Tryg

Interim report

Q1-Q3 2023

Tryg A/S · Klausdalsbrovej 601, 2750 Ballerup, Denmark · CVR no. 26460212

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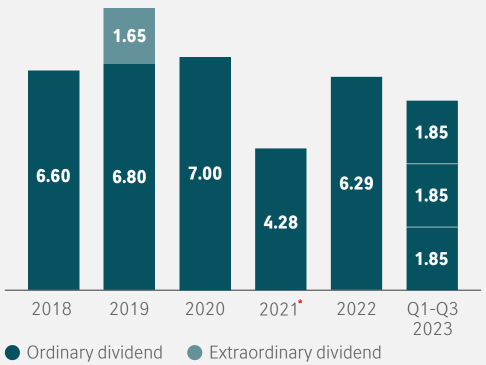
Tryg aims to pay a nominal, stable and increasing ordinary dividend while maintaining stable results and a high level of return on capital employed.

Shareholders' remuneration (DKK per share)



* During 2021, Tryg launched a DKK 37bn rights issue to fund the RSA Scandinavia acquisition. The number of shares was 653m after the rights issue compared to 302m before the rights issue. The higher number of shares explains the drop in the DPS in 2021.

Highlights

Financial Q3 2023

4.4%
Insurance revenue growth
in local currencies
Q3 2022: 4.8

0.5
Group underlying claims ratio improvement
percentage points

13.3
Expense ratio
Q3 2022: 13.5

83.8
Combined ratio
Q3 2022: 81.3

1,513m
Insurance service result (DKK)
Q3 2022: 1,785m

265m
Total investment return
(DKK)
Q3 2022: -203m

1,225m
Profit before tax
(DKK)
Q3 2022: 964m

1.85
Dividend per share
(DKK)
Q3 2022: 1.58

194
Solvency ratio
Q2 2023: 199

Tryg reported insurance revenue growth of 4.4% in Q3, predominantly driven by the Private and Commercial segments. The insurance service result amounted to DKK 1,513m (DKK 1,785m), negatively impacted by more than DKK 600m of weather claims. The Norwegian (NOK) and Swedish (SEK) currencies weakening had a negative impact on Q3 2023 of approximately DKK 100m compared to Q3 2022. The underlying claims ratio improved by 0.5 percentage points for the Group broadly in line with recent developments. The investment result for Q3 2023 was DKK 265m, primarily driven by positive fixed-income returns. Tryg is paying a Q3 DPS of DKK 1.85 and is launching a share buyback programme of DKK 1bn while reporting a robust solvency ratio of 194 with the quarterly dividend and the DKK 1bn buyback already deducted.

Income overview

DKKm All figures under IFRS 17	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 pro-forma 2022	Q1-Q3 2022	FY 2022
Insurance revenue	**9,349**	**9,545**	**27,739**	**28,159**	**25,595**	**34,814**
Gross claims	-6,230	-6,314	-19,029	-19,046	-17,542	-23,904
Total insurance operating costs	-1,247	-1,292	-3,687	-3,808	-3,432	-4,701
Insurance service expenses	**-7,476**	**-7,606**	**-22,716**	**-22,854**	**-20,974**	**-28,605**
Profit/loss on gross business	1,873	1,940	5,023	5,307	4,622	6,212
Net expense from reinsurance contracts	-360	-155	-278	-487	-458	-576
Insurance service result	**1,513**	**1,785**	**4,745**	**4,820**	**4,162**	**5,636**
Investment return [a]	**265**	**-203**	**485**		**-988**	**-441**
Other income and costs	-553	-618	-1,590		-1,499	-2,143
Profit/loss before tax	**1,225**	**964**	**3,640**		**1,674**	**3,051**
Tax	-311	-336	-919		-508	-804
Profit/loss	**914**	**628**	**2.721**		**1,166**	**2,247**
Hereof run-off gains/losses, net of reinsurance	309	280	818	922	566	759
Key figures and ratios						
Shareholders' equity	40,206	44,067	40,206		44,067	42,504
Return on equity after tax (%)	8.9	5.4	8.9		3.3	4.9
Return on Own Funds (%)	23.7	14.6	23.5		9.0	13.0
Return on Tangible Equity (%)	32.9	9.1	31.5		5.6	7.8
Number of shares 30 September (1,000)	622,298	640,690	622,298		640,690	633,710
Earnings per share (DKK)	1.44	0.97	4.29		1.79	3.47
Operating earnings per share (DKK)[b]	1.73	1.28	5.17		2.45	4.43
Ordinary dividend per share (DKK)	1.85	1.58	5.55		4.69	6.29
Premium growth in local currencies[c]	4.4	4.8*	4.3		5.0*	5.9*
Gross claims ratio	66.6	66.2	68.6	67.6	68.5	68.7
Net reinsurance ratio	3.9	1.6	1.0	1.7	1.8	1.7
Claims ratio, net of reinsurance	70.5	67.8	69.6	69.4	70.3	70.3
Gross expense ratio	13.3	13.5	13.3	13.5	13.4	13.5
Combined ratio	**83.8**	**81.3**	**82.9**	**82.9**	**83.7**	**83.8**
Run-off, net of reinsurance (%)	-3.3	-2.9	-2.9	-3.3	-2.2	-2.2
Large claims, net of reinsurance (%)	3.1	4.1	3.1	3.3	3.3	3.3
Weather claims, net of reinsurance (%)	6.5	0.9	3.4	1.5	1.5	1.7
Discounting (%)	3.4	2.2	3.1	1.8	1.8	2.1
Combined ratio on business areas						
Private	85.8	80.0	84.6	82.1	82.8	82.9
Commercial	79.9	79.6	79.8	81.8	83.0	82.7
Corporate	80.1	94.1	79.1	90.9	90.9	92.3

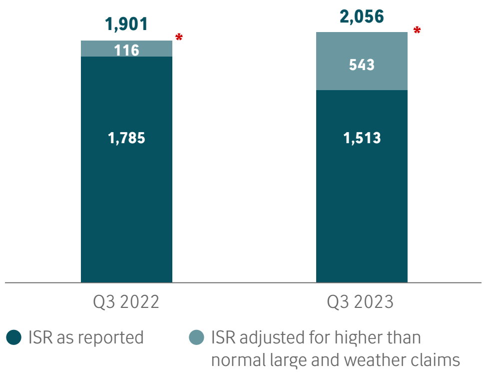
[a] Income from RSA Scandinavia includes net effect from demerger and sale of Codan DK for Q1-Q3 2022 and FY 2022
[b] Adjusted for depreciation on intangible assets related to Brands and Customer relations after tax
[c] Premium growth in Q1-Q3 2023 is measured against comparative proforma 2022 figures
*) Based on pro-forma figures

Tryg's results

Tryg reported a Q3 insurance service result of DKK 1,513m (DKK 1,785m), negatively impacted by more than DKK 600m of weather-related claims. Storm Hans as well as numerous cloudbursts and constant heavy rain in parts of the region caused havoc in Scandinavia, while extreme weather events in Europe hitting Scandinavian travellers added to a turbulent summer 2023. Tryg saw positive top-line growth and solid progress in its core business, including the delivery of RSA Scandinavia synergies. Inflation rates in Scandinavia remain high, especially in Norway and Sweden, but inflation pressures have been slightly more benign during the summer. The underlying claims ratio for the Group improved by 0.5 percentage points, while the Private segment witnessed a slightly negative development in line with previous quarters. The Investment result of the quarter was DKK 265m (DKK -203m), predominantly driven by positive returns from fixed-income asset classes in the match portfolio. The pre-tax result was DKK 1,225m. Tryg is paying a Q3 DPS of DKK 1.85, and additionally Tryg is launching a share buy back programme of DKK 1bn following the Q3 results. The solvency ratio at the end of the quarter is 194, including the impact of both the dividend paid and the share buy back.

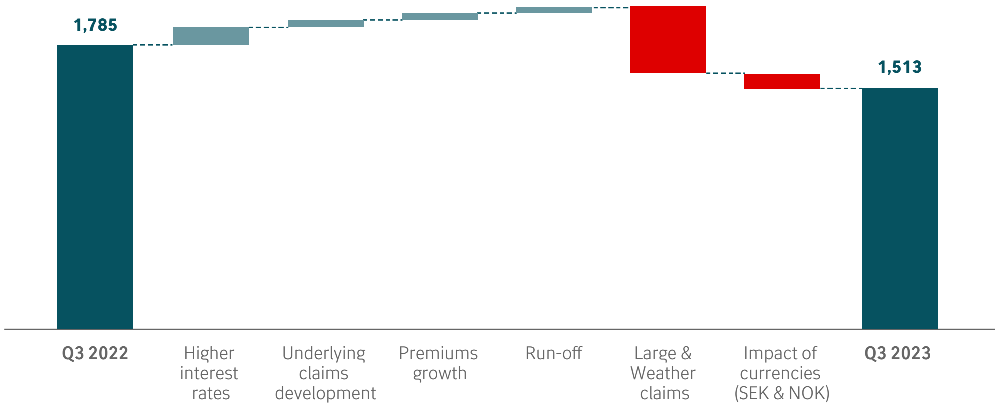
Tryg reported an insurance revenue growth of 4.4% in local currencies, predominantly driven by solid growth in the Private and Commercial segments. The insurance service result was DKK 1,513m (DKK 1,785m), driven by a combined ratio of 83.8 (81.3). The lower insurance service result was driven by significantly higher weather claims compared to Q3 2022, and compared to a normal third quarter of the year, where 20% of the annual DKK 800m in weather claims is expected. Weather claims amounted to DKK 611m (gross and net), driven by numerous events. Storm Hans in Scandinavia costs approximately DKK 300m, while a less severe storm in Norway added around DKK 50m. Additional weather events were registered in Sweden and Denmark, and July was a record wet month in Denmark. Scandinavian tourists were also badly affected during the summer by hailstorms, primarily in Italy (approximately DKK 50m cost), furthermore Tryg offered help to customers hit by large fires in southern Europe. Adverse currency (SEK & NOK) movements carried a negative weight of approximately DKK 100m, with the Swedish kroner at an all-time low. An improved underlying performance, including DKK 80m of RSA synergies and a slightly higher level of interest rates compared to Q3 2022 had a positive impact on Q3 2023. Large claims were lower compared to Q3 2022 at 3.1 (4.1), but higher than the normal level (DKK 200m) at DKK 292m for the quarter, although no single significant large claim event

Group Insurance Service Result (DKKm)



* Weather claims and large claims are expected to be DKK 160m and DKK 200m in a normal Q3.

Group Insurance Service Result, Q3 23 vs Q3 22 (DKKm)



was recorded. The run-off result was 3.3 (2.9), slightly higher than in Q3 2022. The discount rate (used to discount claims provisions), was 3.4 (2.2) and predominantly driven by a combination of slightly higher interest rates and an one-off item. The Group's underlying claims ratio, adjusted for weather claims, large claims, run-offs and discounting improved by 0.5 percentage points and was driven by profitability initiatives in Commercial, and particularly in Corporate. The Private underlying claims ratio deteriorated by modest 0.3 percentage points, driven primarily by motor comprehensive compared to Q3 2022. The higher claims level for motor comprehensive was impacted by higher motor spare parts prices due to weaker currencies (SEK & NOK) and also by a slight increase in the claims frequency across countries. Tryg continuously monitors inflation developments and adjusts prices accordingly. Commercial, and especially Corporate, supported Tryg's underlying improvement through the rebalancing of the Corporate portfolio and growth in the smaller Commercial segment across all countries. Tryg's Corporate business has reached its target of reducing exposure to international property and liability in Q3 2023. RSA Scandinavia synergies for the quarter amounted to DKK 80m, with DKK 25m related to administration and distribution, DKK 18m linked to commercial initiatives, DKK 24m from procurement and, finally, DKK 13m was related to claims costs.

A customer satisfaction score of 86 was achieved in Q3 2023, an increase from 85 for the prior-year period. Tryg has a strong focus on improving customer satisfaction and could note that customers were very satisfied when handling the many claims related to weather events in Scandinavia and also the weather-related claims in southern Europe.

Inflation, interest rates and discounting

Inflation

Initial signs of higher **inflation growth in the second half of 2021**

Non-life insurers are exposed to higher inflation via higher claims costs

Tryg is mitigating higher inflation growth via its strong procurement agreements, while at the same time adjusting prices to reflect the higher inflation level

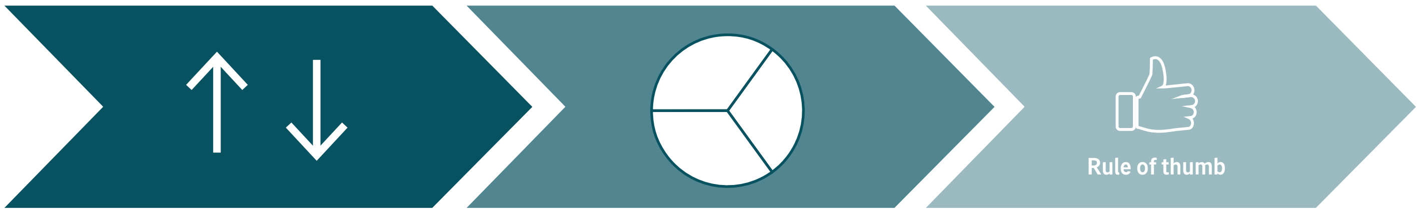
Interest rates[1]

Interest rates have started to increase following many years of very low levels

Due to full discounting of claims reserves, **increased interest rates will have a positive impact** on the claims ratio (all else being equal) and will help lower claims costs

An increase of one percentage point in the average interest rate used for discounting claims will **reduce the claims ratio by ~1 p.p.**

Currencies



Due to the unstable macroeconomic environment, currency movements have been highly unfavourable, as the SEK and NOK are trading close to 20-year lows.

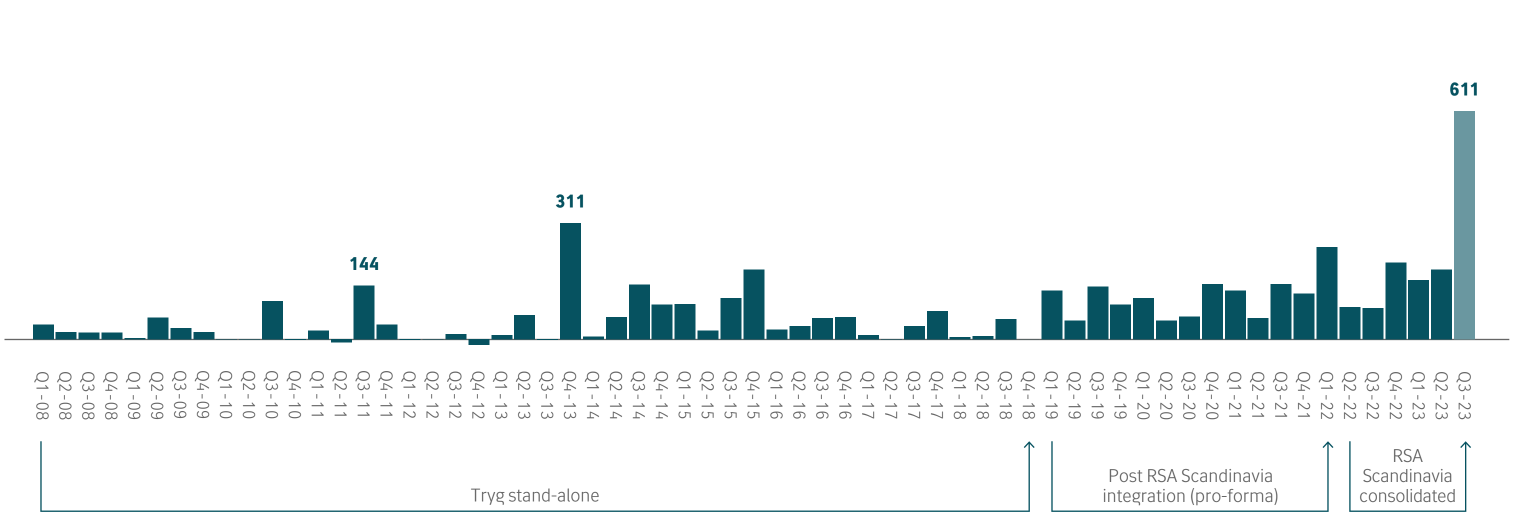
After the acquisition of Codan Norway & Trygg-Hansa, more than 50% of the Group's business now stems from outside Denmark.

A one percentage point fluctuation in the exchange rate will effect the Group's insurance service result by ~DKK 50-75m annually.

[1] Tryg has published a newsletter on the sensitivity of earnings to interest rate movements. Read more on ***tryg.com/newsletters***.

Total investment return amounted to DKK 265m, driven primarily by good results in the match portfolio. Equity markets had a mixed quarter, but ended up in negative territory. Tryg's equity portfolio reported a negative return of -1.4%, posting an overall result of DKK -46m. Fixed-income asset classes produced good returns, driven by narrowing credit spreads. Tryg continues to pursue a relatively low-risk investment strategy with limited equity exposure and a conservative fixed-income profile (more than 90% of fixed-income securities are Nordic covered bonds). It should be remembered that Tryg marks to market both assets and liabilities (in accordance with Danish Financial Supervisory Authority rules), resulting in some P&L volatility in turbulent times. Overall asset allocation remained broadly unchanged during the period, though it is important to note that equity exposure was reduced by some DKK 900m (25% of total equity exposure). Total invested assets amounted to approximately DKK 60bn, with the free portfolio accounting for approximately DKK 17bn of this amount.

Net Weather Claims* Q1 2008 – Q3 2023 (DKKm)



* Weather claims include storms and cloudbursts, and normal weather events

Follow Tryg's free portfolio at *tryg.com*

Tryg publishes the percentage return of the most volatile part of its investment income, the so-called free portfolio (the NAV of the company), daily on Tryg.com. Tryg has previously published a ***newsletter*** detailing the different building blocks of the investment result. The free portfolio as per Q3 2023 is approximately DKK 17bn and the amount is broadly stable. The match portfolio is made up of primarily Nordic covered bonds and structured to report a result very close to zero. The portfolio has been built to minimise capital consumption. Finally, the line "other financial income and expenses" has previously been guided to be slightly more negative than DKK -60m per quarter. Tryg continuously strives to increase transparency across its financial reporting, so in challenging financial markets it is worth remembering that the most volatile part of the investment result is observable on a daily basis.

Insurance revenue

Insurance revenue amounted to DKK 9,349m (DKK 9,545m), corresponding to growth of 4.4% in local currencies. Growth was impacted by the conversion of the Codan portfolio in Norway and the repricing of the Moderna portfolio in Trygg-Hansa in Sweden. Excluding the conversion and repricing, growth was approximately 5%. The impact of the conversion and repricing on premium growth was in line with expectations. The Private segment reported growth of 5.0% and approximately 6% after adjusting for repricing and conversions related to the RSA transaction. Insurance revenue growth in Private was predominantly driven by pricing initiatives to mitigate inflation, but also further cross-selling to existing customers, strong sales via partner agreements and an enhanced focus on direct customers. Growth in the Private segment was negatively impacted by a slight drop in retention rates, especially in Denmark and Norway, in line with previous quarters. A higher churn continues to be observed among single-product customers in particular. The commercial segment reported insurance revenue growth of 4.1% and approximately 5% after adjusting for the transfer between Commercial and Corporate in the Norwegian business. Growth in the Commercial segment was driven by pricing initiatives to mitigate inflation, an enhanced focus on smaller commercial customers, increased sales of packaged products and strong sales through own sales force and online channels. As expected, growth in the Commercial segment was negatively impacted by a slight drop in retention rates. The Corporate segment continued its efforts to improve profitability through price adjustments and by reducing international exposure, particularly to the real estate and liability segments. Corporate reported modest growth of 1.1% and approximately negative 1% after adjusting for the above-mentioned transfers, which is in line with expectations. The Corporate segment reached its target for the current CMD period of reducing exposure to international property and liability in Q3 2023.

Claims

The claims ratio, net of reinsurance, was 70.5 (67.8). The higher claims ratio was driven by a higher level of weather claims, the result was heavily impacted by the storm Hans hitting Scandinavia and causing approximately DKK 300m of claims costs, various cloudburst events in Sweden, a record wet month of July in Denmark, and hailstorms and wildfires affecting Scandinavian travellers in southern Europe. The third quarter of the year is normally expected to have a relatively low level of weather claims at DKK 160m. However, weather claims amounted to DKK 611m this quarter and weighed a negative 6.5 (0.9) on the combined ratio. The net weather claims was at the highest level in a single quarter for the last 15 years. Large claims were lower than the corresponding quarter last year at 3.1 (4.1), but slightly higher than the normal level, while no single significant large claims event was recorded. The run-off result was slightly higher compared to last year at 3.3 (2.9). Discounting was slightly higher at 3.4 (2.2 as per Q3 2022 and 2.8 as per Q2 2023) and predominantly driven by a combination of slightly higher interest rates and a change in cashflow assumptions.

The underlying claims ratio for the Group, excluding large claims and weather claims, run-offs and discounting, was 67.5 (68.0), an improvement of 0.5 percentage points compared to the corresponding quarter in 2022. The Private underlying claims ratio deteriorated marginally to 69.4 (69.1), which is in line with previous quarters. It is mainly attributable to a higher claims level for motor comprehensive due to higher costs for spare car parts in Norway and Sweden following the weakening of the currencies (SEK & NOK), as well as a slight increase in claims frequency across countries.
Rebalancing and profitability initiatives in the Corporate segment continued, supporting the improvement in the Group's underlying claims ratio. Tryg expects to achieve an improvement in the underlying claims ratio for FY 2023 based on pricing initiatives, portfolio rebalancing and synergies related to the acquisition of the RSA Scandinavian business. Macroeconomic uncertainty prevails and inflation levels are at 40-year highs, which could result in slightly increased volatility in Tryg's quarterly results, although the long-term trends remain unchanged. Tryg has been working actively with procurement agreements to contain claims inflation, while price adjustments have also been made. Inflation remained high in the third quarter, and both the Swedish and Norwegian businesses were affected by their respective currencies weakening, which in particular had an impact on spare parts related to the motor segment. It is important to remember that the full impact of the price increases will only be visible in the P&L after 12-24 months. In the longer term, the price increases will match claims inflation, but there may be some slightly more volatile developments in the short term. Tryg's procurement team works closely with the claims department to monitor and contain claims inflation and will continue to increase prices to offset rising inflation. Tryg is in continuous dialogue with suppliers and initiates agreements that reflect the current market situation. Most agreements extend beyond one year and have fixed prices. Economic uncertainties driven by higher interest rates and slightly higher unemployment had a positive impact on many agreements that were renewed from 1 January 2023.

Expenses

The expense ratio was 13.3 (13.5), impacted by strong cost controls. Under IFRS 17, the expense ratio target has been adjusted to at or below 13.5 (previously approximately 14.0 under IFRS 4). Synergies from the RSA acquisition also had a positive impact and supported the low expense ratio.

Investment return

Investment income was DKK 265m, primarily driven by positive returns from fixed-income asset classes. The free portfolio reported an overall result of DKK -26m (DKK -233m), the match portfolio reported an overall result of DKK 268m (DKK 207m), while other financial income and expenses amounted to DKK 23m (DKK -177m), including a positive value adjustment from the inflation swap of DKK 59m. Financial markets developments remain fragile and tightly linked to inflation developments, central bank decisions on interest rates and general macroeconomic developments.

Other income and costs

Other income and costs amounted to DKK -553m (DKK -618m). This accounting item primarily comprises intangibles amortisation (customer relations) of DKK 230m from the RSA Scandinavia acquisition and the Alka acquisition. Intangibles amortisation is a non-cash item and does not impact dividend capacity. Additionally, other general costs (primarily costs related to the holding company, bancassurance-related commissions and general costs) and approximately DKK 50m of educational and development costs are also booked against this line. Tryg is additionally booking a DKK 50m charge, related to the bankruptcy of Gefion Finans A/S* (a Danish insurance company). An initial charge of DKK 50m was booked in Q1 2022, but based on an updated view of the company's financial position, Tryg has updated the total cost to DKK 100m. Finally, a charge of DKK 180m has been included in Q3 relating to the announcement made on 27 September 2023 concerning strategic and organisational changes and the announced redundancies of 250-270 employees.

Profit before and after tax

Profit before tax was DKK 1,225m (DKK 964m), while profit after tax and discontinued activities was DKK 914m (DKK 628m). Total tax amounted to DKK 311m, equating to a tax rate of approximately 25.4%. The tax rate was negatively impacted by adjustments to the overall tax payment for 2022 and slightly negative capital markets developments.

Dividend and solvency

Own funds totalled DKK 14,884m at the end of Q3, while the SCR was DKK 7,676m and Tryg will be paying a Q3 dividend of DKK 1,174m or DKK1.85 per share, and is announcing a share buy back programme of DKK 1bn following the Q3 results. Tryg reports a quarter end solvency ratio of 194 including these two items.

Events during the quarter

Tryg announced a number of strategic and organisational changes on 27 September 2023. The company has undergone a transformation in terms of size and geographical footprint over the past few years following two important acquisitions and generally positive top-line growth. The core business is in good shape, and synergies of DKK 627m from the RSA acquisition have been delivered by Q3 2023, in line with the total target of DKK 900m by the end of 2024. However, the macroeconomic climate across the Group's Scandinavian markets has substantially changed compared to November 2021, when the 2024 strategy, including financial targets, was launched. Tryg has more than half of its total business in Norway and Sweden, where inflation rates remain high and currencies have devaluated substantially. The most important changes relate to merging the Commercial and Corporate

* Please find more information on Gefion on the page 7 of the Q1 2022 report.

segments in Denmark and Norway, aligning the Swedish organisation to the Danish and Norwegian setup and reducing the number of employees by 250-270. The full announcement can be found ***here.***

Q1-Q3 2023 results

Premium growth of 4.3%, when measured in local currencies, was primarily driven by solid growth in the Private and Commercial segments. The Q1-Q3 2023 insurance service result was DKK 4,745m, while the result for the comparable period last year was DKK 4,820m (Trygg-Hansa and Codan pro-forma figures for Q1 2022 and reported figures for Q2-Q3 2022). The insurance service result for the first nine months is slightly lower than the corresponding period in 2022. The weather was challenging in the quarter hence net weather claims were at the highest level in a single quarter during the past 15 years. An improved underlying performance was reported, while higher interest rates also helped. On the negative side, the Swedish and Norwegian currencies (SEK and NOK) devaluated, eroding earnings by approximately DKK 250m in the first nine months of the year. Tryg paid dividends of DKK1.85 per share in both Q1 and Q2, and will likewise pay DKK1.85 per share in Q3, bringing the total dividend per share for Q1-Q3 2023 to DKK 5.55. As written under the "Dividend and solvency" section Tryg is announcing a DKK 1bn shares buyback programme to start immediately after the Q3 results.

Business initiatives

2023 marks the second year of Tryg's new strategy period presented at our Capital Markets Day (CMD) on 21 November 2021, that includes the acquisition of Trygg-Hansa and Codan Norway. Tryg has set new ambitious targets for 2024 under the headline "Growing a successful core while shaping the future". Tryg will continue to grow its successful Private and SME segments by building on its foundation for customers and sales excellence while initiating structural changes in the Corporate segment. In 2023, Tryg has an enhanced focus on the B2B segment, and initiatives will be implemented to further grow the SME segment while increasing profitability in the Corporate business.

Private

In Private Norway, Tryg embarked on a new partnership with the independent agency BuySure, the largest provider of 'change of ownership insurance' in Norway. The partnership aims to provide customers with 'trygghed' (peace of mind) when buying or selling their home. The partnership with BuySure is a great opportunity, as the agency operates in a niche market, thus giving Tryg access and the potential to capitalise on a new customer base.

In Private Sweden, Trygg-Hansa continued its strategic collaboration with SEB, the largest bank in Sweden. The main objectives are to increase customer value for SEB and Trygg-Hansa customers, offer SEB's customer a wide range of Trygg-Hansa products and to further deepen, develop and strengthen the partnership.

Business-to-business (B2B)

In Commercial Denmark, Tryg launched its third product package tailored to the retail segment. Packaged products seek to reduce complexity by bundling the most relevant insurance products for a particular segment. The previous two packaged products have already been well received.

In the Corporate business, focus has been on improving profitability, as presented at the CMD. To achieve that objective, the segment aimed to rebalance the portfolio towards smaller, local customers and to reduce risk exposure to property and heavy liability in the US. Corporate reached its CMD target faster than anticipated, in Q3 this year, hence one year early. The reduction target for exposure to property outside the Nordic area was 50%, while the reduction target to US liability was 70%. Tryg's exposure to these segments was already relatively low prior to the CMD. Tryg has also launched a new preventive product in Corporate Denmark. This new, innovative product was an offspring of the collaboration between Corporate Denmark, Nordic Innovation and a startup firm that resides in 'The Camp'. The product is offered as an add-on to 'workers' compensation insurance', with the aim of preventing and reducing injuries by monitoring and analysing the movements of workers undertaking manual labour.

Claims

Implementation of Guidewire (a new and more effective claims handling system) is entering its final stage. The new claims handling system boosts the quality of the claims handling process by ensuring that all the correct information is collected and that the customer receives payment as quickly as possible. Simple claims, such as travel claims, are handled as "Straight Through Processing", which is fully automated claims handling. Other, more complex claim types are automated to the extent it is possible.
In Norway, the Claims organisation is embarking on the final stage of implementing Guidewire, as 99% of all claims are now handled by the system. In Denmark, the Claims organisation has started incorporating the first car insurance components into the claims handling system. Currently, around 68% of all claims in Denmark are handled via Guidewire. In Sweden, the Claims organisation has expanded the scope for automating claims handling, thus improving process efficiency and the customer experience through simplicity and speed.

RSA synergies

In connection with the acquisition of RSA Scandinavia, Tryg communicated expected synergies of DKK 900m to be delivered by 2024. In Q3 2023, synergies of DKK 80m were realised, thus totalling DKK 627m for 2021, 2022 and Q3 2023 combined. The main synergy drivers continue to be cost initiatives, with administration & distribution and procurement driving the largest effects. Synergies of DKK 25m related to administration and distribution were predominantly driven by the termination of Codan Norway's IT contracts and the reduction in IT FTE staff. Synergies of DKK 24m associated with procurement were driven by utilisation of lowest price contracts and an intensified focus on repairing plastic and glass car parts in Sweden. Synergies of DKK 13m were linked to claims costs, supported by natural attrition and the ongoing effect of improving processes in areas like fraud and recourse. Synergies of DKK 18m were supported by commercial initiatives driven by the cross-selling of Moderna's niche products to Trygg-Hansa's customers and the upselling of Trygg-Hansa's products and coverages to Moderna's customers. Synergies were negatively impacted by weaker currencies, especially the SEK.

Sustainability & ESG

Tryg's sustainability strategy, 'Driving sustainable impact', strengthens the anchoring of strong ESG practices across the organisation and aims to support customers in the green transition by increasingly offering insurance products that include prevention elements as well as sustainable claims handling. Tryg has a target of increasing the claims spend classified as sustainable by 80% by 2024 compared to 2020. The target is an important lever for achieving Tryg's target of total CO_2 reductions of 20,000-25,000 tonnes through more sustainable claims handling in 2024.

We are convinced that the most sustainable claim is the claim that can be prevented or minimised. Hence, Tryg's focus on prevention is a vital component in furthering our sustainability agenda. By integrating preventive measures into its products and services, Tryg's aim is to provide comfort and peace-of-mind for its customers as well as both an environmental and social upside.

Preventive, sensor-equipped vest for corporate customers

Corporate Denmark has partnered with startup Precure in Q3 to launch a new preventive offering, 'Tryg på arbejde', for our corporate customers, aiming to reduce workplace injuries. The offering includes sensor-equipped vests that monitor and analyse employee movements, aiming to reduce workplace injuries. Targeted at insurance policyholders, the programme includes risk analysis and training, with promising potential for both reducing workers' sick days and increasing employee satisfaction.

Sustainable claims handling generates further CO2 savings

To support our strategy of reducing CO_2 emissions from claims handling by 20,000-25,000 tonnes in 2024, we are continuously investigating and implementing more climate-friendly initiatives that enable us to increase the sustainability of businesses across our supply chain. New initiatives in 2023 include online services that provide digital physiotherapy and psychological help as well as online tools for our claims inspection activities that contribute to reducing transport-related emissions. Furthermore, as part of our claims handling process, we provide electric rental vehicles instead of fossil fuel vehicles, which resulted in a CO_2 reduction of more than 400 tonnes in H1 2023. Several initiatives to increase the sustainability of claims handling are currently in the process of being calculated, such as the repair of rims and headlights on cars.

Tryg joins coalition supporting circular economy

In Q3, Tryg Norway joined the Circular Finance coalition, a collaborative arena where companies from banking, insurance and investment define the requirements and processing skills needed to develop circular products, services and tools adapted to the needs of the financial industry and new EU regulations. The coalition's aim is to clarify linear – nature – and climate risk and support the development of a circular economy to achieve climate and environmental goals. The results of the work will contribute to the finance industry supporting existing climate and nature goals in an effective and impactful manner. The results will be summarised in a 'Circular Roadmap 2.0', which will be presented to politicians and other stakeholders.

Tryg and our lifebuoy support the zero vision for drownings

Since 1952, Tryg has been placing lifebuoys all over Norway, so now there are more than 55,000 lifebuoys sited along the country's seas and inland waters.

In 2023, Tryg entered a partnership with Flyte, an umbrella organisation in Norway for everyone who works with drowning prevention. In collaboration with Flyte, Tryg aims to establish a certification system for water-secure counties in Norway, where the goal is to draw up guidelines for counties to follow and be certified as water-secure. Tryg's lifebuoy will be central to this work.

In August 2023, the Norwegian government adopted a zero vision for drownings and initiated a national action plan to support the vision. Tryg is part of the working group contributing to the action plan. Tryg's lifebuoy will be a strong symbol and safety device for many years to come.

Promoting schoolchildren's insurance literacy

In 2022, Tryg signed an agreement with Ungdomsbyen in Copenhagen, an educational centre and meeting place for young people. In 2023/2024, Tryg will offer around 40 new courses to 15-year-old schoolchildren to strengthen the financial literacy of young people and their understanding of why being insured is important – even from an early age. The courses are hosted by Tryg's own employees and have proved a great success, both for the schoolchildren and participating employees. Statistics show that more than 25% of young people living by themselves in Denmark do not have accident or content insurance, hence the courses help increase the level of knowledge.

Trygg-Hansa's new office attains several certifications

Trygg-Hansa's new office in Malmø has attained Miljöbyggnad 'Gold', which is a Swedish system for the environmental certification of buildings. 'Gold' is the highest level that the most ambitious buildings, often with a pronounced environmental profile, aim to attain. The office was awarded a Zero CO_2 certification, stating that the entire building's life cycle demonstrates a net zero climate impact. The life cycle includes the manufacture and transport of building components and construction processes as well as the use and final disposal of the building. The office also attained a Well certification, which focuses on people's health and wellbeing.

Located just a few minutes' walk from the train station, the office is convenient for public transport. The new office building also includes a large bicycle parking area with space for over 200 bicycles as well as changing rooms with shower facilities to promote more climate-friendly transportation to work.

Private

Private encompasses the sale of insurance products to private individuals in Denmark, Sweden and Norway. Sales are distributed via multiple channels, including call centres, online sales, Tryg's own sales force, interest organisations, car dealers, Alka in Denmark, franchisees in Norway, Trygg-Hansa in Sweden and Danske Bank branches. The business area accounts for 65% of the Group's total insurance revenue.

Insurance service result

Private reported an insurance service result of DKK 877m (DKK 1,254m) and a combined ratio of 85.8 (80.0). The lower insurance service result was impacted by a very high level of weather-related claims and a modest deterioration in the underlying claims ratio due to slightly higher claims level for motor comprehensive. Private reported solid top-line growth, predominantly driven by price adjustments.

Insurance revenue

Insurance revenue amounted to DKK 6,180m (DKK 6,274m), corresponding to growth of 5.0% in local currencies. Growth was affected by the conversion and repricing of the Moderna portfolio in Sweden and Codan Norway in Norway. Adjusted for this, growth would have been approximately 6%. The impact from conversions and repricing on premium growth was in line with expectations. Growth was generated across all countries, and as Private is the most profitable segment in Tryg with the lowest capital requirement, growth in this segment is structurally positive for the Group. In Denmark, Tryg reported solid growth that was impacted by price increases, an enhanced focus on direct customers and cross-selling to existing customers. In Norway, Tryg reported solid growth due to strong sales via partner agreements, strong performance across multiple sales channels and increased sales of new electric cars despite a challenging market. In Sweden, Trygg-Hansa reported solid growth, which was positively impacted by organic growth across multiple sales channels and cross-selling to existing customers. Growth was also supported by decent sales via Trygg-Hansa's new automobile partnerships. All geographical areas in the Private segment continued to adjust prices to mitigate inflation and saw a high level of acceptance, as retention rates in all countries displayed only a slight deterioration. In Denmark, the retention rate remained high but fell slightly to 89.8 (90.6), primarily impacted by single-product customers in partner agreements and reactions to price adjustments. In Norway, the retention rate fell to 87.6 (88.7) as a result of periods of continuous price adjustments. In Sweden, the retention rate was broadly flat at 87.7 (87.6) despite a period of significant price adjustments.

Key figures – Private

DKKm	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022 pro-forma	Q1-Q3 2022	FY 2022
Insurance revenue	**6,180**	**6,274**	**18,252**	**18,443**	**16,766**	**22,776**
Gross claims	-4,436	-4,190	-12,966	-12,574	-11,565	-15,625
Total insurance operating costs	-779	-825	-2,299	-2,386	-2,157	-2,913
Insurance service expense	**-5,215**	**-5,015**	**-15,265**	**-14,959**	**-13,722**	**-18,538**
Profit/loss on gross business	964	1,259	2,987	3,484	3,044	4,238
Net expense from reinsurance contracts	-88	-6	-178	-180	-165	-332
Insurance service result	**877**	**1,254**	**2,809**	**3,304**	**2,879**	**3,906**
Run-off gains/losses, net of reinsurance	96	121	181	494	284	357
Key ratios						
Premium growth in local currencies (%) [a]	5.0	4.7*	4.8		4.9*	4.9*
Gross claims ratio	71.8	66.8	71.0	68.2	69.0	68.6
Net reinsurance ratio	1.4	0.1	1.0	1.0	1.0	1.5
Claims ratio, net of reinsurance	73.2	66.9	72.0	69.2	70.0	70.1
Gross expense ratio	12.6	13.1	12.6	12.9	12.9	12.8
Combined ratio	**85.8**	**80.0**	**84.6**	**82.1**	**82.8**	**82.9**
Combined ratio exclusive of run-off	87.4	81.9	85.6	84.8	84.5	84.4
Run-off, net of reinsurance (%)	-1.5	-1.9	-1.0	-2.7	-1.7	-1.6
Large claims, net of reinsurance (%)	0.6	0.5	0.4	0.7	0.8	0.6
Weather claims, net of reinsurance (%)	7.5	1.1	3.8	1.7	1.8	1.8

a) Premium growth in Q1-Q3 2023 is measured against comparative proforma 2022 figures
*) Based on pro-forma figures

Financial highlights Q3 2023

5.0%
Premium growth
(local currencies)

877m
Insurance service result
(DKK)
Q3 2022: 1,254m

85.8
Combined ratio
Q3 2022: 80.0

Claims

The claims ratio, net of reinsurance, was 73.2 (66.9), and was significantly impacted by higher weather claims at 7.5 (1.1) due to storm Hans, numerous unrelated cloudbursts in Scandinavia, a record wet July in Denmark, hailstorms and wildfires affecting Scandinavian travellers in southern Europe. Large claims slightly increased to 0.6 (0.5), whilst the level of run-off was lower compared to same quarter last year at 1.5 (1.9). The underlying claims ratio deteriorated slightly, driven predominantly by motor insurance due to higher costs for spare car parts in Norway and Sweden following significant currency weakness (SEK & NOK) and also a slight increase in claims frequency across countries. Motor comprehensive is a short-tailed line of business that Tryg is currently monitoring and increasing prices to offset the negative impact of rising inflation.

Expenses

The expense ratio realised an improvement at 12.6 (13.1) and was supported by synergies related to the acquisition of RSA's Swedish and Norwegian businesses.

Q1-Q3 2023 results

The insurance service result was DKK 2,809m (DKK 3,304m) compared to Q1-Q3 2022 (Trygg-Hansa and Codan pro-forma figures for Q1 2022 and reported figures for Q2-Q3 2022). The claims ratio, net of reinsurance was 72.0 (69.2), and was positively impacted by a noticeably higher level of interest rates, though negatively impacted by higher weather claims. Synergies from the RSA Scandinavia acquisition had a positive impact, whilst a slightly higher level of underlying claims had a negative impact. The expense ratio was 12.6 (12.9).

Commercial

Commercial encompasses the sale of insurance products to small- and medium-sized businesses in Denmark, Sweden and Norway and under the brand 'Tryg Garanti' (Tryg's credit & surety business) in selected European countries. Sales are distributed via Tryg's own sales force, brokers, online sales (particularly in Sweden), Alka in Denmark, franchisees in Norway, Trygg-Hansa in Sweden and Danske Bank branches. The business area accounts for 25% of the Group's total insurance revenue.

Insurance service result

Commercial reported an insurance service result of DKK 463m (DKK 481m) and a combined ratio of 79.9 (79.6). The lower insurance service result was negatively impacted by unfavourable weather conditions, but positively impacted by an improvement in the underlying claims ratio due to a continued focus on smaller commercial customers. Commercial reported good top-line growth, predominantly driven by price adjustments.

Insurance revenue

Insurance revenue amounted to DKK 2,304m (DKK 2,354m), corresponding to growth of 4.1% measured in local currencies. The development was predominantly driven by price adjustments and a portfolio transfer from Commercial Norway to Corporate Norway. Worth mentioning that the conversion is finalised but still has an impact on the premium. Adjusted for the transfer, growth for the segment was approximately 5%. In Denmark, Tryg reported solid growth impacted by price increases and a positive net inflow of new customers. The business unit continued to focus on smaller commercial customers and price adjustments. In Norway, Tryg reported negative growth that was impacted by the transfer of customers from Commercial to Corporate, as a high proportion of the customers in Codan Norway are labelled as Corporate customers according to Tryg's definition. Adjusting for this, Commercial Norway realised good growth predominantly driven by price adjustments. In Sweden, Trygg-Hansa reported solid growth impacted by organic growth in the small customer segment on the back of a strong business performance by Trygg-Hansa's own sales force and online sales, whilst price adjustments also had an impact. Tryg also reported healthy growth in the credit and surety business (Tryg Garanti). All geographical areas in the Commercial segment continued to adjust prices to mitigate inflation with a high level of acceptance. Retention rates remained high but deteriorated slightly, primarily due to customer reaction to price adjustments.

Key figures – Commercial

DKKm	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022 pro-forma	Q1-Q3 2022	FY 2022
Insurance revenue	**2,304**	**2,354**	**6,864**	**6,989**	**6,102**	**8,408**
Gross claims	-1,321	-1,438	-4,222	-4,422	-3,929	-5,551
Total insurance operating costs	-352	-354	-1,064	-1,108	-960	-1,337
Insurance service expense	**-1,673**	**-1,792**	**-5,286**	**-5,530**	**-4,889**	**-6,889**
Profit/loss on gross business	631	561	1,578	1,459	1,213	1,519
Net expense from reinsurance contracts	-168	-81	-191	-189	-174	-66
Insurance service result	**463**	**481**	**1,388**	**1,270**	**1,039**	**1,453**
Run-off gains/losses, net of reinsurance	94	94	213	284	138	264
Key ratios						
Premium growth in local currencies (%)[a]	4.1	4.7*	3.8		5.7*	8.6*
Gross claims ratio	57.3	61.1	61.5	63.3	64.4	66.0
Net reinsurance ratio	7.3	3.4	2.8	2.7	2.8	0.8
Claims ratio, net of reinsurance	64.6	64.5	64.3	66.0	67.2	66.8
Gross expense ratio	15.3	15.1	15.5	15.9	15.7	15.9
Combined ratio	**79.9**	**79.6**	**79.8**	**81.8**	**83.0**	**82.7**
Combined ratio exclusive of run-off	84.0	83.6	82.9	85.9	85.2	85.9
Run-off, net of reinsurance (%)	-4.1	-4.0	-3.1	-4.1	-2.3	-3.1
Large claims, net of reinsurance (%)	3.7	8.1	4.4	6.8	6.6	7.2
Weather claims, net of reinsurance (%)	5.1	0.4	3.1	1.2	1.3	1.6

a) Premium growth in Q1-Q3 2023 is measured against comparative proforma 2022 figures
*) Based on pro-forma figures

Financial highlights Q3 2023

4.1%
Premium growth (local currencies)

463m
Insurance service result (DKK)
Q3 2022: 481m

79.9
Combined ratio
Q3 2022: 79.6

The retention rate was 87.6 (88.4) in Denmark as a result of periods of continuous price adjustments, but broadly flat at 89.4 (89.5) in Norway and 88.7 (88.8) in Sweden despite a period of price adjustments.

Claims

The claims ratio, net of reinsurance, was 64.6 (64.5), significantly impacted by higher weather claims at 5.1 (0.4) due to storm Hans and numerous cloudbursts in Scandinavia. Large claims were significantly lower at 3.7 (8.1), whilst the level of run-off was modestly higher at 4.1 (4.0). The underlying claims ratio improved, driven by price adjustments and by focusing on growing the smaller commercial customer segment, as this segment displays higher profitability. The increase in claims costs was highest for the property line of business and for Commercial motor comprehensive. The development in motor segment was predominantly driven by higher costs for spare parts following currency weakness (SEK & NOK). Motor comprehensive is a short-tailed line of business where Tryg is increasing prices to offset the negative impact of rising inflation.

Expenses

The expense ratio deteriorated to 15.3 (15.1). In general, the segment is focused on lowering distribution costs through the use of more efficient sales channels.

Q1-Q3 2023 results

The insurance service result was DKK 1,388m (DKK 1,270m) compared to Q1-Q3 2022 (Trygg-Hansa and Codan pro-forma figures for Q1 2022 and reported figures for Q2-Q3 2022). The claims ratio, net of reinsurance, was 64.3 (66.0), driven by a higher level of interest rates, a lower level of large claims, offset by a higher level of weather claims. The expense ratio was 15.5 (15.9).

Corporate

Corporate encompasses the sale of insurance products to corporate customers in Denmark and in Norway under the brand 'Tryg' and in Sweden under 'Trygg-Hansa'. Sales are distributed via Tryg's own sales force and insurance brokers. Moreover, customers with international insurance products are serviced through Tryg's cooperation with the RSA Global network. The business area accounts for 10% of the Group's total insurance revenue.

Insurance service result

Corporate reported an insurance service result of DKK 172m (DKK 54m) and a combined ratio of 80.1 (94.1). The higher insurance service result was predominantly impacted by higher run-off results and an improvement in the underlying claims ratio. Corporate reported modest top-line growth in local currencies, whilst the segment maintained a strong focus on rebalancing the portfolio and price adjustments.

Insurance revenue

Insurance revenue amounted to DKK 865m (DKK 917m), corresponding to a growth of 1,1% when measured in local currencies. Growth was predominantly driven by a portfolio transfer from Commercial Norway to Corporate Norway. Worth mentioning that the conversion is finalised but still has an impact on the insurance revenue. Adjusted for the transfer, growth was approximately negative -1%, which is in line with expectations. In Denmark, Tryg reported negative growth as the business unit continues to rebalance its portfolio and reduce volatility and exposure. In Norway, Tryg reported positive growth that was impacted by the transfer of customers from Commercial to Corporate, as high proportion of the customers in Codan Norway are labelled as Corporate customers according to Tryg's definition. Adjusted for the transfer, growth for the Corporate segment was negative. The segment reached its target for the current CMD period of reducing exposure to international property and liability here in Q3 2023.

Claims

The claims ratio, net of reinsurance, was 66.8 (81.9), predominantly impacted by higher large claims at 19.8 (18.5) on the back of various large claims below Tryg's retention level. The run-off level was 13.8 (7.1), significantly higher than the same quarter last year. The underlying claims ratio improved, driven mainly by profitability initiatives in all countries and the segment's continued focus on rebalancing the portfolio and reducing volatility by cutting exposure to international property and US liability.

Key figures – Corporate

DKKm	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022 pro-forma	Q1-Q3 2022	FY 2022
Insurance revenue	**865**	**917**	**2,623**	**2,727**	**2,727**	**3,631**
Gross claims	-473	-683	-1,841	-2,046	-2,046	-2,724
Total insurance operating costs	-115	-112	-324	-315	-315	-451
Insurance service expense	**-588**	**-795**	**-2,165**	**-2,361**	**-2,361**	**-3,175**
Profit/loss on gross business	277	122	458	366	366	456
Net expense from reinsurance contracts	-105	-68	91	-118	-118	-177
Insurance service result	**172**	**54**	**549**	**248**	**248**	**278**
Run-off gains/losses, net of reinsurance	119	65	424	144	144	137
Key ratios						
Premium growth in local currencies (%)	1.1	5.7	2.3		4.1	-0.8
Gross claims ratio	54.6	74.4	70.2	75.0	75.0	75.0
Net reinsurance ratio	12.1	7.4	-3.5	4.3	4.3	4.9
Claims ratio, net of reinsurance	66.8	81.9	66.7	79.4	79.4	79.9
Gross expense ratio	13.3	12.2	12.3	11.6	11.6	12.4
Combined ratio	**80.1**	**94.1**	**79.1**	**90.9**	**90.9**	**92.3**
Combined ratio exclusive of run-off	93.9	101.2	95.2	96.2	96.2	96.1
Run-off, net of reinsurance (%)	-13.8	-7.1	-16.2	-5.3	-5.3	-3.8
Large claims, net of reinsurance (%)	19.8	18.5	18.0	11.8	11.8	10.7
Weather claims, net of reinsurance (%)	3.2	0.0	1.8	0.4	0.4	1.0

Financial highlights Q3 2023

1.1%
Premium growth (local currencies)

172m
Insurance service result (DKK)
Q3 2022: 54m

80.1
Combined ratio
Q3 2022: 94.1

Expenses

The expense ratio was lower at 13.3 (12.2). In general, a lower expense ratio should be expected for the Corporate segment, as acquisition costs in the broker channel are paid by customers via a commission to the brokers.

Q1-Q3 2023 results

The insurance service result was DKK 549m (DKK 248m) compared to Q1-Q3 2022 (Trygg-Hansa and Codan pro-forma figures for Q1 2022 and reported figures for Q2-Q3 2022). The claims ratio, net of reinsurance, was 66.7 (79.4), driven by further profitability initiatives and a reduction of customers with international exposure, especially to property and liability. The expense ratio was 12.3 (11.6).

Investment activities

The total market value of Tryg's investment portfolio was DKK 60bn at 30 September 2023. The investment portfolio consists of a match portfolio of DKK 43bn and a free portfolio of DKK 17bn. The match portfolio is composed of low-risk fixed-income assets (Scandinavian covered bonds) that mirror the Group's insurance liabilities so fluctuations resulting from interest rate changes are therefore offset to the greatest possible extent. The free portfolio reflects the Group's capital and is invested in a global multi-asset low-risk portfolio strategy, predominantly in fixed-income securities of relatively short maturity but also in equities and properties.

The investment return for the quarter was DKK 265m (DKK -203m), driven by positive returns on the match portfolio. The free portfolio returned DKK -26m (DKK -233m), the match portfolio returned to DKK 268m (DKK 207m), while other financial income and expenses amount to DKK 23m (DKK -177m). Other financial income and expenses are clearly more positive compared to a normalised assumption, primarily driven by the inflation swap value change of DKK 59m.

The free portfolio return of DKK -26m (DKK -233m) risky assets were sold in the quarter, equities, corporate bonds and properties all reported negative returns while Government and Covered bonds reported positive returns. The total return on the free portfolio was -0.2% or DKK -26m for the quarter. The corresponding quarter in 2022 saw equity markets dropping, with Tryg's equity portfolio returning -3.0% (or DKK -107m) and a general risk-off sentiment. The three-month period to the end of September continued to see a volatile news flow characterised by geopolitical

Return - Investments

DKKm	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	FY 2022
Free portfolio, gross return	-26	-233	225	-1,150	-945
Match portfolio, regulatory deviation and performance	268	207	434	-22	207
Other financial income and expenses	23	-177	-174	131	263
Income from RSA Scandinavia	0	0	0	53	34
Total investment return	**265**	**-203**	**485**	**-988**	**-441**

Return - match portfolio

DKKm	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	FY 2022
Return, match portfolio	65	-638	717	-2,868	-2,433
Value adjustments, changed discount rate	580	1,096	643	3,329	3,418
Transferred to insurance technical interest	-377	-251	-926	-484	-780
Match, regulatory deviation and performance	**268**	**207**	**434**	**-22**	**207**
Hereof:					
Match, regulatory deviation	158	197	183	141	219
Match, performance	110	10	251	-163	-12

Return - free portfolio

									Investment assets	
DKKm	Q3 2023	Q3 2023 (%)	Q3 2022	Q3 2022 (%)	Q1-Q3 2023	Q1-Q3 2023 (%)	Q1-Q3 2022	Q1-Q3 2022 (%)	30.09.2023	31.12.2022
Government and Covered Bonds	**51**	**0.9**	**-167**	**-2.7**	**109**	**1.3**	**-508**	**-9.1**	**5,936**	**6,034**
Corporate and Emerging Market Bonds	**-34**	**-1.1**	**-110**	**-3.6**	**55**	**1.7**	**-516**	**-19.2**	**3,035**	**2,979**
Investment grade credit	-13	-1.1	-42	-3.5	23	1.9	-189	-19.2	1,183	1,199
Emerging market bonds	-13	-1.1	-39	-4.8	19	1.6	-154	-20.9	1,149	1,039
High-yield bonds	-8	-1.1	-29	-2.7	13	1.7	-172	-17.9	702	742
Diversifying Alternatives [a]	**27**	**2.3**	**6**	**0.4**	**69**	**5.7**	**24**	**2.0**	**1,140**	**1,239**
Equity	**-46**	**-1.4**	**-107**	**-3.0**	**227**	**6.6**	**-741**	**-22.0**	**3,390**	**3,182**
Real Estate	**-24**	**-0.6**	**145**	**3.3**	**-235**	**-6.0**	**592**	**13.8**	**3,730**	**4,222**
Total	**-26**	**-0.2**	**-233**	**-1.3**	**225**	**1.1**	**-1.149**	**-7.1**	**17,231**	**17,656**

[a] Diversifying Alternatives concists of CAT Bonds and hedging instrumetns

challenges and by central banks activities to fight inflation, markets were particularly jittery in the last part of the quarter following an additional interest rates hike from the ECB.

Free portfolio

Financial markets remain volatile with a mixed news flow, inflation is falling to different degrees in most advanced economies but an additional September interest rates hike from the ECB has caused markets jitters. Equities exposure was reduced during the quarter by approximately DKK 900m. More risky assets like equities, properties and corporate bonds all produced negative returns in challenging quarters while Government bonds and Covered bonds produced positive returns.

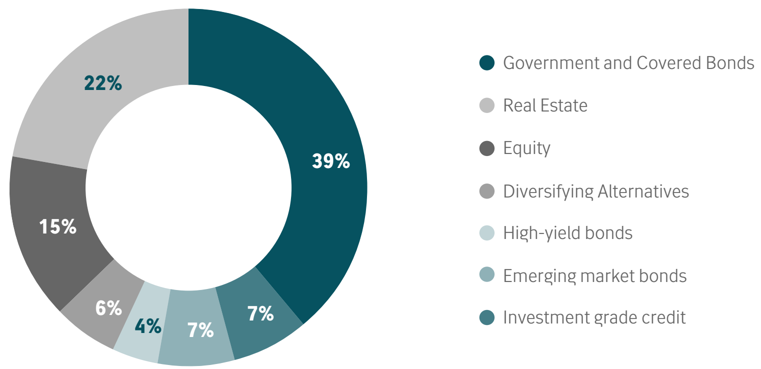
Match portfolio

The match portfolio reported a robust result of DKK 268m for the quarter, split between a so-called "regulatory deviation" of DKK 158m and a so-called "performance" of DKK 110m. Match portfolio reported a good overall result of DKK 268m, helped by narrowing covered bonds spreads in Sweden and Norway and the recurring booking of the interest on the premiums provisions.

Other financial income and expenses

Other financial income and expenses totalled DKK -26m (DKK -233m). Other financial income and expenses include various items, the largest being the interest expenses associated with Tryg loans (Tier 1 and Tier 2 loans), the hedging of foreign currency exposure and expenses related to the investment management team. Exchange rates, balance sheet adjustments and related hedges were DKK 30m in Q3. Additionally, the change in the value of the inflation swap is also booked against this line under IFRS 17 and totalled DKK 59m in Q3. Interest expenses on the Tier 1 and Tier 2 loans amounted to DKK 40m in Q3.

Assets exposure - Free portfolio



Solvency and dividend

The reported solvency ratio (based on Tryg's partial internal model) was 194 at the end of Q3 against 199 at the end of Q2. Own funds decreased during the quarter, while the solvency capital requirement fell modestly. Own funds were DKK 14,884m (15,690), with the movement primarily driven by operating earnings and offset by the dividend payment and the deduction of the announced DKK 1bn share buyback programme. The solvency capital requirement was DKK 7,676m (7,873m), primarily driven by a reduced exposure to equities in the free portfolio during the quarter. Tryg will pay a quarterly dividend of DKK 1.85 per share in Q3, corresponding to DKK 1,174m.

Own funds

Own funds amount to DKK 14,884m at the end of Q3 2023 (DKK 15,690m at the end of Q2 2023). The movement in own funds from Q2 to Q3 was primarily driven by the operating profit and the dividend paid together with the announced DKK1bn share buyback programme that will start after the Q3 results. Both dividends and share buy back have been deducted in the own funds. Additionally, a higher value of the subordinated loans due to currencies movements is also supporting the overall own funds position.

A solvency ratio of 194 is considered very robust in light of earnings and capital projections. The Executive Board has therefore decided to start an extraordinary share buyback programme of DKK 1bn following the Q3 results. Tryg continuously assesses its solvency position and earnings outlook together with risks and solvency projections. A profitability target such a ROOF (Return on Own Funds) at 25% ensures capital discipline at all times.

Tryg's own funds predominantly consist of shareholder equity and subordinated loans. These items should be adjusted for the total amount of intangibles on the balance sheet (fully deducted in Solvency 2).

Solvency capital requirement

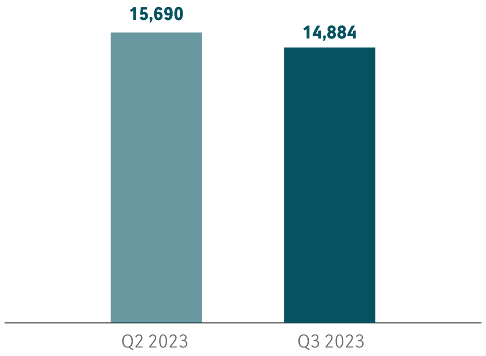
Tryg calculates its individual solvency capital requirement based on a partial internal model in accordance with the Danish FSA's Executive Order on Solvency and Operating Plans for Insurance Companies. The model is based on the structure of the Standard formula. The solvency capital requirement calculation is based on a partial internal model where the insurance risk is internally modelled while other risks are calculated using the Standard formula.

The solvency capital requirement, calculated using the partial internal model, was DKK 7,676m (DKK 7,873m at the end of Q2). The reduction in the solvency capital requirement is primarily driven by a lower capital charge for investments after reducing equity exposure.

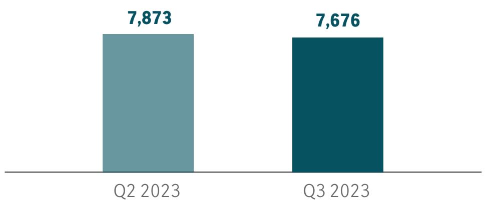
Moody's rating

Tryg has an 'A1' (stable outlook) insurance financial strength rating (IFSR) from Moody's. The rating agency highlights Tryg's strong position in the Nordic P&C market, robust profitability, very good asset quality and relatively low financial

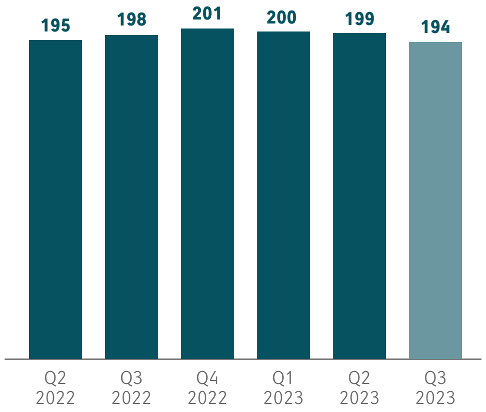
Own Funds (DKKm)



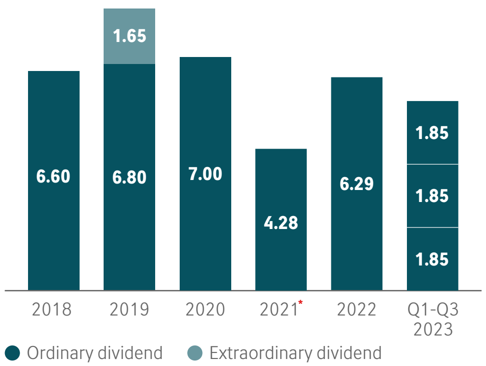
Solvency Capital Requirement (DKKm)



Solvency Ratio Development (%)



Shareholders' remuneration (DKK per share)



* During 2021, Tryg launched a DKK 37bn rights issue to fund the RSA Scandinavia acquisition. The number of shares was 653m after the rights issue compared to 302m before the rights issue. The higher number of shares explains the drop in the DPS in 2021.

leverage. Moody's also assigned an 'A3' rating to Tryg's subordinated debt and a 'Baa3' rating to the Tier 1 notes. All ratings were confirmed following the announcement of the RSA Scandinavia assets acquisition and the recent bond issues.

Financial outlook

Tryg hosted a Capital Markets Day in London in November 2021 to launch its new strategy and updated financial targets for the new Group that includes Codan Norway and Trygg-Hansa. At the time, Tryg announced a target for the insurance service result in 2024 of between DKK 7.0 and 7.4bn, driven by a combined ratio at or below 82 and an expense ratio around 14. The overall insurance service result target is underpinned by DKK 900m in synergies from the Codan Norway and Trygg-Hansa acquisition and by Tryg's 2024 strategy "Growing a successful core while shaping the future", with initiatives impacting the insurance service result by approximately DKK 1.6bn. Tryg also introduced a new profitability measure, return on own funds (ROOF), which is targeted at or above 25%, also in 2024.

The introduction of IFRS 17 at the beginning of 2023 has been driving some accounting reclassifications, and Tryg has therefore decided to update its 2024 insurance service result target. Tryg is now disclosing an insurance service result target of between DKK 7.2 and DKK 7.6bn under IFRS 17 (as per November 2021), driven solely by the movement of approximately DKK 200m of educational and development costs from insurance operating expenses to the "Other income and costs" line. The expense ratio target is therefore updated to approximately 13.5%, while the combined ratio target remains at or below 82%.

2023 Outlook

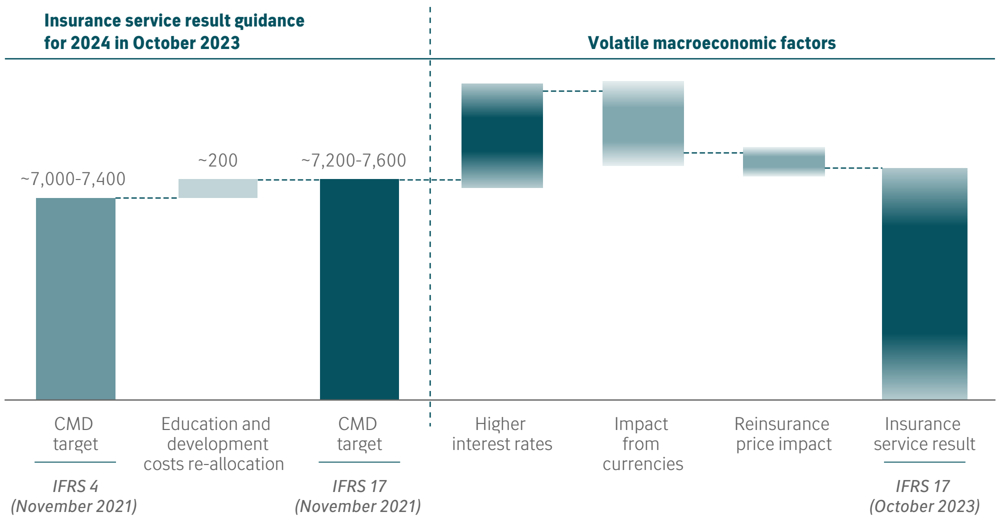
In the first quarter of 2022, Codan Norway, Trygg-Hansa and 50% of Codan Denmark were reported as "equity accounting", so the quarterly net profit has been booked in Tryg's investment result. Tryg started to fully consolidate Codan Norway and Trygg-Hansa in Q2 2022. Q1 2023 was therefore the last quarter where comparison figures (as reported) do not show full consolidation of the acquired assets.

Tryg identified synergies from the acquisition of Codan Norway and Trygg-Hansa of DKK 350m in 2022, growing to DKK 650m in 2023 and DKK 900m in 2024. Tryg booked the final DKK 180m of integration costs from the RSA Scandinavia acquisition in Q2. These were booked against the "other income and costs" line.

The intangibles amortisation of customer relations for Trygg-Hansa and Codan Norway is booked against the "other income and costs" line. As previously disclosed, this will be approximately DKK 900m per annum, with quarterly developments potentially being slightly more volatile due to currency movements. Intangibles amortisation from the RSA Scandinavia acquisition was DKK 196m in Q3, while intangibles amortisation from the Alka acquisition was DKK 32m. These are non-cash items that do not impact the dividend capacity of the company.

The "other income and costs" line also always includes (as previously disclosed) approximately DKK 50m-60m in quarterly costs for general operating expenses (including holding company costs not related to insurance activities and bancassurance commissions) as well as approximately DKK 50m-60m in educational and

Insurance service result



2024 updated targets with IFRS 17

Insurance service result	Combined ratio	Expense ratio	Return on Own Funds	RSA Scandinavia Synergy target	Ordinary dividends and extraordinary buybacks
DKK 7.2-7.6	≤ 82%	~13.5%	≥25%	DKK 900m	DKK ~17-19bn in 2022-2024

development costs transferred from insurance operating expenses under IFRS 17.

Tryg published ***a newsletter on IFRS 17*** in April 2022 followed by a detailed investor update in March 2023 that included Group quarterly figures for 2022 under IFRS 17 together with business segment figures and geographical figures. Additionally, a new Group underlying claims and a new Private-segment-only underlying claims ratio have been published to allow capital market participants to continue to transparently monitor progress under the new accounting standard.

Tryg has previously disclosed that annual expectations for large and weather claims for the enlarged Group are DKK 800m. Tryg's reserves position remains strong. At the Capital Markets Day in November 2021, it was disclosed that run-off gains are expected to be between 3% and 5% in 2024. Tryg's systematic claims reserving approach still includes a margin of approximately 3% at best estimate. Claims inflation remains a key topic in capital market discussions and Tryg is adjusting prices accordingly in selected lines of business. Macroeconomic uncertainty prevails and inflation levels are at 40-year highs, which could result in slightly increased volatility in Tryg's quarterly results, although the long-term trends remain unchanged. Higher interest rates will generally help Tryg's financial results in the short to medium term (all else being equal) via increased discounting of claims reserves, while currency developments (SEK & NOK) are currently producing a material headwind to the insurance service result. SEK and NOK are down approximately 15% from November 2021 when Tryg hosted its CMD. All else being equal, this represents a drag of DKK 600m on the insurance service result.

As stated in the solvency and dividend section, Tryg is reporting a solvency ratio of 194 as per Q3, which is considered robust in the light of capital market developments year-to-date. Movements in the solvency ratio during the remainder of 2023 will primarily be driven by the operating earnings of the company and by the payment of the quarterly dividends.

The overall tax rate for full-year 2023 is expected to be between 24% and 25%. The full consolidation of Trygg-Hansa's Swedish earnings will reduce the tax rate due to the lower corporate tax rate in Sweden, whereas a new financial sector tax (the so-called "Arne skat") in Denmark will tend to increase the corporate tax rate.

Financial calendar 2023/2024

13 Oct. 2023 Interim report Q1-Q3

16 Oct. 2023 Tryg shares are traded ex-dividend

18 Oct. 2023 Payment of Q3 dividend*

25 Jan. 2024 Annual Report 2023

21 Mar. 2024 Annual General Meeting

17 Apr. 2024 Interim Report Q1

11 Jul. 2024 Interim Report Q2 and H1

11 Oct. 2024 Interim Report Q1-Q3

* Supervisory Board approval is required

For further information

If you have questions about Tryg's activities, results, the share or other matters, please visit www.tryg.com or contact Investor Relations:





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Contents – Financial statements Q1-Q3 2023

Financial statements

Tryg's Group consolidated financial statements are prepared in accordance with IFRS.

Statement by the Supervisory Board and the Executive Board

The Supervisory Board and the Executive Board have today considered and adopted the interim report for Q1-Q3 2023 of Tryg A/S.

The Financial statements, which is unaudited and has not been reviewed by the company's auditors, is presented in accordance with IAS 34 Interim Financial Reporting, the Danish Financial Business Act and the requirements of the NASDAQ Copenhagen for the presentation of financial statements of listed companies.

In our opinion, the report gives a true and fair view of the Group's assets, liabilities and financial position at 30 September 2023 and of the results of the Group's activities and cash flows for the period for the Group.

We are furthermore of the opinion that the management's review includes a fair review of the developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general and describes the principal risks and uncertainties that the Group face.

Ballerup, 13 October 2023

Executive Board

Johan Kirstein Brammer Group CEO	Barbara Plucnar Jensen Group CFO	Lars Bonde Group COO	Alexandra Bastkær Winther Group CCO	Mikael Kärrsten Group CTO

Supervisory Board

Jukka Pertola Chairman	Steffen Kragh Deputy Chairman	Mari Thjømøe	Thomas Peider Hofman-Bang	Carl-Viggo Östlund	Mengmeng Du	Claus Wistoft
Anne Kaltoft	Jørn Rise Andersen	Tina Snejbjerg	Charlotte Dietzer	Elias Bakk	Mette Osvold	Lena Darin

Financial highlights

DKKm	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
NOK/DKK, average rate for the period	64.77	74.03	65.75	74.71	73.95
SEK/DKK, average rate for the period	63.42	70.21	65.07	71.04	70.33
Insurance revenue	**9,797**	**10,555**	**29,318**	**28,397**	**38,365**
Insurance service expenses	-7,924	-8,616	-24,295	-23,776	-32,156
Net expense from reinsurance contracts	-360	-155	-278	-458	-576
Insurance service result	**1,513**	**1,785**	**4,745**	**4,162**	**5,636**
Total Investment return [a]	265	-203	485	-988	-441
Other income and costs	-553	-618	-1,590	-1,499	-2,143
Profit/loss before tax	**1,225**	**964**	**3,640**	**1,674**	**3,051**
Tax	-311	-336	-919	-508	-804
Profit/loss for the period	**914**	**628**	**2,721**	**1,166**	**2,247**
Other comprehensive income					
Other comprehensive income which cannot subsequently be reclassified as profit or loss	0	0	0	0	-2
Other comprehensive income which can subsequently be reclassified as profit or loss	643	-175	-848	-1,314	-1,828
Other comprehensive income	**643**	**-175**	**-848**	**-1,314**	**-1,830**
Comprehensive income	**1,557**	**453**	**1,873**	**-147**	**417**
Run-off gains/losses, net of reinsurance	309	280	818	566	759
Run-off gains/losses, Gross	518	339	1,215	776	1,120
Statement of financial position					
Total provisions for insurance contracts	48,730	49,966	48,730	49,966	49,063
Assets from reinsurance contracts	2,899	2,158	2,899	2,158	2,823
Total equity	40,206	44,067	40,206	44,067	42,504
Total assets	110,599	114,741	110,599	114,741	113,387
Key ratios					
Gross claims ratio	66.6	66.2	68.6	68.5	68.7
Net reinsurance ratio	3.9	1.6	1.0	1.8	1.7
Claims ratio, net of reinsurance	70.5	67.8	69.6	70.3	70.3
Gross expense ratio	13.3	13.5	13.3	13.4	13.5
Combined ratio	**83.8**	**81.3**	**82.9**	**83.7**	**83.8**
Return on equity after tax (%)	8.9	5.4	8.9	3.3	4.9

[a] Following demerger, Tryg has started full consolidation of Trygg-Hansa and Codan Norway from 1 April 2022. Income from RSA Scandinavia for Q1 2022 is included in the Investment return.

Income statement

DKKm		Q1-Q3 2023	Q1-Q3 2022	2022
Note	Insurance revenue	29,318	28,397	38,365
	Insurance service expenses	-24,295	-23,776	-32,156
	Net expense from reinsurance contracts	-278	-458	-576
1	**Insurance service result**	**4,745**	**4,162**	**5,636**
	Investment activities			
	Profit/Loss from associates	-48	-2	-19
	Income from investment property	30	44	48
	Interest income and dividends	1,167	636	918
2	Value adjustments	-45	-4,241	-3,675
	Interest expenses	-239	-102	-154
	Administration expenses in connection with investment activities	-134	-112	-145
	Investment return	**731**	**-3,775**	**-3,028**
	Net finance income/expense from insurance contracts	-312	2,837	2,621
	Net finance income/expense from reinsurance contracts	66	-50	-34
	Total Investment return	**485**	**-988**	**-441**
3	Other income	106	118	150
3	Other costs	-1,696	-1,617	-2,293
	Profit/loss before tax	**3,640**	**1,674**	**3,051**
	Tax	-919	-508	-804
	Profit/loss for the period	**2,721**	**1,166**	**2,247**

Statement of comprehensive income

DKKm		Q1-Q3 2023	Q1-Q3 2022	2022
Note	**Profit/loss for the period**	**2,721**	**1,166**	**2,247**
	Other comprehensive income			
	Other comprehensive income which cannot subsequently be reclassified as profit or loss			
	Actuarial gains/losses on defined-benefit pension plans	0	0	-2
	Tax on actuarial gains/losses on defined-benefit pension plans	0	0	1
		0	0	-2
	Other comprehensive income which can subsequently be reclassified as profit or loss			
	Deferred tax related to receivable balance	0	0	-50
	Exchange rate adjustments of foreign entities	-1,066	-1,649	-2,217
	Exchange rate adjustments of foreign material associates	0	0	52
	Hedging of currency risk in foreign entities	292	429	496
	Tax on hedging of currency risk in foreign entities	-74	-94	-109
		-848	-1,314	-1,828
	Total other comprehensive income	**-848**	**-1,314**	**-1,830**
	Comprehensive income	**1,873**	**-147**	**417**

Statement of financial position

Note	DKKm	30.09.2023	30.09.2022	31.12.2022
Note	**Assets**			
	Intangible assets	**31,204**	**33,400**	**32,716**
	Operating equipment	185	176	178
	Group-occupied property	878	679	693
	Total property, plant and equipment	**1,063**	**855**	**871**
	Investment property	**517**	**1,061**	**1,017**
	Equity investments in associates	42	34	222
	Total investments in associates	**42**	**34**	**222**
	Equity investments	3,142	4,761	4,647
	Unit trust units	10,018	7,813	8,330
	Bonds	54,136	58,429	55,800
	Other lending	0	75	75
	Derivative financial instruments	2,025	2,288	1,763
	Reverse repurchase lending	55	0	194
	Total other financial investment assets	**69,376**	**73,366**	**70,810**
4	**Total investment assets**	**69,935**	**74,461**	**72,049**
	Assets from reinsurance contracts	**2,899**	**2,158**	**2,823**
	Other receivables	503	444	414
	Total receivables	**503**	**444**	**414**
	Current tax assets	804	661	854
	Cash at bank and in hand	2.980	1,667	2,662
	Other	1	1	1
	Total other assets	**3.785**	**2,329**	**3,516**
	Interest and rent receivable	376	206	231
	Other prepayments and accrued income	833	888	769
	Total prepayments and accrued income	**1,209**	**1,094**	**1,000**
	Total assets	**110,599**	**114,741**	**113,387**

Note	DKKm	30.09.2023	30.09.2022	31.12.2022
Note	**Equity and liabilities**			
	Equity	**40,206**	**44,067**	**42,504**
5	**Subordinated loan capital**	**3,157**	**4,181**	**4,154**
	Total provisions for insurance contracts	**48,730**	**49,966**	**49,063**
	Pensions and similar obligations	64	64	85
	Deferred tax liability	3,212	3,174	3,542
	Other provisions	310	124	94
	Total provisions	**3,587**	**3,361**	**3,721**
	Amounts owed to credit institutions	1,164	7	1,305
4	Debt relating to repos	3,845	2,495	4,287
4	Derivative financial instruments	3,040	3,536	2,398
	Current tax liabilities	630	607	83
	Other debt	6,174	6,497	5,820
	Total debt	**14,853**	**13,142**	**13,893**
	Accruals and deffered income	**66**	**25**	**52**
	Total equity and liabilities	**110,599**	**114,741**	**113,387**

6 **Earnings per share**
7 **Related parties**
8 **Contingent Liabilities**
9 **Accounting policies**

Statement of changes in equity

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves[a]	Retained earnings	Proposed dividend	Non-controlling interest	Shareholders of Tryg	Additional Tier 1 capital	Total
Equity at 31 December 2022	**3,273**	**-1,789**	**4,724**	**35,247**	**1,047**	**1**	**42,504**	**0**	**42,504**
Changes in impairment owing to implementation of IFRS 9				-2			-2		-2
Changes in taxes due to owing to implementation of IFRS 9				1			1		1
Equity at 1 January 2023	**3,273**	**-1,789**	**4,724**	**35,245**	**1,047**	**1**	**42,502**	**0**	**42,502**
Q1-Q3 2023									
Profit/loss for the period			-244	-596	3,560		2,683	37	2,721
Other comprehensive income		-848		0			-848		-848
Total comprehensive income	0	-848	-244	-597	3,560	0	1,836	37	1,873
Nullification of own shares	-99			99			0		0
Dividend paid					-3,433		-3,433		-3,433
Dividend, own shares				112			112		112
Interest paid on additional Tier 1 capital				0			0	-37	-37
Purchase and sale of own shares				-1,835			-1,835		-1,835
Issue of additional Tier 1 capital								987	987
Share-based payment				38			38		38
Total changes in equity in Q1-Q3 2023	**-99**	**-848**	**-244**	**-2,182**	**127**	**0**	**-3,282**	**987**	**-2,295**
Equity at 30 September 2023	**3,174**	**-2,636**	**4,481**	**33,063**	**1,174**	**1**	**39,220**	**987**	**40,206**

[a] Other reserves contains Norwegian Natural Perils Pool and contingency fund provisions. The provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured and are not available for dividends.

Statement of changes in equity

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves[a]	Retained earnings	Proposed dividend	Non-controlling interest	Share-holders of Tryg
Equity at 31 December 2021	**3,273**	**-11**	**1,735**	**43,309**	**700**	**1**	**49,008**
Q1-Q3 2022							
Profit/loss for the period			2,856	-4,759	3,070		1,166
Other comprehensive income		-1,314		0			-1,314
Total comprehensive income	0	-1,314	2,856	-4,759	3,070		-147
Dividend paid					-2,736		-2,736
Dividend, own shares				14			14
Purchase and sale of own shares				-2,118			-2,118
Share-based payment				45			45
Non-controling interest							0
Total changes in equity in Q1-Q3 2023	**0**	**-1,314**	**2,856**	**-6,818**	**334**	**0**	**-4,941**
Equity at 30 September	**3,273**	**-1,324**	**4,591**	**36,490**	**1,034**	**1**	**44,067**

DKKm	Share capital	Reserve for exchange rate adjustment	Other reserves[a]	Retained earnings	Proposed dividend	Non-controlling interest	Share-holders of Tryg
Equity at 31 December 2021	**3,273**	**-11**	**1,735**	**43,309**	**700**	**1**	**49,008**
2022							
Profit/loss for the year			2,989	-4,860	4,118	0	2,247
Other comprehensive income		-1,778		-52		0	-1,830
Total comprehensive income	0	-1,778	2,989	-4,912	4,118	0	417
Dividend paid					-3,771		-3,771
Dividend, own shares				38			38
Purchase and sale of own shares				-3,253			-3,253
Share-based payment				65			65
Total changes in equity in 2022	**0**	**-1,778**	**2,989**	**-8,062**	**347**	**0**	**-6,504**
Equity at 31 December 2022	**3,273**	**-1,789**	**4,724**	**35,247**	**1,047**	**1**	**42,504**

[a] Other reserves contains Norwegian Natural Perils Pool and contingency fund provisions. The provisions can be used to cover losses in connection with the settlement of insurance provisions or otherwise for the benefit of the insured and are not available for dividends.

Cash flow statement

DKKm	Q1-Q3 2023	Q1-Q3 2022	2022
Cash flow from operating activities			
Insurance revenue	28.727	24,828	33,433
Insurance service expenses	-23.632	-20,853	-30,235
Net expenses from reinsurance contracts	-553	-340	-1,126
Cash flow from insurance activities	**4.542**	**3,635**	**2,071**
Interest income	792	378	567
Interest expenses	-239	-102	-149
Dividend received	125	119	152
Taxes	-517	-352	-1,039
Other income and costs	-884	-1,362	-1,359
Total cash flow from operating activities	**3.819**	**2,317**	**243**
Cash flow from investment activities			
Purchase/sale of equity investments and unit trust units (net)	-119	679	-222
Purchase/sale of bonds (net)	294	-3,023	1,810
Purchase/sale of operating equipment (net)	-37	-39	-50
Acquisitions/sale of associate	165	6,340	6,340
Sale of investment property	502	0	0
Hedging of currency risk	292	429	496
Total cash flow from investment activities	**1,097**	**4,386**	**8,375**

DKKm	Q1-Q3 2023	Q1-Q3 2022	2022
Cash flow from financing activities			
Purchase and sale of own shares (net)	-1,835	-2,118	-3,253
Subordinated loan capital	987	0	0
Dividend paid	-3,433	-2,736	-3,771
Change in lease liabilities	-156	-137	-194
Change in amounts owed to credit institutions	-141	-840	471
Total cash flow from financing activities	**-4,579**	**-5,829**	**-6,747**
Change in cash and cash equivalents, net	**337**	**874**	**1,871**
Exchange rate adjustment of cash and cash equivalents, 1 January	-18	-9	-11
Change in cash and cash equivalents, gross	**319**	**865**	**1,860**
Cash and cash equivalents at 1 January	2.662	802	802
Cash and cash equivalents at end of period	**2.980**	**1,667**	**2,662**

Notes

Q1-Q3 2023

DKKm		Insurance service result in Management´s Review	Reclassification[a)]	Income statement
1	**Insurance revenue**	**27,739**	**1,579**	**29,318**
	Gross claims	-19,029	-1,579	-20,608
	Insurance operating costs	-3,687		-3,687
	Total Insurance service expenses	**-22,716**	**-1,579**	**-24,295**
	Expenses from reinsurance contracts held	-1,295		-1,295
	Income from reinsurance contracts held	1,017		1,017
	Net expense from reinsurance contracts	**-278**	**0**	**-278**
	Insurance service result	**4,745**	**0**	**4,745**

2022

DKKm		Insurance service result in Management´s Review	Reclassification[a)]	Income statement
1	**Insurance revenue**	**34,814**	**3,551**	**38,365**
	Gross claims	-23,904	-3,551	-27,455
	Insurance operating costs	-4,701	0	-4,701
	Total Insurance service expenses	**-28,605**	**-3,551**	**-32,156**
	Expenses from reinsurance contracts held	-1,447	0	-1,447
	Income from reinsurance contracts held	871	0	871
	Net expense from reinsurance contracts	**-576**	**0**	**-576**
	Insurance service result	**5,636**	**0**	**5,636**

Q1-Q3 2022

DKKm		Insurance service result in Management´s Review	Reclassification[a)]	Income statement
1	**Insurance revenue**	**25,595**	**2,802**	**28,397**
	Gross claims	-17,542	-2,802	-20,345
	Insurance operating costs	-3,432	0	-3,432
	Total Insurance service expenses	**-20,974**	**-2,802**	**-23,776**
	Expenses from reinsurance contracts held	-1,069	0	-1,069
	Income from reinsurance contracts held	611	0	611
	Net expense from reinsurance contracts	**-458**	**0**	**-458**
	Insurance service result	**4,162**	**0**	**4,162**

[a)] IFRS 17 requires that claims provisions acquired shall be presented as Insurance revenue. The reclassification refers to Insurance revenue and Gross claims relating to Claims provisions from the Trygg-Hansa and Codan Norway acquisition. The presentation would have resulted in an artificially high Insurance revenue and Gross claims with no impact on the Insurance service result. Therefore Tryg presents Insurance revenue and Gross claims in “Management´s review” without the above reclassification as it gives a fair view of Insurance revenue, Gross claims and Insurance service result as well as key ratios. This explains the difference between “Management's review” and the Financial statements. Key ratios are calculated on the basis of the figures used in “Management's Review”.

Notes

DKKm	Private	Commercial	Corporate	Other*	Group
1 **Operating segments**					
Q1-Q3 2023					
Insurance revenue	**18,252**	**6,864**	**2,623**	**1,579**	**29,318**
Gross claims	-12,966	-4,222	-1,841	-1,579	-20,608
Insurance operating costs	-2,299	-1,064	-324	0	-3,687
Insurance service expenses	**-15,265**	**-5,286**	**-2,165**	**-1,579**	**-24,295**
Net expense from reinsurance contracts	-178	-191	91	0	-278
Insurance service result	**2,809**	**1,387**	**549**	**0**	**4,745**
Investment return					485
Other income and costs					-1,590
Profit/loss before tax					**3,640**
Tax					-919
Profit/loss for the period					**2,721**
Run-off gains/losses, net of reinsurance	181	213	424	0	818
Intangible assets	27,456	2,548	0	1,200	31,204
Equity investments in associates				42	42
Assets from reinsurance contracts	306	891	1,569	134	2,899
Other assets				76,150	76,454
Total assets					**110,599**
Total provision for insurance contracts	28,594	12,057	9,036	-957	48,730
Other liabilities				20,473	21,663
Total liabilities					**70,393**

Description of segments
Please refer to the accounting policies for a description of operating segments.

* The other segment in the profit/loss includes insurance revenue and gross claims arising from the RSA Scandinavia acquisition. Please refer to Accounting policies for further description. The assets from reinsurance contracts and provisions for insurance contracts allocated to the segment pertain to debts and receivables from insurance contracts.

Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Notes

DKKm	Private	Commercial	Corporate	Other*	Group
1 Operating segments (continued)					
Q1-Q3 2022					
Insurance revenue	**16,766**	**6,102**	**2,727**	**2,802**	**28,397**
Gross claims	-11,565	-3,929	-2,046	-2,802	-20,344
Insurance operating costs	-2,157	-960	-315	0	-3,432
Insurance service expenses	**-13,722**	**-4,889**	**-2,361**	**-2,802**	**-23,776**
Net expense from reinsurance contracts	-165	-174	-118	0	-458
Insurance service result	**2,879**	**1,039**	**248**	**0**	**4,162**
Investment return					-988
Other income and costs					-1,499
Profit/loss before tax					**1,674**
Tax					-508
Profit/loss on continuing business					**1,166**
Profit/loss on discontinued and divested business					0
Profit/loss for the period					**1,166**
Run-off gains/losses, net of reinsurance	284	138	144	0	566
Intangible assets	29,427	2,922	0	1,051	33,400
Equity investments in associates				34	34
Assets from reinsurance contracts	286	821	1,236	-186	2,158
Other assets				79,150	79,150
Total assets					**114,741**
Total provision for insurance contracts	30,019	13,370	8,847	-2,269	49,966
Other liabilities				20,708	20,708
Total liabilities					**70,674**

Description of segments
Please refer to the accounting policies for a description of operating segments.

* The other segment in the profit/loss includes insurance revenue and gross claims arising from the RSA Scandinavia acquisition. Please refer to Accounting policies for further description. The assets from reinsurance contracts and provisions for insurance contracts allocated to the segment pertain to debts and receivables from insurance contracts.

Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Notes

DKKm	Private	Commercial	Corporate	Other*	Group
1 **Operating segments (continued)**					
2022					
Insurance revenue	**22,776**	**8,408**	**3,631**	**3,551**	**38,365**
Gross claims	-15,625	-5,551	-2,724	-3,551	-27,451
Insurance operating costs	-2,913	-1,337	-451	0	-4,702
Insurance service expenses	**-18,538**	**-6,889**	**-3,175**	**-3,551**	**-32,156**
Net expense from reinsurance contracts	-332	-66	-177	0	-576
Insurance service result	**3,906**	**1,453**	**278**	**0**	**5,636**
Investment return					-441
Other income and costs					-2,143
Profit/loss before tax					**3,051**
Tax					-804
Profit/loss for the year					**2,247**
Run-off gains/losses, net of reinsurance	357	264	137	0	759
Intangible assets	28,793	2,809	0	1,114	32,716
Equity investments in associates				222	222
Assets from reinsurance contracts	164	967	1,320	372	2,823
Other assets				77,626	77,626
Total assets					**113,387**
Total provision for insurance contracts	28,678	12,682	8,428	-724	49,063
Other liabilities				21,819	21,820
Total liabilities					**70,883**

Description of segments
Please refer to the accounting policies for a description of operating segments.

* The other segment in the profit/loss includes insurance revenue and gross claims arising from the RSA Scandinavia acquisition. Please refer to Accounting policies for further description. The assets from reinsurance contracts and provisions for insurance contracts allocated to the segment pertain to debts and receivables from insurance contracts.

Other assets and liabilities are managed at Group level and are not allocated to the individual segments but are included under 'Other'.

Notes

DKKm	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
1 **Geographical segments**					
Danish general insurance					
Insurance revenue	**4,334**	**4,133**	**12,962**	**12,314**	**16,430**
Insurance service result	**657**	**587**	**2,439**	**1,593**	**2,110**
Run-off gains/losses, net of reinsurance	269	97	576	84	109
Key ratios					
Gross claims ratio	66.6	71.2	65.7	71.8	72.5
Net reinsurance ratio	4.3	1.1	2.0	1.8	1.3
Claims ratio, net of reinsurance	70.9	72.3	67.7	73.5	73.8
Gross expense ratio	14.0	13.5	13.5	13.5	13.3
Combined ratio	**84.8**	**85.8**	**81.2**	**87.1**	**87.2**
Run-off, net of reinsurance (%)	-6.2	-2.3	-4.4	-0.7	-0.7
Number of full-time employees, end of period	3,496	3,307	3,496	3,307	3,345
Norwegian general insurance					
NOK/DKK, average rate for the period	64.77	74.03	65.75	74.71	73.95
Insurance revenue	**1,993**	**2,175**	**5,948**	**6,308**	**8,445**
Insurance service result	**125**	**410**	**565**	**988**	**1,266**
Run-off gains/losses, net of reinsurance	22	86	132	228	324
Key ratios					
Gross claims ratio	76.7	66.4	73.4	68.9	67.6
Net reinsurance ratio	4.0	1.9	3.9	2.6	4.1
Claims ratio, net of reinsurance	80.8	68.2	77.3	71.5	71.7
Gross expense ratio	13.0	12.9	13.2	12.8	13.3
Combined ratio	**93.7**	**81.2**	**90.5**	**84.3**	**85.0**
Run-off, net of reinsurance (%)	-1.1	-4.0	-2.2	-3.6	-3.8
Number of full-time employees, end of period	1,408	1,341	1,408	1,341	1,344

Notes

DKKm		Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
1	**Geographical segments (continued)**					
	Swedish general insurance					
	SEK/DKK, average rate for the period	63.42	70.21	65.07	71.04	70.33
	Insurance revenue	**2,953**	**3,182**	**8,638**	**6,819**	**9,730**
	Insurance service result	**719**	**774**	**1,721**	**1,532**	**2,219**
	Run-off gains/losses, net of reinsurance	13	96	100	228	298
	Key ratios					
	Gross claims ratio	61.5	60.2	70.6	63.3	62.8
	Net reinsurance ratio	1.7	1.6	-3.3	0.7	0.6
	Claims ratio, net of reinsurance	63.2	61.9	67.2	63.9	63.4
	Gross expense ratio	12.5	13.8	12.8	13.6	13.8
	Combined ratio	**75.7**	**75.7**	**80.1**	**77.5**	**77.2**
	Run-off, net of reinsurance (%)	-0.4	-3.0	-1.2	-3.3	-3.1
	Number of full-time employees, end of period	1,950	1,776	1,950	1,776	1,781
	Other European countries[a)]					
	Insurance revenue	**69**	**55**	**191**	**153**	**209**
	Insurance service result	**12**	**15**	**20**	**51**	**41**
	Run-off gains/losses, net of reinsurance	4	1	9	26	27
	Number of full-time employees, end of period	57	51	57	51	49
	Other[b)]					
	Insurance revenue	**447**	**1,010**	**1,579**	**2,802**	**3,551**
	Insurance service expenses	-447	-1,010	-1,579	-2,802	-3,551
	Insurance service result	0	**0**	0	**0**	**0**

a) Comprises credit and surety insurance (Tryg Garanti) in European countries besides Denmark, Norway and Sweden and amounts relating to one-off items.

b) Reclassification relating to claims provisions from the Trygg-Hansa and Codan Norway acquisition. Please refer to Accounting policies for further description.

Notes

DKKm		Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
1	**Geographical segments (continued)**					
	Tryg (total)					
	Insurance revenue	**9,797**	**10,555**	**29,318**	**28,397**	**38,365**
	Insurance service result	**1,513**	**1,785**	**4,745**	**4,162**	**5,636**
	Investment return	265	-203	485	-988	-441
	Other income and costs	-553	-618	-1,590	-1,499	-2,143
	Profit/loss before tax	1,225	964	3,640	1,674	3,051
	Run-off gains/losses, net of reinsurance	309	280	818	566	759
	Key ratios					
	Gross claims ratio	66.6	66.2	68.6	68.5	68.7
	Net reinsurance ratio	3.9	1.6	1.0	1.8	1.7
	Claims ratio, net of reinsurance	70.5	67.8	69.6	70.3	70.3
	Gross expense ratio	13.3	13.5	13.3	13.4	13.5
	Combined ratio	**83.8**	**81.3**	**82.9**	**83.7**	**83.8**
	Run-off, net of reinsurance (%)	-3.3	-2.9	-2.9	-2.2	-2.2
	Number of full-time employees, end of period	6,910	6,475	6,910	6,475	6,518

Notes

DKKm		Q1-Q3 2023	Q1-Q3 2022	2022
2	**Value adjustments**			
	Value adjustments concerning financial assets or liabilities at fair value with value adjustment in the income statement:			
	Equity investments	-178	538	704
	Unit trust units	134	-695	-1,481
	Bonds	168	-2,402	-2,117
	Derivatives (equity, interest, currency and inflation)	-159	-857	-738
		-35	**-3,416**	**-3,632**
	Value adjustments concerning assets or liabilities that cannot be attributed to IFRS 9:			
	Investment property	116	51	9
	Other statement of financial position items	-125	-875	-52
		-10	-825	-43
		-45	**-4,241**	**-3,675**

Exchange rate adjustments concerning financial assets or liabilities which cannot be stated at fair value total DKK 132m (DKK 199m in Q1-Q3 2022 and DKK 5m in 2022)

DKKm		Q1-Q3 2023	Q1-Q3 2022	2022
3	**Other income and costs**			
	Include income and costs which cannot be directly ascribed to the insurance portfolio or investment assets.			
	Other income			
	Income related to the sale of non-insurance products	84	93	126
	Other income	22	25	24
		106	**118**	**150**
	Other costs			
	Depreciations of customer relations and trademarks	-706	-541	-786
	Integration and restructuring costs related to RSA acquisition	-300	-618	-949
	Costs related to the sale of non-insurance products	-110	-68	-100
	Other costs [a]	-580	-390	-458
		-1,696	-1,617	-2,293
		-1,590	**-1,499**	**-2,143**

[a] Hereof DKK 180m related to restructuring costs and DKK 100m related to bankruptcy of Gefion, hereof DKK 50m in Q3 2023 and DKK 50m in Q1 2022

DKKm		Q1-Q3 2023	Q1-Q3 2022	2022
4	**Tryg's investment portfolio**			
	Total investment assets	69,935	74,461	72,049
	Other, hereof financial instrument in liabilities [a]	-7,205	-6,108	-7,387
	External customers	-1,860	-1,983	-1,972
	Tryg's investment portfolio [b]	60,871	66,369	62,688
	Match portfolio	43,641	48,798	45,032
	Tryg's free investment portfolio [b]	17,231	17,571	17,656

[a] Primarily debt relating to repos and derivatives.

[b] The setup of Tryg Invest is impacting Tryg's balance sheet as external customers investments are booked under "Total other financial investments" with opposing liabilities entries such as "Debt to group undertakings" and "Other debt"

Valuation of investment assets

Investment assets are measured at fair value with value adjustment in the income statement. Listed bonds and shares, parts of unit trusts as well as derivative financial instruments are measured at the quoted price at the balance sheet date.

The valuation of the investment assets can be distributed in the fair value hierarchy model, which is determined in accordance with IFRS 13. The model distributes the total investments assets based on the price at which the investment assets are set. Reference is made to the annual report 2022, note 15, for further description of the fair value hierarchy.

The main part of Tryg's investment assets are classified as level 1 and 2 and are valuated based on listed prices. This involves the bond portfolio, the main part of shares and unit trust units as well as the statement of financial instruments. Assets, which can be classified as level 3, can be attributed to unlisted assets, specific unlisted unit trusts and investment property. As these investment assets are not valued based on observable input, there will be a discretionary element in this hierarchy.

On 30 September 2023, the value amounts to DKK 642m (DKK 1,203m on 30 September 2022 and DKK 1,145m on 31 December 2022).

Transfers between categories

Transfers between the categories Quoted market prices and consolidated reference prices mainly result from bonds that are reclassified either due to traded volume or the number of days between last transaction and the time of determination. As at 30 September 2023, financial assets of DKK 655m have been transferred from Quoted market prices to consolidated reference prices and DKK 46m from consolidated reference prices to quoted market prices.

Notes

5 Subordinated loan capital

Tryg Forsikring A/S has issued a new restricted Tier 1 Capital notes for the amount of SEK 900m. The value of the loan is recognised at initial recognition with 598m DKK in Equity. Costs related to the issue and interest payments are deducted in equity as well.

Lender	Listed bonds
Issue date	20 March 2023
Maturity date	Perpetual
Loan may be called by lender as from	20 March 2028
Repayment profile	Interest-only
Interest structure	3.5% above STIBOR 3M

Tryg Forsikring A/S has issued a new restricted Tier 1 Capital notes for the amount of NOK 600m. The value of the loan is recognised at initial recognition with 394m DKK in Equity. Costs related to the issue and interest payments are deducted in equity as well.

Lender	Listed bonds
Issue date	20 March 2023
Maturity date	Perpetual
Loan may be called by lender as from	20 March 2028
Repayment profile	Interest-only
Interest structure	3.45% above NIBOR 3M

Tryg Forsikring A/S has purchased SEK 414m of its outstanding SEK 700m Floating Rate Perpetual Restricted Tier 1 Capital Notes with ISIN DK0030418249 at a price of 101%.

A subordinated loan of the amount of NOK 800m has been paid out in full in March 2023.

For information on other subordinated loans, please refer to annual report 2022, note 1.

The total share of loan capital amounts to DKK 4,144m of which 987m is recognized in equity. The loans are recognized after deduction of transaction costs.

The total share of loan capital included in the calculation of the own funds totals DKK 4.1bn.

DKKm	Q1-Q3 2023	Q1-Q3 2022	2022
6 Earnings per share			
Profit/loss from continuing business	2,683	1,166	2,247
Profit/loss for the period	2,683	1,166	2,247
Depreciation on intangible assets related to Brands and Customer relations after tax	556	428	622
Operating Profit/loss for the period	3,239	1,594	2,870
Average number of shares (1,000)	625,949	650,169	646,977
Diluted average number of shares (1,000)	625,949	650,169	646,977
Earnings per share, continuing business	4.29	1.79	3.47
Diluted earnings per share, continuing business	4.29	1.79	3.47
Earnings per share	4.29	1.79	3.47
Diluted earnings per share	4.29	1.79	3.47
Operating earnings per share	5.17	2.45	4.43

7 Related parties

In Q1-Q3 2023, a dividend for Q4 2022 and Q1-Q2 2023 total DKK 3,433m was paid to shareholders of which 45% has been paid to TryghedsGruppen SMBA.

In Q1-Q3 2023 dividend of DKK 3,781m has been paid from Tryg Forsikring A/S to Tryg A/S.

There have been no other significant transactions.

Notes

8 **Contingent Liabilities**

Price adjustments 2016-2020

At the end of October (2020) Tryg received the Forbrugerombudsmand's (FO or Consumer Ombudsman) assessment of the case. In FO's opinion Tryg was not complying with regulations on price adjustments for residential customers when increasing prices above indexation between March 2016 and February 2020. The case is related to a part of the private portfolio in Denmark. Based on this assessment the FO is concluding that certain customers may have a recovery claim against Tryg. Tryg does not agree with the FO's assessment as the company believes it has followed the guidelines stated by the Danish FSA in terms of price increases. The FO has now decided that the case should be decided in Court.

Management has decided not to disclose an estimated amount but this is deemed immaterial.

Other

Companies in the Tryg Group are party to a number of other disputes in Denmark, Norway and Sweden, which management believes will not affect the Group's financial position significantly beyond the obligations recognized in the statement of financial position at 30 September 2023.

9 **Accounting policies**

Tryg's interim report for Q3 2023 is presented in accordance with IAS 34 Interim Financial Reporting and the requirements of the NASDAQ Copenhagen for the presentation of financial statements of listed companies.

The application of IAS 34 means that the report is limited relative to the presentation of a full annual report and that the valuation principles are in accordance with International Financial Reporting Standards (IFRS).

Changes in accounting policies

This is the first set of the Group's interim report in which IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments have been applied.

As a result, Tryg has restated comparative amounts and the presentation of the Profit and loss and the balance sheet as at 1 January 2023.

Except for the changes mentioned; the accounting policies have been applied consistently for all periods presented in this interim report.

As mentioned in the Annual Report for 2022 (note 30), IFRS 9 and IFRS 17 has been implemented with effect from 1 January 2023.

9 **Accounting policies (continued)**

IFRS 9 Financial instruments

IFRS 9 includes new provisions governing "classification and measurement of financial assets", "impairment of financial assets" and "hedge accounting".

Classification and measurement

The general principles for measurement of financial assets and liabilities have changed following implementation of IFRS 9. But at Group level, the implementation has not given rise to significant changes in the presentation and classification.

After initial recognition, financial assets must continue to be measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The measurement is based on classification of the individual financial assets in accordance with Tryg's business model.

Going forward, classification of financial instruments will be based on the following business models:

- The asset is held to collect cash flows from payments of principal and interest (hold to collect business model). Measured at amortised cost (AMC).
- The asset is held to collect cash flows from payments of principal and interest and selling the asset (hold to collect and sell business model). Measured at fair value with changes recognised through other comprehensive income with reclassification to the income statement on realisation of the assets (FVOCI).
- Other financial assets are measured at fair value through profit or loss (FVPL). These include assets managed on a fair value basis, held in the trading book or assets, where contractual cash flows do not solely comprise interest and principal of the receivable. It is also still possible to measure financial assets at fair value with value adjustment through profit or loss, when such measurement significantly reduces or eliminates an accounting mismatch that would otherwise have occurred on measurement of assets and liabilities or recognition of losses and gains on different bases.

The principles of financial liabilities follow the accounting policies applied so far.

The Group's financial assets and business models were reviewed in 2022 to ensure correct classification thereof. The review included an assessment of whether collecting cash flows is a significant element, including whether the cash flows only consist of interest and principal.

The assessment has not led to significant changes to the measurement and classification of financial assets.

Notes

9 Accounting policies (continued)

In particular, it should be noted that Tryg does not have a business model that implies recognising fair value adjustments in other comprehensive income. Thus, bank loans and deposits are essentially still measured at amortised cost.

Impairment for expected credit losses
According to IAS 39, impairment was based on objective impairment criteria. Implementation of IFRS 9 means that going forward impairment charges for loans and advances measured at amortised cost will be based on expected credit losses and that already at the time of granting (stage 1), loans and advances are subject to impairment charges corresponding to the expected credit losses arising from default within 12 months. This has led to minor increased impairment provisions on bank loans. Expected credit loss at IFRS 9 transition is recorded directly in equity at 1 January 2023.

IFRS 17 Insurance Contracts
IFRS 17 – Insurance contracts, as adopted by EU, establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts held. It replaces IFRS 4 – Insurance contracts.

In IFRS 17 a general measurement model measures groups of contracts based on the estimates of the present value of future cash flows that are expected as the contracts are fulfilled. The general model is based on present value of future cash flows, adjusted to reflect the time value of money, including a risk adjustment and a contractual service margin. The contractual service margin represents the unearned profit to be recognised in the statement of profit or loss when services are provided in future periods. At each reporting date, the fulfilment cash flows are remeasured using current assumptions.

IFRS17 requires that a risk margin is estimated. Tryg uses a cost of capital approach, which is also prescribed under Solvency II. A cost of capital approach estimates the capital which a third party would need to hold, in order to protect itself from the underlying risks, and which cannot be mitigated in the market. IFRS 17 requires that the risk margin is split into both a gross margin and a ceded margin. The effect of this split increases the gross claims and has a positive impact on ceded result and thereby no impact on the net result.

The gross margin does not play a role in Trygs internal management of capital and reserves, and is constructed for reporting purposes only.

Tryg's business is entirely focused on non-life insurance and it is relatively short-tail. This makes Tryg eligible to use the premium allocation approach as simplification for measurement. In some cases e.g. when Tryg in the future acquire portfolios the premium allocation model may not be applied.
In these cases the general model will apply.

9 Accounting policies (continued)

The premium allocation model is similar to Tryg's previous accounting principles. Tryg has in line with the current accounting principle chosen to expense acquisition cost as they incur. This means that the financial effect of implementing IFRS 17 will be limited.

The main impact will be on presentation of profit and loss compared to previously:
- Insurance revenue

Insurance revenue is the amount recognised for services provided in the period. Predominantly on the basis of the passage of time. The previous top-line 'gross earned premium' was measured in the same way.

- Insurance service expenses

Insurance service expenses comprise 'Acquisition costs', 'claims costs' and 'administration expenses'. Previously,
(i) 'Bonus and premium discounts' were off set in 'Gross earned premium'. Under IFRS 17 it will be presented as 'Claims costs'
(ii) 'Onerous contracts' were off set in 'Gross earned premiums' as 'unexpired risk'. Under IFRS 17 it will be presented as 'Claims costs'
(iii) Movement in inflation swaps were included in 'claims costs'. Going forward the movements will be included in 'Investment activities'.

- Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise payments to and recoveries from reinsurance contracts held. Under IFRS 17 these will be presented in profit and loss as a single net amount including changes in a specific risk adjustment. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately and off set in insurance contracts.
'Insurance service result' is the result of 'Insurance revenue', 'Insurance service expenses' and 'Net expenses from reinsurance contracts'.
Statement of financial position presentation has been changed following IFRS 17.

The carrying amount of portfolios of
- reinsurance contracts held that are assets

Compromises reinsurer's share of premiums and claims provisions and receivables and debt relating to reinsurance

- insurance contracts issued that are liabilities

Compromises provisions for premium, claims, bonuses and premium discounts and receivables and debt relating to policyholders

Notes

9 **Accounting policies (continued)**

Acquired portfolios

The amendment to IFRS 3 Business Combinations introduced by IFRS 17 that requires a entity to classify contracts acquired as insurance contracts based on the contractual terms and other factors at the date of acquisition. Claims reserves acquired before the initial application date 01.01.2023 will be presented as insurance revenue based on the expected cash flows as of the acquisition date. The Purchase Price Allocation made under IFRS 3 Business Combinations prior to the application date is fixed and will not change. Hence no changes has been made to Equity and Goodwill.

DKKm	01.01.23 IFRS 17 & IFRS 9	Change	31.12.22 IFRS 4 & IAS 39
Changes opening balance 01.01.23 related to IFRS 17 and IFRS 9			
Assets			
Total other financial investment assets	**70,810**	**424**	**70,386**
- Of which held at fair value through profit or loss	70,616	424	70,192
- Of which held at amortised cost	194	0	194
Assets from reinsurance contracts	**2,823**	**971**	**1,851**
- Reinsurers' share of premium provisions			264
- Reinsurers' share of claims provisions			1,587
Receivables from policyholders	**0**	**-1,621**	**1,621**
Receivables from insurance enterprises	**0**	**-498**	**498**
Other asset positions	**39,755**	**-1**	**39,756**
Total assets	**113,387**	**-726**	**114,113**
Equity and liabilities			
Equity	**42,502**	**-2**	**42,504**
Total provisions for insurance contracts	49,063	292	48,770
- Premium provisions			7,700
- Claims provisions			39,227
- Provisions for bonuses and premium discounts			1,843
Debt relating to direct insurance	**0**	**-896**	**896**
Debt relating to reinsurance	**0**	**-123**	**123**
Other liability positions	**21,822**	**3**	**21,820**
Total equity and liabilities	**113,387**	**-726**	**114,113**

9 **Accounting policies (continued)**

DKKm	2022 IFRS 17 & IFRS 9	Change	2022 IFRS 4 & IAS 39
Change in income statement due to IFRS 17			
Gross premiums written			34,658
Change in premium provisions			157
Insurance revenue	**38,365**	**3,551**	**34,815**
Insurance technical interest, net of reinsurance	**0**	**-152**	**152**
Claims paid			-22,046
Change in claims provisions			-361
Bonus and premium discounts			-877
Acquisition costs and administration expenses			-4,783
Insurance service expenses	**-32,156**	**-4,090**	**-28,067**
Ceded insurance premiums			-1,673
Change in reinsurers' share of premium provisions			-3
Reinsurance cover received			399
Change in the reinsurers' share of claims provisions			325
Reinsurance commissions and profit participation from reinsurers			229
Net expense from reinsurance contracts	**-576**	**147**	**-723**
Insurance service result/Technical result	**5,636**	**-541**	**6,177**

Notes

9 **Accounting policies (continued)**

DKKm	2022 IFRS 17 & IFRS 9	Change	2022 IFRS 4 & IAS 39
Investment activities			
Profit/Loss from associates	-19		-19
Income from investment property	48		48
Interest income and dividends	918		918
Value adjustments	-3,675	-2,763	-913
Interest expenses	-154		-154
Administration expenses in connection with investment activities	-145		-145
Total investment return	**-3,028**	**-2,763**	**-265**
Return on insurance provisions	0	928	-928
Net finance income from reinsurance contracts	2,621	2,621	0
Net finance expenses from insurance contracts	-34	-34	0
Total investment return after insurance technical interest	**-441**	**752**	**-1,193**
Other income	150		150
Other costs	-2,293	-210	-2,083
Profit/loss before tax	**3,051**	**0**	**3,051**
Tax	-804		-804
Profit/loss for the year	**2,247**	**0**	**2,247**

Quarterly outline

DKKm	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Private										
Insurance revenue	**6,180**	**6,070**	**6,002**	**6,010**	**6,274**	**6,228**	**4,264**	**4,217**	**4,232**	**4,141**
Insurance service result	**877**	**1,104**	**828**	**1,027**	**1,254**	**1,255**	**370**	**709**	**641**	**764**
Key ratios										
Gross claims ratio	71.8	69.1	72.2	67.6	66.8	65.8	76.8	71.0	70.6	67.1
Net reinsurance ratio	1.4	0.1	1.4	2.8	0.1	1.3	1.8	1.6	1.7	1.8
Claims ratio, net of reinsurance	73.2	69.2	73.6	70.3	66.9	67.2	78.6	72.5	72.3	68.9
Gross expense ratio	12.6	12.6	12.6	12.6	13.1	12.7	12.7	10.6	12.6	12.7
Combined ratio	**85.8**	**81.8**	**86.2**	**82.9**	**80.0**	**79.9**	**91.3**	**83.2**	**84.8**	**81.6**
Combined ratio exclusive of run-off	87.4	82.2	87.2	84.1	81.9	81.5	92.8	85.4	86.8	83.6

A further detailed version of the presentation can be downloaded from
tryg.com/uk>investor>Downloads>tables

Quarterly outline

DKKm	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Commercial										
Insurance revenue	**2,304**	**2,286**	**2,273**	**2,306**	**2,354**	**2,319**	**1,429**	**1,370**	**1,351**	**1,329**
Insurance service result	**463**	**523**	**401**	**414**	**481**	**477**	**82**	**40**	**211**	**209**
Key ratios										
Gross claims ratio	57.3	65.9	61.4	70.4	61.1	65.2	68.4	72.7	61.7	68.4
Net reinsurance ratio	7.3	-4.0	5.1	-4.7	3.4	-1.7	9.3	5.0	7.1	-0.5
Claims ratio, net of reinsurance	64.6	61.8	66.5	65.7	64.5	63.5	77.8	77.7	68.9	67.9
Gross expense ratio	15.3	15.3	15.9	16.4	15.1	16.0	16.5	19.4	15.5	16.4
Combined ratio	**79.9**	**77.2**	**82.3**	**82.0**	**79.6**	**79.4**	**94.3**	**97.1**	**84.4**	**84.3**
Combined ratio exclusive of run-off	84.0	80.8	83.9	87.5	83.6	86.0	86.7	97.4	86.6	87.3

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Quarterly outline

DKKm	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Corporate										
Insurance revenue	**865**	**844**	**914**	**904**	**917**	**934**	**876**	**854**	**870**	**865**
Insurance service result	**172**	**131**	**246**	**30**	**54**	**289**	**-95**	**-49**	**20**	**134**
Key ratios										
Gross claims ratio	54.6	116.7	42.0	75.0	74.4	51.4	100.8	91.6	78.4	59.8
Net reinsurance ratio	12.1	-44.8	19.9	6.6	7.4	6.5	-1.3	0.5	7.8	14.2
Claims ratio, net of reinsurance	66.8	71.9	61.9	81.5	81.9	57.9	99.6	92.1	86.2	74.0
Gross expense ratio	13.3	12.6	11.2	15.1	12.2	11.2	11.3	13.7	11.5	10.6
Combined ratio	**80.1**	**84.4**	**73.1**	**96.6**	**94.1**	**69.1**	**110.8**	**105.8**	**97.7**	**84.6**
Combined ratio exclusive of run-off	93.9	106.2	86.4	95.9	101.2	86.0	101.8	102.7	93.5	89.0
Other [a]										
Insurance revenue	**447**	**521**	**610**	**749**	**1,010**	**1,792**	**0**	**0**	**0**	**0**
Insurance service result	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

[a] Amounts relating to RSA Scandinavia acquisitions. Please refer to Accounting policies.

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Quarterly outline

DKKm	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Tryg [a)]										
Insurance revenue	**9,797**	**9,722**	**9,799**	**9,969**	**10,555**	**11,273**	**6,569**	**6,441**	**6,452**	**6,335**
Insurance service result	**1,513**	**1,759**	**1,474**	**1,472**	**1,785**	**2,021**	**358**	**700**	**872**	**1,106**
Investment return	265	53	167	549	-203	-948	161	958	630	-686
Other income and costs	-553	-583	-455	-644	-618	-566	-315	-200	-301	-147
Profit/loss before tax	1,225	1,229	1,187	1,377	964	507	204	1,458	1,201	274
Tax	-311	-307	-302	-296	-336	-77	-95	-85	-165	-337
Profit/loss	914	922	885	1,081	628	430	109	1,370	1,037	-63
Key ratios										
Gross claims ratio	66.6	72.7	66.5	69.0	66.2	64.3	78.2	74.1	69.8	66.4
Net reinsurance ratio	3.9	-5.0	4.2	1.3	1.6	1.1	3.0	2.1	3.7	3.0
Claims ratio, net of reinsurance	70.5	67.6	70.7	70.3	67.8	65.4	81.2	76.2	73.4	69.4
Gross expense ratio	13.3	13.3	13.3	13.8	13.5	13.3	13.3	12.9	13.0	13.2
Combined ratio	**83.8**	**80.9**	**84.0**	**84.0**	**81.3**	**78.7**	**94.6**	**89.1**	**86.5**	**82.5**
Combined ratio exclusive of run-off	87.1	84.1	86.2	86.1	84.2	83.0	92.6	90.3	87.7	85.1

[a)] **Reason for difference regarding Insurance revenue and Gross claims between "Management´s review" and the Financial statements**

Important note: Insurance revenue and Gross claims under "Other" are not included in figures in "Management´s review" .
IFRS 17 requires that claims provisions acquired shall be presented as Insurance revenue. The reclassification refers to Insurance revenue and Gross claims relating to Claims provisions from the Trygg-Hansa and Codan Norway acquisition. The presentation would have resulted in an artifically high Insurance revenue and Gross claims with no impact on the Insurance service result. Therefore Tryg presents Insurance revenue and Gross claims in "Management´s review" without the above reclassification as it gives a fair view of insurance revenue, Gross claims and Insurance service result as well as key ratios.
This explains the difference between "Management's review" and the Financial statements. Key ratios are calculated on the basis of the figures used in "Management's Review".

A further detailed version of the presentation can be downloaded from
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Glossary, key ratios and alternative performance measures

The financial highlights and key ratios of Tryg have been prepared in accordance with the executive order issued by the Danish Financial Supervisory Authority on the financial reports for insurance companies and multi-employer occupational pension funds, and also comply with 'Recommendations & Ratios' issued by the CFA Society Denmark.

Claims ratio, net of reinsurance
Gross claims ratio + net reinsurance ratio.

Combined ratio
The sum of the gross claims ratio, the net reinsurance ratio and the gross expense ratio.

Danish general insurance
Comprises the legal entities Tryg Forsikring A/S, Tryg Livsforsikring A/S, Forsikrings-Aktieselskabet Liv II and excluding the Norwegian and Swedish branches.

Diluted average number of shares
Average number of shares adjusted for number of share options which may potentially dilute.

Discounting
Expresses recognition in the financial statements of expected future payments at a value below the nominal amount, as the recognised amount carries interest until payment. The size of the discount depends on the market-based discount rate applied and the expected time to payment.

Dividend per share

$$\frac{\text{Proposed dividend}}{\text{Number of shares at year-end}}$$

Earnings per share

$$\frac{\text{Profit or loss for the year (Tryg A/S Parent Company)}}{\text{Average number of shares}}$$

Earnings per share of continuing business

$$\frac{\text{Diluted earnings from continuing business after tax}}{\text{Diluted average number of shares}}$$

Gross claims ratio

$$\frac{\text{Gross claims x 100}}{\text{Insurance revenue}}$$

Gross expense ratio without adjustment

$$\frac{\text{Gross insurance operating costs x 100}}{\text{Insurance revenue}}$$

Insurance revenue
Calculated as insurance revenue adjusted for change in gross premium provisions.

Market price/net asset value

$$\frac{\text{Share price}}{\text{Net asset value per share}}$$

Net asset value per share

$$\frac{\text{Equity at year-end}}{\text{Number of shares at year-end}}$$

Net reinsurance ratio

$$\frac{\text{Net expense from reinsurance contracts x 100}}{\text{Insurance revenue}}$$

Norwegian general insurance
Comprises Tryg Forsikring A/S, Norwegian branch.

Other insurance
Comprises Finnish, Dutch, Austrian, Swiss, Belgian, German, United Kingdom and credit & surety insurance and amounts relating to one-off items and reclassification relating to business combinations.
from RSA Scandinavia transaction.

Own funds
Equity plus share of qualifying solvency debt and profit margin (solvency purpose), less intangible assets, tax asset and proposed dividend.

Price/Earnings

$$\frac{\text{Share price}}{\text{Earnings per share}}$$

Return on equity after tax (%)

$$\frac{\text{Profit or loss for the year after tax}}{\text{Weighted average equity}}$$

Run-off gains/losses
The difference between the claims provisions at the beginning of the financial year (adjusted for foreign currency translation adjustments and discounting effects) and the sum of the claims paid during the financial year and the part of the claims provisions at the end of the financial year pertaining to injuries and damage occurring in earlier financial years.

Solvency II
Solvency requirements for insurance companies issued by the EU Commission.

Solvency ratio
Ratio between own funds and capital requirement.

Swedish general insurance
Comprises Tryg Forsikring A/S, Swedish branc

Total reserve ratio

Reserve ratio, claims provisions + premium provisions divided by insurance revenue

Unwinding

Unwinding of discounting takes place with the passage of time as the expected time to payment is reduced. The closer the time of payment, the smaller the discount. This gradual increase of the provision is not recognised under claims, but under investment return in the income statement.

Large claims, net of reinsurance

Large claims, net of reinsurance, as calculated by the Tryg Group, represents

Large claims, net of reinsurance is defined as single claims or claims events gross above 10m in local currencies adjusted for reinsurance.

$$\frac{\text{Large claims, net of reinsurance}}{\text{Insurance revenue}}$$

Weather claims, net of reinsurance

Weather claims, net of reinsurance, as calculated by the Tryg Group, represents:

Weather claims, net of reinsurance, is defined as claims related to storm, cloudbursts, natural perils and winter, adjusted for reinsurance.

$$\frac{\text{Weather claims, net of reinsurance}}{\text{Insurance revenue}}$$

Run-off, net of reinsurance

Run-off, net of reinsurance, as calculated by the Tryg Group, represents

$$\frac{\text{Run-off, net of reinsurance}}{\text{Insurance revenue}}$$

Premium proforma growth in local currencies

Premium proforma growth in local currencies is based on proforma figures that includes Trygg-Hansa and Codan Norway. As calculated by the Tryg Group, represents:

$$\frac{\text{(Insurance revenue including Trygg-Hansa and Codan Norway pro-forma in year X - Insurance revenue including Trygg-Hansa and Codan Norway pro-forma in year X-1)}}{\text{Insurance revenue including Trygg-Hansa and Codan Norway pro-forma in year X-1}}$$

Return On Own Funds (ROOF)

$$\frac{\text{Profit for the year after tax x 100}}{\text{(Own Funds Primo + Own Funds Ultimo)/2}}$$

Return On Tangible Equity (ROTE)

$$\frac{\text{Profit for the year after tax x 100}}{\text{(Tangible Equity primo + Tangible Equity Ultimo)/2}}$$

Tangible Equity

Tangible Equity is defined as weighted average equity excluding intangible assets and deferred tax related to intangible assets

Disclaimer

Certain statements in this financial report are based on the beliefs of our management as well as assumptions made by and information currently available to management. Statements regarding Tryg's future operating results, financial position, cash flows, business strategy, plans and future objectives other than statements of historical fact can generally be identified by the use of words such as 'targets', 'believes', 'expects', 'aims', 'intends', 'plans', 'seeks', 'will', 'may', 'anticipates', 'would', 'could', 'continues' or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this financial report, including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks, changes in legislation or case law and reinsurance.

Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Tryg's actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected. Tryg is not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.

Read more in the Annual report 2022 in the chapter of Capital and risk management on ***pages 33-36***, and in Note 1 on ***page 66***, for a description of some of the factors which may affect the Group's performance or the insurance industry.