



## Annual Report 2020

### Norli Pension Livsforsikring A/S

Tuborg Boulevard 3, 2900 Hellerup

Reg.No.: 29 63 78 73

Reviewed and approved at the Annual General Meeting, April 29, 2021

**Chairman of the Annual General Meeting**

A handwritten signature in blue ink, reading "Gørdi Dane".

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## Management review

### Financial highlights

<i>TDKK</i>	2020	2019	2018	2017	2016
Life insurance premiums	22,059	25,730	26,226	28,406	30,918
Claims and benefits	-355,409	-421,831	-425,731	-231,148	-262,512
Return on investment	160,315	181,679	51,459	-4,390	100,118
Total operating expenses relating to insurance	-21,230	-20,055	-26,302	-21,894	-15,960
Reinsurance result	3,553	3,846	-3,734	9,186	7,787
Technical result	-3,449	-42,557	13,909	-21,766	-58,137
Net profit/(loss) for the year	17,083	-8,524	126,858	-34,737	-45,496
Total provisions for insurance and investment contracts	3,220,373	3,435,851	3,656,143	2,348,753	2,539,690
Total equity	544,684	527,602	536,126	319,268	327,005
Total assets	4,472,549	4,734,190	4,266,287	2,703,644	2,912,266

#### Key figures

Rate of return related to average interest rate products	%	5.5	6.2	1.6	0.2	4.8
Expense ratio on provisions	%	0.6	0.6	0.9	0.9	0.6
Expenses per policyholder	DKK	1,612	1,397	2,133	2,170	1,444
Return on equity after tax	%	3.2	-1.6	27.9	-11.2	-13.0
Solvency coverage ratio	%	229	229	236	214	245

The key ratios are calculated in accordance with the provisions of the Danish Financial Business Act, including the Danish FSA's Executive Order No. 937 of 27 July 2015 on financial reports for insurance companies including later amendments

The acquisition of the portfolio Norli B affects the key figures from 2018 and onwards.

## Norli Pension Livsforsikring A/S 2020

The business model of Norli Pension Livsforsikring A/S ("Norli Pension" or "the Company") is to acquire new portfolios of guaranteed pension policies in run-off or to take over the risk associated with these portfolios through alternative risk transfer arrangements. The Company does not accept new individual customers.

In 2020 the Company's focus has been on the growth through acquisitions. The Company has entered an agreement with a Norwegian Sponsor Company regarding the transfer of their two Norwegian portfolios to Norli Pension. The transfer is expected to be carried out in 2021 upon receipt of regulatory approval.

In order to comply with new regulations Norli Pension is part of the joint Forca project to enhance the calculation methods for the provisions under the solvency regime. The project is set for year-end 2022 and is on track.

The performance in 2020 was affected by developments in the financial markets where Covid-19 led to an extraordinary high level of volatility in the prices of risky assets. Due to the Company's conservative investment strategy, aiming to ensure the funding of its obligations, the Company managed to maintain a high and stable solvency ratio throughout 2020 and a high investment return.

Performance in brief:

- An investment return of DKK 160m net of investment-related expenses and pension investment return tax was realised compared to DKK 182m last year. The return should be viewed in context with the change in the Company's liabilities due to changes in the interest rate and the roll down effect, which stands at DKK 107m. Hence, the Company's total interest rate result is positive by DKK 53m.
- The insurance result is negatively influenced by the update of market value parameters amounting to an increase in liabilities of DKK 18m. Furthermore, the observed surrenders in 2020 was lower than expected. This combined with the administration result has contributed negatively.
- As expected, total premiums earned decreased in 2020. The decrease was 14% compared to 2019. The Company realised a profit of DKK 17m after tax. Tax on profit for the year amounted to DKK -5m. The result is considered very satisfying in a year without addition of new portfolios.

## Financial performance for the year

Norli Pension's pre-tax profit amounts to DKK 22m for 2020 compared to a pre-tax loss of DKK 11m for 2019. Net profit stands at DKK 17m for 2020 compared to a net loss of DKK 9m for 2019. The sources of the net result is illustrated in the table below:

DKK'm	2020	2019
Interest rate result	53	-14
Insurance result	-29	27
Other income / expenses	-2	0
Income tax	-5	2
Profit/loss for the year after tax	17	-9

*Interest rate result:* Difference between the return on assets and the amount allocated to customers by way of the deposit interest rate as well as changes in market value adjustment regarding the interest rate element.

*Insurance result:* Risk and expense result including changes in the market value adjustment regarding these elements.

## Comments on the income statement

The Company's interest rate result for the financial year 2020 was positive while the risk and administration results were negative.

The interest rate result was DKK 53m. The main contributor was return on the asset portfolio as described below.



The risk result amounted to DKK -6m. The negative result is primarily driving by a decrease in surrenders.

The administration result regarding the existing portfolio was DKK -4m.

Changes in market value parameters influenced the insurance result by DKK -18m.

Expenses related to the acquisition of the Norwegian portfolios amounted to DKK 2m, which directly affects the equity.

The result is considered to be very satisfying.

## Gross premiums

In 2020, gross premiums amounted to DKK 22m against DKK 26m in 2019. Hence, gross premiums went down by 14%, which was expected since the portfolio is in run-off.

## Investment return

The investment return for 2020 net of related expenses and pension investment return tax amounted to DKK 160m before tax. The return reflects decreasing interest rates over the year and that the credit risk of the investment portfolio increased moderately through the course of 2020.

The year was characterised by an extraordinary high level of volatility in the prices of risky assets due to the impact of the Covid-19 pandemic. The pandemic caused sudden and very significant price declines in March. Prices on risky assets have, to a large extent, recovered since then, and in some markets increased over the year. During the year, long-term swap interest rates in Denmark and the Eurozone decreased by around 0.4 percentage points. European investment grade credit spreads were more or less unchanged, and the level of high yield credit spread increased by some 0.4 percentage points. The Company achieved a positive result on bonds with low credit risk, on credit assets and on its interest-rate hedging instruments.

## Insurance benefits

Benefits paid amounted to DKK 355m in 2020, 16% down compared to 2019.

## Life insurance provisions

The update of market value parameters caused a DKK 18m increase in life insurance provisions. Total insurance provisions at year-end is DKK 3,220m, a drop of 6% compared to 2019.

## Insurance operating expenses

Insurance operating expenses for 2020 amounted to DKK 21m, up 6% compared to DKK 20m in 2019. This was expected as the insurance operating expenses was positively affected by one-off effects in 2019 of DKK 1m.

## Comments on the balance sheet

The balance sheet decreased from DKK 4,734m at year-end 2019 to DKK 4,473m for the reporting year. Provisions for insurance and investment contracts totalled DKK 3,220m at year-end 2020 against DKK 3,436m in 2019. The decreases are in line with the expected development for a portfolio in run-off.

Equity amounted to DKK 545m at year-end 2020 compared to DKK 528m in 2019. The increase is due to the end-year profit.

## Solvency statement and capital requirement

As of 31 December 2020, the solvency ratio was 229%, which is unchanged from 31 December 2019.

Compared to the capital requirement the Company continues to have a solid excess capital.

The Company calculates the solvency ratio in accordance with the Solvency II rules. To determine its risk exposure, the Company uses the Solvency II standard formula.

Norli Pension, solvency according to the Solvency II rules		
DKK'm	31.12.2020	31.12.2019
Capital base	544	526
Solvency requirement	238	229
Excess capital base relative to solvency requirement	306	297

## Five-year summary of solvency ratios

		2020	2019	2018	2017	2016
Solvency ratio	%	229	229	236	214	245

## Financial and insurance related risks

### Risk management

Risk management is an integrated part of Norli Pensions business. To ensure the best possible risk management system, roles and responsibilities are clearly defined. The Board of Directors considers downside risks in all strategic or other decisions made by the Board. The CEO of Norli Pension manage risks in every aspect under the guidelines and responsibility given by the Board. This responsibility includes the overall management of risks as well as ensuring the implementation and management of an effective and prudent internal system of control. The CEO have established a risk management function and have appointed a fit and proper key person in charge of the function. The risk management function develops and maintains the risk management system and ensures that all risks is identified, reported and managed.

To ensure a solid foundation for risk management and control and overall compliance, the Company maintains two central committees: a Risk and Compliance Committee (RCK) and a Financial Risk Committee (FRK). The first committee, RCK, meets four times a year and identifies and assess risks within the Company business areas. The assessment is performed by the person responsible for the business area together with the risk and compliance functions and in full cooperation with the internal audit function. The committee assesses changes in regulation, incidents and appropriateness of the internal system of control. The second committee, FRK, monitors financial risk and risks with a substantial financial impact. The committee also evaluates on reporting done by a subcommittee, the Credit Risk Committee. The FRK reports regularly to the Board of Directors of its assessments.

### Financial Risks

The main financial risks of Norli Pension are mainly related to uncertainty in the asset-liability matching, i.e. the uncertainty in the development of the value of the Company's investment assets relative to the development of the value of its liabilities. The Company hedges the financial risks of its liabilities using e.g. financial instruments.

Similar to 2019, monitoring and management of financial risks were a focus area in 2020. On the asset side, the focus was on monitoring and management of the impact of the Covid 19-pandemic on the investment assets. On the liability side, the focus was among other things on monitoring and management of the impact of changes in the level of interest rates and the volatility adjustment.



Through the course of 2020, the exposure to credit risk increased moderately.

## Risks Regarding benefits and expenses

Norli Pension is exposed to the risk associated with the uncertainty of the future benefits and administration expenses. Examples of the risks associated with the future benefits include an increase in the number of claims in relation to disability and a decrease in the policyholders utilizing their surrender option. For the administration expenses the risk stems from the situation where the realized administration expenses turn out to be higher than expected.

Norli Pension's expectations to future benefits and expenses are embedded in the provisions. The provisions are based on biometric assumptions, as well as policyholder behaviour and expense assumptions. An analysis of the assumptions is performed at least once a year.

Norli Pension has a reinsurance program that protects the Company against large single claims as well as multiple claims due to a single event.

Norli Pension is subject to Danish rules concerning contribution under which the Company makes sure, that no systemic redistribution of funds among policyholders occurs. The policyholders in Norli Pension are divided into interest groups. Within each group the average interest rate per policy can differ by no more than one percentage point. Furthermore, the policies are divided in two groups regarding insurance risk as well as two groups regarding expenses.

## Investments

### Development in Financial Markets

The main driver of the development in the financial markets in 2020 was the Covid 19 pandemic. The pandemic caused a global emergency. In order to reduce the health impact of the pandemic, Denmark and many other countries implemented the first lockdowns during the spring. The consequence of the lockdowns was a decrease in economic activity without precedence and a corresponding increase in unemployment.

The consequence for financial markets was extraordinary volatility in the prices of risky assets such as shares or corporate debt obligations with sudden and very significant price declines in risky assets in March. Following the announcement by governments and central banks of fiscal and monetary stimulus packages of an unprecedented scale and a gradual re-opening of many countries after the first lockdowns, prices of risky assets recovered to a large extent.

The recovery of asset prices continued through the autumn despite new lockdowns in some countries and in some markets, prices increased over the year. This was to a large extent based on market expectations of a rapid development, approval and production of new efficient vaccines without significant side effects. In addition, the development in the last part of the year was supported by a reduction of political risk. The main events were the relatively clear result of the presidential election in the US and the expectation of an agreement between EU and the UK about a trade and cooperation agreement which was signed just before the year-end.

Due to the development in credit spreads, the level of the volatility adjustment was also extraordinary volatile during the year, but it ended the year close to unchanged.

Overall, the development in financial markets have along with a moderate increase in credit risk through the course of 2020 contributed to a positive result in the investment portfolio and also a positive interest rate result.

### Investment Policy

The management of the investment portfolio and the overall asset allocation of Norli Pension is governed by policies issued by the Board of Directors of Norli Pension. In addition, the Board of Directors has issued a policy for responsible investments to ensure that the Company takes ESG (environmental, social and governance) aspects into account in connection with its investment activities.

The primary aim of the Company's investment activities is to ensure that Norli Pension is able to satisfy its obligations of a guaranteed return towards its policyholders.

## Investment strategy and return

The objective of the Company's investment strategy is generally for the investment portfolio to achieve a return that is consistent with the development in its obligations towards its policyholders. Interest rate hedging is applied to ensure that life insurance provisions are hedged against interest rate fluctuations. The assets in the investment portfolio are primarily invested in bonds with low credit risk and credit assets whereas interest rate derivatives are used to manage the interest rate risk.

In 2020, Norli Pension's total investment return inclusive of hedging activities was 5.1% respectively 4.2% (gross respectively net of investment-related expenses and pension investment returns tax).

The asset portfolio's contribution to the return was 1.6% while the contribution of the hedging the interest rate risk of the Company's liabilities was 3.1%. The contribution of the hedging of second order effects was 0.3%.

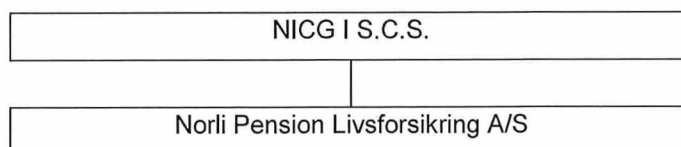
Going forward Norli Pension intends to continue to use financial instruments to hedge financial risks.

The table below shows the interrelationship between the investment return and the interest rate on policyholders' savings. It illustrates how the deposit interest rate arises from the investment return and the accompanying adjustments, payments and transfers:

Investment return	Interest rate on policyholders' savings
Investment return before pension investment returns tax and before investment expenses	5.1%
Investment expenses	-0.5%
Pension investment returns tax	-0.7%
Payment to shareholders	-0.4%
Risk and administration expense result	-0.3%
Transfer to/from shadow account	-0.8%
Transfer to/from bonus potential of paid-up policies	0.0%
Adjustment of additional provisions	-2.5%
Deposit interest rate before guaranteed payment	0.0%
Guaranteed payment	0.0%
Deposit interest rate after guaranteed payment	0.0%

## Organization

### Overview of the companies within the group



NICG I S.C.S., Luxembourg possess Norli Pension. The voting rights in NICG I S.C.S. are held by NICG GP Sarl, Luxembourg, which company is fully owned by Thomas Vinge Hansen. The financial rights of NICG I S.C.S. are held by the ultimate beneficial owners Dan Friis (21.45%), Michael Starup Skovgaard (12.87%) and Allan Warburg (12.87%), while the remaining part of the financial rights, amounting to 52.81%, is held by minor shareholders not holding a qualified part of the company.



Norli Pension outsources all operational insurance activities, the compliance function, the actuarial function and the risk management function to its outsourcing partner, Forca A/S. Norli Pension outsources the internal audit function to KPMG. Please note, that Norli Pension does not outsource the ultimate responsibility, as all key persons are employed by Norli Pension.

Furthermore, Norli Pension has outsourced the management of its portfolio of mortgage bonds to an external asset manager.

## Management and employees

At the end of 2020, Norli Pension had 6 full time employees and 3 part time employees.

Norli Pension has approved a bonus program and a remuneration policy. The bonus program applies to certain key persons and the management. The bonus program is compliant with market standards.

The remuneration policy is established by the Board of Directors and afterwards approved by the Annual Meeting. The remuneration policy applies to the Board of Directors, the management and to employees, if the activity performed by the employees have a significant influence on the risk profile of Norli Pension, i.e. significant risk takers, including employees in control functions. For the management applies that the variable pay may constitute up to 50% of the basic pay including pension contribution. For significant risk takers the variable pay may constitute up to 100% of the basic pay including pension contribution. It also applies that as a minimum 50% of the variable pay must consist of subordinated debt. For the management the payment of 40% of variable pay must be postponed for a four years period, for significant risk takers the duration of the postponement is three years. However, if the variable pay to a significant risk surpasses a certain amount, 60% of the variable pay must be postponed for a four-year period.

## Gender composition of the Board of Directors and management

For the time being, the gender composition of Board of Directors causes a representation of 40% of the underrepresented gender. It is the intention of Norli Pension to maintain this composition.

The management consists of only one member, and therefore Norli Pension cannot obtain a gender diversity on the management level.

## Board of Directors

During 2020 the Board of Directors has consisted of Mads G. Jakobsen, Marianne Philip, Tore B. Ellingsen, Nina Christensen and Henrik Bernhardt. Mads G. Jakobsen is appointed chairman of the Board of Directors, while Marianne Philip is appointed deputy chairman.

All members of the Board of Directors are elected every year on the ordinary annual meeting, and the majority of the members of the Board of Directors fulfil the requirements of independency.

During 2020 the Board of Directors has held 11 board meetings. Four of these meetings were ordinary meetings, the remaining meetings were extra ordinary meetings, due to either the acquisition of the Norwegian portfolios or possible new investments. Three meetings have been held as physical meetings, while the remaining meetings were held as online meetings. At 9 meetings all members were present, while 4 members were present at the remaining 2 meetings.

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

## Audit and Risk Committee

During 2020 the Audit and Risk Committee has consisted of Tore B. Ellingsen, Nina Christensen and Henrik Bernhardt. Tore B. Ellingsen is appointed chairman of the Audit and Risk Committee. Nina Christensen was in December 2020 appointed deputy chairman of the Audit and Risk Committee.



In accordance with legislation in force (in Danish "Revisorloven"), at least one member of the audit committee must be independent of the company and must have skills within the area of accounting or auditing. The Board of Directors has appointed Tore B. Ellingsen, who is independent of the Norli Pension. Tore B. Ellingsen has held positions as managing director in numerous different financial companies. In addition, he has also been a part the management of an insurance and reinsurance company. Tore B. Ellingsen has through these positions obtained qualifications which qualifies him to submit accounts in financial companies.

The main tasks of the Audit and Risk Committee is to report to the Board of Directors the result of the audit required by law, to supervise the financial reporting process, to supervise the internal audit reporting and the risk reporting in order to ensure the effectiveness hereof in relation to the financial reporting, to ensure and supervise the independency of the auditors elected by the general meeting and to be responsible for the procedure of electing and nominating the auditors to be elected by the general meeting.

Meetings are held in the Audit and Risk Committee prior to ordinary board meetings in Q1, Q2 and Q4. The agenda of the Audit and Risk Committee meetings follow the plan adopted by the Board of Directors.

During 2020 all meetings, in which all members of the Audit and Risk Committee have attended, have been held as online meetings due to Covid-19 pandemic.

## Corporate social responsibility

For Norli Pension corporate social responsibility is important and to fulfil any obligations in this regard, corporate social responsibility is an integrated part of Norli Pension's day-to-day business. Norli Pension has prepared corporate social responsibility principles, which are documented at the webpage: <https://www.norlipension.dk/om-os/sadan-arbejder-vi-ii/cr/>

As it has also been the case during the last years, Norli Pension has had focus on the employees during 2020, especially during the lockdowns due to the Covid-19 pandemic. As the rest of the financial sector, all Norli Pension employees have worked from home during long periods of 2020. To ensure the health of the employees, online meetings have been held every workday during the lockdowns. Further, the management has held 1:1 with all employees during which all kind of topics have been discussed. The management has given the employees the possibility to equip their home offices to fulfil the work environment legislation. The management has also completed the yearly workplace assessment. No serious issues were uncovered by this assessment.

During 2020, the second wave of "Mee-too" hit Denmark, and even though Norli Pension has no challenges in this regard, the management has introduced the employees to "Guidelines to prevent harassments" according to which is has been emphasized that no kind of harassments what so ever are tolerated. During 2020 a whistle-blower scheme has been prepared to make it possible to make an anonymously reporting, in case anything like this should ever happen in Norli Pension.

The environment is also a very important issue for Norli Pension, and therefore Norli Pension is very pleased, that its landlord has a strategy in order to reduce CO2 emissions, for example by establishing sun screens which during the years to come will contribute to a reduction of the energy consumption which will end up in a reduction of CO2, coinciding to 21.500 kg, and by the landlord providing that food served to the employees mainly consists of organic food.

The Board of Directors has altered Norli Pension's policy relating to Environment, Social and Governance, in order to ensures that Norli Pension when making investments takes certain criteria into consideration which will ensure sustainability, for instance when fund investments are made ESG is part of the selection parameter. In this regard it must be noted that the Company does not make any investments in shares meaning that the Company cannot influence the CSR through active ownership.

During 2020 Norli Pension has improved internal processes to prevent any kind of money laundering, and as such Norli Pension considers itself to be a low-risk money laundering company.

## Events subsequent to 31 December 2020

In 2021 the Company has obtained the approval of the Danish Financial Supervisor to establish a Norwegian branch for the take-over of Norwegian portfolios. Hence, the transfer of the Norwegian portfolios governed by the agreement signed in 2020 awaits the approval of the Norwegian supervisor only.

No other events have occurred between 31 December 2020 and the date of the signing of this financial statement that, in the opinion of the management, will materially affect Norli Pensions financial position.

## Outlook for 2021

As Norli Pension's insurance portfolio is in run-off, the premiums and provisions related to the current insurance portfolio are expected to decrease. In addition to the current portfolio Norli Pension expects the addition of two Norwegian portfolios covered by the agreement signed in 2020. The portfolio transfer awaits the acceptance from the Norwegian Financial Supervisor.

The Company expects to gradually increase the credit exposure which is expected to contribute positively to the interest rate result.

The Company expects a positive result for 2021. The result is expected to be driven by a positive investment result, whereas the insurance result on a market value basis is expected to balance around 0.

## Directorships and executive positions

### Management

Mikkel Dahl

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### Board of Directors

#### Mads Jakobsen

Chairman of the Board in Fondsmæglerselskabet SRV Capital A/S

Chairman of the Board in Risika A/S

Chairman of the Board in PP Capital A/S and PP Capital Holding A/S

Board member in Commute ApS

#### Marianne Philip

Chairman of the Board in Gerda og Victor B. Strands Fond

Chairman of the Board in Gerda og Victor B. Strand Holding A/S

Deputy Chairman of the Board in Bitten og Mads Clausens Fond

Chairman of the Board in Nordea Invest

Deputy Chairman of the Board in BioInnovation Institute Fonden og BII Holding A/S

Deputy Chairman of the Board in LIFE Fonden og LIFE A/S

Deputy Chairman of the Board in Danmarks Genopretningsfond A/S

Deputy Chairman of the Board in Nordea Funds OY

Deputy Chairman of the Board in Novo Nordisk Fonden

Chairman of the Board in Copenhagen Capacity

Board member in Brenntag Nordic A/S, Aktieselskabet af 1. januar 1987

Board member in Codan A/S, Codan Forsikring A/S, including chairman of the Nomination & Remuneration Committee and member of the Audit & Risk Committee

Board member in Kirsten og Peter Bangs Fond

Chairman of the Board in Bestyrelsesforeningens Center for Cyberkompetencer A/S

Board member in Axcelfuture

Chairman of the Komitéen for god Fondsledelse

Partner in Kromann Reumert and Adj. Professor

**Tore Ellingsen**

Managing Partner in inea GmbH  
Chairman of the Board i Gabler AS

**Nina Christensen**

Board member in FPension A/S  
CEO in Utilis Consult

**Henrik Bernhardt**

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## Information of the Company

Information of the Company	
Name	Norli Pension Livsforsikring A/S
Address	Tuborg Boulevard 3 DK – 2900 Hellerup
Main phone	+45 70 12 12 24
Reg.No.	29 63 78 73
Webpage	<a href="http://www.norlipension.dk">www.norlipension.dk</a>
e-mail	<a href="mailto:norlipension@norlipension.dk">norlipension@norlipension.dk</a>
Accounting period	1/1 – 31/12
Municipality	Gentofte
Board of Directors	
	Mads Guttorm Jakobsen
	Marianne Philip
	Henrik Bernhardt
	Tore Birger Ellingsen
	Nina Christensen
Management	
	Mikkel Hindkær Dahl
Auditors elected by the general meeting	
	Deloitte
	Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 DK - 2300 København S
Shareholder	
	100% NICG I S.C.S, Luxembourg

# Statement by the management on the annual report

## Management statement

The Board of Directors and the management have today considered and approved the financial report for the financial year 1 January – 31 December 2020 regarding Norli Pension Livsforsikring A/S.

The financial report is presented in accordance with the Danish Financial Business Act.

It is the opinion of the Board of Directors and the management, that the financial statements give a true and fair view of the financial position of Norli Pension at 31 December 2020 and of its financial performance for the financial year 1 January – 31 December 2020. It is also the opinion of the Board of Directors and the management, that the management's review gives a true and fair view of the development in Norli Pension's activities and financial position and describes the major risks and uncertainties which Norli Pension is facing.

The financial report is presented for the general annual meeting for adoption.

Copenhagen, 7. April 2021

## Management

Mikkel Hindkær Dahl  
CEO

## Board of Directors

Mads Guttorm Jakobsen  
(Chairman)

Marianne Philip  
(Deputy Chairman)

Henrik Bernhardt

Tore Birger Ellingsen

Nina Christensen



# Independent auditor's report

## To the shareholder of Norli Pension Livsforsikring A/S

### Opinion

We have audited the financial statements of Norli Pension Livsforsikring A/S for the financial year 01.01.2020 to 31.12.2020, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Business Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2020 and of its financial performance for the financial year 01.01.2020 to 31.12.2020 in accordance with the Danish Financial Business Act.

Our opinion is consistent with our audit book comments issued to the Audit Committee and the Board of Directors.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's responsibilities for the audit of the financial statements* section of this auditor's report. We are independent of the Company in accordance with the IESBA Code of Ethics for Professional Accountants and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, we have not provided any prohibited non-audit services as referred to in Article 5(1) of Regulation (EU) No 537/2014.

We were appointed auditors of Norli Pension Livsforsikring A/S for the first time on 12.04.2012 for the financial year 2012. We have been reappointed annually by decision of the general meeting for a total contiguous engagement period of 9 years up to and including the financial year 2020

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 01.01.2020 to 31.12.2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of provisions for insurance and investment contracts	
Key Audit Matter	<p>Provisions for insurance and investment contracts amount to DKK 3,220,373 at 31.12.2020. We have estimated that the measurement of provisions for insurance and investment contracts is a key audit matter of the audit, as this measurement is characterised by management estimates and great complexity, including assumptions about future events, methods and models. Changes in management estimates and methods and models used may have a significant impact on the measurement of provisions for insurance and investment contracts.</p> <p>Key management estimates and assumptions include:</p> <ul style="list-style-type: none"> <li>• Determination of risk and profit margin</li> <li>• Determination of life expectancy</li> <li>• Determination of frequencies of invalidity and reactivation</li> <li>• Determination of expectations for repurchase probabilities</li> <li>• Determination of expectations for future costs and income.</li> </ul> <p>Management has described in detail the principles and assumptions underlying the calculation of provisions for insurance and investment contracts in the summary of significant accounting policies and in note 7 "Life insurance provisions".</p>
How the matters were addressed in our audit	<p>Based on our risk assessment, we have audited Management's measurement of provisions for insurance and investment contracts.</p> <p>Our audit procedures included the following elements, where we also made use of our internationally qualified actuaries:</p> <ul style="list-style-type: none"> <li>• Assessment and testing of key controls regarding Management's determination of assumptions, including whether key controls have been designed and implemented appropriately and whether they have been effective during the financial year.</li> <li>• Assessment of the invalidity and mortality intensities used and the probabilities for reactivation in relation to historical data and market practice.</li> <li>• Assessment of assumptions used, methods and models in relation to generally accepted actuarial standards, historical developments and trends.</li> <li>• Sample testing of the accuracy and completeness of the underlying data and a sample review of actuarial calculations and models.</li> <li>• Based on the company's analyses, we have assessed the development of provisions for insurance and investment contracts, including the development in the run-off result.</li> </ul>

## Management's responsibilities for the financial statements

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

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

## Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in the preparation of the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

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

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

## Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Business Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Business Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 7. April 2021

## Deloitte

Statsautoriseret Revisionspartnerselskab

Business Registration No 33 96 35 56

## Kasper Bruhn Udam

State-Authorised Public Accountant  
MNE No. 29421

## Michael Thorø Larsen

State-Authorised Public Accountant  
MNE No. 35823

# Financial statement

## Income statement & Other comprehensive income

Note	TDKK	2020	2019
2	Gross premiums	22,059	25,730
3	Ceded insurance premiums	-1,677	-1,963
	<b>Total premiums, net of reinsurance</b>	<b>20,381</b>	<b>23,768</b>
4	Interest income and dividends, etc.	65,581	57,202
5	Value adjustments	129,298	170,080
	Interest expenses	-1,537	-977
	Administrative expenses related to investment activities	-13,274	-12,351
	<b>Total investment return</b>	<b>180,067</b>	<b>213,953</b>
	<b>Tax on investment returns benefitting policyholders ("PAL")</b>	<b>-19,752</b>	<b>-32,274</b>
6	Claims and benefits paid	-355,409	-421,831
3	Reinsurers' share received	3,509	9,749
	<b>Total claims and benefits, net of reinsurance</b>	<b>-351,900</b>	<b>-412,082</b>
7	Change in life insurance provisions	215,469	220,297
3.8	Change in reinsurers' share	1,721	-3,940
	<b>Total change in life insurance provisions, net of reinsurance</b>	<b>217,190</b>	<b>216,357</b>
	Administrative expenses	-21,230	-20,055
9	<b>Total insurance operating expenses, net of reinsurance</b>	<b>-21,230</b>	<b>-20,055</b>
	<b>Transferred investment return</b>	<b>-28,206</b>	<b>-32,224</b>
	<b>TECHNICAL RESULTAT</b>	<b>-3,449</b>	<b>-42,557</b>
10	Technical result of health and accident insurance	-913	-578
	<b>Investment return on equity</b>	<b>28,200</b>	<b>32,216</b>
11	<b>Other expenses</b>	<b>-1,935</b>	<b>0</b>
	<b>PROFIT BEFORE TAX</b>	<b>21,903</b>	<b>-10,919</b>
12	<b>Tax</b>	<b>-4,820</b>	<b>2,395</b>
	<b>NET PROFIT FOR THE YEAR</b>	<b>17,083</b>	<b>-8,524</b>
	<b>NET PROFIT FOR THE YEAR</b>	<b>17,083</b>	<b>-8,524</b>
	<b>NET COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>17,083</b>	<b>-8,524</b>



## Balance sheet

### Assets

Note	TDKK	2020	2019
13	Intangible assets	716	1,670
	Bonds	3,143,358	3,398,791
	Equity investments	261,934	172,719
	Deposits with credit institutions	52,262	74,742
	Other loans	271,381	271,381
	Other	459,005	456,887
	<b>Total other financial investment assets</b>	<b>4,187,939</b>	<b>4,374,519</b>
	<b>TOTAL INVESTMENT ASSETS</b>	<b>4,187,939</b>	<b>4,374,519</b>
8	Life insurance provisions, reinsurers' share	21,367	19,646
	<b>Total technical provisions, reinsurer' share</b>	<b>21,367</b>	<b>19,646</b>
	Receivables from policyholders	8	25
	Receivables from insurance companies	9,574	7,467
	Other receivables	150,620	214,808
	<b>TOTAL RECEIVABLES</b>	<b>160,202</b>	<b>222,301</b>
	Current tax assets	4,742	0
	Current tax assets on investment returns ("PAL")	14,877	22,737
	Cash and cash equivalents	36,069	35,112
14	Deferred tax assets	1,800	5,363
	<b>TOTAL OTHER ASSETS</b>	<b>57,489</b>	<b>63,212</b>
	Accrued interest and rent	36,211	43,872
	Other prepayments and accrued income	8,625	8,970
	<b>TOTAL PREPAYMENTS AND ACCRUED INCOME</b>	<b>44,837</b>	<b>52,843</b>
	<b>TOTAL ASSETS</b>	<b>4,472,549</b>	<b>4,734,190</b>

## Balance sheet

### Liabilities and equity

Note	TDKK	2020	2019
15	Sharecapital	90,008	90,008
16	Share premium account	421,992	421,992
17	Profit carried forward	32,684	15,602
18	<b>TOTAL SHAREHOLDERS EQUITY</b>	<b>544,684</b>	<b>527,602</b>
7	Life insurance provisions	3,220,231	3,435,699
	<b>Total life insurance provisions</b>	<b>3,220,231</b>	<b>3,435,699</b>
	Provisions for claims	131	140
	Risk margin on non-life insurance contracts	11	12
	<b>TOTAL PROVISIONS FOR INSURANCE AND INVESTMENT CONTRACTS</b>	<b>3,220,373</b>	<b>3,435,851</b>
	Amounts owed to credit institutions	295,507	192,042
	Amounts owed direct insurance	348	278
	Derivative financial instruments	160,131	261,893
	Current tax liabilities	1,440	3,218
	Other debt	250,000	313,234
19	<b>TOTAL DEBTS</b>	<b>707,427</b>	<b>770,667</b>
	<b>ACCRUALS AND DEFERRED INCOME</b>	<b>64</b>	<b>70</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4,472,549</b>	<b>4,734,190</b>

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## Statement of capital

TDKK	Share capital	Retained earnings	Proposed dividend	Total
Shareholders' equity at 31 December 2018	90,008	446,118	0	536,126
Capital injection	0	0		0
Total comprehensive income		-8,524	0	-8,524
Shareholders' equity at 31 December 2019	90,008	437,594	0	527,602
Capital injection				0
Total comprehensive income		17,083	0	17,083
<b>Shareholders' equity at 31 December 2020</b>	<b>90,008</b>	<b>454,676</b>	<b>0</b>	<b>544,684</b>

Capital base	31.12.2020	31.12.2019
Shareholders' equity	544,684	527,602
Intangible assets	-716	-1,670
<b>Capital base</b>	<b>543,969</b>	<b>525,932</b>

## Notes

### Note 1

## Significant accounting policies

### General

The financial statements of Norli Pension Livsforsikring A/S are presented in accordance with the provisions of the Danish Financial Business Act, including the Danish FSA's Executive Order No. 937 of 27 July 2015 on financial reports for insurance companies and multi-employer occupational pension funds and Amending Executive Order No. 688 of 1 June 2016, in force from 1 July 2016, executive order No. 1442 of 3 December 2018, and executive order No. 1592 of 9 November 2020.

Summary of significant accounting policies is unchanged compared to the 2019 annual report.

The annual report is the first annual report prepared in English, which will also be the language for future annual reports.

### Change in accounting estimates

For the calculation of life insurance provisions for 2020, the Danish Financial Supervisory Authority's updated longevity benchmark has been used, where both the observed present mortality rate and the expected improvements in longevity were updated in relation to the 2019 assumptions.

The benchmark update for the year has resulted in a drop in life expectancy which has resulted in a decrease in life insurance provisions of approximately DKK 2m.

Further updates of market value assumptions have contributed to an increase in life insurance provisions of approximately DKK 20m.

### Significant accounting estimates and judgments

Managements estimates and judgments of future events that will significantly affect the carrying amounts of assets and liabilities underlie the preparation of the financial statements. The estimates and judgments that are deemed to be most critical to the consolidated financial statements are:

- the measurement of liabilities under insurance contracts
- the fair value measurement of financial instruments
- the fair value measurement of unlisted instruments
- intangible assets

### Measurement of liabilities under insurance contracts

Liabilities under insurance contracts are measured in accordance with the rules of the Danish executive order on financial reports presented by insurance companies. Calculations of liabilities under insurance contracts are based on a number of actuarial computations that rely on assumptions about a number of variables, including mortality and disability rates.

Insurance liabilities are calculated by discounting the expected future benefits to their present values. For life insurance, the expected future benefits are based on expected future mortality rates and frequency of early release of pensions and conversions into paid-up policies. For health and accident insurance, the insurance obligations are calculated on the basis of expected future recoveries and re-openings of old claims. Estimates of future mortality rates are based on the Danish FSA's benchmark.



## Fair value measurement of financial instruments

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

Measurements of financial instruments that are only to a limited extent based on observable market data are subject to estimates. This includes the measurement of certain listed shareholdings and certain bonds for which there is no active market. See Financial investment assets below for a more detailed description.

## Fair value measurement of unlisted instruments

Unlisted investments are valued on the basis of reporting and other information from the individual company and observable market data of companies with a similar risk profile. Unlisted funds are valued on the basis of valuations received from the fund manager, other reporting received from the fund manager, information from other sources and/or observable market data of assets with a similar risk profile.

Unlisted instruments are measured at fair value on the balance sheet date.

## Intangible assets

Acquired computer software licences are capitalised on the basis of the costs incidental to acquiring and bringing to use the specific software. The costs are amortised based on an estimated economic lifetime, usually 3-5 years. The amortisation basis is reduced by any impairment and write-downs.

## General principles of recognition and measurement

Assets are recognised in the statement of financial position when it is probable that future economic benefits will flow to the Company, and the value of such assets can be measured reliably.

Liabilities are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of such liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost, with the exception of financial assets, which are recognised at fair value. Measurement after initial recognition is affected as described below for each item. Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the statement of financial position date are considered at recognition and measurement.

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

## Currency

The presentation currency of the financial statements is Danish kroner, which is the functional currency of Norli Pension.

Transactions in foreign currency are translated at the exchange rate of the unit's functional currency at the transaction date. Monetary assets and liabilities in foreign currency are translated at the exchange rates at the balance sheet date.

Gains and losses on exchange rate differences arising between the transaction date and the settlement date are recognised in the income statement.



## Contribution

In accordance with the Executive Order on the Contribution Principle, the Danish FSA has been notified of Norli Pensions profit policy. The portfolio of Norli is divided into 15 interest rate groups, two risk groups and to cost groups.

In addition, the portfolio also includes a group of policyholders without the right to bonus, which is excluded from contribution.

Within each interest rate group, any losses are absorbed collectively by that group's collective bonus potential, individual bonus potentials and the profit margin, before any shareholders' equity is required to cover such losses. Any losses on risk and cost groups not absorbed by the collective bonus potential of the individual groups are to be covered by shareholders' equity.

## INCOME STATEMENT

### Life insurance premiums

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

### Return on investment

Interest income and dividends etc. comprises yield on bonds and other securities and interest on amounts due.

Market value adjustments comprise realised and unrealised gains and losses and exchange rate adjustments on investment assets and hedging instruments. The amount is stated net in the income statement.

Interest expenses comprise interest on loans and other amounts due.

Administrative expenses related to investment activities comprise portfolio management fees to investment managers, direct trading costs, custody fees and own expenses related to the administration of and advisory services on investment assets.

### Tax on investment returns ("PAL")

Tax on pension returns consists of individual tax on pension returns, calculated on the interest accrued on policyholders' savings, and non-allocated tax on pension returns, calculated on amounts allocated to the collective bonus potential, and the like. Tax on pension returns is calculated on a gross basis and charged at a rate of 15.3%.

### Claims and benefits

Claims and benefits, net of reinsurance comprises the claims and benefits paid on insurance contracts for the year, net of the reinsurers share.

### Change in life insurance provisions

Change in life insurance provisions, net of reinsurance comprises the change for the year in gross life insurance provisions less the reinsurers' share, excluding premiums and benefits regarding investment contracts

## Change in profit margin

Change in profit margin is the change for the year in the profit margin relating to life insurance.

## Operating expenses relating to insurance activities

Administrative expenses cover accrued expenses related to insurance operations.

The allocation of administration expenses on life insurance and health and accident insurance is made applying activity-based allocation models.

The Company's insurance administration is handled by Forca A/S.

## Transferred return on investment

Transferred return on investment consists of the return on the assets allocated to shareholders' equity and the return on health and accident insurance.

## Health and accident insurance

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

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

Total gross claims are calculated net of reinsurance.

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

## Other expenses

Encompasses of expenses regarding acquisition of new Norwegian portfolios.

## Taxation

Calculated current and deferred tax on the profit for the year before tax and adjustments of tax charges for previous years are recognised in the income statement. Income tax for the year is recognised in the income statement in accordance with the tax laws in force in the countries in which Norli Pension operates.

## Balance

### Intangible assets

Intangible assets are recognised in the balance sheet at cost after the deduction of accumulated amortisation and accumulated impairment losses. Amortisation is made in accordance with the straight-line method over the expected useful life, which is between 3 and 5 years.

The costs attributable to maintaining intangible assets are recognized as an expense in the year that they are incurred.

### Financial investment assets

Purchases and sales of financial instruments are measured at fair value at the settlement date, which usually equals cost. Fair value adjustments of unsettled financial instruments are recognised from the trading date to the settlement date. On recognition, financial investment assets are classified as financial assets at fair value through profit or loss.

The fair value is measured on the basis of quoted market prices of financial instruments traded in active markets. The fair value of such instruments is therefore based on the most recently observed market price at the balance sheet date.

If a financial instrument is quoted in a market that is not active, the measurement is based on the most recent transaction price. Adjustment is made for subsequent changes in market conditions, for instance by including transactions in similar financial instruments that are assumed to be motivated by normal business considerations. If no active market exists for standard and simple financial instruments such as interest rate and currency swaps and unlisted bonds, fair value is calculated on the basis of generally accepted valuation techniques and market-based parameters.

The item "Other" comprises derivatives with positive fair values, while derivatives with negative fair values are recognised in the item "Other debt".

Unsettled trades on the balance sheet date are recognised in the item "Other debt" or "Other receivables".

### Receivables

Receivables is measured at fair value, which usually corresponds to the nominal value less any write-down to provide for losses.

### Accruals and deferred income

Receivable interest relates to accrued bond yields and derivative financial instruments. Other prepayments and accrued income include expenses incurred relating to subsequent financial years.

### Provisions for insurance and investment contracts

The life insurance provisions consist of the elements Guaranteed benefits, Individual bonus potential, Collective bonus potential and Risk margin.



Guaranteed benefits comprise obligations to pay guaranteed benefits to policyholders. Guaranteed benefits are calculated as the present value of the current guaranteed benefits plus the present value of expected future administrative expenses.

The market value is calculated by discounting the individual payments at an interest rate calculated by the European Supervisory Authority EIOPA with a volatility adjustment reduced by the pension return tax. Guaranteed benefits contain an estimated amount to cover future insurance benefits, which arise from insurance events that occurred in the financial year, but which had not yet been reported on the balance sheet date.

Individual bonus potentials comprise obligations to pay bonuses over time. Individual bonus potential is calculated for the portfolio of insurance policies with bonus entitlement as the difference between the value of the policyholder's savings and the present value of guaranteed benefits under the policy. The profit margin is also deducted. The bonus potential cannot be negative.

Provisions for collective bonus potential comprise the policyholders' share of the technical basis for risk allowance for insurance policies with bonus entitlement which has not yet been allocated to individual policyholders.

The risk margin is the amount expected to be payable in the market to an acquirer of the policy in return for that party assuming the risk that the costs of meeting the payment obligations under the policy deviate from the present value of the best estimate of the cash flows made during the life time of the policy. The risk margin is obtained as far as possible from the insurance's individual or collective bonus potential - or alternatively the capital base.

## Profit margin

Profit margin amounts to the calculated present value of the expected future profit in the remaining term of contract for the life insurance and investment contracts concluded.

The profit margin has been calculated to 0 TDKK, as the Company does not expect that individual or collective bonus potential will arise to such a significant degree, which could include a profit margin.

## Deferred tax

Deferred tax is calculated in accordance with the balance sheet liability method on all temporary differences between the tax base of the assets and liabilities and their carrying amounts. Deferred tax is recognised in the balance sheet under Deferred tax assets and Deferred tax liabilities on the basis of current tax rates.

Tax assets arising from unused tax losses and unused tax credits are recognised as deferred tax assets to the extent that it is probable that the unused tax losses and unused tax credits can be utilised.

## Debt

Derivatives are measured at fair value. Derivatives with negative fair values are recognised under Other creditors. Other creditors are measured at amortised cost, which usually corresponds to the nominal value.

## Key ratios

The key ratios are prepared in accordance with the provisions of the executive order on financial reports for life insurance companies.

## Other

The amounts in the report are disclosed in whole numbers of TDKK, unless otherwise stated. The amounts have been rounded and consequently the sum of the rounded amounts and totals may differ slightly.

Note	TDKK	2020	2019
<b>2</b>	<b>Gross premiums</b>		
	Regular premiums	22,059	25,730
	<b>Total directs insurance</b>	<b>22,059</b>	<b>25,730</b>
	Insurance taken out individually	19,124	22,105
	Insurance taken out in connection with employment	2,935	3,625
	<b>Total</b>	<b>22,059</b>	<b>25,730</b>
	<i>Premiums, direct insurance, broken down by bonus arrangement</i>		
	With profit insurance	22,059	25,730
	<i>Premiums, direct insurance, broken down by policyholders' residence:</i>		
	Denmark	21,914	25,574
	Other EU countries	111	114
	Other countries	34	42
	<b>Total</b>	<b>22,059</b>	<b>25,730</b>
	<i>Number of insured, direct insurance (1,000):</i>		
	Insurance taken out individually	10,754	11,729
	Insurance taken out in connection with employment	1,855	2,004
	<b>Total</b>	<b>12,609</b>	<b>13,733</b>
<b>3</b>	<b>Result of reinsurance</b>		
	Outward reinsurance premiums	-1,677	-1,963
	Reinsurance cover received	3,509	9,749
	Change in reinsurance share of life insurance provisions	1,721	-3,940
	<b>Total</b>	<b>3,553</b>	<b>3,846</b>
<b>4</b>	<b>Interest and dividends</b>		
	Interest income and dividends, etc.	65,581	57,202
	<b>Total</b>	<b>65,581</b>	<b>57,202</b>
<b>5</b>	<b>Value adjustments</b>		
	Bonds	6,035	17,886
	Equity investments	6,610	2,087
	Loans	0	-1
	Other	116,653	150,107
	<b>Total</b>	<b>129,298</b>	<b>170,080</b>



Note TDKK

	2020	2019
<b>6 Claims and benefits paid</b>		
Insurance amounts on death	-16,160	-12,967
Insurance amounts on expiry	-58,163	-66,044
Insurance amounts on disablement	0	-102
Retirement benefits and annuities	-169,613	-183,512
Surrender values	-111,472	-159,206
<b>Total</b>	<b>-355,409</b>	<b>-421,831</b>
<b>7 Life insurance provisions</b>		
Life insurance provisions, beginning of year	3,435,699	3,655,996
<b>Total life insurance provisions, beginning of year</b>	<b>3,435,699</b>	<b>3,655,996</b>
Profit margin beginning of year	0	121
Change in Individual bonus potential beginning of the year	67	0
Collective bonus potential at 1 January	-129	-119
Value adjustment beginning of year	-705,898	-598,550
<b>Retrospective provisions, beginning of year</b>	<b>2,729,740</b>	<b>3,057,446</b>
Gross premiums	22,059	25,730
Interests	66,559	75,648
Insurance benefits	-356,469	-421,094
Expense loading	-10,575	-11,111
Payment of guarantees	1	0
Risk result	-2,362	-15,115
Elimination of negative bonus losses	1,238	18,235
Retrospective provisions, end of year	2,450,190	2,729,740
Value adjustment end of year	769,901	705,898
Change in Individual bonus potential end year	0	-67
Collective bonus potential end year	140	129
<b>Life insurance provisions, end of year</b>	<b>3,220,231</b>	<b>3,435,699</b>
<b>Change in life insurance provisions</b>	<b>215,469</b>	<b>220,297</b>
Guaranteed benefits	3,160,571	3,381,483
Individual bonus potential	0	0
Collective bonus potential	140	129
Risk margin	59,519	54,087
<b>Life insurance provisions end of year</b>	<b>3,220,231</b>	<b>3,435,699</b>

Note TDKK

7 Life insurance provisions (continued)

Distribution of technical provisions by interest groups for the insurance portfolio covered by the Executive Order on the Contribution Principle (Group 0 consists of policies with average interest rate in the interval 0-1%, and group 1 with average interest in the interval 1-2% etc.)

	2020	2019
Interest rate group 0		
Guaranteed benefits	17,999	14,057
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	291	172
Interest rate group 1		
Guaranteed benefits	174,295	149,927
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	3,915	3,058
Interest rate group 2		
Guaranteed benefits	357,615	399,624
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	4,076	4,814
Interest rate group 3		
Guaranteed benefits	415,895	422,844
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	5,698	5,953
Interest rate group 4		
Guaranteed benefits	841,209	941,480
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	12,331	13,484
Interest rate group 5		
Guaranteed benefits	13,873	15,820
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	1,020	1,152
Interest rate group 6		
Guaranteed benefits	450	689
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	41	63
Interest rate group 7		
Guaranteed benefits	749	1,116
Individual bonus potential	0	0
Collective bonus potential	0	0
Risk margin	68	97

Note	TDKK	2020	2019
7	<b>Life insurance provisions (continued)</b>		
	Interest rate group 8		
	Guaranteed benefits	2,514	2,598
	Individual bonus potential	0	0
	Collective bonus potential	0	0
	Risk margin	116	118
	Interest rate group 9		
	Guaranteed benefits	1,256	1,407
	Individual bonus potential	0	0
	Collective bonus potential	0	0
	Risk margin	109	118
	Interest rate group 10		
	Guaranteed benefits	151	166
	Individual bonus potential	0	0
	Collective bonus potential	21	9
	Risk margin	0	5
	Interest rate group 12		
	Guaranteed benefits	66	70
	Individual bonus potential	0	0
	Collective bonus potential	0	0
	Risk margin	7	7
	Interest rate group 13		
	Guaranteed benefits	6	7
	Individual bonus potential	0	0
	Collective bonus potential	120	120
	Risk margin	0	0
	Interest rate group 14		
	Guaranteed benefits	6	7
	Individual bonus potential	0	0
	Collective bonus potential	0	0
	Risk margin	1	1
	Interest rate group 1B		
	Guaranteed benefits	1,306,841	1,398,015
	Individual bonus potential	0	0
	Collective bonus potential	0	0
	Risk margin	29,594	22,368
	Distribution of technical provisions by interest groups for the insurance portfolio covered by the Executive Order on the Contribution Principle		
	Life annuities without bonus		
	Guaranteed benefits	27,645	33,658
	Individual bonus potential	0	0
	Collective bonus potential	0	0
	Risk margin	2,254	2,678
	Rate of return in interest rate groups is 5.5%		
	Bonus ratio in interest rate groups are 0%		
8	<b>Life insurance provisions, reinsurers' share</b>		
	Life insurance provisions, reinsurers' share, beginning of year	19,645	23,585
	Change in reinsurers' share	1,721	-3,940
	<b>Life insurance provisions, reinsurers' share end of year</b>	<b>21,367</b>	<b>19,645</b>



Note TDKK

9 Insurance operating expenses, net of reinsurance

*Fees to the audit firm appointed by the general meeting*

Fees to Deloitte

Statutory audit of financial statements

Other assurance engagements

Tax advisory services

Other services

**Total**

2020

2019

-299

-231

0

-9

-103

-26

-223

-322

**-624**

**-588**

Fees for other services provided by Deloitte Statsautoriseret Revisionspartnerselskab amount to TDKK 233.

The fee includes and consists of various declaration tasks as well as general accounting and consulting services.

Average number of full-time-equivalent employees during the year

7

7

The Company's administration is handled by Forca A/S.

*Staff costs*

Salaries

Pensions

Other social security and tax

**Total staff expenses**

-8,317

-9,205

-1,478

-1,499

-1,545

-1,615

**-11,339**

**-12,319**

A more detailed description of the remuneration policy is available at the website: [www.norlipension.dk](http://www.norlipension.dk).

To the extent that a member of the Board of Directors is remunerated, this is done with a fixed fee. Remuneration with variable salary components is not used.

All the company's pension plans are defined contribution plans. Such payments are expensed as incurred.

**Board of Directors' remuneration**

Mads Jakobsen

Marianne Philip

Henrik Bernhardt (from 1.3.2019)

Tore B. Ellingsen

Nina Christensen

**Total remuneration**

-700

-618

-250

-309

-194

-161

-194

-194

-194

-194

**-1,531**

**-1,475**

**Remuneration of other material risk takers**

In accordance with legislation, Norli Pension Livsforsikring A/S has appointed a number of employees as significant risk takers (in addition to the Executive Board), whose activities have a significant impact on the Company's risk profile. Remuneration conditions for these employees are adapted to the statutory requirements for variable pay

Number of other significant risk takers during the year

3

3

Remuneration fixed part

Remuneration variable part

-4,492

-4,666

-1,081

-428

Norli Pension Livsforsikring A/S has no pension obligations towards other significant risk takers, as their pensions are funded by means of defined contribution plans through a pension insurance company.

Note TDKK

**9 Administrative expenses (continued)**  
**Remuneration of the Executive Board**

Mikkel Dahl (from 1.4.2020)

	2020	2019
Contractual remuneration	-1,767	0
Pensions	-352	0
<b>Total</b>	<b>-2,120</b>	<b>0</b>
<b>Total Payment</b>	<b>-2,120</b>	<b>0</b>

Mads Smith Hansen (until 31.3.2020)

Contractual remuneration	-625	-2,069
Pensions	-113	-413
<b>Total</b>	<b>-737</b>	<b>-2,482</b>
<b>Total Payment</b>	<b>-737</b>	<b>-2,482</b>

Henrik Bernhardt (until 31.1.2019)

Contractual remuneration	0	-681
<b>Total</b>	<b>0</b>	<b>-681</b>
<b>Total Payment</b>	<b>0</b>	<b>-681</b>

No variable salary is paid out in 2020 to the Executive board.  
Mikkel Dahl may resign his position at six months' notice. Norli Pension may terminate Mikkel Dahl's service contract at twelve months' notice. He is not entitled to separate severance payment

The employment contracts comply with the statutory requirements that came into force at 1 January 2011 for agreements on variable remuneration in financial enterprises.

Note	TDKK	2020	2019
10	<b>TECHNICAL RESULT OF HEALTH AND ACCIDENT INSURANCE</b>		
	Gross premiums	327	340
	<b>Total</b>	<b>327</b>	<b>340</b>
	Technical interest	0	0
	Claims paid	-944	-657
	Change in claims provisions	8	-4
	Change in risk margin	1	0
	<b>Total</b>	<b>-935</b>	<b>-661</b>
	Administrative expenses	-311	-265
	<b>Insurance operating costs, net of reinsurance</b>	<b>-311</b>	<b>-265</b>
	<b>Technical result</b>	<b>-919</b>	<b>-586</b>
	Return on investment	7	8
	<b>Technical result of health and accident insurance</b>	<b>-913</b>	<b>-578</b>
	<b>Claims paid</b>		
	Number of policies	154	168
	Number of claims	5	4
	Average amount of claims	188,724	164,243
	Claims frequency	3%	0
	Run-off previous years, net of reinsurance	140	140
	<b>Financial highlights</b>		
	Gross premiums	327	340
	Claims paid	-935	-661
	Insurance operating costs, net of reinsurance	-311	-265
	Technical result	-919	-586
	Total return on investment after insurance technical interest	7	8
	Run-off previous years, net of reinsurance	140	140
	Total provisions for insurance contracts	143	152
	<b>Key ratios</b>		
	Gross claims ratio	286	194
	Gross expense ratio	95	78
	Combined ratio	382	272
	Operating ratio	382	272
	Relative run-off gains/losses	100%	100%
11	<b>Other expenses</b>		
	Other expenses encompass of expenses regarding acquisition of new Norwegian portfolio.	-1,935	0



Note	TDKK	2020	2019
12	<b>TAX</b>		
	Current tax	-1,258	0
	Adjustment of prior-year current tax	0	-3
	Change of provision for deferred tax	-3,563	2,399
	<b>Total</b>	<b>-4,820</b>	<b>2,395</b>
	<b>Effective tax rate</b>		
	Tax on accounting profit/loss	22.0	22.0
	Adjustment of non-taxable income and costs	0.1	0.1
	Change in valuation of tax assets	0.0	0.0
	<b>Total</b>	<b>22</b>	<b>22</b>
	Current tax for the year	-1,258	0
	Taxes paid during the financial year	-6,000	-11,165
13	<b>INTANGIBLE ASSETS</b>		
	Cost, beginning of year	4,771	4,771
	Additions during the year	0	0
	Disposals for the year	0	0
	<b>Cost, end of year</b>	<b>4,771</b>	<b>4,771</b>
	Impairment and amortisation charges, beginning of year	-3,101	-2,147
	Amortisation during the year	-954	-954
	<b>Impairment and amortisation charges, end of year</b>	<b>-4,055</b>	<b>-3,101</b>
	<b>Carrying amount, end of year</b>	<b>716</b>	<b>1,670</b>
14	<b>Deferred tax</b>		
	Deferred tax broken down on main items:		
	Intangible assets	-157	-367
	Value of tax losses carried forward	1,958	5,730
	<b>Total</b>	<b>1,800</b>	<b>5,363</b>
15	<b>Share capital</b>		
	Share capital beginning of the year	90,008	90,008
	Capital injection	0	0
	<b>Share capital, end of year</b>	<b>90,008</b>	<b>90,008</b>
	The share capital is made up of 90.008 shares of 1.000 kr.	90,008	90,008
	<b>Total</b>	<b>90,008</b>	<b>90,008</b>
	All shares carry the same rights; there is thus only one class of shares		
16	<b>Share premium account</b>		
	Premium on issue	421,992	421,992
	Capital injection	0	0
	<b>Total</b>	<b>421,992</b>	<b>421,992</b>
17	<b>Profit carried forward</b>		
	Profit carried forward beginning of the year	15,602	24,126
	Profit/(loss) for the year	17,083	-8,524
	<b>Total</b>	<b>32,685</b>	<b>15,602</b>

Note	TDKK	2020	2019
18	<b>Shareholders equity</b>		
	Shareholders equity, beginning of the year	527,602	536,126
	Capital injection	0	0
	Profit/(loss) for the year	17,083	-8,524
	<b>Shareholders equity, end of year</b>	<b>544,685</b>	<b>527,602</b>
	<b>Intangible assets</b>	<b>-716</b>	<b>-1,670</b>
	<b>Capital base</b>	<b>543,969</b>	<b>525,932</b>
	<b>Technical basis</b>		
	Interest rate groups total	78,974	39,697
	Risk groups	-5,651	6,368
	Cost groups	-10,492	-8,767
	<b>Total realised results</b>	<b>62,830</b>	<b>37,298</b>
	<b>Distribution to customers</b>		
	Interest rate groups total	39,020	48,174
	Risk groups	0	0
	Cost groups	1,793	1,367
	<b>Total distribution to customers</b>	<b>40,813</b>	<b>49,541</b>
	<b>Distribution to equity via the income statement</b>		
	Interest rate groups total	39,954	-8,478
	Risk groups	-5,651	6,368
	Cost groups	-12,285	-10,134
	<b>Equity's share of the realised results</b>	<b>22,018</b>	<b>-12,243</b>

Norli Pensions reported contribution principle states, that the equity is assigned its part of the realized result and a risk payment, that for the year 2020 amounts to 20.12 percent

For the year 2020 the realized result prior to bonus amounts to TDKK 62,830 of which TDKK 40,578 is assigned to the policy holders and payment of Danish pension tax and TDKK of 22,018 is transferred to the equity. The target for payment to the equity was TDKK 20,881

As a result of sufficient realized results in the majority of interest groups, the shadow account regarding the financial result is reduced by TDKK 39,823. The shadow account at the end of the year is zero as a result of changes in Danish legislation, stating that shadow accounts at the end of 2015 should be written down over the following five years. For Norli Pension this means a forfeit of debt from the policy holders regarding the financial result to the amount of TDKK 345,463.

Shadow account regarding risk and expenses is reduced by TDKK 1,147 following a positive result leaving TDDK of 86,195 to be forfeited.

Note TDKK

18 Shareholders equity (continued)

2020

2019

Below is shown the development of the accumulated shadow accounts steaming from financial result, risk result and cost result. As previously mentioned, this account ceases to exist at the end of 2020 due to a change in legislation.

Maximum shadow account (lack of contribution from the company's establishment until the end of 2015)

**Shadow account**

Beginning of year	485,643	984,550
Writedowns due to surrender	-13,014	-30,027
Return of contribution	0	0
Positive share of the technical basis	-40,971	-27,031
Linear write-down	-431,658	-441,849
<b>Shadow account end of year</b>	<b>0</b>	<b>485,643</b>

The lack of income on the return on equity has arised from the calculation made on the basis of the contribution methods reported to the Danish FSA.

**Shadow account divided into contribution groups**

Interest rate group 0	0	2,906
Interest rate group 1	0	16,218
Interest rate group 2	0	71,031
Interest rate group 3	0	49,280
Interest rate group 4	0	231,090
Interest rate group 5	0	4,412
Interest rate group 6	0	153
Interest rate group 7	0	183
Interest rate group 8	0	407
Interest rate group 9	0	349
Interest rate group 10	0	0
Interest rate group 12	0	24
Interest rate group 13	0	0
Interest rate group 14	0	14
Interest rate group 1B	0	18,969
Risk group A	0	22,051
Risk group B	0	2,244
Cost groups A	0	23,555
Cost groups B	0	42,757
<b>Total</b>	<b>0</b>	<b>485,643</b>

**Outlay account (Loss coverage from 2016 and forward)**

Beginning of year	179,953	144,435
Transfer	0	0
From negative realized results	32,947	42,316
Writedowns due to surrender	-7,637	-6,798
<b>Total</b>	<b>205,264</b>	<b>179,953</b>



Note TDKK

18 Shareholders equity (continued)

2020

2019

The main reason behind the expectation of paying 0 TDKK of on the shadow account, is due to no expectation of future earnings as reported to the Danish FSA as part of the risk return.

Outlay account from 2016 divided into contribution groups

Interest rate group 0	15,058	11,565
Interest rate group 1	32,517	25,086
Interest rate group 2	6,085	5,089
Interest rate group 3	24,418	26,019
Interest rate group 4	4,115	3,954
Interest rate group 5	2,036	2,036
Interest rate group 6	117	117
Interest rate group 7	200	200
Interest rate group 8	154	154
Interest rate group 9	162	162
Interest rate group 10	0	0
Interest rate group 12	21	19
Interest rate group 14	85	85
Interest rate group 1B	30,297	31,789
Risk group A	15,119	8,731
Risk group B	5,056	5,305
Cost groups A	60,455	52,075
Cost groups B	9,368	7,567
<b>Total</b>	<b>205,264</b>	<b>179,954</b>
Collective bonus potential split among the contribution groups		
Interest rate group 10	21	9
Interest rate group 13	120	120
<b>Total</b>	<b>140</b>	<b>129</b>

19 Debt

Due 1 year or less	547,296	512,122
Due 1-5 years	41,864	41,773
Due more than 5 years	118,267	216,772
<b>Total</b>	<b>707,427</b>	<b>770,667</b>

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Note TDKK

	2020	2019
<b>20 Contractual obligations, collateral and contingent liabilities</b>		
The Company has a contingent liability related to post-payment of VAT for the years 2018-2020 calculated according to the most restrictive interpretation of Skatteministeriets previous announcements in the area. The amount is calculated without interest.	3,000	6,100
Norli Pension Livsforsikring A/S has registered the following assets as having been held as security for the life insurance provisions.		
Bonds	3,042,941	3,389,359
Equity investments	0	30,355
Deposits with credit institutions	11	36,520
Other loans	0	0
Derivative financial instruments	248,690	7,365
Cash and cash equivalents	0	35,112
Interest and rent receivable	8,652	8,482
Reinsurance contracts	21,367	19,646
The Company has total investment commitments of DKK 569m of which DKK 251,9m have been drawn		
<b>Total</b>	<b>3,321,661</b>	<b>3,526,838</b>
<b>21 Information in accordance with the provisions of the Danish Financial Business Act § 78</b>		
In accordance with the provisions of the Danish Financial Business Act § 78, it is stated that the company has no commitments with or collateral for the Executive Board and the Board of Directors in addition to ordinary insurance agreements.		
<b>22 Group financial statement</b>		
Norli Pension is not included in the consolidated financial statements, as NICG I S.C.S, Luxembourg does not prepare Group financial statements.		
<b>23 Financial highlights</b>		
Please refer to page 2		
<b>24 Risk management</b>		
Please refer to page 5		

## Note

### 25 Breakdown of assets and returns

TDKK

		Carrying amount		Return in % p.a. before tax
		beginning of year	end of year	
1.	<b>Investment property</b>	0	0	0.00%
2.1	Equity investment	0	0	0.00%
2.2	Unlisted investments	0	0	0.00%
2.	<b>Total</b>	<b>0</b>	<b>0</b>	
3.1	Government and mortgage bonds	3,294,336	2,863,280	0.37%
3.2	Index-linked bonds	0	0	
3.3	Credit bonds and emerging market bonds	108,533	288,746	3.31%
3.4	Loans	448,872	538,220	6.57%
3.	<b>Total</b>	<b>3,851,741</b>	<b>3,690,245</b>	<b>1.30%</b>
4.	Equity investments in associates	0	0	0.00%
5.	Other	332,154	248,535	0.00%
6.	Derivatives	206,728	310,278	-

The note has been prepared on the basis of a review of the company's assets, which is why there is no immediate connection to the amounts in the balance sheet.



## Note

### 26 Financial instruments at fair value

Norli Pension Livsforsikring A / S uses financial instruments to manage interest rate risks. In addition, interest rate derivatives are used to hedge benefit guarantees.

Collateral agreements have been made regarding financial instruments. In this connection, collateral in the form of cash and bonds of DKK 345,1m has been received. And given collateral amounts to DKK 41,2m in the form of cash.

TDDK		2020	
	Expiry	Principal	Carrying amount
Swaptions	2020	3,945,056	548
Swaptions	2020	1,786,441	0
Swaps	2020	1,348,018	655
Swaps	2021-2031	7,253,226	99,669
Swaps	2032-	2,114,964	196,375
Forward exchange contracts	2020	688,487	1,627
<b>Total</b>		<b>17,136,192</b>	<b>298,874</b>
TDDK		2019	
	Expiry	Principal	Carrying amount
Swaptions	2020	3,026,351	4,358
Swaptions	2020	747,247	19,088
Swaps	2020	5,117,856	767
Swaps	2021-2031	12,181,540	61,881
Swaps	2032-	3,591,245	108,823
Forward exchange contracts	2019	483,331	78
<b>Total</b>		<b>25,147,569</b>	<b>194,994</b>

## Note

### 27 Fair value hierarchy for financial instruments

	Quoted market prices		Observable input		Non-observable Input		Total	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
<b>Assets</b>								
Bonds	2,769,341	3,238,316	348,071	160,475	25,946	0	3,143,358	3,398,791
Equity investments	0	0	0	0	261,934	172,719	261,934	172,719
Deposits with credit institutions	52,262	74,742	0	0	0	0	52,262	74,742
Other loans	0	0	0	0	271,381	271,381	271,381	271,381
Derivative financial instruments	0	0	451,487	456,887	7,518	0	459,005	456,887
<b>Total</b>	<b>2,821,602</b>	<b>3,313,058</b>	<b>799,558</b>	<b>617,362</b>	<b>566,779</b>	<b>444,100</b>	<b>4,187,939</b>	<b>4,374,519</b>
<b>Debt</b>								
Amounts owed to credit institutions	-295,507	-192,042	0	0	0	0	-295,507	-192,042
Derivative financial instruments	0	0	-152,613	-261,893	-7,518	0	-160,131	-261,893
<b>Total</b>	<b>-295,507</b>	<b>-192,042</b>	<b>-152,613</b>	<b>-261,893</b>	<b>-7,518</b>	<b>0</b>	<b>-455,639</b>	<b>-453,936</b>

Financial instruments measured at fair value in the statement of financial position on the basis of non-observable input:

	Equity investments	Bonds	Other loans	Derivative financial instruments
Carrying amount at 1 January 2020	172,719	0	271,381	0
Value adjustments	6,610	-27	0	3,862
Additions	82,605	25,973	0	993
Purchases / Sales net	0	0	0	-4,856
Movements to level 3	0	0	0	0
Movements from level 3	0	0	0	0
<b>End of year</b>	<b>261,934</b>	<b>25,946</b>	<b>271,381</b>	<b>0</b>

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## Marianne Philip

Bestyrelsesmedlem

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NEM ID 

## Mikkel Hindkær Dahl

Adm. direktør

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NEM ID 

## Nina Christensen

Bestyrelsesmedlem

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## Mads Guttorm Jakobsen

Bestyrelsesformand

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## Kasper Bruhn Udam

Revisor

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## Henrik Bernhardt

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## Michael Thorø Larsen

Revisor

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## Tore Birger Ellingsen

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