50</b>	<b>48</b>	<b>50</b>
Market risk	170	138	142
Counterparty risk	3	3	3
Life risk	126	114	113
Diversification	-63	-54	-55
Operational risk	3	3	3
Loss absorbing capacity of technical provisions	-224	-187	-191
Loss absorbing capacity deferred tax	-1	-2	-1
<b>Solvency capital requirement (SCR)</b>	<b>15</b>	<b>14</b>	<b>14</b>
Absolute floor of the MCR	0	0	0
Linear minimum capital requirement (MCR_linear)	2	2	4
Minimum	4	4	4
Maximum	7	7	6
<b>Minimum capital requirement (MCR)</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Eligible own funds to meet the minimum capital requirement</b>	<b>43</b>	<b>40</b>	<b>43</b>
<b>Solvency II -SCR ratio</b>	<b>344 %</b>	<b>329 %</b>	<b>346 %</b>

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