

A young girl with dark hair is holding a small green plant in a pot of soil. She is looking at the camera with a slight smile. The background is a soft-focus outdoor setting with green grass and a blue sky. The text is overlaid on the top left of the image.

# Q1 2024 Interim report

KLP Group and KLP

# KLP

# Table of Contents

## KLP Group

<b>3</b>	Report for the first quarter of 2024
<b>10</b>	Sustainability
<b>14</b>	Income statement
<b>15</b>	Financial position statement
<b>16</b>	Changes in owners' equity
<b>17</b>	Statement of cashflow
<b>18</b>	Notes to the financial statement
<b>18</b>	Note 1 Accounting principles –and estimates
<b>20</b>	Note 2 Segment information
<b>22</b>	Note 3 Insurance service result
<b>23</b>	Note 4 Investment property
<b>23</b>	Note 5 Technical provisions
<b>28</b>	Note 6 Subordinated loans and perpetual hybrid tier 1 securities
<b>29</b>	Note 7 Fair value of financial assets and liabilities
<b>36</b>	Note 8 Borrowing
<b>37</b>	Note 9 Fair value hierarchy
<b>40</b>	Note 10 Presentation of assets and liabilities that are subject to net settlement
<b>41</b>	Note 11 SCR ratio
<b>43</b>	Note 12 Pension obligations
<b>43</b>	Note 13 Other current liabilities
<b>43</b>	Key figures – Accumulated

## Kommunal Landspensjonskasse

<b>45</b>	Income statement
<b>46</b>	Statement of financial position
<b>48</b>	Changes in owners' equity
<b>50</b>	Statement of cash flows
<b>51</b>	Notes to the financial statement
<b>51</b>	Note 1 Accounting principles and -estimates
<b>51</b>	Note 2 Premium income
<b>52</b>	Note 3 Loss provisions on fixed-income securities and loans measured at amortised cost
<b>54</b>	Note 4 Claims
<b>54</b>	Note 5 Insurance-related operating expenses
<b>54</b>	Note 6 Value-adjustment investment property
<b>55</b>	Note 7 Pension obligations
<b>55</b>	Note 8 Fair value hierarchy
<b>61</b>	Note 9 Fair value of financial assets and liabilities
<b>65</b>	Note 10 Leases
<b>65</b>	Note 11 Liabilities
<b>66</b>	Note 12 Presentation of assets and liabilities that are subject to net settlement
<b>67</b>	Note 13 SCR ratio
<b>69</b>	Contact information

# KLP Group

## Report for the first quarter of 2024

### Good return on pension assets:

- Return of 3.0 per cent on the pension assets in the common portfolio in the first quarter.
- Total profit on the customer portfolio amounts to NOK 18.7 billion after the first quarter.
- Satisfactory volume growth in banking and asset management
- Increased claims payments in non-life insurance

### 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 first quarter of 2024, the Group had total assets of NOK 1,066 billion.

### Public-sector occupational pensions

NOK MILLIONS	Customers	Company	Total
Investment result	18 617	112	18 729
Risk result	82		82
Interest guarantee premium		3	3
Administration result		-8	-8
Net income from investments in the corporate portfolio and other income/expenses in non-technical accounts		76	76
Tax		-83	-83
Other profit/loss elements		149	149
<b>Profit/loss after Q1 2024</b>	<b>18 700</b>	<b>249</b>	<b>18 948</b>
Profit/loss after Q1 2023	13 188	454	13 642

### Investment result

KLP has guaranteed to provide customers on public-sector occupational pensions with financial income equivalent to NOK 3.3 billion in the first quarter. Actual financial income amounted to NOK 22.0 billion, a return of 3.0 per cent, so the investment result was NOK 18.7 (13.2) billion. Customers' funds are mainly

managed in the common portfolio.

## Management of the common portfolio

The assets in the common portfolio totaled NOK 751.5 (690.9) billion:

Per cent	31.03.2024	31.03.2023
Return on the common portfolio	3,0	2,5
Return incl. value changes in hold-to-maturity bonds and lending	2,7	2,6
<i>The returns figures apply to the common portfolio</i>		
Capital adequacy, Solvency II	351	316
Capital adequacy, Solvency II, with transitional measures	351	316

## Equities

Total exposure in shares and alternative investments, including equity derivatives, was 33.5 per cent at the end of the first quarter. The total return on shares and alternative investments was 8.0 per cent in the quarter. The return on KLP's global equities was 11.0 per cent, while KLP's Norwegian equity portfolio returned 2.6 per cent in the first 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 first quarter, the Norwegian krone depreciated against the US dollar and the euro, among other currencies. Currency hedging had a negative impact on the return on shares this quarter.

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

Short-term bonds accounted for 11.0 per cent and money-market instruments 3.0 per cent of the assets in the common portfolio at the end of the quarter. Both Norwegian and US government interest rates rose during the first quarter. KLP's global government bond index achieved a currency-hedged return of minus 0.8 per cent in the quarter, while the return on the Norwegian government bond index was minus 0.1 per cent. Global credit margins fell through the quarter. The quarterly return on KLP's global credit bond index was minus 0.3 per cent, while the return on the Norwegian credit bond index was minus 0.1 per cent. Short-term bonds produced a total return of 0.5 per cent in the first quarter. The money market return was 1.3 per cent for the quarter.

## Bonds measured at amortised cost

Investments in bonds measured at amortised cost made up around 28.1 per cent of the common portfolio at the end of the quarter. Unrecognised decreases in value in the common portfolio amounted to NOK 10.9 billion at the end of the first quarter. The portfolio is well diversified and consists of securities issued by creditworthy borrowers. The return measured at amortised cost in this quarter was 0.8 per cent.

## Property

Property investments, including Norwegian and international real estate funds, made up 13.3 per cent of the common portfolio.

Property investments in the common portfolio achieved a return of minus 0.4 per cent in the year to date. The returns include currency hedging and property funds. There is still uncertainty associated with the effects of the various factors that influence the property market, including interest rates, required rate of return, inflation and costs.

## Lending

Lending in the common portfolio totals NOK 83.7 billion. This is split between NOK 72.9 billion in loans to the public sector, NOK 2.7 billion in secured mortgage loans and NOK 0.2 billion in loans with government guarantees, with the remaining NOK 7.9 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 1.4 billion at the end of the quarter. Returns so far this year are 4.5 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 0.5 per cent in the first quarter. Write-downs on property and a weak result in non-life insurance pulled returns down in the quarter.

## Risk result

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

Disability figures are still higher than pre-pandemic levels, and produced a deficit of NOK 303 (-380) million in the first quarter.

The risk result related to longevity and survivor's pensions shows a total surplus of NOK 385 (451) million, and the overall risk result contributed a surplus of NOK 82 (71) million in the first quarter.

## 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 deficit of

NOK -8 (+54) million so far this year. Insurance-related operating costs came to NOK 432 (377) million so far this year.

### Financial strength and capital-related matters

KLP's total assets have increased by NOK 17.5 billion in the year to date and amount to NOK 804.6 billion. The premium reserve increased by NOK 1.4 billion to NOK 574.9 billion in the same period.

The buffer fund amounts to NOK 109.3 billion after the first quarter. The fund can be used to cover the lack of returns from the management of customer funds and is thus a financial buffer. A positive interim result to customers of NOK 18.7 billion also constitutes a buffer.

Without applying transitional rules, the Company's solvency capital requirement (SCR) is 351 per cent. This is an increase of 5 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	31.03.2024		31.03.2023	
	Proportion	Return	Proportion	Return
All figures in per cent				
Equities	33,5 %	8,0 %	31,5 %	6,7 %
Short-term bonds	28,1 %	0,8 %	28,7 %	0,8 %
Long-term/HTM bonds	13,3 %	-0,4 %	14,7 %	-0,2 %
Lending	11,2 %	1,1 %	11,8 %	0,8 %
Property	11,0 %	0,5 %	11,6 %	1,7 %
Other financial assets	3,0 %	1,3 %	1,6 %	0,8 %

### Premium income

Premium income excluding premium reserves received on transfers in amounts to NOK 7.8 (7.6) billion at the end of the first quarter. Of this, premiums related to adjustment of accrued rights amount to NOK 360 (535) million.

### Claims/benefits

Pensions paid and other claims, excluding ceded premium reserves, amounted to NOK 6.8 (6.2) billion at the end of the first quarter.

## Other matters

The market situation for public-sector occupational pensions is stable, and customers with premium reserves totaling around NOK 2.1 billion decided to move their schemes out of KLP with effect from 1 January 2024. 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 first quarter of 2024 shows a profit/loss before tax and other provisions of NOK -117.7 (+99.3) million. The insurance result is weaker than expected, which is largely down to an increase in property claims within all segments. A rise in natural perils claims also affects the accounts. On the other hand, financial income is higher than expected.

Volume growth so far this year is NOK 146 million, and premium volume was NOK 2,731 (2,456) million at the end of the first quarter of 2024. The increase is primarily due to increased premiums, both generally and in particular segments. Premium income increased by 12.2 per cent, or NOK 77 million, compared with the same time in 2023. For the public-sector and corporate markets, premiums increased by 11.1 per cent, while the corresponding increase for the retail market was 14.1 per cent.

In the first quarter, three claims over NOK 20 million were reported, all within the company's retention amount. Together, these claims reduce net profits by NOK 132 million. There were also 16 claims in the NOK 2-20 million range, with total payments of NOK 96 million. The results are also affected by a major weather event, storm Ingunn, where the costs to the company run to NOK 25 million.

Reversals of previous years' claims are still slightly negative, and NOK 4.4 million have been recognised so far this year, equivalent to 0.2 per cent of the reserves at the beginning of the year.

## Key figures

	31.03.2024	31.03.2023	2023
Claims ratio	98,2	93,2	83,5
Reinsurance percentage	15	-2,2	2,8
Cost ratio	14,6	13,9	14
<b>Combined ratio</b>	<b>127,7</b>	<b>104,9</b>	<b>100,4</b>

Net financial income in the first quarter of 2024 was NOK 96.7 (149.8) million, equivalent to 1.7 (2.7) per cent.

The solvency margin (SCR) decreased from 227 per cent at the end of 2023 to 210 per cent at the end of the first quarter of 2024. This is due to the weak quarterly results.

## Asset and fund management

KLP Kapitalforvaltning AS provides securities management in the KLP Group. It had a total of NOK 799 billion under management at the end of the first quarter, of which NOK 203 billion was for external customers.

Net new subscriptions to the KLP funds were NOK 4.7 billion in the first quarter. External customers had positive net new subscriptions of NOK 5.7 billion in the quarter.

The company achieved a result before tax of NOK 11.9 million in the first quarter.

## Bank

KLP Banken finances mortgages and other credit to private customers (retail market) as well as loans to municipalities, county authorities 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 company achieved a pre-tax operating profit of NOK 75.1 (53.1) million in the first quarter. The change is mainly related to increased net interest income and gains on financial instruments.

Broken down by area, profits were NOK 51.1 (35.4) million in the retail market and NOK 24.0 (17.7) 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 126.6 (110.2) million in the first quarter.



---

Losses and loss provisions taken to profit/loss total NOK -1.1 (0.3) 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.

KLP Banken had loans to customers of NOK 42.8 (42.7) billion at 31 March 2024. The split between the retail and public-sector markets was NOK 24.1 (23.3) billion and 18.7 (19.4) billion respectively.

KLP Banken manages a mortgage portfolio worth NOK 2.7 (2.9) billion and NOK 78.6 (74.1) billion in loans to public-sector borrowers and other businesses financed with pension assets placed in public-sector occupational pension funds.

The Bank's mortgage products are aimed at members of the KLP pension schemes. Net mortgage growth in the first quarter was NOK 209 (71) million, which is significantly higher than at the same time last year.

Lending volume to the public-sector market on KLP Banken's balance sheet has decreased in 2024 by NOK 0.3 (increase of 0.2) billion. Loans to public-sector borrowers financed with pension assets placed in public-sector occupational pension funds increased by NOK 1.5 (0.5) billion in the same period.

## 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.

In the first quarter, the Group generated a net profit to policyholders of NOK 19.8 billion. This is mainly due to a significant appreciation of the assets.

The best estimate of the insurance liability associated with public-sector occupational pensions was reduced from NOK 377.7 to 366.0 billion in the quarter. This is mainly due to increased interest rates, as well as a change in estimates of future cash flows.

Liabilities to policyholders in public-sector occupational pension schemes, by virtue of their ownership role (residual value), grew from NOK 355.9 to 387.5 billion. The main reason for the increase is good returns and a change in the best estimate as described above.

---

## Sustainability

KLP aims to be the partner to the Norwegian local government and healthcare sector for a sustainable transition, and the strategy comprises two strategic focus areas:

- Promoting a sustainable working environment in the Norwegian local government and healthcare sector.
- Driving a green transition

See KLP's [Annual Report](#) for 2023 for more details of the sustainability strategy. This is a summary of key activities during the quarter:

### Requirements relating to climate and environment in public procurement procedures

KLP sent out consultation notes on the proposal for a new Public Procurement Act concerning our roles as a provider of public-sector occupational pensions and non-life insurance to the public sector. Our response to consultation dealt with the rules for weighting climate and environment in public procurement procedures. For public-sector occupational pensions, we commented on the committee's proposal to withdraw the requirement for a 30 per cent weighting of climate and environment as an award criterion. We believe that for public-sector occupational pensions, it will be complicated for individual purchasers to set appropriate requirements in the award criteria, and we are therefore pleased to find that climate and the environment can be addressed by way of guiding criteria drawn up by the Norwegian Agency for Public and Financial Management (DFØ). KLP commented that the purchasing rules relating to climate and the environment should have a wider focus than simply cutting emissions, such as measures to adapt to climate change.

KLP has responded to the consultation from the Pension Office on how the new rules relating to climate and the environment should be applied in practice in tendering procedures for public-sector occupational pensions. KLP believes there will be a greater impact if measures addressing climate and the environment are included as minimum requirements in the tender specifications for bidders in the competitive procedure, rather than the general rule of at least a 30 per cent weighting in the award criteria. We are concerned at the lack of standardisation which would allow providers to be compared in a uniform way, and a lack of individual indicators to capture the need for change that the pension capital can help to address, and feel that qualification requirements for a transition strategy and measures will produce a greater climate and environmental impact.

### Guide to a sustainable transition

Under the auspices of UN Global Compact Network Norway, KLP has contributed to an expert group which has produced a guide to a sustainable transition for Norwegian businesses. The aim of the guide is to help Norwegian companies to make a start on the transition work to achieve their sustainability goals and maintain a competitive and profitable business. The guide was launched in March 2024 and can be accessed [here](#) (in Norwegian).

## Sustainable working conditions

KLP has started to explore the role the company can play in promoting sustainable working conditions. In the first quarter, we partnered with “Fremtidens helsetjenester” (Health services of the future), which is a collaborative project involving several municipalities. KLP hosted the Public Health Forum in February, and has run workshops on working conditions in various counties, as well as two webinars with over 1,000 participants from municipalities across Norway.

## Responsible ownership

Ahead of the general meeting season, KLP has updated the list of companies where it intends to vote against resolutions from the board of directors. This includes the companies in the portfolios that produce the biggest emissions without having a credible transition plan, and companies that pose a high risk of contributing to tropical deforestation, but lack basic risk management procedures.

During the year, KLP has followed up on all the companies where it voted against the board of directors in 2023. Out of 46 companies where we voted against the board because of inadequate transition plans, 15 have improved these plans and their boards will have the support of KLP going forward. The corresponding figures for improvements in the management of deforestation risk are four out of 22.

By the end of the first quarter, KLP had initiated 74 company dialogues and voted at almost 1,200 general meetings both in Norway and abroad. The substance of the company dialogues in the first quarter included the management and reporting of deforestation risk, follow-up of companies with high emissions that lack climate transition plans, and responsible tax practice. During the first quarter, KLP excluded two companies for breaches of its exclusion criteria related to coal. One company was reinstated as it no longer breaches our criteria for coal. At the end of the quarter, a total of 796 companies were excluded.

	Q1/2024	31.03.2024	31.12.2023
Number of company dialogues	74	74	243
Number of general meetings of Norwegian companies at which KLP voted	21	21	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	1 178	1 178	8 472
Percentage of general meetings of foreign companies at which KLP voted	99 %	99 %	100 %
Number of companies excluded from the investments	2	796	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 first quarter, KLP increased its investments in an early-stage growth fund which focuses on companies that make a positive contribution to sustainable development.

NOK MILLIONS	Q1/2024	31.03.2024	31.12.2023
	Amount invested	Fair value	
Seedcorn investments	8	575	575
Investments in banking and finance in developing countries	0	935	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 11.4 per cent of its financial assets at the end of the first 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 first quarter, these investments increased by around NOK 2.4 billion. The increase comes mainly from KLP's investment in the green transition within express boats and ferries, which make a significant contribution to reducing greenhouse gas emissions from the transport sector. 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	Q1/2024	31.03.2024	31.12.2023
	Amount invested	Fair value	
<b>Zero-emission investments</b>	<b>447</b>	<b>42 300</b>	<b>44 174</b>
<i>As a share of KLP's investments</i>		5,3 %	5,6 %
Renewable energy	447	39 694	41 594
<i>As a share of KLP's investments</i>		5,0 %	5,3 %
of which: renewable energy in Norway	-174	20 006	22 458
of which: renewable energy abroad	571	17 320	16 789
of which: renewable energy in developing countries	49	2 367	2 348
Sustainable forests	0	2 606	2 580
<b>Transitional financing</b>	<b>1 974</b>	<b>49 214</b>	<b>46 932</b>
<i>As a share of KLP's investments</i>		6,2 %	6,0 %
Green buildings in the property portfolio	0	25 329	25 420
Green buildings via mutual funds and bonds	0	2 499	2 502
Green loans	48	3 785	3 737
Green bonds	79	12 344	12 121
Sustainable infrastructure	1 847	5 256	3 152
<b>Total climate-friendly investments</b>	<b>2 421</b>	<b>91 514</b>	<b>91 106</b>
<i>As a share of KLP's investments</i>		11,4 %	11,6 %
<b>Fossil energy</b>		<b>15 505</b>	<b>15 020</b>
<i>As a share of KLP's investments</i>		1,9 %	1,9 %

## Future prospects

KLP achieved very good results in 2023 and this is continuing into 2024. 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.

The disability figures increased during the pandemic, and it is unclear whether this will persist or fall back to pre-2020 levels. KLP will monitor developments in case there is a need to strengthen the disability tariff.

We may expect an increase in public-sector occupational pensions put out to tender. 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.

**Oslo, 15 May 2024**

The Board of Directors of Kommunal Landspensjonskasse gjensidig forsikringsselskap

**TINE SUNDTOFT**

Chair

**Terje Rootwelt**

Deputy Chair

**Egil Matsen**

**Kjerstin Fyllingen**

**Rune Simensen**

**Odd Haldgeir Larsen**

**Vibeke Helda**

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	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
	<b>Insurance service result</b>	<b>-7</b>	<b>90</b>	<b>-1 925</b>
	Net income from investments measured at fair value with changes in P/L	37 753	27 736	76 263
	Net income from investments not measured at fair value with changes in P/L	19	18	78
4	Fair value adjustment investment properties and rental income	29	496	-2 547
	Net income from associated companies and joint ventures	-549	75	504
	Net interest income banking	127	110	468
	Unit holder's value change in consolidated securites funds	-17 322	-12 135	-27 286
	<b>Total net income</b>	<b>20 057</b>	<b>16 300</b>	<b>47 480</b>
	Policyholder's share of changes in fair value of underlying items	-19 837	-17 624	-44 179
	Other insurance related financial cost	-19	-20	-42
	<b>Net insurance related financial cost</b>	<b>-19 856</b>	<b>-17 644</b>	<b>-44 221</b>
	<b>Net insurance services and financial result</b>	<b>194</b>	<b>-1 254</b>	<b>1 334</b>
	Net costs subordinated loan and hybrid Tier 1 securities	-261	-467	-463
	Operating expenses	-327	-267	-1 124
	Other income	10	8	77
	Other expenses	-72	-73	-77
	<b>Pre-tax income</b>	<b>-456</b>	<b>-2 054</b>	<b>-253</b>
	Cost of taxes <sup>1</sup>	-318	-330	-1 031
	<b>Income</b>	<b>-774</b>	<b>-2 384</b>	<b>-1 284</b>
12	Actuarial loss and profit on post employment benefit obligations	199	31	-146
	Tax on items that will not be reclassified to profit or loss	-26	-5	22
	<b>Items that will not be reclassified to profit or loss</b>	<b>172</b>	<b>26</b>	<b>-125</b>
4	Revaluation real property for use in own operation	1	-8	-308
4	Currency translation foreign properites	651	2 315	2 139
	Tax on items that will be reclassified to profit or loss	0	2	77
	<b>Items that will be reclassified to income particular specific conditions are met</b>	<b>652</b>	<b>2 309</b>	<b>1 908</b>
	<b>Total other comprehensive income</b>	<b>824</b>	<b>2 336</b>	<b>1 784</b>
	<b>Total comprehensive income <sup>2</sup></b>	<b>50</b>	<b>-48</b>	<b>499</b>
	<sup>1</sup> Unit holders share of taxes in consolidated security funds	-111	-87	-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 31.03.2024 of minus NOK 3,090 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 50 million, will thus appear as a result.

## Financial position statement

### KLP Group

NOTE	NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
	Deferred tax assets	43	46	48
	Other intangible assets	1 430	1 135	1 379
	Tangible fixed assets	2 277	2 617	2 277
	Investments in associated companies and joint venture	5 959	5 779	6 620
4, 9	Investment property	95 431	96 333	92 322
5	Reinsurance contract assets	680	820	728
7, 9	Fixed income securitites and other debt instruments at fair value	405 776	375 173	410 569
7	Fixed income securitites and other debt instruments at amortized costs	2 253	2 193	2 254
7, 9	Lending local government, enterprises & retail customers at fair value through profit / loss	82 932	77 635	81 136
7	Lending local government, enterprises & retail customers at amortized costs	42 837	42 717	42 856
7, 9	Equity capital instruments at fair value through profit/loss	406 457	315 118	354 757
7, 9	Financial derivatives	1 280	1 442	15 587
7	Receivables	15 178	24 199	2 678
	Cash and bank deposits	3 008	2 978	3 509
	<b>TOTAL ASSETS</b>	<b>1 065 541</b>	<b>948 185</b>	<b>1 016 721</b>
7, 8	Hybrid Tier 1 securities	1 489	1 644	1 434
7, 8	Subordinated loan capital	3 533	3 345	3 327
12	Pension obligations	744	812	913
5	Insurance obligations with the right to residual value	780 742	702 791	762 789
5	Other insurance liabilities	4 007	3 965	3 392
7, 8	Covered bonds issued	30 448	30 945	30 504
7, 8	Debt to credit institutions	2 828	3 949	13 041
7, 8	Liabilities to and deposits from customers	14 157	14 136	14 060
7	Financial derivatives	9 342	11 561	3 249
	Deferred tax	1 179	1 148	1 187
13	Other current liabilities	17 245	25 598	6 036
	Equity	-3 090	-3 687	-3 140
	Unit holders `s interest in consolidated securites funds	202 916	151 979	179 929
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 065 541</b>	<b>948 185</b>	<b>1 016 721</b>
	Contingent liabilities	36 029	32 833	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>- 774</b>
Items that will not be reclassified to income	172
Items that will be reclassified to income later when particular conditions are met	652
<b>Total other comprehensive income</b>	<b>824</b>
<b>Total comprehensive income</b>	<b>50</b>
<b>Owners' equity 31 March 2024</b>	<b>- 3 090</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>- 2 383</b>
Items that will not be reclassified to income	26
Items that will be reclassified to income later when particular conditions are met	2 309
<b>Total other comprehensive income</b>	<b>2 336</b>
<b>Total comprehensive income</b>	<b>- 48</b>
<b>Owners' equity 31 March 2023</b>	<b>- 3 687</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 -31.03.2024	01.01.2023 -31.12.2023	01.01.2023 -30.09.2023	01.01.2023 -30.06.2023	01.01.2023 -31.03.2023
Net cash flow from operational activities	-6 299	-19 180	-14 051	-3 581	116
Net cash flow from investment activities <sup>1</sup>	-87	-470	-351	-252	-113
Net cash flow from financing activities <sup>2</sup>	5 884	19 838	14 149	3 812	-347
<b>Net changes in cash and bank deposits</b>	<b>-502</b>	<b>188</b>	<b>-254</b>	<b>-21</b>	<b>-344</b>
Holdings of cash and bank deposits at start of period	3 509	3 321	3 321	3 321	3 321
<b>Holdings of cash and bank deposits at end of period</b>	<b>3 008</b>	<b>3 509</b>	<b>3 068</b>	<b>3 301</b>	<b>2 978</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 – 31.03.2024. 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 31.03.2024. 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).

#### **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 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023	01.01.2024 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023	01.01.2024 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023	01.01.2024 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023
Result from insurance services	0	0	0	-92	57	342	0	0	0	0	0	0
Premium income for own account	7 842	7 663	70 326	0	0	0	0	0	0	0	0	0
Net financial income from investments	22 199	16 363	42 712	98	151	319	133	103	468	9	6	23
Claims for own account	-9 265	-8 331	-28 261	0	0	0	0	0	0	0	0	0
Insurance provisions for own account	-20 239	-15 081	-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	-19	-20	-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>537</b>	<b>614</b>	<b>462</b>	<b>-13</b>	<b>188</b>	<b>619</b>	<b>133</b>	<b>103</b>	<b>468</b>	<b>9</b>	<b>6</b>	<b>23</b>
Net financial income from investments in companys portfolio	328	823	1 494	0	0	0	0	0	0	0	0	0
Net costs subordinated loan and hybrid Tier 1 securities	-243	-513	-443	0	0	0	0	0	0	0	0	0
Operating expenses	-432	-377	-1 512	-104	-89	-356	-79	-70	-268	-147	-138	-528
Other income	369	350	1 463	0	0	10	23	21	92	150	144	560
Other expenses	-376	-359	-1 484	0	0	0	-2	-1	-7	0	0	0
<b>Pre-tax income</b>	<b>183</b>	<b>539</b>	<b>-20</b>	<b>-117</b>	<b>99</b>	<b>273</b>	<b>75</b>	<b>53</b>	<b>285</b>	<b>12</b>	<b>12</b>	<b>55</b>
Cost of taxes	-83	-108	-82	18	-25	-37	-1	37	-19	-2	-3	-12
<b>Income</b>	<b>99</b>	<b>431</b>	<b>-101</b>	<b>-99</b>	<b>75</b>	<b>235</b>	<b>74</b>	<b>90</b>	<b>267</b>	<b>10</b>	<b>9</b>	<b>42</b>
Total other comprehensive income	149	23	-111	28	3	-10	8	1	-10	17	2	-14
<b>Total comprehensive income</b>	<b>249</b>	<b>454</b>	<b>-213</b>	<b>-71</b>	<b>77</b>	<b>225</b>	<b>82</b>	<b>91</b>	<b>257</b>	<b>27</b>	<b>11</b>	<b>29</b>
Lending	306 644	284 758	22 026	0	0	0	43 817	43 435	44 434	0	0	0
Other assets	498 001	457 323	765 141	7 006	6 948	6 559	5 040	5 938	4 494	675	631	682
<b>Total assets</b>	<b>804 645</b>	<b>742 081</b>	<b>787 167</b>	<b>7 006</b>	<b>6 948</b>	<b>6 559</b>	<b>48 857</b>	<b>49 373</b>	<b>48 928</b>	<b>675</b>	<b>631</b>	<b>682</b>
Insurance liabilities	745 385	668 235	725 781	4 007	3 965	3 392	0	0	0	0	0	0
Other liabilities	15 166	30 496	17 541	477	536	573	45 668	46 365	45 754	227	227	260
<b>Total liabilities</b>	<b>760 551</b>	<b>698 731</b>	<b>743 322</b>	<b>4 484</b>	<b>4 501</b>	<b>3 965</b>	<b>45 668</b>	<b>46 365</b>	<b>45 754</b>	<b>227</b>	<b>227</b>	<b>260</b>

NOK MILLIONS	Other			Eliminations			Total		
	01.01.2024 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023	01.01.2024 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023	01.01.2024 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023
Result from insurance services	0	0	0	85	34	-2 268	-7	90	-1 925
Premium income for own account	0	0	0	-7 842	-7 663	-70 326	0	0	0
Net financial income from investments	0	0	0	14 939	11 813	31 245	37 379	28 435	74 766
Claims for own account	0	0	0	9 265	8 331	28 261	0	0	0
Insurance provisions for own account	0	0	0	20 239	15 081	84 315	0	0	0
Policyholder's share of changes in fair value of underlying items	0	0	0	-19 837	-17 624	-44 179	-19 837	-17 624	-44 179
Other insurance related financial cost	0	0	0	0	0	-70	-19	-20	-42
Unit holder's value change in consolidated security funds	0	0	0	-17 322	-12 135	-27 286	-17 322	-12 135	-27 286
<b>Total income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-472</b>	<b>-2 164</b>	<b>-308</b>	<b>194</b>	<b>-1 254</b>	<b>1 334</b>
Net financial income from investments in companys portfolio	0	0	0	-328	-823	-1 282	0	0	0
Net costs subordinated loan and hybrid Tier 1 securities	0	0	0	-18	45	-20	-261	-467	-463
Operating expenses	-3	-3	-12	438	411	1 553	-327	-267	-1 124
Other income	3	3	13	-535	-511	-2 062	10	8	77
Other expenses	0	0	0	306	287	1 201	-72	-73	-77
<b>Pre-tax income</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>-610</b>	<b>-2 756</b>	<b>-917</b>	<b>-456</b>	<b>-2 053</b>	<b>-253</b>
Cost of taxes	0	0	0	-249	-231	-881	-318	-330	-1 031
<b>Income</b>	<b>1</b>	<b>-1</b>	<b>1</b>	<b>-859</b>	<b>-2 987</b>	<b>-1 799</b>	<b>-774</b>	<b>-2 383</b>	<b>-1 284</b>
Total other comprehensive income	0	0	0	622	2 307	1 930	824	2 336	1 784
<b>Total comprehensive income</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>-237</b>	<b>-680</b>	<b>131</b>	<b>50</b>	<b>-48</b>	<b>499</b>
Lending	0	0	0	-224 687	-207 050	57 536	125 773	121 143	123 996
Other assets	11	11	11	429 034	356 191	115 837	939 768	827 042	892 725
<b>Total assets</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>204 347</b>	<b>149 142</b>	<b>173 373</b>	<b>1 065 541</b>	<b>948 185</b>	<b>1 016 721</b>
Insurance liabilities	0	0	0	35 357	34 556	37 009	784 749	706 757	766 181
Other liabilities	2	3	4	222 341	167 489	189 547	283 882	245 116	253 680
<b>Total liabilities</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>257 698</b>	<b>202 045</b>	<b>226 556</b>	<b>1 068 631</b>	<b>951 872</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 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	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
Insurance income	1234	1046	1780
Insurance service expenses	-1136	-970	-3 635
Reinsurance income (+)/ cost (-)	-106	14	-71
<b>Insurance service result</b>	<b>-7</b>	<b>90</b>	<b>-1925</b>

## Note 4 Investment property

NOK MILLIONS	01.01.2024 -31.03.2024	01.01.2023 -31.03.2023	01.01.2023 -31.12.2023
Net rental income	1 027	929	3 873
Net value adjustment	-998	-433	-6 420
<b>Net income from investment properties</b>	<b>29</b>	<b>496</b>	<b>-2 547</b>
Currency translate foreign properites (taken to other comprehensive income)	651	2 315	2 139
<b>Net income from investment properties included currency translate</b>	<b>680</b>	<b>2 811</b>	<b>-407</b>

NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
Investment property 01.01.	92 322	93 992	93 992
Value adjustment, including currency translation	- 347	1 882	- 4 280
Net additions	3 459	431	2 653
Other changes	- 3	27	- 42
<b>Investment property</b>	<b>95 431</b>	<b>96 333</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 relate to current services</b>				
Change in risk adjustment for non-financial risk for risk expired		-105		-105
Experience adjustment not related to future service	19			19
<b>Insurance service result</b>	<b>19</b>	<b>-105</b>		<b>-85</b>
Change in risk adjustment for non-financial risk at the start of the period		-924	924	0
Accrued interest	3 983	335	-4 318	0
Released cash flows	-123			-123
Changes in estimates related to future service	-7 358	-618	7 976	0
Change due to changes in discount curve	-6 675	-561	7 236	0
Result addes to policyholders	213		19 747	19 960
<b>Insurance related financial cost</b>	<b>-9 960</b>	<b>-1 768</b>	<b>31 565</b>	<b>19 837</b>
Premium	7 551	0	0	7 551
Claims and other insurance service expenses (incl. Investmentcomponents)	-9 350	0	0	-9 350
<b>Total cash flows</b>	<b>-1 799</b>	<b>0</b>	<b>0</b>	<b>-1 799</b>
<b>Insurance obligations with the right to residual value 31 March 2024</b>	<b>366 002</b>	<b>27 195</b>	<b>387 545</b>	<b>780 742</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	-707	-707
Claims	699	27	0	726
Expenses	52	2	0	54
Other movements related to current service		-6	0	-6
Changes that relate to past service	-59	-21	0	-80
Insurance service expenses	692	2	0	694
<b>Insurance service result</b>	<b>692</b>	<b>2</b>	<b>-707</b>	<b>-13</b>
<b>Insurance related financial cost</b>	<b>29</b>	<b>-7</b>	<b>0</b>	<b>23</b>
Premium	0	0		1 354
Claims and other insurance service expenses	-682	0	0	-682
<b>Total cash flows</b>	<b>-682</b>	<b>0</b>	<b>1 354</b>	<b>672</b>
<b>Other changes</b>	<b>2</b>	<b>0</b>	<b>-68</b>	<b>-65</b>
<b>Other insurance liabilities 31 March 2024</b>	<b>2 986</b>	<b>123</b>	<b>898</b>	<b>4 007</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	-34	-34
Recoveries of incurred claims and other insurance service expenses	0	0	0	0
Reinsurance expenses -related to past service	-61	-10	0	-72
Insurance service expenses	-61	-10	0	-72
<b>Insurance service result</b>	<b>-61</b>	<b>-10</b>	<b>-34</b>	<b>-106</b>
<b>Insurance related financial cost</b>	<b>5</b>	<b>-1</b>	<b>0</b>	<b>4</b>
Premium	-131	0	80	-51
<b>Total cash flows</b>	<b>-131</b>	<b>0</b>	<b>80</b>	<b>-51</b>
<b>Other changes</b>	<b>105</b>	<b>0</b>	<b>0</b>	<b>105</b>
<b>Reinsurance contracts assets 31 March 2024</b>	<b>617</b>	<b>27</b>	<b>35</b>	<b>680</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 Q1 2024					
Insurance service result	85	13	-106	0	-7
Net insurance related financial cost	-19 837	-23	4	0	-19 856



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>	16	-50	0	-34
Change in risk adjustment for non-financial risk for risk expired	0	-50	0	-50
Experience adjustment not related to future service	16	0	0	16
<b>Insurance service result</b>	<b>16</b>	<b>-50</b>	<b>0</b>	<b>-34</b>
Change in risk adjustment for non-financial risk at the start of the period	0	-2 257	2 257	0
Accrued interest	3 351	261	-3 612	0
Released cash flows	1 055	0	0	1 055
Changes in estimates related to future service	1 518	118	-1 636	0
Change due to changes in discount curve	29 052	2 258	-31 310	0
Result added to policyholders' residual value	0	0	16 569	16 569
<b>Insurance related financial cost</b>	<b>34 977</b>	<b>380</b>	<b>-17 732</b>	<b>17 624</b>
Premium	6 662	0	0	6 662
Claims and other insurance service expenses (incl. Investment components)	-8 376	0	0	-8 376
<b>Total cash flows</b>	<b>-1 714</b>	<b>0</b>	<b>0</b>	<b>-1 714</b>
<b>Total other changes</b>	<b>0</b>	<b>0</b>	<b>80</b>	<b>80</b>
<b>Insurance obligations with the right to residual value 31 March 2023</b>	<b>355 505</b>	<b>27 633</b>	<b>319 652</b>	<b>702 791</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	-630	-630
Claims	550	22	0	572
Expenses	42	2	0	44
Other movements related to current service	0	-4	0	-4
Changes that relate to past service	-12	-13	0	-24
Insurance service expenses	<b>581</b>	<b>7</b>	<b>0</b>	<b>587</b>
<b>Insurance service result</b>	<b>581</b>	<b>7</b>	<b>-630</b>	<b>-43</b>
<b>Insurance related financial cost</b>	<b>29</b>	<b>6</b>	<b>0</b>	<b>35</b>
Premium	0	0	1 249	1 249
Claims and other insurance service expenses	-446	0	0	-446
<b>Total cash flows</b>	<b>-446</b>	<b>0</b>	<b>1 249</b>	<b>803</b>
<b>Other changes</b>	<b>-4</b>	<b>0</b>	<b>-7</b>	<b>-11</b>
<b>Other insurance liabilities 31 March 2023</b>	<b>2 950</b>	<b>127</b>	<b>888</b>	<b>3 965</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>735</b>
Premium paid - reinsurance	0	0	-40	-40
Recoveries of incurred claims and other insurance service expenses	55	3	0	58
Reinsurance expenses -related to past service	-4	0	0	-4
Insurance service expenses	51	3	0	54
<b>Insurance service result</b>	<b>51</b>	<b>3</b>	<b>-40</b>	<b>14</b>
<b>Insurance related financial cost</b>	<b>7</b>	<b>9</b>	<b>0</b>	<b>15</b>
Premium	-10	0	82	72
<b>Total cash flows</b>	<b>-10</b>	<b>0</b>	<b>82</b>	<b>72</b>
<b>Other changes</b>	<b>-16</b>	<b>0</b>	<b>0</b>	<b>-16</b>
<b>Reinsurance contracts assets 31 March 2023</b>	<b>736</b>	<b>42</b>	<b>42</b>	<b>820</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 Q1 2023					
Insurance service result	34	43	14	0	90
Insurance related financial cost	-17 624	-35	15	0	-17 644

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 added 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. Investment components)	-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>
<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	31.03.2024	31.03.2023	31.12.2023
1	5,0 %	4,1 %	4,8 %
2	4,8 %	4,2 %	4,5 %
3	4,4 %	3,8 %	4,0 %
4	4,1 %	3,5 %	3,6 %
5	3,9 %	3,4 %	3,5 %
10	3,9 %	3,7 %	4,0 %
15	3,8 %	3,7 %	3,9 %
25	3,7 %	3,6 %	3,7 %
50	3,5 %	3,5 %	3,5 %
75	3,5 %	3,5 %	3,5 %
100	3,5 %	3,5 %	3,5 %

## 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	31.03.2024	31.03.2023	31.12.2023
1	4,8 %	5,0 %	5,3 %
5	4,4 %	3,6 %	4,9 %
10	3,1 %	3,5 %	3,7 %
15	3,1 %	3,2 %	3,2 %
25	3,5 %	3,6 %	3,3 %
50	3,4 %	3,4 %	3,5 %
80	3,4 %	3,4 %	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	31.03.2024	31.03.2023	31.12.2023
Reduced mortality	-5 %	-4 356	-4 756	-4 519
Increased mortality	5 %	4 172	4 556	4 329
Increased disability	5 %	-387	-422	-401
Reduced disability	-5 %	389	425	404
Increased costs	5 %	-1256	-1371	-1303
Reduced costs	-5 %	1255	1371	1303
Increased yield curve	*)	33 594	34 850	33 594
Reduced yield curve	**)	-42 074	-48 190	-42 074

All changes to assumptions are in % change of the standard assumption applied as of 31/03/2024( 31/03/2023/31/12/2023).

\*) 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	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
<b>SUBORDINATED LOANS</b>			
Interest costs	-40	-41	-153
Value changes	-166	-211	-229
<b>Net costs subordinated loans</b>	<b>-206</b>	<b>-252</b>	<b>-382</b>
<b>PERPETUAL HYBRID TIER 1 SECURITIES</b>			
Interest costs	-20	-19	-75
Value changes	-36	-197	-6
<b>Net costs perpetual hybrid tier 1 securities</b>	<b>-56</b>	<b>-216</b>	<b>-81</b>
<b>Net costs subordinated loan and hybrid Tier 1 securities</b>	<b>-261</b>	<b>-467</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 Bloomberg's 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	31.03.2024		31.03.2023		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	983	941	993	964	1 017	935
Foreign bonds	1 271	1 192	1 201	1 125	1 237	1 108
<b>Fixed-income securities and other debt instruments at amortized cost</b>	<b>2 253</b>	<b>2 134</b>	<b>2 193</b>	<b>2 089</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	2 528	2 528	2 848	2 848	2 564	2 564
Loans to local government sector or enterprises with local government guarantee	73 918	73 918	68 986	68 986	71 056	71 056
Loans abroad secured by mortgage and local government guarantee	5 491	5 491	5 230	5 230	5 245	5 245
Other lending	995	995	571	571	2 271	2 271
<b>Total loans to local government, enterprises &amp; retail customers</b>	<b>82 932</b>	<b>82 932</b>	<b>77 635</b>	<b>77 635</b>	<b>81 136</b>	<b>81 136</b>
lending to local government, enterprises & retail customers – at amortized cost						
<b>LENDING TO LOCAL GOVERNMENT, ENTERPRISES &amp; RETAIL CUSTOMERS – AT AMORTIZED COST</b>						
Loans to and receivables from customers	42 837	42 847	42 717	42 724	42 856	42 850
<b>Total loans to local government, enterprises &amp; retail customers</b>	<b>42 837</b>	<b>42 847</b>	<b>42 717</b>	<b>42 724</b>	<b>42 856</b>	<b>42 850</b>
<b>DEBT INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Norwegian bonds	127 108	127 108	123 002	123 002	133 716	133 716
Norwegian certificates	12 805	12 805	6 816	6 816	8 189	8 189
Foreign bonds	215 067	215 067	201 670	201 670	209 125	209 125
Foreign certificates	707	707	456	456	898	898
Investments with credit institutions	50 089	50 089	43 228	43 228	58 641	58 641
<b>Total debt instruments</b>	<b>405 776</b>	<b>405 776</b>	<b>375 173</b>	<b>375 173</b>	<b>410 569</b>	<b>410 569</b>
<b>EQUITY CAPITAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Shares	350 855	350 855	265 829	265 829	302 882	302 882
Equity funds	47 846	47 846	42 176	42 176	44 885	44 885
Property funds	7 756	7 756	7 113	7 113	6 990	6 990
<b>Total equity capital instruments</b>	<b>406 457</b>	<b>406 457</b>	<b>315 118</b>	<b>315 118</b>	<b>354 757</b>	<b>354 757</b>
<b>RECEIVABLES</b>						
Receivables related to direct business	1 213	1 213	459	459	750	750
Receivables related to securites	13 565	13 565	22 231	22 231	1 309	1 309
Prepaid rent related to real estate activities	148	148	148	148	148	148
Other receivables	253	253	1 361	1 361	470	466
<b>Total other loans and receivables including receivables from policyholders</b>	<b>15 178</b>	<b>15 178</b>	<b>24 199</b>	<b>24 199</b>	<b>2 678</b>	<b>2 674</b>
<b>FINANCIAL LIABILITIES - AT AMORTIZED COST</b>						
Debt to credit institutions	805	805	1 054	1 054	905	905
Covered bonds issued	30 448	30 516	30 945	30 945	30 504	30 526
Liabilities and deposits from customers	14 157	14 157	14 136	14 136	14 060	14 060
<b>Total financial liabilities</b>	<b>45 410</b>	<b>45 478</b>	<b>46 135</b>	<b>46 135</b>	<b>45 469</b>	<b>45 492</b>
<b>FINANCIAL LIABILITIES - AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Debt to credit institutions	2 023	2 023	2 894	2 894	12 137	12 137
Hybrid Tier 1 securities	1 489	1 489	1 644	1 644	1 434	1 434
Subordinated loan capital	3 533	3 533	3 345	3 345	3 327	3 327
<b>Total financial liabilities</b>	<b>7 046</b>	<b>7 046</b>	<b>7 883</b>	<b>7 883</b>	<b>16 897</b>	<b>16 897</b>

NOK MILLIONS	31.03.2024		31.03.2023		31.12.2023	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<b>FINANCIAL DERIVATIVES - AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Forward exchange contracts	377	6 044	218	8 783	13 525	1 152
Interest rate swaps	405	3 298	451	2 778	1 383	2 096
Interest rate and currency swaps	498	0	640	0	679	0
Share option	0	0	133	0	0	0
<b>Total financial derivatives</b>	<b>1 280</b>	<b>9 342</b>	<b>1 442</b>	<b>11 561</b>	<b>15 587</b>	<b>3 249</b>

## Note 8 Borrowing

NOK MILLIONS	Nominal in NOK	Currency	Interest	Due date	Book value 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
<b>FIXED - TERM SUBORDINATED LOAN</b>							
Kommunal Landspensjonskasse	2 530	EUR	Fixed <sup>1</sup>	2045	3 533	3 345	3 327
<b>Total subordinated loan capital</b>	<b>2 530</b>				<b>3 533</b>	<b>3 345</b>	<b>3 327</b>
<b>HYBRID TIER 1 SECURITIES</b>							
Kommunal Landspensjonskasse	984	JPY	Fixed <sup>2</sup>	2034	1 489	1 644	1 434
<b>Total hybrid Tier 1 securities</b>	<b>984</b>				<b>1 489</b>	<b>1 644</b>	<b>1 434</b>
<b>COVERED BONDS</b>							
KLP Kommunekreditt AS	0	NOK	Floating	2023	0	1 660	0
KLP Kommunekreditt AS	1 342	NOK	Floating	2024	1 350	5 019	1 562
KLP Kommunekreditt AS	5 000	NOK	Floating	2025	5 015	5 010	5 015
KLP Kommunekreditt AS	5 000	NOK	Floating	2026	5 053	5 036	5 053
KLP Kommunekreditt AS	1 000	NOK	Fixed	2027	1 021	1 021	1 012
KLP Kommunekreditt AS	6 000	NOK	Floating	2027	6 049	0	6 052
KLP Kommunekreditt AS	700	NOK	Fixed	2029	714	714	706
KLP Boligkreditt AS	0	NOK	Floating	2023	0	424	0
KLP Boligkreditt AS	728	NOK	Floating	2024	729	2 501	1 555
KLP Boligkreditt AS	2 500	NOK	Floating	2025	2 502	2 501	2 501
KLP Boligkreditt AS	4 500	NOK	Floating	2026	4 534	4 524	4 536
KLP Boligkreditt AS	2 500	NOK	Floating	2027	2 516	2 511	2 516
KLP Boligkreditt AS	1 000	NOK	Floating	2029	1 003	0	0
Other					-35	23	-4
<b>Total covered bonds</b>	<b>29 270</b>				<b>30 448</b>	<b>30 945</b>	<b>30 504</b>
<b>DEBT TO CREDIT INSTITUTIONS</b>							
KLP Banken AS	0	NOK	Floating	2023	0	301	0
KLP Banken AS	150	NOK	Floating	2024	151	452	453
KLP Banken AS	300	NOK	Floating	2025	301	301	301
KLP Banken AS	150	NOK	Floating	2026	151	0	151
KLP Banken AS	200	NOK	Floating	2027	202	0	0
KLP Fond	0	NOK	Floating	2023	0	813	4 218
KLP Fond	0	NOK	Fixed	2023	0	1 117	1 111
KLP Fond	0	NOK	Floating	2024	291	0	0
KLP Fond	0	NOK	Fixed	2024	1 087	0	0
Kommunal Landspensjonskasse	0	NOK	Fixed	2023	0	851	6 727
Kommunal Landspensjonskasse	0	NOK	Floating	2023	0	0	0
Kommunal Landspensjonskasse	0	NOK	Fixed	2024	566	0	0
Other					79	113	80
<b>Total liabilities to credit institutions</b>	<b>800</b>				<b>2 828</b>	<b>3 949</b>	<b>13 041</b>
<b>LIABILITIES AND DEPOSITS FROM CUSTOMERS <sup>3</sup></b>							
Retail	12 224	NOK			12 224	11 876	12 087
Business	1 882	NOK			1 882	2 221	1 924
Foreign	51	NOK			51	39	50
<b>Liabilities to and deposits from customers</b>	<b>14 157</b>				<b>14 157</b>	<b>14 136</b>	<b>14 060</b>
<b>Total financial liabilities</b>	<b>47 741</b>				<b>52 456</b>	<b>54 018</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

31.03.2024 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	94 149	94 149
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>95 431</b>	<b>95 431</b>
<b>Lending at fair value</b>	<b>0</b>	<b>82 932</b>	<b>0</b>	<b>82 932</b>
<i>Certificates</i>	3 573	9 940	0	13 512
<i>Bonds</i>	24 466	317 806	0	342 272
<i>Fixed-income funds</i>	0	10 220	17 954	28 173
<b>Bonds and other fixed-income securities</b>	<b>28 039</b>	<b>337 965</b>	<b>17 954</b>	<b>383 958</b>
<b>Loans and receivables</b>	<b>20 749</b>	<b>1 070</b>	<b>0</b>	<b>21 818</b>
<i>Shares</i>	340 347	4 863	5 645	350 855
<i>Equity funds</i>	2 633	0	35	2 667
<i>Property funds</i>	0	2 685	5 070	7 756
<i>Special funds</i>	0	0	0	0
<i>Private Equity</i>	0	0	45 178	45 178
<b>Shares and units</b>	<b>342 980</b>	<b>7 548</b>	<b>55 929</b>	<b>406 457</b>
<b>Financial derivatives</b>	<b>0</b>	<b>1 280</b>	<b>0</b>	<b>1 280</b>
<b>Total assets at fair value</b>	<b>391 767</b>	<b>430 795</b>	<b>169 314</b>	<b>991 876</b>
<b>LIABILITIES BOOKED AT FAIR VALUE</b>				
Financial derivatives	0	9 342	0	9 342
Debt to credit institutions <sup>1</sup>	937	1 087	0	2 023
Subordinated loan capital	0	3 533	0	3 533
Hybrid Tier 1 securities	0	1 489	0	1 489
<b>Total financial liabilities at fair value</b>	<b>937</b>	<b>15 451</b>	<b>0</b>	<b>16 387</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 805 million per 31.03.2024.

31.03.2023 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>ASSETS BOOKED AT FAIR VALUE</b>				
<i>Land/plots</i>	0	0	1 368	1 368
<i>Buildings</i>	0	0	94 965	94 965
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>96 333</b>	<b>96 333</b>
<b>Lending at fair value</b>	<b>0</b>	<b>77 635</b>	<b>0</b>	<b>77 635</b>
<i>Certificates</i>	1 465	5 808	0	7 273
<i>Bonds</i>	24 002	300 705	0	324 707
<i>Fixed-income funds</i>	0	9 217	11 149	20 365
<b>Bonds and other fixed-income securities</b>	<b>25 466</b>	<b>315 729</b>	<b>11 149</b>	<b>352 344</b>
<b>Loans and receivables</b>	<b>21 770</b>	<b>1 058</b>	<b>0</b>	<b>22 829</b>
<i>Shares</i>	257 029	5 448	3 352	265 829
<i>Equity funds</i>	2 268	0	54	2 322
<i>Property funds</i>	0	2 242	4 871	7 113
<i>Special funds</i>	0	0	0	
<i>Private Equity</i>	0	0	39 853	39 853
<b>Shares and units</b>	<b>259 298</b>	<b>7 690</b>	<b>48 130</b>	<b>315 118</b>
<b>Financial derivatives</b>	<b>0</b>	<b>1 442</b>	<b>0</b>	<b>1 442</b>
<b>Total assets at fair value</b>	<b>306 534</b>	<b>403 555</b>	<b>155 611</b>	<b>865 701</b>
<b>LIABILITIES BOOKED AT FAIR VALUE</b>				
Financial derivatives	0	11 561	0	11 561
Debt to credit institutions <sup>1</sup>	1 777	1 117	0	2 894
Subordinated loan capital	0	3 345	0	3 345
Hybrid Tier 1 securities	0	1 644	0	1 644
<b>Total financial liabilities at fair value</b>	<b>1 777</b>	<b>17 667</b>	<b>0</b>	<b>19 444</b>

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 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
<b>Bonds and other fixed-income securities</b>	<b>29 142</b>	<b>332 386</b>	<b>16 041</b>	<b>377 569</b>
<b>Loans and receivables</b>	<b>32 349</b>	<b>651</b>	<b>0</b>	<b>33 000</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>Shares and units</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>

Changes in Level 3, Investment Property	Book value 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
Opening balance 1 January	92 322	93 992	93 992
Sold	0	0	0
Bought	3 459	431	2 653
Unrealised changes	-347	1 882	-4 280
Other changes	-3	27	-42
<b>Closing balance 31.03./31.12.</b>	<b>95 431</b>	<b>96 333</b>	<b>92 322</b>
Realised gains/losses	0	0	0

Changes in Level 3, Financial Assets	Book value 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
Opening balance 1 January	67 055	53 407	53 407
Sold	-1 372	-556	-4 923
Bought	4 539	2 981	15 430
Unrealised changes	3 660	3 447	3 141
<b>Closing balance 31.03./31.12.</b>	<b>73 882</b>	<b>59 279</b>	<b>67 055</b>
Realised gains/losses	402	315	1 863
<b>Closing balance 31.03./31.12.</b>	<b>169 314</b>	<b>155 611</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 8 466 million as of 31.03.2024.

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 1st quarter, NOK 966 million in stocks moved from Level 1 to Level 2, NOK 15 million moved from Level 1 to Level 3, NOK 2 309 million moved from level 2 to level 1. The movements is due to changes in liquidity.

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

31.03.2024 NOK MILLIONS	Related amounts not presented net							Adjusted for the unit holders' interest in consolidated securities funds
	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	1 280	0	1 280	-682	-693	-2 708	72	72
Repos	2 264	0	2 264	0	0	0	2 265	2 265
<b>Total</b>	<b>3 544</b>	<b>0</b>	<b>3 544</b>	<b>-682</b>	<b>-693</b>	<b>-2 708</b>	<b>2 336</b>	<b>2 336</b>
<b>LIABILITIES</b>								
Financial derivatives	9 342	0	9 342	-682	-738	-3 798	4 124	3 511
Repos	1 087	0	1 087	0	0	0	1 087	1 084
<b>Total</b>	<b>10 429</b>	<b>0</b>	<b>10 429</b>	<b>-682</b>	<b>-738</b>	<b>-3 798</b>	<b>5 212</b>	<b>4 595</b>



31.03.2023 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	1 442	0	1 442	-523	-1 007	-1 769	260	260
Repos	1 003	0	1 003	-1 003	0	0	0	0
<b>Total</b>	<b>2 445</b>	<b>0</b>	<b>2 445</b>	<b>-1 527</b>	<b>-1 007</b>	<b>-1 769</b>	<b>260</b>	<b>260</b>
<b>LIABILITIES</b>								
Financial derivatives	11 561	0	11 561	-523	-888	-6 831	3 330	3 274
Repos	1 118	0	1 118	0	0	0	1 118	115
<b>Total</b>	<b>12 679</b>	<b>0</b>	<b>12 679</b>	<b>-523</b>	<b>-888</b>	<b>-6 831</b>	<b>4 448</b>	<b>3 389</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 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 288 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 288 per cent.

	31.03.2024	31.03.2023	31.12.2023 <sup>1</sup>
<b>Solvency II - SCR ratio</b>	<b>288 %</b>	<b>282 %</b>	<b>285 %</b>

NOK BILLIONS	31.03.2024	31.03.2023	31.12.2023 <sup>1</sup>
<b>Simplified Solvency II Financial Position Statement</b>			
Assets, book value	808	746	790
Added values - hold-to-maturity portfolio/loans and receivables	-12	-12	-9
Added values - other lending	-1	-1	-1
Other added/lesser values	0	0	0
Deferred tax asset	0	0	0
<b>Total assets - solvency II</b>	<b>795</b>	<b>733</b>	<b>779</b>

NOK BILLIONS	31.03.2024	31.03.2023	31.12.2023 <sup>1</sup>
<b>Simplified Solvency II Financial Position Statement</b>			
Best estimate	724	647	706
Risk margin	11	13	11
Hybrid Tier 1 securities/Subordinated loan capital	5	5	5
Other liabilities	10	26	13
Deferred tax liabilities	0	0	0
<b>Total liabilities - solvency II</b>	<b>750</b>	<b>690</b>	<b>735</b>
Excess of assets over liabilities	45	42	44
- Deferred tax asset	0	0	0
- Risk equalization fund (tier 2 own funds starting 30.09.2022)	-4	-5	-4
+ Hybrid Tier 1 securities	1	2	1
<b>Tier 1 basic own funds</b>	<b>42</b>	<b>39</b>	<b>42</b>
<b>Total eligible tier 1 own funds</b>	<b>42</b>	<b>39</b>	<b>42</b>
Subordinated loans	3	3	3
Risk equalization fund (tier 2 own funds starting 30.09.2022)	4	5	4
<b>Tier 2 basic own funds</b>	<b>7</b>	<b>8</b>	<b>7</b>
Ancillary own funds	14	13	14
<b>Tier 2 ancillary own funds</b>	<b>14</b>	<b>13</b>	<b>14</b>
Deduction for max. eligible tier 2 own funds	-14	-13	-14
<b>Total eligible tier 2 own funds</b>	<b>7</b>	<b>8</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>49</b>	<b>47</b>	<b>49</b>
<b>Solvency capital requirement (SCR)</b>	<b>17</b>	<b>17</b>	<b>17</b>
<b>Solvency II- SCR ratio</b>	<b>288 %</b>	<b>282 %</b>	<b>285 %</b>

<sup>1</sup> The figures as at 31 December 2023 have been changed to reflect the new capital requirement for the bank, applicable from and including the 2023 annual calculation for the group.

## Note 12 Pension obligations

NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
Capitalized net liability 01.01.	913	815	815
Capitalized pension costs	55	48	197
Capitalized financial costs	8	7	28
Actuarial gains and losses	-199	-31	146
Premiums / contributions received	-32	-27	-274
<b>Capitalized net liability 31.03./31.12.</b>	<b>744</b>	<b>812</b>	<b>913</b>

Assumptions	31.03.2024	31.03.2023	31.12.2023
Discount rate	3.45%	3.00%	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 199 million as of 31.03.2024. The change is recognized in other comprehensive income in the income statement.

## Note 13 Other current liabilities

NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
Short-term payables trade in securities	14 406	22 881	3 357
Incurring not assessed taxes	289	486	572
Accounts payable	353	616	301
Public fees	770	687	806
Other current liabilities	1 427	928	999
<b>Total other current liabilities</b>	<b>17 245</b>	<b>25 598</b>	<b>6 036</b>

## Key figures – Accumulated

NOK MILLIONS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
<b>KLP GROUP</b>								
Total assets	1 065 541	1 016 721	972 345	956 311	948 185	900 068	913 144	900 199
Equity	-3 090	-3 140	-3 555	-3 623	-3 687	8 396	12 823	9 800
Solvency SCR ratio	288 %	285 %	332 %	297 %	282 %	288 %	306 %	304 %
Number of employees in the Group	1 153	1 133	1 120	1 099	1 091	1 093	1 095	1 081
<b>KOMMUNAL LANDSPENSJONSKASSE</b>								
Profit before tax	183	-20	1 136	774	539	918	461	216
Premium income for own account	7 842	70 326	60 032	51 102	7 663	50 523	40 248	33 081
- of which inflow of premium reserve	0	92	91	91	91	386	386	386
Insurance customers' funds incl. acc. profit	9 265	28 261	21 501	14 840	8 331	28 517	22 453	16 367
- of which funds with guaranteed returns	2 456	2 139	2 125	2 121	2 125	4 659	4 658	4 658
Net investment common portfolio	751 512	734 337	718 214	701 944	690 902	660 366	671 095	660 834
Net investment choice portfolio	2 953	2 830	2 730	2 833	2 683	2 609	2 602	2 665
Insurance funds incl. earnings for the year	745 385	725 781	704 815	715 239	668 235	654 324	641 805	654 482
- of which funds with guaranteed interest	617 219	616 315	586 941	592 053	552 840	552 101	542 820	548 891
Solvency capital requirement (SCR)	49 575	49 517	49 918	47 317	46 768	46 158	46 307	44 901

NOK MILLIONS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Solvency SCR ratio	351 %	346 %	368 %	330 %	316 %	318 %	341 %	340 %
Riskprofit	82	648	364	270	71	558	963	550
Return profits	18 729	29 466	15 822	21 243	13 232	-20 006	-27 421	-20 374
Administration profit	-8	144	176	62	54	-17	56	-22
Solvency capital	155 824	164 487	147 893	151 993	151 550	140 958	129 556	138 338
Value-adjusted return on common portfolio	3,0 %	6,4 %	3,9 %	4,2 %	2,5 %	-1,1 %	-2,6 %	-2,1 %
Return on unit-linked portfolio	4,0 %	8,3 %	4,8 %	5,6 %	3,4 %	-2,5 %	-4,2 %	-3,5 %
Return on corporate portfolio	0,5 %	3,0 %	2,1 %	1,5 %	0,9 %	2,8 %	1,4 %	0,9 %
<b>KLP SKADEFORSIKRING AS</b>								
Profit before tax	-118	273	255	189	99	111	49	88
Insurance income	707	2 505	1 863	1 230	630	2 200	1 629	1 071
Owners' equity	2 523	2 594	2 589	2 543	2 446	2 369	2 339	2 367
Claims ratio	113,1 %	86,3 %	83,6 %	87,6 %	91,7 %	80,8 %	80,3 %	73,4 %
Combined-ratio	14,6 %	14,0 %	13,0 %	13,9 %	13,9 %	14,5 %	14,2 %	15,3 %
Return on assets under management	1,7 %	5,5 %	3,3 %	3,6 %	2,7 %	-1,7 %	-2,5 %	-2,1 %
Solvency capital requirement (SCR)	2 487	2 446	2 514	2 377	2 309	2 222	2 250	2 273
Solvency SCR ratio	210 %	227 %	246 %	222 %	215 %	222 %	219 %	225 %
Annual premium in force – retail market	1 107	1 068	1 042	1 013	982	954	933	918
Annual premium in force – public sector market	1 624	1 517	1 533	1 521	1 474	1 341	1 325	1 318
Net new subscriptions (accumulated within the year)	-3	72	61	43	20	121	123	113
<b>KLP BANKEN GROUP</b>								
Profit/loss before tax	75	285	203	122	53	181	98	43
Net interest income	127	465	340	221	110	369	258	159
Other operating income	22	89	67	44	21	85	63	43
Operating expenses and depreciation	-81	-271	-201	-134	-71	-247	-181	-123
Net realized/unrealized changes in financial instruments to fair value	7	3	-3	-9	-7	-26	-43	-36
Contributions	14 158	14 061	14 351	14 524	14 136	13 779	13 607	13 465
Housing mortgages granted	24 102	23 855	23 754	23 481	23 333	23 258	23 369	23 042
Loan(s) with public guarantee(s)	18 735	19 001	19 371	19 449	19 384	19 117	18 718	18 321
Defaulted loans	53	44	52	43	46	44	43	46
Borrowing on the issuance of securities	31 253	31 408	31 616	31 661	31 999	33 485	32 613	32 444
Total assets	48 857	48 928	49 403	49 557	49 373	50 511	49 370	48 704
Average total assets	48 892	49 719	49 957	50 034	49 942	48 996	48 426	48 030
Owners' equity	3 189	3 174	3 132	3 072	3 008	2 966	2 897	2 555
Net interest rate	0,26 %	0,93 %	0,68 %	0,44 %	0,22 %	0,75 %	0,53 %	0,33 %
Profit/loss from general operations before tax	0,15 %	0,57 %	0,41 %	0,24 %	0,11 %	0,90 %	0,20 %	0,09 %
Return on owners' equity before tax	9,47 %	9,62 %	9,13 %	8,19 %	7,16 %	7,16 %	5,15 %	3,37 %
Capital adequacy	21,2 %	21,7 %	20,2 %	20,3 %	20,5 %	20,7 %	19,7 %	17,7 %
Number of private customers	54 058	52 488	51 340	50 231	49 697	48 804	48 216	47 759
Of this members of KLP	36 139	35 390	34 802	34 307	33 512	32 988	32 681	32 226
<b>KLP KAPITALFORVALTNING AS</b>								
Profit/loss before tax	12	55	42	4	11	5	-19	-30
Total assets under management	797 875	760 484	715 698	687 956	670 937	640 183	615 589	621 080
Assets managed for external customers	202 680	179 219	162 321	163 444	151 269	134 215	126 187	126 193

# Kommunal Landspensjonskasse

Q1 2024

## Income statement

Kommunal Landspensjonskasse

NOTE	NOK MILLIONS	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
2	Premium income	7 842	7 663	70 326
	Income from investments in subsidiaries, associated enterprises and jointly controlled entities	75	2 647	241
	Interest income and dividends etc. on financial assets	4 430	3 261	14 507
3	Value changes on investments	13 930	13 661	32 140
	Gains and losses realized on investments	3 650	-3 294	-4 388
	<b>Net income from investments in the common portfolio</b>	<b>22 086</b>	<b>16 275</b>	<b>42 500</b>
3	Net income from investments in the investment option portfolio	113	88	212
	Other insurance-related income	356	342	1 415
4	Claims	-9 265	-8 331	-28 261
	Changes in insurance liabilities taken to profit/loss - contractual liabilities	-1 560	-1 895	-63 368
	Changes in insurance liabilities taken to profit/loss - individual investment option portfolio	-3	-1	-315
	Funds assigned to insurance contracts - contractual liabilities	0	0	-20 632
	Unallocated profit to insurance contracts	-18 676	-13 184	0
5	Insurance-related operating expenses	-432	-377	-1 512
	Other insurance-related costs	-354	-342	-1 408
	<b>Technical profit/loss</b>	<b>107</b>	<b>237</b>	<b>-1 043</b>
3, 6	Net income from investments in the corporate portfolio	146	372	1 282
	Other income	13	8	48
	Administration costs and other costs associated with the corporate portfolio	-84	-78	-306
	<b>Non-technical profit/loss</b>	<b>76</b>	<b>302</b>	<b>1 024</b>
	<b>Profit/loss pre-tax</b>	<b>183</b>	<b>539</b>	<b>-20</b>
	Tax	-83	-108	-82
	<b>Income before other income and expenses</b>	<b>99</b>	<b>431</b>	<b>-101</b>
7	Actuarial gains and losses on defined benefits pension schemes	120	20	-88
	Proportion of other comprehensive income on application of the equity method	79	12	-59
	Adjustment of the insurance liabilities	-23	-4	13
	Tax on other income and expenses that will not be reclassified to profit or loss	-26	-5	22
	<b>Total other income and expenses that will not be reclassified to profit or loss</b>	<b>149</b>	<b>23</b>	<b>-111</b>
	<b>TOTAL COMPREHENSIVE INCOME</b>	<b>249</b>	<b>454</b>	<b>-213</b>

## Statement of financial position

### Kommunal Landspensjonskasse

NOTE	NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
	<b>ASSETS</b>			
	<b>ASSETS IN THE CORPORATE PORTFOLIO</b>			
	Intangible assets	1 378	1 067	1 326
8	Buildings and other real estate	1 301	1 389	1 301
	Shares and holdings in property subsidiaries	3 020	3 436	3 068
	Shares and holdings in other subsidiaries, associated enterprises and jointly controlled entities	6 138	5 862	6 200
9	Financial assets valued at amortized cost	21 599	20 796	21 256
8, 9	Financial assets valued at fair value	13 451	12 721	13 426
	Receivables	1 328	1 439	1 483
10	Right-of-use assets	729	838	756
	Other assets	1 236	1 045	1 182
	<b>Total assets in the corporate portfolio</b>	<b>50 179</b>	<b>48 594</b>	<b>49 999</b>
	<b>ASSETS IN THE CUSTOMER PORTFOLIOS</b>			
	Shares and holdings in property subsidiaries	77 123	77 517	73 742
	Shares and holdings in other subsidiaries, associated enterprises and jointly controlled entities	6 000	5 822	6 662
	Receivables on and securities issued by subsidiaries, associated enterprises and jointly controlled entities	10 945	11 665	11 137
9	Financial assets valued at amortized cost	292 794	271 504	288 086
8, 9	Financial assets valued at fair value	364 651	324 395	354 711
	<b>Total investment in the common portfolio</b>	<b>751 512</b>	<b>690 902</b>	<b>734 337</b>
	Shares and holdings in property subsidiaries	309	311	296
	Receivables on and securities issued by subsidiaries, associated enterprises and jointly controlled entities	58	61	58
9	Financial assets at amortized costs	995	956	989
8, 9	Financial assets at fair value	1 591	1 355	1 488
	<b>Total investments in the investment option portfolio</b>	<b>2 953</b>	<b>2 683</b>	<b>2 830</b>
	<b>Total assets in the customer portfolios</b>	<b>754 465</b>	<b>693 585</b>	<b>737 168</b>
	<b>TOTAL ASSETS</b>	<b>804 645</b>	<b>742 179</b>	<b>787 167</b>

NOTE	NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
<b>OWNERS' EQUITY AND LIABILITIES</b>				
	Owners' equity contributed	22 978	21 389	22 978
	Retained earnings	21 115	21 961	20 866
	<b>Total owners' equity</b>	<b>44 093</b>	<b>43 350</b>	<b>43 845</b>
9	Subordinated loan capital etc.	5 038	5 088	4 795
	Premium reserve etc.	572 751	518 259	571 399
	Buffer fund	109 281	102 146	109 281
	Premium funds, defined contribution funds, pension regulation funds etc.	41 803	32 045	42 251
	Unallocated profit to customers	18 601	13 114	0
	<b>Total insurance liabilities - contractual liabilities</b>	<b>742 435</b>	<b>665 565</b>	<b>722 931</b>
	Pension capital etc.	2 173	2 003	2 173
	Buffer fund	185	61	185
	Premium funds, defined contribution funds, pension regulation funds etc.	493	533	491
	Unallocated profit to customers	99	73	0
	<b>Total insurance liabilities - special investment portfolio</b>	<b>2 950</b>	<b>2 670</b>	<b>2 850</b>
7	Pension obligations	472	523	572
	Current tax liabilities	0	289	107
	Deferred tax liabilities	503	315	503
10	Lease liabilities	797	896	822
11	Liabilities	8 108	23 172	10 508
	Accrued costs and prepaid income	249	311	234
	<b>TOTAL OWNERS' EQUITY AND LIABILITIES</b>	<b>804 645</b>	<b>742 179</b>	<b>787 167</b>
<b>OFF-BALANCE SHEET ITEMS</b>				
	Contingent liabilities	33 411	30 427	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		112	-12	99
Actuarial gains and losses on defined benefits pension schemes			120	120
Proportion of other comprehensive income on application of the equity method			79	79
Adjustment of the insurance liabilities			-23	-23
Tax on other income and expenses that will not be reclassified to profit or loss			-26	-26
<b>Total other income and expenses that will not be reclassified to profit or loss</b>			<b>149</b>	<b>149</b>
<b>Total comprehensive income (unallocated)</b>		<b>112</b>	<b>137</b>	<b>249</b>
Owners equity contribution recieved	0			0
<b>Total transactions with owners</b>	<b>0</b>			<b>0</b>
<b>Own funds 31 March 2024</b>	<b>22 978</b>	<b>3 786</b>	<b>17 329</b>	<b>44 093</b>

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		116	316	431
Actuarial gains and losses on defined benefits pension schemes			20	20
Proportion of other comprehensive income on application of the equity method			12	12
Adjustment of the insurance liabilities			-4	-4
Tax on other income and expenses that will not be reclassified to profit or loss			-5	-5
<b>Total other income and expenses that will not be reclassified to profit or loss</b>			<b>23</b>	<b>23</b>
<b>Total comprehensive income (unallocated)</b>		<b>116</b>	<b>339</b>	<b>454</b>
Owners equity contribution recieved	0			0
<b>Total transactions with owners</b>	<b>0</b>			<b>0</b>
<b>Own funds 31 March 2023</b>	<b>21 389</b>	<b>4 759</b>	<b>17 202</b>	<b>43 350</b>

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



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 -31.03.2024	01.01.2023 -31.12.2023	01.01.2023 -30.09.2023	01.01.2023 -30.06.2023	01.01.2023 -31.03.2023
Net cashflow from operational activities	175	-341	-408	885	476
Net cashflow from investment activities <sup>1</sup>	-85	-468	-348	-249	-112
Net cashflow from financing activities <sup>2</sup>	-33	1 032	821	-292	-276
<b>Net changes in cash and bank deposits</b>	<b>56</b>	<b>223</b>	<b>64</b>	<b>344</b>	<b>88</b>
Holdings of cash and bank deposits at start of period	1 141	918	918	918	918
<b>Holdings of cash and bank deposits at end of period</b>	<b>1 197</b>	<b>1 141</b>	<b>982</b>	<b>1 261</b>	<b>1 006</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 – 31.03.2024. 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 assessments" 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	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
Gross premiums due	7 842	7 572	70 234
Transfer of premium reserves from others	0	91	92
<b>Total premium income</b>	<b>7 842</b>	<b>7 663</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 first quarter of 2024, no changes have been made to the models used to calculate the expected loss. The total net loss provisions has increased by NOK 10.4 million during this period.

#### **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)	31.03.2024	31.03.2023	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	252	-252	0	0	-209	0
Transfer to stage 2	-448	448	0	0	0	0
Transfer to stage 3	0	0	0	0	0	0
Net changes	-141	-131	0	-272	380	-3 803
New losses	739	0	0	739	1 592	4 497
Write-offs	-723	0	0	-723	-1 973	-6 788
<b>Closing balance ECL 31.03./31.12.</b>	<b>24 153</b>	<b>3 328</b>	<b>0</b>	<b>27 481</b>	<b>33 622</b>	<b>27 738</b>
Change (01.01. - 31.03./31.12.)	-321	64	0	-256	-209	-6 094

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

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	31.03.2024	31.03.2023	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	0	0	0	0	0	0
Transfer to stage 2	-2	2	0	0	0	0
Transfer to stage 3	0	-10 554	10 554	0	0	0
Net changes	-60	593	10 119	10 652	418	184 303
New losses	21	0	0	21	0	653
Write-offs	-1	0	0	-1	0	-180
<b>Closing balance ECL 31.03./31.12.</b>	<b>4 283</b>	<b>50</b>	<b>196 405</b>	<b>200 737</b>	<b>5 706</b>	<b>190 065</b>
Change (01.01. - 31.03./31.12.)	-42	-9 959	20 673	10 672	418	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)	31.03.2024	31.03.2023	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	0	0	0	0	0	0
Transfer to stage 2	0	0	0	0	0	0
Transfer to stage 3	0	0	0	0	0	0
Net changes	0	0	0	0	0	0
New losses	0	0	0	0	0	0
Write-offs	0	0	0	0	0	0
<b>Closing balance ECL 31.03./31.12.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change (01.01. - 31.03./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)	31.03.2024	31.03.2023	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	215 741 470	215 741 470
Transfer to stage 1	1 008 942	-1 008 942	0	0	0	0
Transfer to stage 2	-812 657	812 657	0	0	0	0
Transfer to stage 3	0	0	0	0	0	0
Net changes	-6 949 356	25 755	10 485	-6 913 117	-5 048 382	10 634 952
New fixed-income securities	6 045 220	0	0	6 045 220	4 253 034	16 777 244
Write-offs	4 151 059	0	0	4 151 059	-1 682 327	-14 761 356
<b>Fixed-income securities 31.03./31.12.</b>	<b>223 625 015</b>	<b>6 581 367</b>	<b>1 469 090</b>	<b>231 675 473</b>	<b>213 263 796</b>	<b>228 392 310</b>

**Book value loans and receivables - all segments**

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	31.03.2024	31.03.2023	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.	80 975 746	466 828	622 592	82 065 166	78 253 630	78 253 630
Transfer to stage 1	11 064	-11 064	0	0	0	0
Transfer to stage 2	-23 561	23 561	0	0	0	0
Transfer to stage 3	0	-422 122	422 122	0	0	0
Net changes	-351 659	28 970	47 288	-275 401	-78 253 630	-2 293 287
New loans	2 206 855	0	0	2 206 855	79 148 342	12 133 524
Write-offs	-167 963	-504	0	-168 467	0	-6 028 701
<b>Loans 31.03./31.12.</b>	<b>82 650 482</b>	<b>85 669</b>	<b>1 092 002</b>	<b>83 828 152</b>	<b>79 148 342</b>	<b>82 065 166</b>

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

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	31.03.2024	31.03.2023	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	683	-683	0	0	0	0
Transfer to stage 2	0	0	0	0	0	0
Transfer to stage 3	0	0	0	0	0	0
Net changes	307	0	0	307	-71 818	-4 347
New loans	0	0	0	0	72 519	0
Write-offs	0	0	0	0	0	-2 875
<b>Loans 31.03./31.12.</b>	<b>62 803</b>	<b>2 100</b>	<b>0</b>	<b>64 903</b>	<b>72 519</b>	<b>64 596</b>

**Note 4 Claims**

NOK MILLIONS	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
Claims paid	6 809	6 206	26 122
Transfers of premium reserves to others	2 456	2 125	2 139
<b>Total claims</b>	<b>9 265</b>	<b>8 331</b>	<b>28 261</b>

**Note 5 Insurance-related operating expenses**

NOK MILLIONS	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
Personnel costs	252	220	882
Depreciation	63	48	224
Other operating expenses	117	109	406
<b>Total insurance-related operating expenses</b>	<b>432</b>	<b>377</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 31. March 2024.

NOK MILLIONS	Q1 2024	Q1 2023	01.01.2023 -31.12.2023
Value adjustment incl. foreign exchange	-347	1 862	-4 422
Foreign exchange effect on hedging	-784	-2 347	-1 969
<b>Net value adjustment incl. exchange hedging</b>	<b>-1 130</b>	<b>-485</b>	<b>-6 391</b>

## Note 7 Pension obligations

NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
Capitalized net liability 01.01.	572	524	524
Capitalized pension costs	34	30	120
Capitalized financial costs	5	5	19
Actuarial gains and losses	-120	-20	88
Premiums / contributions received	-18	-16	-179
<b>Capitalized net liability 31.03. / 31.12.</b>	<b>472</b>	<b>523</b>	<b>572</b>

ASSUMPTIONS	31.03.2024	31.03.2023	31.12.2023
Discount rate	3.45%	3.00%	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 120 million as of 31.03.2024. The change is recognized in "Total other income and expenses that will not be reclassified to profit or loss".

## Note 8 Fair value hierarchy

31.03.2024 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	518	0	518
<i>Bonds</i>	0	7 737	0	7 737
<i>Fixed-income funds</i>	3 349	0	0	3 349
<b>Fixed-income securities</b>	<b>3 349</b>	<b>8 255</b>	<b>0</b>	<b>11 604</b>
<b>Loans and receivables</b>	<b>708</b>	<b>633</b>	<b>0</b>	<b>1 341</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>489</b>	<b>0</b>	<b>489</b>
<b>Other financial assets</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>13</b>
<b>Total corporate portfolio</b>	<b>4 057</b>	<b>9 390</b>	<b>4</b>	<b>13 451</b>
<b>COMMON PORTFOLIO</b>				
<i>Certificates</i>	3 236	2 453	0	5 689
<i>Bonds</i>	19 169	27 646	0	46 816
<i>Fixed-income funds</i>	21 688	11 719	17 954	51 361
<b>Fixed-income securities</b>	<b>44 093</b>	<b>41 818</b>	<b>17 954</b>	<b>103 865</b>
<b>Loans and receivables</b>	<b>12 382</b>	<b>873</b>	<b>0</b>	<b>13 255</b>
<i>Shares</i>	79 675	1 904	5 535	87 115
<i>Equity funds</i>	100 914	0	35	100 949
<i>Property funds</i>	0	2 685	8 183	10 869
<i>Special funds</i>	0	2 612	0	2 612
<i>Private Equity</i>	0	0	45 178	45 178
<b>Shares and units</b>	<b>180 589</b>	<b>7 202</b>	<b>58 932</b>	<b>246 723</b>
<b>Financial derivatives</b>	<b>0</b>	<b>325</b>	<b>0</b>	<b>325</b>
<b>Other financial assets</b>	<b>0</b>	<b>482</b>	<b>0</b>	<b>482</b>
<b>Total common portfolio</b>	<b>237 064</b>	<b>50 701</b>	<b>76 886</b>	<b>364 651</b>

31.03.2024 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<b>INVESTMENT OPTION PORTFOLIO</b>				
<i>Fixed-income funds</i>	248	9	0	257
<b>Fixed-income securities</b>	<b>248</b>	<b>9</b>	<b>0</b>	<b>257</b>
<b>Loans and receivables</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>90</b>
<i>Equity funds</i>	1187	0	0	1187
<i>Property funds</i>	0	0	42	42
<i>Special funds</i>	0	15	0	15
<b>Shares and units</b>	<b>1187</b>	<b>15</b>	<b>42</b>	<b>1244</b>
<b>Financial derivatives</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</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>1525</b>	<b>24</b>	<b>42</b>	<b>1591</b>
<b>Total financial assets valued at fair value</b>	<b>242 647</b>	<b>60 114</b>	<b>76 932</b>	<b>379 692</b>
<b>CORPORATE PORTFOLIO</b>				
Buildings and other real estate	0	0	1301	1301
<b>Total buildings and other real estate</b>	<b>0</b>	<b>0</b>	<b>1301</b>	<b>1301</b>
<b>FINANCIAL LIABILITIES BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
Financial derivatives	0	102	0	102
Debt to credit institutions	468	0	0	468
<b>Total corporate portfolio</b>	<b>468</b>	<b>102</b>	<b>0</b>	<b>570</b>
<b>COMMON PORTFOLIO</b>				
Financial derivatives	0	4 463	0	4 463
Debt to credit institutions	87	0	0	87
<b>Total common portfolio</b>	<b>87</b>	<b>4 463</b>	<b>0</b>	<b>4 550</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
Financial derivatives	0	17	0	17
Debt to credit institutions	11	0	0	11
<b>Total investment option portfolio</b>	<b>11</b>	<b>17</b>	<b>0</b>	<b>28</b>
<b>Total financial liabilities at fair value</b>	<b>566</b>	<b>4 582</b>	<b>0</b>	<b>5 148</b>
<b>31.03.2023</b>				
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	436	0	436
<i>Bonds</i>	0	7 018	0	7 018
<i>Fixed-income funds</i>	3 257	0	0	3 257
<b>Fixed-income securities</b>	<b>3 257</b>	<b>7 454</b>	<b>0</b>	<b>10 710</b>
<b>Loans and receivables</b>	<b>586</b>	<b>710</b>	<b>0</b>	<b>1 296</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>650</b>	<b>0</b>	<b>650</b>
<b>Other financial assets</b>	<b>0</b>	<b>59</b>	<b>0</b>	<b>59</b>
<b>Total corporate portfolio</b>	<b>3 843</b>	<b>8 872</b>	<b>6</b>	<b>12 721</b>
<b>COMMON PORTFOLIO</b>				
<i>Certificates</i>	1 465	1 173	0	2 638
<i>Bonds</i>	19 510	34 454	0	53 964
<i>Fixed-income funds</i>	20 324	10 641	11 149	42 113
<b>Fixed-income securities</b>	<b>41 298</b>	<b>46 268</b>	<b>11 149</b>	<b>98 715</b>
<b>Loans and receivables</b>	<b>13 015</b>	<b>771</b>	<b>0</b>	<b>13 786</b>
<i>Shares</i>	54 942	1 558	3 176	59 676
<i>Equity funds</i>	87 257	0	54	87 311
<i>Property funds</i>	0	2 242	7 745	9 987



31.03.2023 NOK MILLIONS	Level 1	Level 2	Level 3	Total
<i>Special funds</i>	0	2 237	0	2 237
<i>Private Equity</i>	0	0	39 853	39 853
<b>Shares and units</b>	<b>142 199</b>	<b>6 038</b>	<b>50 828</b>	<b>199 065</b>
<b>Financial derivatives</b>	<b>0</b>	<b>329</b>	<b>0</b>	<b>329</b>
<b>Other financial assets</b>	<b>0</b>	<b>12 499</b>	<b>0</b>	<b>12 499</b>
<b>Total common portfolio</b>	<b>196 513</b>	<b>65 905</b>	<b>61 977</b>	<b>324 395</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
<i>Fixed-income funds</i>	219	8	0	228
<b>Fixed-income securities</b>	<b>219</b>	<b>8</b>	<b>0</b>	<b>228</b>
<b>Loans and receivables</b>	<b>113</b>	<b>0</b>	<b>0</b>	<b>113</b>
<i>Equity funds</i>	953	0	0	953
<i>Property funds</i>	0	0	48	48
<i>Special funds</i>	0	13	0	13
<b>Shares and units</b>	<b>953</b>	<b>13</b>	<b>48</b>	<b>1 013</b>
<b>Financial derivatives</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</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>1 286</b>	<b>22</b>	<b>48</b>	<b>1 355</b>
<b>Total financial assets valued at fair value</b>	<b>201 641</b>	<b>74 799</b>	<b>62 031</b>	<b>338 471</b>
<b>CORPORATE PORTFOLIO</b>				
Buildings and other real estate	0	0	1 389	1 389
<b>Total buildings and other real estate</b>	<b>0</b>	<b>0</b>	<b>1 389</b>	<b>1 389</b>
<b>FINANCIAL LIABILITIES BOOKED AT FAIR VALUE</b>				
<b>CORPORATE PORTFOLIO</b>				
Financial derivatives	0	143	0	143
Debt to credit institutions	563	0	0	563
<b>Total corporate portfolio</b>	<b>563</b>	<b>143</b>	<b>0</b>	<b>706</b>
<b>COMMON PORTFOLIO</b>				
Financial derivatives	0	7 143	0	7 143
Debt to credit institutions	272	0	0	272
<b>Total common portfolio</b>	<b>272</b>	<b>7 143</b>	<b>0</b>	<b>7 415</b>
<b>INVESTMENT OPTION PORTFOLIO</b>				
Financial derivatives	0	18	0	18
Debt to credit institutions	16	0	0	16
<b>Total investment option portfolio</b>	<b>16</b>	<b>18</b>	<b>0</b>	<b>35</b>
<b>Total financial liabilities at fair value</b>	<b>851</b>	<b>7 304</b>	<b>0</b>	<b>8 155</b>
<b>31.12.2023</b>				
<b>NOK MILLIONS</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</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>916</b>	<b>219</b>	<b>0</b>	<b>1 135</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>4 261</b>	<b>9 162</b>	<b>4</b>	<b>13 426</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>230 979</b>	<b>68 473</b>	<b>70 173</b>	<b>369 625</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>				
Opening balance 01.01.		4	6	6
Sold		0	0	0
Bought		0	0	0
Unrealised changes		0	0	-2
<b>Closing balance 31.03./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 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
Opening balance 01.01.	3 403	3 262	3 262
Sold	0	0	-43
Bought	1 968	13	84
Unrealised changes	165	-99	100
<b>Closing balance 31.03./31.12.</b>	<b>5 535</b>	<b>3 176</b>	<b>3 403</b>
Realised gains/losses	-1	0	-27

  

Changes in Level 3 equity funds, unlisted COMMON PORTFOLIO	Book value 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
Opening balance 01.01.	37	60	60
Sold	0	0	0
Bought	0	0	0
Unrealised changes	-2	-6	-23
<b>Closing balance 31.03./31.12.</b>	<b>35</b>	<b>54</b>	<b>37</b>
Realised gains/losses	0	0	0

  

Changes in Level 3, private equity and property funds COMMON PORTFOLIO	Book value 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
Opening balance 01.01.	66 687	52 703	52 703
Sold	-1 393	-558	-4 798
Bought	2 539	3 027	15 886
Unrealised changes	3 483	3 574	2 895
<b>Closing balance 31.03./31.12.</b>	<b>71 316</b>	<b>58 747</b>	<b>66 687</b>
Realised gains/losses	405	310	1 844

  

Changes in Level 3, property funds INVESTMENT OPTION PORTFOLIO	Book value 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
Opening balance 01.01.	43	48	48
Sold	-1	-1	-2
Bought	0	0	0
Unrealised changes	0	1	-3
<b>Closing balance 31.03./31.12.</b>	<b>42</b>	<b>48</b>	<b>43</b>
Realised gains/losses	0	0	0

  

Changes in Level 3, investment property CORPORATE PORTFOLIO	Book value 31.03.2024	Book value 31.03.2023	Book value 31.12.2023
Opening balance 01.01.	1 301	1 392	1 392
Sold	0	0	-3
Bought	0	0	0
Unrealised changes	0	10	-50
Other	0	-13	-39
<b>Closing balance 31.03./31.12.</b>	<b>1 301</b>	<b>1 389</b>	<b>1 301</b>
Realised gains/losses	0	0	0
<b>Total level 3</b>	<b>78 233</b>	<b>63 419</b>	<b>71 474</b>

Unrealised changes are reflected in the line «Value changes on investments» in the different portfolios in the income statement.

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 investment property.

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. 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 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 3 912 million as of 31.03.2024 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 1st quarter, NOK 186 million moved from Level 1 to Level 2 and NOK 469 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.

31.03.2024 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	5 624	5 310	63 906	61 021	335	315	69 865	66 646
Accrued not due interest	83	83	954	954	6	6	1 042	1 042
Foreign bonds	15 676	14 981	141 536	134 008	641	603	157 853	149 592
Accrued not due interest	216	216	2 659	2 659	13	13	2 888	2 888
<b>Total fixed-income securities</b>	<b>21 599</b>	<b>20 589</b>	<b>209 054</b>	<b>198 642</b>	<b>995</b>	<b>938</b>	<b>231 648</b>	<b>220 168</b>
OTHER LOANS AND RECEIVABLES								
Secured loans	0	0	2 749	2 663	0	0	2 749	2 663
Lending with public sector guarantee	0	0	75 083	73 652	0	0	75 083	73 652
Loans abroad secured by mortgage and local government guarantee	0	0	5 147	5 188	0	0	5 147	5 188
Accrued not due interest	0	0	760	760	0	0	760	760
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>83 739</b>	<b>82 263</b>	<b>0</b>	<b>0</b>	<b>83 739</b>	<b>82 263</b>
<b>Total financial assets at amortized cost</b>	<b>21 599</b>	<b>20 589</b>	<b>292 794</b>	<b>280 905</b>	<b>995</b>	<b>938</b>	<b>315 387</b>	<b>302 431</b>
<b>ASSETS – AT FAIR VALUE</b>								
EQUITY CAPITAL INSTRUMENTS								
Norwegian shares	4	4	14 516	14 516	0	0	14 520	14 520
Foreign shares	0	0	72 599	72 599	0	0	72 599	72 599
<b>Total shares</b>	<b>4</b>	<b>4</b>	<b>87 115</b>	<b>87 115</b>	<b>0</b>	<b>0</b>	<b>87 119</b>	<b>87 119</b>
Property funds	0	0	10 869	10 869	42	42	10 911	10 911
Norwegian equity funds	0	0	100 518	100 518	1 187	1 187	101 705	101 705
Foreign equity funds	0	0	45 609	45 609	0	0	45 609	45 609
<b>Total equity fund units</b>	<b>0</b>	<b>0</b>	<b>156 996</b>	<b>156 996</b>	<b>1 229</b>	<b>1 229</b>	<b>158 225</b>	<b>158 225</b>
Norwegian alternative investments	0	0	2 612	2 612	15	15	2 627	2 627
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>2 612</b>	<b>2 612</b>	<b>15</b>	<b>15</b>	<b>2 627</b>	<b>2 627</b>
<b>Total shares and units</b>	<b>4</b>	<b>4</b>	<b>246 723</b>	<b>246 723</b>	<b>1 244</b>	<b>1 244</b>	<b>247 970</b>	<b>247 970</b>
DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	7 429	7 429	26 707	26 707	0	0	34 136	34 136
Foreign bonds	245	245	19 612	19 612	0	0	19 857	19 857
Accrued not due interest	62	62	497	497	0	0	559	559
Norwegian fixed-income funds	3 343	3 343	23 108	23 108	256	256	26 708	26 708
Foreign fixed-income funds	0	0	28 173	28 173	0	0	28 173	28 173
Accrued not due interest	6	6	79	79	1	1	86	86
Norwegian certificates	512	512	4 966	4 966	0	0	5 478	5 478
Foreign certificates	0	0	707	707	0	0	707	707
Accrued not due interest	6	6	16	16	0	0	22	22

31.03.2024 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>Fixed income securities</b>	<b>11 604</b>	<b>11 604</b>	<b>103 865</b>	<b>103 865</b>	<b>257</b>	<b>257</b>	<b>115 726</b>	<b>115 726</b>
Norwegian loans and receivables	1 012	1 012	7 397	7 397	20	20	8 430	8 430
Foreign loans and receivables	329	329	5 858	5 858	70	70	6 256	6 256
<b>Total loans and receivables</b>	<b>1 341</b>	<b>1 341</b>	<b>13 255</b>	<b>13 255</b>	<b>90</b>	<b>90</b>	<b>14 686</b>	<b>14 686</b>
DERIVATIVES								
Interest rate swaps	489	489	0	0	0	0	489	489
Share options	0	0	0	0	0	0	0	0
Forward exchange contracts	0	0	325	325	0	0	325	325
<b>Total financial derivatives classified as assets</b>	<b>489</b>	<b>489</b>	<b>325</b>	<b>325</b>	<b>0</b>	<b>0</b>	<b>814</b>	<b>814</b>
OTHER FINANCIAL ASSETS								
<b>Other financial assets</b>	<b>13</b>	<b>13</b>	<b>482</b>	<b>482</b>	<b>0</b>	<b>0</b>	<b>495</b>	<b>495</b>
<b>Total financial assets valued at fair value</b>	<b>13 451</b>	<b>13 451</b>	<b>364 651</b>	<b>364 651</b>	<b>1 591</b>	<b>1 591</b>	<b>379 692</b>	<b>379 692</b>
LIABILITIES								
DERIVATIVES								
Interest rate swaps	0	0	545	545	0	0	545	545
Forward exchange contracts	102	102	3 925	3 925	17	17	4 044	4 044
<b>Total financial derivatives classified as liabilities</b>	<b>102</b>	<b>102</b>	<b>4 470</b>	<b>4 470</b>	<b>17</b>	<b>17</b>	<b>4 589</b>	<b>4 589</b>
SUBORDINATED LOAN CAPITAL								
Subordinated loan capital	3 548	3 533	0	0	0	0	3 548	3 533
Hybrid Tier 1 securities	1 489	1 489	0	0	0	0	1 489	1 489
<b>Total subordinated loan capital etc.</b>	<b>5 038</b>	<b>5 022</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5 038</b>	<b>5 022</b>
LIABILITIES TO CREDIT INSTITUTIONS								
Norwegian call money <sup>1</sup>	0	0	0	0	0	0	0	0
Foreign call money <sup>1</sup>	468	468	87	87	11	11	566	566
<b>Total liabilities to credit institutions</b>	<b>468</b>	<b>468</b>	<b>87</b>	<b>87</b>	<b>11</b>	<b>11</b>	<b>566</b>	<b>566</b>

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

31.03.2023 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	5 683	5 402	59 404	56 764	308	290	65 395	62 456
Accrued not due interest	78	78	832	832	5	5	915	915
Foreign bonds	14 841	14 050	129 943	122 208	630	594	145 415	136 852
Accrued not due interest	195	195	2 116	2 116	11	11	2 322	2 322
<b>Total fixed-income securities</b>	<b>20 796</b>	<b>19 725</b>	<b>192 295</b>	<b>181 919</b>	<b>956</b>	<b>901</b>	<b>214 047</b>	<b>202 545</b>
OTHER LOANS AND RECEIVABLES								
Secured loans	0	0	2 870	2 783	0	0	2 870	2 783
Lending with public sector guarantee	0	0	70 662	69 383	0	0	70 662	69 383
Loans abroad secured by mortgage and local government guarantee	0	0	5 172	5 172	0	0	5 172	5 172
Accrued not due interest	0	0	504	504	0	0	504	504
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>79 209</b>	<b>77 843</b>	<b>0</b>	<b>0</b>	<b>79 209</b>	<b>77 843</b>
<b>Total financial assets at amortized cost</b>	<b>20 796</b>	<b>19 725</b>	<b>271 504</b>	<b>259 762</b>	<b>956</b>	<b>901</b>	<b>293 256</b>	<b>280 388</b>

31.03.2023 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 FAIR VALUE</b>								
EQUITY CAPITAL INSTRUMENTS								
Norwegian shares	6	6	10 888	10 888	0	0	10 894	10 894
Foreign shares	0	0	48 788	48 788	0	0	48 788	48 788
<b>Total shares</b>	<b>6</b>	<b>6</b>	<b>59 676</b>	<b>59 676</b>	<b>0</b>	<b>0</b>	<b>59 682</b>	<b>59 682</b>
Property funds	0	0	9 987	9 987	47	47	10 034	10 034
Norwegian equity funds	0	0	87 021	87 021	953	953	87 975	87 975
Foreign equity funds	0	0	40 143	40 143	0	0	40 143	40 143
<b>Total equity fund units</b>	<b>0</b>	<b>0</b>	<b>137 151</b>	<b>137 151</b>	<b>1 001</b>	<b>1 001</b>	<b>138 152</b>	<b>138 152</b>
Norwegian alternative investments	0	0	2 237	2 237	13	13	2 250	2 250
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>2 237</b>	<b>2 237</b>	<b>13</b>	<b>13</b>	<b>2 250</b>	<b>2 250</b>
<b>Total shares and units</b>	<b>6</b>	<b>6</b>	<b>199 065</b>	<b>199 065</b>	<b>1 013</b>	<b>1 013</b>	<b>200 084</b>	<b>200 084</b>
DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	6 749	6 749	28 296	28 296	0	0	35 045	35 045
Foreign bonds	223	223	25 213	25 213	0	0	25 435	25 435
Accrued not due interest	46	46	455	455	0	0	501	501
Norwegian fixed-income funds	3 250	3 250	21 716	21 716	227	227	25 192	25 192
Foreign fixed-income funds	0	0	20 365	20 365	0	0	20 365	20 365
Accrued not due interest	7	7	32	32	1	1	40	40
Norwegian certificates	432	432	2 167	2 167	0	0	2 599	2 599
Foreign certificates	0	0	456	456	0	0	456	456
Accrued not due interest	4	4	15	15	0	0	19	19
<b>Fixed income securities</b>	<b>10 710</b>	<b>10 710</b>	<b>98 715</b>	<b>98 715</b>	<b>228</b>	<b>228</b>	<b>109 653</b>	<b>109 653</b>
Norwegian loans and receivables	947	947	5 794	5 794	40	40	6 781	6 781
Foreign loans and receivables	349	349	7 993	7 993	74	74	8 415	8 415
<b>Total loans and receivables</b>	<b>1 296</b>	<b>1 296</b>	<b>13 786</b>	<b>13 786</b>	<b>113</b>	<b>113</b>	<b>15 195</b>	<b>15 195</b>
DERIVATIVES								
Interest rate swaps	650	650	84	84	0	0	733	733
Share options	0	0	133	133	0	0	133	133
Forward exchange contracts	0	0	112	112	1	1	113	113
<b>Total financial derivatives classified as assets</b>	<b>650</b>	<b>650</b>	<b>329</b>	<b>329</b>	<b>1</b>	<b>1</b>	<b>980</b>	<b>980</b>
OTHER FINANCIAL ASSETS								
<b>Other financial assets</b>	<b>59</b>	<b>59</b>	<b>12 499</b>	<b>12 499</b>	<b>0</b>	<b>0</b>	<b>12 559</b>	<b>12 559</b>
<b>Total financial assets valued at fair value</b>	<b>12 721</b>	<b>12 721</b>	<b>324 395</b>	<b>324 395</b>	<b>1 355</b>	<b>1 355</b>	<b>338 471</b>	<b>338 471</b>
<b>LIABILITIES</b>								
DERIVATIVES								
Interest rate swaps	0	0	385	385	0	0	385	385
Forward exchange contracts	143	143	6 758	6 758	18	18	6 919	6 919
<b>Total financial derivatives classified as liabilities</b>	<b>143</b>	<b>143</b>	<b>7 143</b>	<b>7 143</b>	<b>18</b>	<b>18</b>	<b>7 304</b>	<b>7 304</b>
SUBORDINATED LOAN CAPITAL								
Subordinated loan capital	3 444	3 345	0	0	0	0	3 444	3 345
Hybrid Tier 1 securities	1 644	1 644	0	0	0	0	1 644	1 644
<b>Total subordinated loan capital etc.</b>	<b>5 088</b>	<b>4 989</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5 088</b>	<b>4 989</b>
LIABILITIES TO CREDIT INSTITUTIONS								
Norwegian call money <sup>1</sup>	0	0	23	23	3	3	26	26
Foreign call money <sup>1</sup>	563	563	249	249	13	13	825	825
<b>Total liabilities to credit institutions</b>	<b>563</b>	<b>563</b>	<b>272</b>	<b>272</b>	<b>16</b>	<b>16</b>	<b>851</b>	<b>851</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
<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	417	417	14 977	14 977	25	25	15 420	15 420
Foreign loans and receivables	718	718	5 811	5 811	77	77	6 606	6 606
<b>Total loans and receivables</b>	<b>1 135</b>	<b>1 135</b>	<b>20 788</b>	<b>20 788</b>	<b>102</b>	<b>102</b>	<b>22 026</b>	<b>22 026</b>
DERIVATIVES								
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>
OTHER FINANCIAL ASSETS								
<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>13 426</b>	<b>13 426</b>	<b>354 711</b>	<b>354 711</b>	<b>1 488</b>	<b>1 488</b>	<b>369 625</b>	<b>369 625</b>



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>LIABILITIES</b>								
DERIVATIVES								
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>
SUBORDINATED LOAN CAPITAL								
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>
LIABILITIES TO CREDIT INSTITUTIONS								
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	31.03.2024	31.03.2023	31.12.2023
<b>RIGHT-OF-USE ASSETS</b>	<b>Property</b>		
Opening balance 01.01.	756	865	865
Depreciation	-27	-27	-108
Deduction	0	0	-2
<b>Closing balance 31.03. / 31.12.</b>	<b>729</b>	<b>838</b>	<b>756</b>

NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
<b>LEASE LIABILITIES</b>	<b>Property</b>		
Opening balance 01.01.	822	920	920
Repayments	-25	-24	-96
Deduction	0	0	-2
<b>Closing balance 31.03. / 31.12.</b>	<b>797</b>	<b>896</b>	<b>822</b>

NOK MILLIONS	1. kvartal 2024	1. kvartal 2023	01.01.2023 -31.12.2023
Interest expense lease liabilities	5	5	21
<b>Interest expense lease liabilities</b>	<b>5</b>	<b>5</b>	<b>21</b>

## Note 11 Liabilities

NOK MILLIONS	31.03.2024	31.03.2023	31.12.2023
Short-term liability securities	269	13 107	729
Advance tax-deduction pension scheme	521	477	577
Accounts payable	80	168	13
Derivatives	4 589	7 304	1 139
Debt to credit institutions	566	851	6 727
Liabilities related to direct insurance	1 913	1 118	1 279
Other liabilities	169	147	44
<b>Total liabilities</b>	<b>8 108</b>	<b>23 172</b>	<b>10 508</b>

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

31.03.2024 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	814	0	814	-319	-545	0	22
<b>Total</b>	<b>814</b>	<b>0</b>	<b>814</b>	<b>-319</b>	<b>-545</b>	<b>0</b>	<b>22</b>
<b>PORTFOLIO ALLOCATION OF ASSETS</b>							
Total assets – common portfolio	325	0	325	-319	-77	0	1
Total assets – corporate portfolio	489	0	489	0	-468	0	21
Total assets – investment option portfolio	0	0	0	0	0	0	0
<b>Total</b>	<b>814</b>	<b>0</b>	<b>814</b>	<b>-319</b>	<b>-545</b>	<b>0</b>	<b>22</b>
<b>LIABILITIES</b>							
Financial derivatives	4 589	0	4 589	-319	-163	-2 780	1 379
<b>Total</b>	<b>4 589</b>	<b>0</b>	<b>4 589</b>	<b>-319</b>	<b>-163</b>	<b>-2 780</b>	<b>1 379</b>
<b>PORTFOLIO ALLOCATION OF LIABILITIES</b>							
Total liabilities – common portfolio	4 470	0	4 470	-319	-93	-2 780	1 308
Total liabilities – corporate portfolio	102	0	102	0	-61	0	56
Total liabilities – investment option portfolio	17	0	17	0	-8	0	15
<b>Total</b>	<b>4 589</b>	<b>0</b>	<b>4 589</b>	<b>-319</b>	<b>-163</b>	<b>-2 780</b>	<b>1 379</b>
<b>31.03.2023</b>							
<b>NOK MILLIONS</b>							
	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	980	0	980	-197	-831	0	220
<b>Total</b>	<b>980</b>	<b>0</b>	<b>980</b>	<b>-197</b>	<b>-831</b>	<b>0</b>	<b>220</b>
<b>PORTFOLIO ALLOCATION OF ASSETS</b>							
Total assets – common portfolio	329	0	329	-196	-260	0	133
Total assets – corporate portfolio	650	0	650	0	-563	0	87
Total assets – investment option portfolio	1	0	1	-1	-8	0	0
<b>Total</b>	<b>980</b>	<b>0</b>	<b>980</b>	<b>-197</b>	<b>-831</b>	<b>0</b>	<b>220</b>
<b>LIABILITIES</b>							
Financial derivatives	7 304	0	7 304	-197	-205	-5 980	1 067
<b>Total</b>	<b>7 304</b>	<b>0</b>	<b>7 304</b>	<b>-197</b>	<b>-205</b>	<b>-5 980</b>	<b>1 067</b>
<b>PORTFOLIO ALLOCATION OF LIABILITIES</b>							
Total liabilities – common portfolio	7 143	0	7 143	-196	-57	-5 980	910
Total liabilities – corporate portfolio	143	0	143	0	-128	0	143
Total liabilities – investment option portfolio	18	0	18	-1	-21	0	14
<b>Total</b>	<b>7 304</b>	<b>0</b>	<b>7 304</b>	<b>-197</b>	<b>-205</b>	<b>-5 980</b>	<b>1 067</b>

31.12.2023 NOK MILLIONS	Gross financial assets/ liabilities	Gross assets/ liabilities presented net	Book value	Financial instruments	Related amounts not presented net		Net amount
					Security in cash	Security in securities	
<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 351 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 351 per cent.

	31.03.2024	31.03.2023	31.12.2023
<b>SOLVENCY II-SCR RATIO</b>	<b>351 %</b>	<b>316 %</b>	<b>346 %</b>

NOK BILLIONS	31.03.2024	31.03.2023	31.12.2023
<b>SIMPLIFIED SOLVENCY II FINANCIAL POSITION STATEMENT</b>			
Assets, book value	803	741	786
Added values - hold-to-maturity portfolio/loans and receivables	-11	-12	-9
Added values - other lending	-1	-1	-1
Other added/lesser values	0	0	0
Deferred tax asset	0	0	0
<b>Total assets - solvency II</b>	<b>790</b>	<b>728</b>	<b>776</b>

NOK BILLIONS	31.03.2024	31.03.2023	31.12.2023
<b>SIMPLIFIED SOLVENCY II FINANCIAL POSITION STATEMENT</b>			
Best estimate	720	643	702
Risk margin	11	12	11
Hybrid Tier 1 securities/Subordinated loan capital	5	5	5
Other liabilities	10	25	12
Deferred tax liabilities	0	0	0
<b>Total liabilities - solvency II</b>	<b>745</b>	<b>686</b>	<b>731</b>
Excess of assets over liabilities	45	42	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>39</b>	<b>42</b>
<b>Total eligible tier 1 own funds</b>	<b>43</b>	<b>39</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	14	13	14
<b>Tier 2 ancillary own funds</b>	<b>14</b>	<b>13</b>	<b>14</b>
Deduction for max. eligible tier 2 own funds	-15	-14	-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>47</b>	<b>50</b>
Market risk	170	128	142
Counterparty risk	3	3	3
Life risk	119	84	113
Diversification	-60	-44	-55
Operational risk	3	3	3
Loss absorbing capacity of technical provisions	-219	-157	-191
Loss absorbing capacity deferred tax	-1	-2	-1
<b>Solvency capital requirement (SCR)</b>	<b>14</b>	<b>15</b>	<b>14</b>
Absolute floor of the MCR	0	0	0
Linear minimum capital requirement (MCR_linear)	2	5	4
Minimum	4	4	4
Maximum	6	7	6
<b>Minimum capital requirement (MCR)</b>	<b>4</b>	<b>5</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>351 %</b>	<b>316 %</b>	<b>346 %</b>

## Contact information

### KLP

Kommunal Landspensjonskasse gjensidig forsikringselskap  
Pb. 400 Sentrum, 0103 Oslo  
Org. nr.: 938 708 606

### Visitors adress

Dronning Eufemias gate 10, Oslo

[klp.no](https://klp.no)

Tlf: 55 54 85 00

[klp.no/kontakt](https://klp.no/kontakt)