

# Q2 2025 Interim report

KLP Group and KLP

# kLP



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## Kommunal Landspensjonskasse

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# KLP Group

## Report for the second quarter of 2025

KLP delivers good surplus return to customers in volatile financial markets

- The surplus return to customers amounts to NOK 21,124 million in the quarter, and NOK 17,073 million so far this year.
- Return of 3.1 per cent on the pension assets in the common portfolio after the second quarter.
- Upwards adjustment of pension liabilities of NOK 26.9 billion following the national insurance settlement in May.
- Early repayment of subordinated loan of EUR 294 million in June.

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

The KLP Group is made up of the following companies: Kommunal Landspensjonskasse (KLP) and its subsidiaries the KLP Banken Group, KLP Skadeforsikring, KLP Kapitalforvaltning, KLP Forsikringservice and KLP Eiendom.

At the end of the second quarter of 2025, the Group had total assets of NOK 1,194.8 billion.

### Public-sector occupational pensions

#### Results for the second quarter

NOK MILLIONS	Customers	Company	Total
Return result collective portfolio	21 124	126	21 250
Return result unit-linked portfolio	105		105
Risk result	-90		-90
Interest guarantee premium		6	6
Administration result		59	59
Net income from investments in the corporate portfolio and other income/expenses in the non-technical accounts		771	771
Tax		-167	-167
Other comprehensive income		-92	-92
<b>Result in Q2 2025</b>	<b>21 139</b>	<b>703</b>	<b>21 842</b>
<i>Result in Q2 2024</i>	<i>7 764</i>	<i>677</i>	<i>8 441</i>

## Results for the year to date

NOK MILLIONS	Customers	Company	Total
Return result collective portfolio	17 073	124	17 197
Return result unit-linked portfolio	64		64
Risk result	78		78
Interest guarantee premium		8	8
Administration result		32	32
Net income from investments in the corporate portfolio and other income/expenses in the non-technical accounts		1 003	1 003
Tax		-212	-212
Other comprehensive income		-92	-92
<b>Result after Q2 2025</b>	<b>17 215</b>	<b>863</b>	<b>18 078</b>
<i>Result after Q2 2024</i>	<i>26 464</i>	<i>926</i>	<i>27 390</i>

## Investment result

KLP manages the pension capital that covers the entitlements that have been accrued. The pension capital is mainly managed in the common portfolio.

The pension money has to be paid out over many years, so part of this amount can be financed from the return on the pension capital (guaranteed return).

KLP has guaranteed to provide customers on public-sector occupational pensions with financial income equivalent to NOK 7.4 billion after the second quarter. Actual financial income amounted to NOK 24.7 billion, a return of 3.1 per cent, so the investment result was NOK 17.3 (26.4) billion.<sup>1</sup>

Return on capital as of 30 June	Q2 2025	Year to date 2025	Q2 2024	Year to date 2024
Collective portfolio	3,1 %	3,1 %	1,5 %	4,6 %
Including value change at amortised cost	3,7 %	3,7 %	1,7 %	4,4 %
Unit-linked	3,9 %	3,1 %	1,7 %	5,8 %
Including value change at amortised cost	4,6 %	3,8 %	1,9 %	5,8 %

## Management of the common portfolio

The assets in the common portfolio totalled NOK 825.7 (761.8) billion:

Assets	30.06.2025			30.06.2024		
	Share	Return Q2	Return year to date	Share	Return Q2	Return year to date
Equities and alternative investments	35,1 %	6,0 %	3,7 %	34,0 %	2,5 %	10,5 %
Long-term bonds	25,9 %	0,9 %	1,8 %	28,0 %	1,0 %	1,8 %
Real estate	13,5 %	2,7 %	4,4 %	13,2 %	1,5 %	1,1 %
Lending	10,7 %	1,2 %	2,4 %	11,2 %	1,1 %	2,2 %
Short-term bonds	10,8 %	2,3 %	3,5 %	10,8 %	1,1 %	1,6 %
Liquidity/money market	4,1 %	1,3 %	2,6 %	2,8 %	1,4 %	2,7 %

<sup>1</sup> Figures in brackets give values for the corresponding period in 2024.

## **Shares and alternative investments**

Total exposure in listed and unlisted shares and special funds, including equity derivatives, was 35.1 per cent at the end of the second quarter. The total return on shares and special funds was 6.2 per cent in the quarter. The return on KLP's global exchange-listed equities was 7.5 per cent, while its Norwegian equity portfolio returned 7.8 per cent in the second quarter.

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

Of the total portfolio of securities (shares and bonds), approximately 85 per cent are currency-hedged.

## **Short-term bonds and money market instruments**

Short-term bonds accounted for 10.8 per cent and money-market instruments 4.1 per cent of the assets in the common portfolio at the end of the quarter. Long-term government rates in Norway fell in the second quarter. KLP's global government bond index achieved a currency-hedged return of 2.4 per cent in the quarter, while the return on the Norwegian government bond index was 1.4 per cent. Global credit margins decreased during the quarter. The quarterly return on KLP's global credit bond index was 1.9 per cent, while the return on the Norwegian credit bond index was 2.7 per cent. Short-term bonds etc. in the common portfolio produced a total return of 2.3 per cent in the second quarter. The money market return was 1.3 per cent for the quarter.

## **Long-term bonds**

Investments in bonds measured at amortised cost made up 25.9 per cent of the common portfolio at the end of the quarter. Unrecognised decreases in value in the portfolio amounted to NOK 6.0 billion at the end of the second quarter. The portfolio is well diversified and consists of securities issued by creditworthy borrowers. The return measured at amortised cost in this quarter was 0.9 per cent.

## **Property**

Property investments, including Norwegian and international real estate funds, made up 13.5 per cent of the common portfolio.

Property investments in the common portfolio achieved a return of 2.7 per cent in the second quarter. The returns include currency hedging.

## **Lending**

Lending in the common portfolio totals NOK 86.9 billion. This is split between NOK 78.1 billion in loans to the public sector, NOK 3.4 billion in secured mortgage loans and NOK 5.4 billion in loans outside Norway secured against mortgages or government guarantees. The lending portfolio is of high credit quality, with no losses on municipal loans and very modest provisions for losses on mortgage-backed loans.

Unrecognised decreases in value in the lending portfolio totalled NOK 0.8 billion at the end of the quarter. The return for the second quarter is 1.2 per cent.

### **Risk result**

The risk result is an expression of how mortality and disability have developed in the insured population in relation to the assumptions used in the annual setting of premiums.

The risk result amounted to NOK -90 (-1) million in the second quarter, and NOK 78 (81) million after the first half-year. Disability rates are still high, pulling down the risk result. The risk result related to mortality shows a surplus, with a positive effect on the overall result.

### **Administration result**

The difference between the cost elements within premium income, withdrawals from management reserves and insurance-related operating expenses constitutes the administration result. The administration result shows a profit of NOK 59 (73) million in the second quarter. So far this year, the administration result comes to NOK 32 (65) million. Insurance-related operating costs came to NOK 397 (361) million in the second quarter and NOK 877 (793) million in the year to date.

### **Net income from investments in the corporate portfolio and other income/expenses in non-technical accounts**

Investments in the corporate portfolio amount to NOK 43.9 (44.3) billion at the end of the quarter. The corporate portfolio is managed with a moderate-risk long-term investment horizon, with the objective of stable returns. Revenue from investments in the company portfolio amounted to NOK 838 (588) million in the second quarter, and NOK 1,119 (734) million so far this year. KLP has delivered a return of 1.8 per cent for the second quarter, and 2.4 per cent for the year to date.

Other income/expenses in non-technical accounts amount to NOK -66 (-54) million in the second quarter, and NOK -116 (-125) million so far this year. This item consists mainly of interest on subordinated loans and hybrid Tier 1 capital.

### **Premium income**

Premium income excluding premium reserves received on transfers in amounted to NOK 42.7 (37.3) billion at the end of the second quarter. Of this, premiums related to the settlement of accrued pension rights amount to NOK 26.9 (22.0) billion.

### **Claims/benefits**

Pensions paid and other claims, excluding ceded premium reserves, amounted to NOK 14.3 (13.7) billion at the end of the second quarter.

## Financial strength and capital-related matters

KLP's total assets increased by NOK 43.7 billion in the second quarter and amount to NOK 909.7 billion. The premium reserve increased by NOK 31.2 billion to NOK 646.7 billion in the same period.

The buffer fund amounts to NOK 122.3 billion after the second quarter. The fund can be used to cover any shortfall in returns on the pension capital and constitutes a financial buffer.

KLP's subordinated loan of EUR 294 million was repaid early, in June 2025, in line with the standard terms and conditions for the loan. The loan qualified as Tier 2 capital under the Solvency II rules. Repayment of the loan had no material impact on capital adequacy.

Without applying transitional rules, the Company's solvency capital requirement (SCR) is 336 per cent. This is a reduction of 19 percentage points in the quarter. The reduction is mainly due to decreased interest rates in the second quarter, along with growth in the premium reserve following an upward adjustment of pension rights arising from changes in salary and G levels.

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

## Other matters

In the second quarter, KLP decided to invest NOK 1,150 million in a new property fund that will buy and rent important buildings such as care homes, health centres, nursing homes, schools and colleges and student accommodation throughout the country. A collaboration with the state-owned company Allstad, which owns land in over 300 municipalities, provides for rapid and good-quality development. We hope this will help to provide municipalities with a good financing option within the health and care sector, where the needs are increasing with growing numbers of old people, and there are large distances and worn-out buildings. The fund is also an attractive place to invest the pension assets that KLP manages, as it offers long leasing contracts with low risk.

The market situation for public-sector occupational pensions is stable. So far this year, one county authority has invited tenders for public-sector occupational pension provision. As a result of the tendering procedure, the county decided to move its scheme to KLP from 1 January 2026 onwards. We look forward to welcoming the county authority to KLP.

Storebrand filed a complaint against Norway with the ESA in 2022, alleging that KLP is receiving unlawful state aid, and that Norwegian municipalities and health trusts have breached the rules on public procurement. The government has dismissed both complaints, and the ESA has still not opened proceedings on either of them.

## Non-life insurance

### Non-life insurance

MILLION NOK	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024
Insurance income	746,3	657,9	1 532,4	1 364,9
Insurance service expenses	-566,6	-417,7	-1 154,8	-1 111,7
Operating expenses	-93,6	-82,8	-212,6	-185,9
<b>Insurance service result before reinsurance</b>	<b>86,1</b>	<b>157,4</b>	<b>165,0</b>	<b>67,3</b>
Reinsurance result	-28,6	-27,3	-97,7	-133,0
<b>Insurance service result after reinsurance</b>	<b>57,5</b>	<b>130,0</b>	<b>67,3</b>	<b>-65,7</b>
Financial income	135,7	74,8	179,5	171,5
Net financial result from insurance and reinsurance	-33,1	-23,7	-54,6	-42,6
Other insurance-related income/expenses	0,2	0,2	0,4	0,6
<b>Profit before tax</b>	<b>160,2</b>	<b>181,3</b>	<b>192,6</b>	<b>63,7</b>
Tax	-40,1	-45,3	-48,1	-15,9
<b>Profit before other income and expenses</b>	<b>120,2</b>	<b>136,0</b>	<b>144,4</b>	<b>47,7</b>
Other income and expenses	-10,5	10,5	-10,5	27,4
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>109,7</b>	<b>146,5</b>	<b>133,9</b>	<b>75,2</b>

A positive underwriting result from the present claims year and good financial income in the second quarter have contributed to good performance for the quarter and for the year to date. Premium growth continued in all segments.

The second quarter of 2025 produced a pre-tax profit of NOK 160.2 (181.3) million. The underwriting result was good in the second quarter. No claims affecting the company's reinsurance programme, and no major natural perils, were reported during the period. An increase in previous years' reserves had a negative impact on the result. Good returns in the financial markets in the second quarter contributed to higher-than-expected financial income.

So far this year, the business has achieved a profit before tax of NOK 192.6 (63.7) million. This is slightly better than expected, and is due to the good underwriting result for this year's business, as well as good financial returns.

Volume growth so far this year is NOK 301 million, and premium volume was NOK 3,141 (2,750) million at the end of the second quarter of 2025. The increase is mainly due to good sales in the autumn 2024 procurement round, and slightly increased premium rates. Insurance income increased by NOK 167 million, or 12.3 per cent, compared to the same time in 2024, and amounts to NOK 1,532 million for the first half-year. The retail market shows growth of NOK 78 million, or 14.1 per cent, while the public-sector and corporate market shows growth of NOK 89 million, or 11.0 per cent.

One claim over NOK 20 million was reported in the second quarter, and two such claims have been filed so far this year, with total damages of NOK 46 million. So far this year, both the number and size of reported claims are smaller than expected. This is a factor in the good underwriting result.

Reversals of previous years' claims are still slightly negative in the second quarter, and NOK 36 million have been recognised so far this year, equivalent to 1.4 per cent of the reserves at the beginning of the year.



## Key figures

	30.06.2025	30.06.2024	31.12.2024
Claims ratio	75,4 %	81,4 %	77,3 %
Reinsurance percentage	6,4 %	9,7 %	6,4 %
Cost ratio	13,9 %	13,6 %	13,0 %
<b>Combined ratio</b>	<b>95,6 %</b>	<b>104,8 %</b>	<b>96,8 %</b>

Net financial income as of 30.06.2025 was NOK 179.5 (171.5) million, equivalent to 2.7 (2.9) per cent. The year to date has been marked by great variation in the international financial markets. Overall, the equity portfolio had a return of 3.7 per cent, where global returns have been weaker than in the Norwegian market. The company's investments in fixed-income funds had a positive return of 3.8 per cent. The return on property investments was 2.4 per cent.

The second quarter of 2025 showed positive returns in all sub-portfolios, with the equity portfolio producing the best return, at 7.8 per cent. The return on the fixed-income funds was 1.7 per cent. The property portfolio had a positive return of 1.1 per cent. Overall, the quarterly return was 2.0 per cent.

The solvency margin (SCR) fell slightly from 246 per cent in the first quarter to 242 per cent at the end of the second quarter of 2025. The equivalent SCR at the end of 2024 was 256 percent.

For all of its market segments, the company is well positioned for further growth, and the insurance returns are satisfactory. A significant part of the company's value creation comes from the return on financial assets, which means that the prevailing geopolitical uncertainty can affect the company's overall earnings.

## Asset and fund management

### Asset management

Asset management				
MILLION NOK	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024
Fee income	139,0	148,2	282,5	297,8
Operating expenses	-115,9	-113,7	-277,5	-260,5
Net financial income	9,2	6,7	19,0	15,8
<b>Profit before tax</b>	<b>32,3</b>	<b>41,1</b>	<b>24,0</b>	<b>53,1</b>
Tax	-8,1	-10,3	-6,0	-13,3
<b>PROFIT</b>	<b>24,2</b>	<b>30,8</b>	<b>18,0</b>	<b>39,8</b>

Assets under management				
MILLION NOK	30.06.2025	30.06.2024	31.12.2024	
External clients	254	214	238	
Group internal clients	656	604	641	
<b>Total assets under management</b>	<b>910</b>	<b>818</b>	<b>879</b>	

KLP Kapitalforvaltning AS handles securities management in the KLP Group. It had a total of NOK 910 billion under management at the end of the second quarter, NOK 254 billion of it on behalf of external customers.

Net new subscriptions to the KLP funds were NOK 8.1 billion in the second quarter. External customers had positive net new subscriptions of NOK 7.2 billion in the same period.

So far this year, net new subscriptions in the KLP funds have totalled NOK 13.9 billion. Of this, external customers had net new subscriptions of NOK 12.3 billion. NOK 12.6 billion, comes from institutional customers, while retail customers have withdrawn around NOK 300 million, largely in response to the turmoil in the financial markets.

KLP Kapitalforvaltning achieved a pre-tax profit of NOK 32.3 (41.1) million in the second quarter and NOK 24.0 (53.1) million for the year to date. Fee income in the second quarter decreased from NOK 148.2 million to NOK 139.0 million compared to the second quarter last year, even though the managed volume increased. This was mainly due to the introduction of new net share classes for major customers who subscribe through distributors. The change reduces the income on the top line, with a corresponding reduction in distribution payments.

## Banking

MILLION NOK	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024
Net interest income	138,0	127,9	271,0	254,6
Net charges and commission income	9,0	8,4	16,8	15,1
Other fee income	15,6	15,7	31,3	31,3
Net financial income	7,8	-1,0	9,1	5,9
Operating expenses	-62,8	-59,3	-144,0	-139,9
<b>Profit before tax</b>	<b>107,5</b>	<b>91,8</b>	<b>184,2</b>	<b>166,9</b>
Tax	-6,6	-5,1	-5,5	-6,1
<b>Profit before other income and expenses</b>	<b>101,0</b>	<b>86,7</b>	<b>178,7</b>	<b>160,9</b>
Other income and expenses	-4,3	4,6	-4,4	12,3
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>96,7</b>	<b>91,3</b>	<b>174,3</b>	<b>173,1</b>

The KLP Banken Group achieved a pre-tax operating profit of NOK 184.2 (166.9) million at the end of the first half-year. For the second quarter in isolation, the profit was NOK 107.5 (91.8) million. The main reason for the rise in profits is that net interest income from the retail market and income from financial instruments have increased more than the bank's costs in relative terms.

Broken down by area, pre-tax profits were NOK 140.7 (121.9) million in the retail market and NOK 43.5 (45.0) million in the public-sector market. After tax and estimate differences, the Group's total profit was NOK 174.3 (173.1) million.

Net interest income in the KLP Banken Group for the first half-year was NOK 271.0 (254.6) million. The increase is mainly due to slightly lower borrowing costs resulting in increased margins between lending and financing in the retail market. A big increase in deposits from retail customers was another factor.

At the end of the quarter, the income statement includes net income of NOK 9.1 (5.9) million from changes in the value of financial instruments. This profit/loss effect is mainly related to loan buy-backs and changes in the market value of the bank's liquidity investments.

Operating costs before losses and loan loss provisions taken to profit/loss amount to NOK -144.7 (-140.0) million for the first quarter.

Losses and loan loss provisions taken to profit/loss (included in “Operating expenses” in the table above) so far in 2025 total NOK 0.7 (-0.0) million in the retail market. The change from the same period last year is largely due to the reversal of historical loan loss provisions. KLP Banken does not believe that losses and loss provisions on mortgages and credit cards have increased significantly from last year. Nor have we seen any losses related to public-sector lending so far in 2025.

### Lending volume (principal before loss provisions and excluding interest accrued but not paid)

MILLION NOK	30.06.2025	30.06.2024	31.12.2024
Mortgages	24 374	24 415	24 067
Public sector loans	19 617	18 231	18 595
<b>Total loans KLP Banken</b>	<b>43 991</b>	<b>42 646</b>	<b>42 662</b>
Mortgages financed from pension funds in KLP	3 386	2 678	3 435
Public sector loans financed from pension funds in KLP	75 075	73 149	74 822
Other loans financed from pension funds in KLP	5 983	6 508	6 699
<b>Total loans financed from pension funds in KLP</b>	<b>84 444</b>	<b>82 335</b>	<b>84 956</b>
<b>Total loans managed by KLP Banken</b>	<b>128 435</b>	<b>124 981</b>	<b>127 618</b>

KLP Banken manages lending on its own account and loans financed by KLP totalling NOK 128.4 (125) billion. On its own balance sheet, the KLP Banken Group had loans to customers totalling NOK 44 (42.6) billion at 30 June 2025. Mortgage loans in the retail market and public-sector loans totalled NOK 24.4 billion and 19.6 billion (NOK 24.4 and 18.2 billion) respectively.

The KLP Banken Group manages NOK 3.4 (2.7) billion in mortgage loans and NOK 81 (79.7) billion in loans to public-sector borrowers and other businesses on behalf of KLP.

The Bank’s mortgage products are aimed at the target group of members of the KLP pension schemes. Net total mortgage growth so far in 2025 is NOK 258 (536) million. New mortgage payments so far this year amount to NOK 3.9 (3.9) billion.

Lending volume to the public-sector market on KLP Banken’s balance sheet has increased by NOK 1.0 (-0.7) billion so far this year. Loans to public-sector borrowers managed on behalf of KLP increased by NOK 0.3 (1.8) billion in the same period. New payments of public-sector loans so far in 2025 amount to NOK 5.5 (4.2) billion for KLP and KLP Banken together.

The KLP Banken Group’s external financing consists of deposits and bonds. At the time of reporting, deposits from individuals and businesses amounted to NOK 17.4 (15.8) billion. Deposit growth so far this year is NOK 1.1 (1.3) billion. Liabilities created on issuance of securities totalled NOK 30.2 (30.8) billion. The securities debt is mainly covered bonds issued by KLP Kommunekreditt AS and KLP Boligkreditt AS.

## Solvency

The Capital Requirements Regulation (CRR3) entered into force in Norway on 1 April 2025. The new rules entail lower capital requirements for mortgage loans for banks that use the standard method to calculate their capital requirements related to credit risk, as the KLP Banken Group does. The changes help to create more equal competition between the standard method banks and the larger banks that use internal measurement methods to determine their capital requirements related to credit risk, the so-called IRB (internal-ratings-based) banks. For the KLP Banken Group, the new rules mean an easing of the capital requirement of between NOK 400 and 500 million.

CAPITAL ADEQUACY	30.06.2025	30.06.2024	31.12.2024
Core capital adequacy	26,9 %	20,9 %	22,7 %
Capital adequacy	26,9 %	20,9 %	22,7 %
Leverage ratio (core capital)	6,4 %	6,1 %	6,5 %

## Group

KLP is a mutual insurance company which produces consolidated financial statements in accordance with IFRS Accounting Standards®. These accounting rules reflect the fact that KLP is a mutual insurance company where all value creation accrues to policy-holders and is posted as a liability to them as part of the overall insurance liability.

The liability to policy-holders comprises the discounted value of the best estimate related to future premiums received, claims payments and operating costs that are expected to arise from the insurance contracts. As these are estimates, a risk adjustment for non-financial risk also has to be determined and added to the insurance liability. The fair value of the assets deducted from the insurance liability and other liabilities (the “residual value”) then accrues to the policyholders who own KLP and is included in the insurance liability. The Group therefore has no profits or equity. However, some technical equity may still arise if individual assets or liabilities have been measured at anything other than fair value in the balance sheet. The equity will then represent the difference between the book value and the fair value of net assets (the “measurement difference”), which will be posted as a net gain/loss.

## Income statement

MILLION NOK	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024
Insurance income	794	1 008	2 372	2 242
Insurance expenses	-1 069	-872	-2 266	-2 112
Reinsurance income and expenses	-29	-27	-98	-133
<b>Insurance service result</b>	<b>-304</b>	<b>109</b>	<b>9</b>	<b>-2</b>
Net investment income	29 994	13 641	30 732	33 698
Policyholders' share of change in fair value of underlying items	-29 237	-12 307	-29 646	-32 144
Other insurance-related financial expenses and income	-33	-24	-55	-43
<b>Net insurance service and financial result</b>	<b>419</b>	<b>1 419</b>	<b>1 041</b>	<b>1 508</b>
Other income and expenses in ordinary result	607	-20	440	-566
<b>Profit before tax</b>	<b>1 026</b>	<b>1 399</b>	<b>1 480</b>	<b>942</b>
Tax	-567	-445	-857	-763
<b>Profit before other comprehensive income</b>	<b>459</b>	<b>953</b>	<b>623</b>	<b>179</b>
Other income and expenses	577	-419	425	405
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1 036</b>	<b>534</b>	<b>1 048</b>	<b>584</b>

## Balance sheet

MILLION NOK	30.06.2025	30.06.2024	31.12.2024
Assets measured at fair value	1 118 448	1 010 018	1 084 201
Other assets	76 389	69 263	63 188
<b>TOTAL ASSETS</b>	<b>1 194 837</b>	<b>1 079 281</b>	<b>1 147 389</b>
Best estimate of insurance liabilities	412 140	370 164	414 490
Risk adjustment for non financial risk	29 276	27 440	29 303
Residual value	424 916	398 797	395 820
<b>Insurance obligations</b>	<b>866 331</b>	<b>796 401</b>	<b>839 613</b>
Other liabilities	81 565	70 796	72 201
Unit holders' s interest in consolidated securites funds	249 195	214 640	238 879
Equity	-2 255	-2 556	-3 303
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1 194 837</b>	<b>1 079 281</b>	<b>1 147 389</b>

Profit/loss from insurance services amounted to NOK -304 (109) million in the second quarter, and NOK 9 (-2) million so far this year. Of the underwriting result so far this year, NOK 67 million comes from the non-life insurance contracts after reinsurance. This is an improvement of NOK 86 million in the quarter. The contracts for public-sector occupational pensions contributed a net profit from insurance services of NOK -58 million so far this year, after an underwriting result of NOK -362 million in the second quarter.

Total comprehensive income, which represents the change in the unrecognised added value of net assets measured at other than fair value, amounts to NOK 1,036 million in the quarter, and NOK 1,048 million so far this year. This means that the unrecognised added value has been reduced accordingly, and amounts to NOK 2,255 million as of 30.06. This added value constitutes the negative equity.

The best estimate of the insurance liability has been reduced by NOK 2,350 million to NOK 412,140 million for the year to date. The estimate is very sensitive to changes in the yield curve used to discount the incoming and outgoing payments expected on the insurance contracts. This yield curve is slightly higher at 30.06.2025 than 31.12.2024, and is the main reason why the best estimate of the liability has been reduced in the year to date.

The reduction of the best estimate of the insurance liability, combined with good financial income, has caused the residual value to increase by NOK 29,096 million so far this year. Of this increase, NOK 18,036 million came in the second quarter, mainly as a result of a good returns on the assets in the quarter.

Solvency

Capital adequacy at the consolidated level decreased by two percentage points to 288 per cent in the quarter. An increase in the premium reserve and falling interest rates contributed to reduced capital adequacy, but this reduction was more or less offset by lower capital requirements for banking activities.

Percent	30.06.2025	30.06.2024
Capital Adequacy Solvency II	288 %	283 %

Sustainability

Climate-friendly investments

As from the second quarter, KLP is using an updated definition and classification of climate-friendly investments. The update reflects KLP’s climate and nature goals, and gives a more holistic picture of the portfolio with several different types of investment which contribute to the green transition, while making clear what types of investment these are.

Climate-friendly investments include two main categories: climate and nature solutions, and transitional investments. *Climate and nature solutions* are investments that are considered to be in line with the low-emission society. *Transitional investments* are investments that contribute to emission cuts and help sectors that are hard to make emission-free to become more sustainable.

At the end of the second quarter, KLP’s climate-friendly investments accounted for 44 per cent of its financial assets. In the second quarter, these investments increased by around NOK 1.1 billion. This increase comes mainly from investments in a number of mutual funds which invest in renewable energy around the world.

KLP’s goal of net new investments in climate-friendly investments of NOK 6 billion a year is covered under climate and nature solutions.

NOK MILLIONS	Q2/2025	31.06.2025	31.12.2024
	Amount invested	Fair value	Fair value
<b>Climate and nature-based solutions</b>	<b>1 134</b>	<b>58 549</b>	<b>58 643</b>
- As a share of KLP's investments	-	7 %	7 %
Renewable energy	1 141	51 093	51 503
Nature-positive investments	-	3 003	2 840
Infrastructure	-6	4 454	4 300
<b>Transitional financing</b>		<b>322 867</b>	<b>284 018</b>
- As a share of KLP's investments	-	37 %	33 %
Green buildings	-	34 944	34 381
Green bonds and loans	-	23 164	18 497
Companies with science-based climate targets (SBTi)	-	264 758	231 140
<b>Total climate-friendly investments</b>	<b>1 134</b>	<b>381 416</b>	<b>339 828</b>
- As a share of KLP's investments		44 %	40 %

## Active ownership

In the second quarter, we focused on establishing dialogue with companies on a decent living wage. Low wages have increasingly been used by companies as a tool to preserve competitiveness in a challenging market. This is particularly prevalent in the production of consumer goods and capital items, where workers are most exposed to downward pressure on wages. So far, we have contacted 17 companies in these sectors and held several meetings to raise the issue and clarify KLP's expectations regarding a decent living wage.

In June, KLP and the KLP funds decided to exclude two weapons manufacturers based on KLP's exclusion criterion of "sales of weapons to states in armed conflicts which use the weapons in ways that constitute serious and systematic breaches of international law". In June 2024, KLP was informed by the UN that several named companies were supplying weapons or equipment to the Israeli military (IDF) and that these weapons were being used in the war in Gaza. Based on this information, KLP has made thorough assessments of the companies and entered into discussions with them. Our conclusion is that the companies Oshkosh and ThyssenKrupp violate KLP's guidelines as a responsible investor.

Prior to the general meeting season, KLP sent letters to over 30 Norwegian companies concerning our expectations for transparency in remuneration reporting and the use of options. We have received a good response from the companies and note that several Norwegian companies are showing increased transparency in their reports, as well as actual or promised revisions of their remuneration structure.

## Change in the Board of Directors

As part of the ordinary election of board representatives from the employees (two board members), Eirik Johansen was elected to the Board of Directors. He replaces Erling Bendiksen. Vibeke Heldal was re-elected.

## Events after the balance-sheet date

NOK 1,395 million was paid in owners' equity contributions in the third quarter. This is in line with normal practice for the payment of owners' equity contributions to KLP from the members. This will be reported as equity in the third quarter, and included as solvency capital from the same quarter.

## Outlook

KLP is exposed to fluctuations in financial markets through its management of pension assets. There is still considerable uncertainty as to what the ongoing trade tensions between the US and several trading partners, particularly the EU, China, and Norway, will mean for the companies' earnings and hence for the financial markets. We may expect to see some volatility in the financial markets going forward. For a number of years, KLP's owners have focused on building financial buffers that enable good management even in turbulent financial markets.

The introduction of new rules for public-sector occupational pensions in 2020, taking effect from 2025, provides increased flexibility and incentives for working longer. As manpower shortages are a major challenge for KLP's customers, the company will continue its work on guidance and digital solutions to support members in their pension choices and show the value of remaining at work for longer.

Increased digitisation and collaboration between pension providers ensures more efficient processes and better data quality. In the second quarter, KLP completed one of Norway's most comprehensive digitisation programmes and launched a ground-breaking platform for pension processing. With a high degree of automation and self-service, both internally and in close cooperation with the public-sector occupational pension providers, KLP is setting a new standard for customer service and efficiency. The modern platform provides a powerful foundation for further innovation and development of future pension services, for the benefit of KLP's customers and their employees.

KLP will also continue its work on sustainable investments and further development of financial services for the public sector, for the benefit of customers and members.

**Oslo, 21 August 2025**

The Board of Directors of Kommunal Landspensjonskasse gjensidig forsikringsselskap

**TINE SUNDTOFT**  
Chair of the board

**TERJE ROOTWELT-REVHEIM**  
Deputy chair of the Board

**ODD HALDGEIR LARSEN**

**KJERSTIN FYLLINGEN**

**TORKILD SINDRE VARRAN**

**ELI ARNSTAD**

**VIBEKE HELDAL**  
Elected by and among employees

**Eirik Johansen**  
Elected by and among the employees

**SVERRE THORNES**  
Group CEO

*This document has been signed electronically*



## Income statement

### KLP Group

NOTE	NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
3, 5	<b>Insurance service result</b>	<b>- 304</b>	<b>109</b>	<b>9</b>	<b>- 2</b>	<b>- 1 620</b>
	Net income from investments measured at fair value with changes in profit and loss	43 410	16 510	31 157	54 323	99 618
4	Fair value adjustment investment properties and rental income	2 720	1 446	4 250	1 475	5 011
	Net income from associated companies and joint ventures	-314	64	85	-486	-38
	Interest income, effective interest method	640	621	1 256	1 235	2 481
	Interest expenses, effective interest method	-551	-536	-1 106	-1 065	-2 187
	Unit holder's value change in consolidated securites funds	-15 017	-4 463	-4 013	-21 785	-38 287
	<b>Total net income</b>	<b>30 889</b>	<b>13 641</b>	<b>31 628</b>	<b>33 698</b>	<b>66 598</b>
	Policyholder's share of changes in fair value of underlying items	-29 237	-12 307	-29 646	-32 144	-63 663
	Other insurance related financial cost	-33	-24	-55	-43	-84
5	<b>Net insurance related financial cost</b>	<b>-29 270</b>	<b>-12 331</b>	<b>-29 700</b>	<b>-32 187</b>	<b>-63 747</b>
	<b>Net insurance services and financial result</b>	<b>1 315</b>	<b>1 419</b>	<b>1 936</b>	<b>1 508</b>	<b>1 231</b>
6	Net costs subordinated loan and hybrid Tier 1 securities	-109	128	38	-133	-451
	Operating expenses	-184	-168	-430	-391	-808
	Other expenses	3	20	-64	-42	-34
	<b>Pre-tax income</b>	<b>1 026</b>	<b>1 399</b>	<b>1 480</b>	<b>942</b>	<b>-61</b>
	Cost of taxes	-567	-445	-857	-763	-1 634
	<b>Income</b>	<b>459</b>	<b>953</b>	<b>623</b>	<b>179</b>	<b>-1 695</b>
12	Change in actuarial assumptions own employees	-125	134	-125	332	442
	Tax on items that will not be reclassified to profit or loss	19	-26	19	-53	-72
	<b>Items that will not be reclassified to profit or loss</b>	<b>-106</b>	<b>107</b>	<b>-106</b>	<b>280</b>	<b>370</b>
	Fair value adjustment of properties for own use	15	13	24	14	49
4	Translation difference foreign exchange	672	-537	514	115	1 124
	Tax on items that will be reclassified to profit or loss	-4	-3	-6	-4	-12
	<b>Items that will be reclassified to profit or loss</b>	<b>683</b>	<b>-527</b>	<b>532</b>	<b>125</b>	<b>1 161</b>
	<b>Total other comprehensive income</b>	<b>577</b>	<b>-419</b>	<b>425</b>	<b>405</b>	<b>1 531</b>
	<b>Total comprehensive income</b>	<b>1 036</b>	<b>534</b>	<b>1 048</b>	<b>584</b>	<b>-163</b>

## Financial position statement

### KLP Group

NOTE	NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
	Deferred tax assets	37	25	40
	Intangible assets	1 627	1 517	1 551
	Tangible fixed assets	2 331	2 299	2 312
	Investments in associated companies and joint venture	7 012	6 017	6 820
4, 9	Investment property	104 311	95 529	98 889
5	Reinsurance contract assets	307	538	510
7, 9	Shares and units	491 649	421 518	477 165
7, 9	Fixed income securitites at fair value through profit or loss	429 562	404 610	419 077
7	Fixed income securitites at amortised costs	2 375	2 294	2 334
7, 9	Lending customers at fair value through profit or loss	87 872	84 057	87 092
7	Lending customers at amortised costs	44 204	42 804	42 836
7, 9	Financial derivatives	4 747	3 766	1 469
7	Receivables	13 890	9 564	3 534
	Bank deposits	4 914	4 742	3 762
	<b>TOTAL ASSETS</b>	<b>1 194 837</b>	<b>1 079 281</b>	<b>1 147 389</b>
7, 8, 9	Hybrid Tier 1 securities	1 308	1 356	1 429
7, 8, 9	Subordinated loan capital	0	3 358	3 560
12	Pension obligations	709	640	543
5	Insurance obligations	866 331	796 401	839 613
7, 8	Covered bonds issued	29 357	29 986	31 529
7, 8	Debt to credit institutions	6 570	3 286	1 395
7, 8	Liabilities to and deposits from customers	17 151	15 629	15 801
7, 9	Financial derivatives	4 436	3 218	11 304
	Deferred tax liabilities	1 173	1 179	1 213
13	Other current liabilities	20 861	12 145	5 427
	Equity	-2 255	-2 556	-3 303
	Unit holders `s interest in consolidated securites funds	249 195	214 640	238 879
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 194 837</b>	<b>1 079 281</b>	<b>1 147 389</b>

## Changes in owners' equity

KLP Group

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
Incoming balance 1. january	- 3 303	- 3 140	- 3 140
Income	623	179	- 1 695
Other comprehensive income	425	405	1 531
Total comprehensive income	1 048	584	- 163
Closing balance	- 2 255	- 2 556	- 3 303

## Statement of cashflow

### KLP Group

NOK MILLIONS	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Net cash flow from operational activities	-15 794	-12 799	-6 010
Net cash flow from investment activities <sup>1</sup>	-174	-213	-428
Net cash flow from financing activities <sup>2</sup>	17 121	14 244	6 690
<b>Net changes in cash and bank deposits</b>	<b>1 152</b>	<b>1 233</b>	<b>252</b>
Holdings of cash and bank deposits at start of period	3 762	3 509	3 509
<b>Holdings of cash and bank deposits at end of period</b>	<b>4 914</b>	<b>4 742</b>	<b>3 762</b>

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

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

## Notes to the financial statement

KLP Group

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

#### **Accounting principles**

The financial statements in this interim report show the Kommunal Landspensjonskasse (KLP) group financial statements financial statements for the period 01.01.2025 – 30.06.2025. The accounts have not been audited.

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

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

No other changes have been made to the accounting principles that affect the interim financial statements as of 30.06.2025. Refer to the Group's annual report for 2024 for a more detailed description of accounting principles.

The interim financial statements do not contain all the information required for complete annual financial statements, and this interim report should be read in conjunction with the annual financial statements for 2024. The annual report can be retrieved from [www.klp.no](http://www.klp.no).

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

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

#### **Accounting estimates**

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

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

### Life insurance activities

- All cash flows arising from the insurance contracts that are within the contract limit are included in the measurement of the insurance contract. Future cash flows are calculated using assumptions of future annual wage growth/adjustment derived from a projection of the NAM (Norwegian Aggregate Model). The model produces a macro projection of key economic variables year by year based on the economic situation at the measurement date.
- The cash flow calculations use best estimates of mortality and disability.
- The cash flows are discounted with an interest rate curve that takes account of the time value of money and any financial risk that is not included in the estimated cash flows. The interest rate curve is based on the EIOPA interest rate curve with an illiquidity mark-up.
- The risk adjustment for non-financial risk is based on the risk appetite in the life insurance business and a 98 percent confidence level and amounts to 8.4 percent of the insurance liability in 2025.

### Non-life insurance activities

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

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

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

The risk adjustment is derived from the company's risk appetite. The risk adjustment represents an addition to technical provisions so there is a 75 percent probability that they will be sufficient to cover all insurance obligations. The risk adjustment for non-financial risk is based on the risk appetite in the non-life insurance business and a 75 percent confidence level and amounts to 4.0 percent of the net insurance liability in 2025.

## Note 2 Segment information

NOK MILLIONS	Group pensions pub. sect. & group life			Non-life insurance			Banking			Asset management		
	01.01.2025	01.01.2024	01.01.2024	01.01.2025	01.01.2024	01.01.2024	01.01.2025	01.01.2024	01.01.2024	01.01.2025	01.01.2024	01.01.2024
	-30.06.2025	-30.06.2024	-31.12.2024	-30.06.2025	-30.06.2024	-31.12.2024	-30.06.2025	-30.06.2024	-31.12.2024	-30.06.2025	-30.06.2024	-31.12.2024
Result from insurance services	0	0	0	67	-66	88	0	0	0	0	0	0
Premium income for own account	42 711	37 257	60 883	0	0	0	0	0	0	0	0	0
Net financial income from investments	24 756	33 573	65 570	179	171	380	271	255	520	19	16	29
Claims for own account	-18 422	-16 132	-30 200	0	0	0	0	0	0	0	0	0
Insurance provisions for own account	-47 999	-53 661	-94 146	0	0	0	0	0	0	0	0	0
Policyholder's share of changes in fair value of underlying items	0	0	0	0	0	0	0	0	0	0	0	0
Other insurance related financial cost	0	0	0	-55	-43	-84	0	0	0	0	0	0
Unit holder's value change in consolidated security funds	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net insurance services and financial result</b>	<b>1 046</b>	<b>1 038</b>	<b>2 107</b>	<b>192</b>	<b>63</b>	<b>384</b>	<b>271</b>	<b>255</b>	<b>520</b>	<b>19</b>	<b>16</b>	<b>29</b>
Net financial income from investments in companys portfolio	995	713	2 143	0	0	0	0	0	0	0	0	0
Net costs subordinated loan and hybrid Tier 1 securities	3	-90	-382	0	0	0	0	0	0	0	0	0
Operating expenses	-877	-793	-1 693	0	0	0	-144	-140	-284	-277	-260	-520
Other income and expenses	-1	-18	-6	0	1	2	57	52	89	282	298	593
<b>Pre-tax income</b>	<b>1 167</b>	<b>850</b>	<b>2 169</b>	<b>193</b>	<b>64</b>	<b>386</b>	<b>184</b>	<b>167</b>	<b>325</b>	<b>24</b>	<b>53</b>	<b>103</b>
Cost of taxes	-212	-172	-356	-48	-16	-61	-6	-6	-10	-6	-13	-24
<b>Income</b>	<b>955</b>	<b>678</b>	<b>1 812</b>	<b>144</b>	<b>48</b>	<b>325</b>	<b>179</b>	<b>161</b>	<b>315</b>	<b>18</b>	<b>40</b>	<b>79</b>
Total other comprehensive income	-92	247	329	-10	27	36	-4	12	17	-11	27	31
<b>Total comprehensive income</b>	<b>863</b>	<b>926</b>	<b>2 142</b>	<b>134</b>	<b>75</b>	<b>361</b>	<b>174</b>	<b>173</b>	<b>332</b>	<b>7</b>	<b>67</b>	<b>110</b>
Lending	106 185	309 773	106 343	0	0	0	45 988	44 646	44 033	0	0	0
Other assets	803 486	526 653	757 603	7 682	7 111	6 712	5 146	5 326	7 770	692	683	775
<b>Total assets</b>	<b>909 670</b>	<b>836 426</b>	<b>863 946</b>	<b>7 682</b>	<b>7 111</b>	<b>6 712</b>	<b>51 134</b>	<b>49 973</b>	<b>51 803</b>	<b>692</b>	<b>683</b>	<b>775</b>
Insurance liabilities	847 325	778 458	803 036	4 089	3 941	3 294	0	0	0	0	0	0
Other liabilities	14 346	13 220	13 675	505	501	464	47 597	46 693	48 364	192	195	282
<b>Total liabilities</b>	<b>861 672</b>	<b>791 678</b>	<b>816 712</b>	<b>4 594</b>	<b>4 441</b>	<b>3 757</b>	<b>47 597</b>	<b>46 693</b>	<b>48 364</b>	<b>192</b>	<b>195</b>	<b>282</b>

NOK MILLIONS	Other and eliminations			Total		
	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Result from insurance services	-59	63	-1 708	9	-2	-1 620
Premium income for own account	-42 711	-37 257	-60 883	0	0	0
Net financial income from investments	10 415	21 467	38 387	35 641	55 482	104 886
Claims for own account	18 422	16 132	30 200	0	0	0
Insurance provisions for own account	47 999	53 661	94 146	0	0	0
Policyholder's share of changes in fair value of underlying items	-29 646	-32 144	-63 663	-29 646	-32 144	-63 663
Other insurance related financial cost	0	0	0	-55	-43	-84
Unit holder's value change in consolidated security funds	-4 013	-21 785	-38 287	-4 013	-21 785	-38 287
<b>Net insurance services and financial result</b>	<b>408</b>	<b>137</b>	<b>-1 809</b>	<b>1 936</b>	<b>1 508</b>	<b>1 232</b>
Net financial income from investments in companys portfolio	-995	-713	-2 143	0	0	0
Net costs subordinated loan and hybrid Tier 1 securities	35	-44	-69	38	-133	-451
Operating expenses	868	803	1 689	-430	-391	-808
Other income and expenses	-403	-375	-711	-64	-42	-34
<b>Pre-tax income</b>	<b>-88</b>	<b>-192</b>	<b>-3 043</b>	<b>1 480</b>	<b>942</b>	<b>-60</b>
Cost of taxes	-586	-556	-1 182	-857	-763	-1 634
<b>Income</b>	<b>-673</b>	<b>-747</b>	<b>-4 225</b>	<b>623</b>	<b>179</b>	<b>-1 694</b>
Total other comprehensive income	543	91	1 118	425	405	1 531
<b>Total comprehensive income</b>	<b>-131</b>	<b>-656</b>	<b>-3 107</b>	<b>1 048</b>	<b>584</b>	<b>-163</b>
Lending	-20 097	-227 558	-20 449	132 075	126 861	129 927
Other assets	245 755	412 647	244 603	1 062 761	952 420	1 017 462
<b>Total assets</b>	<b>225 658</b>	<b>185 089</b>	<b>224 154</b>	<b>1 194 837</b>	<b>1 079 281</b>	<b>1 147 389</b>
Insurance liabilities	14 917	14 002	33 283	866 331	796 401	839 613
Other liabilities	268 120	224 828	248 295	330 760	285 436	311 080
<b>Total liabilities</b>	<b>283 037</b>	<b>238 830</b>	<b>281 578</b>	<b>1 197 092</b>	<b>1 081 837</b>	<b>1 150 693</b>

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

## PUBLIC SECTOR OCCUPATIONAL PENSION AND GROUP LIFE

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

## NON-LIFE INSURANCE

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

## BANKING

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



## ASSET MANAGEMENT

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

## OTHER

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

### Note 3 Insurance service result

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Insurance income	794	1 008	2 372	2 242	2 788
Insurance service expenses	-1 069	-872	-2 266	-2 112	-4 230
Reinsurance income (+)/ cost (-)	-29	-27	-98	-133	-178
<b>Insurance service result</b>	<b>-304</b>	<b>109</b>	<b>9</b>	<b>-2</b>	<b>-1 620</b>

### Note 4 Investment property

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Net rental income	1 176	1 094	2 377	2 121	4 314
Net value adjustment	1 545	353	1 873	-646	697
<b>Net income from investment properties</b>	<b>2 720</b>	<b>1 446</b>	<b>4 250</b>	<b>1 475</b>	<b>5 011</b>
Translation difference foreign exchange (taken to other comprehensive income)	672	-537	514	115	1 124
<b>Net income from investment properties translation difference foreign exchange</b>	<b>3 392</b>	<b>910</b>	<b>4 764</b>	<b>1 590</b>	<b>6 135</b>

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
<b>Investment property 01.01.</b>	<b>98 889</b>	<b>92 322</b>	<b>92 322</b>
Value adjustment, including translation difference foreign exchange	2 387	- 531	1 821
Net additions	4 280	3 726	4 749
Reclassification property for own use	- 1 231	- 6	- 5
Other changes	- 14	17	2
<b>Book value</b>	<b>104 311</b>	<b>95 529</b>	<b>98 889</b>

### Note 5 Technical provisions

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
Life insurance contracts	862 242	792 460	836 319
Non-life insurance contracts	4 089	3 941	3 294
<b>Insurance obligations</b>	<b>866 331</b>	<b>796 401</b>	<b>839 613</b>

NOK MILLIONS	Estimates of present value of future cash flows	Risk adjustment for non financial risk	Residual value	Total
Life insurance contracts 1 January 2025	411 318	29 181	395 820	836 319
<b>Changes that relate to current services</b>				
Change in risk adjustment for non-financial risk for risk expired	0	93	0	93
Experience adjustment not related to future service	-34	0	0	-34
<b>Insurance service result</b>	<b>-34</b>	<b>93</b>	<b>0</b>	<b>59</b>
Change in risk adjustment for non-financial risk at the start of the period	0	0	0	0
Accrued interest	8 208	690	-8 898	0
Released cash flows	1 390	0	0	1 390
Changes in estimates related to future service	11	1	-12	0
Change due to changes in discount curve	-9 682	-813	10 495	0
Result added to policyholders	747	0	27 509	28 256
<b>Insurance related financial cost</b>	<b>673</b>	<b>-123</b>	<b>29 095</b>	<b>29 646</b>
Premium	15 177	0	0	15 177
Claims and other insurance service expenses (incl. Investment components)	-18 958	0	0	-18 958
<b>Total cash flows</b>	<b>-3 781</b>	<b>0</b>	<b>0</b>	<b>-3 781</b>
<b>Life insurance contracts 30 June 2025</b>	<b>408 175</b>	<b>29 151</b>	<b>424 916</b>	<b>862 242</b>

NOK MILLIONS	Liability for incurred claims (LIC)		Liabilities for remaining coverage	Total
	Estimates of present value of future cash flows	Risk adjustment for non financial risk		
Non-life insurance contracts 1 January 2025	2 808	121	364	3 294
<b>Insurance income</b>	<b>0</b>	<b>0</b>	<b>-1 532</b>	<b>-1 532</b>
Claims	1 055	42	0	1 097
Expenses	314	3	0	317
Other movements related to current service	0	-17	0	-17
Changes that relate to past service	-7	-24	0	-30
<b>Insurance service expenses</b>	<b>1 362</b>	<b>5</b>	<b>0</b>	<b>1 367</b>
<b>Insurance service result</b>	<b>1 362</b>	<b>5</b>	<b>-1 532</b>	<b>-165</b>
<b>Insurance related financial cost</b>	<b>65</b>	<b>-2</b>	<b>0</b>	<b>63</b>
Premium	0	0	2 238	2 238
Claims and other insurance service expenses	-1 297	0	0	-1 297
<b>Total cash flows</b>	<b>-1 297</b>	<b>0</b>	<b>2 238</b>	<b>940</b>
<b>Other changes</b>	<b>4</b>	<b>0</b>	<b>-47</b>	<b>-43</b>
<b>Non-life insurance contracts 30 June 2025</b>	<b>2 942</b>	<b>124</b>	<b>1 023</b>	<b>4 089</b>

NOK MILLIONS	Liability for incurred claims (LIC)		Liabilities for remaining coverage	Total
	Estimates of present value of future cash flows	Risk adjustment for non financial risk		
Reinsurance contracts assets 1 January 2025	494	18	-3	510
<b>Premium paid - reinsurance</b>	<b>0</b>	<b>0</b>	<b>-80</b>	<b>-80</b>
Recoveries of incurred claims and other insurance service expenses	0	0	0	0
Reinsurance expenses -related to past service	-17	-2	0	-18
<b>Insurance service expenses</b>	<b>-17</b>	<b>-2</b>	<b>0</b>	<b>-18</b>
<b>Insurance service result</b>	<b>-17</b>	<b>-2</b>	<b>-80</b>	<b>-98</b>
<b>Insurance related financial cost</b>	<b>7</b>	<b>1</b>	<b>0</b>	<b>9</b>
Premium	-22	0	61	39
<b>Total cash flows</b>	<b>-22</b>	<b>0</b>	<b>61</b>	<b>39</b>
<b>Other changes</b>	<b>-152</b>	<b>0</b>	<b>0</b>	<b>-152</b>
<b>Reinsurance contracts assets 30 June 2025</b>	<b>311</b>	<b>18</b>	<b>-22</b>	<b>307</b>

NOK MILLIONS	Life insurance contracts	Non-life insurance contracts	Reinsurance	Total
<b>Specification of profit or loss items per product group 01.01.-30.06.2025</b>				
Insurance service result	-59	165	-98	9
Net insurance related financial cost	-29 646	-63	9	-29 700

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

NOK MILLIONS	Liability for incurred claims (LIC)		Liabilities for remaining coverage	Total
	Estimates of present value of future cash flows	Risk adjustment for non financial risk		
Non-life insurance contracts 1 January 2024	2 944	128	320	3 392
<b>Insurance income</b>	<b>0</b>	<b>0</b>	<b>-1 365</b>	<b>-1 365</b>
Claims	1 155	47	0	1 202
Expenses	274	3	0	277
Other movements related to current service	0	-17	0	-17
Changes that relate to past service	-131	-32	0	-163
<b>Insurance service expenses</b>	<b>1 298</b>	<b>1</b>	<b>0</b>	<b>1 298</b>
<b>Insurance service result</b>	<b>1 298</b>	<b>1</b>	<b>-1 365</b>	<b>-67</b>
<b>Insurance related financial cost</b>	<b>53</b>	<b>-2</b>	<b>0</b>	<b>52</b>
Premium	0	0	1 966	1 966
Claims and other insurance service expenses	-1 359	0	0	-1 359
<b>Total cash flows</b>	<b>-1 359</b>	<b>0</b>	<b>1 966</b>	<b>607</b>
<b>Other changes</b>	<b>0</b>	<b>0</b>	<b>-42</b>	<b>-42</b>
<b>Non-life insurance contracts 30 June 2024</b>	<b>2 936</b>	<b>127</b>	<b>878</b>	<b>3 941</b>

NOK MILLIONS	Liability for incurred claims (LIC)		Liabilities for remaining coverage	Total
	Estimates of present value of future cash flows	Risk adjustment for non financial risk		
Reinsurance contracts assets 1 January 2024	699	39	-10	728
<b>Premium paid - reinsurance</b>	<b>0</b>	<b>0</b>	<b>-67</b>	<b>-67</b>
Recoveries of incurred claims and other insurance service expenses	0	0	0	0
Reinsurance expenses -related to past service	-55	-11	0	-66
<b>Insurance service expenses</b>	<b>-55</b>	<b>-11</b>	<b>0</b>	<b>-66</b>
<b>Insurance service result</b>	<b>-55</b>	<b>-11</b>	<b>-67</b>	<b>-133</b>
<b>Insurance related financial cost</b>	<b>10</b>	<b>-2</b>	<b>0</b>	<b>9</b>
Premium	-154	0	80	-75
<b>Total cash flows</b>	<b>-154</b>	<b>0</b>	<b>80</b>	<b>-75</b>
<b>Other changes</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>
<b>Reinsurance contracts assets 30 June 2024</b>	<b>508</b>	<b>27</b>	<b>3</b>	<b>538</b>

NOK MILLIONS	Life insurance contracts	Non-life insurance contracts	Reinsurance	Total
<b>Specification of profit or loss items per product group 01.01-30.06.2024</b>				
Insurance service result	63	67	-133	-2
Insurance related financial cost	-32 144	-52	9	-32 187

NOK MILLIONS	Estimates of present value of future cash flows	Risk adjustment for non financial risk	Residual value	Total
Life insurance contracts 1 January 2024	377 742	29 068	355 979	762 789
<b>Changes that relate to current services</b>				
Change in risk adjustment for non-financial risk for risk expired	0	1 782	0	1 782
Experience adjustment not related to future service	-73	0	0	-73
<b>Insurance service result</b>	<b>-73</b>	<b>1 782</b>	<b>0</b>	<b>1 708</b>
Change in risk adjustment for non-financial risk at the start of the period	0	-924	924	0
Accrued interest	16 492	1 386	-17 878	0
Released cash flows	-4 983	0	0	-4 983
Changes in estimates related to future service	3 076	258	-3 335	0
Change due to changes in discount curve	-28 425	-2 388	30 813	0
Result added to policyholders' residual value	39 330	0	29 316	68 645
<b>Insurance related financial cost</b>	<b>25 490</b>	<b>-1 668</b>	<b>39 841</b>	<b>63 663</b>
Premium	38 869	0	0	38 869
Claims and other insurance service expenses (incl. Investment components)	-30 710	0	0	-30 710
<b>Total cash flows</b>	<b>8 159</b>	<b>0</b>	<b>0</b>	<b>8 159</b>
<b>Life insurance contracts 31 December 2024</b>	<b>411 318</b>	<b>29 181</b>	<b>395 820</b>	<b>836 319</b>

NOK MILLIONS	Liability for incurred claims (LIC)		Liabilities for remaining coverage	Total
	Estimates of present value of future cash flows	Risk adjustment for non financial risk		
Non-life insurance contracts 1 January 2024	2 944	128	320	3 392
<b>Insurance income</b>	<b>0</b>	<b>0</b>	<b>-2 758</b>	<b>-2 758</b>
Claims	2 098	84	0	2 182
Expenses	535	7	0	541
Other movements related to current service	0	-45	0	-45
Changes that relate to past service	-136	-51	0	-187
<b>Insurance service expenses</b>	<b>2 497</b>	<b>-5</b>	<b>0</b>	<b>2 492</b>
<b>Insurance service result</b>	<b>2 497</b>	<b>-5</b>	<b>-2 758</b>	<b>-266</b>
<b>Insurance related financial cost</b>	<b>103</b>	<b>-1</b>	<b>0</b>	<b>101</b>
Premium	0	0	2 777	2 777
Claims and other insurance service expenses	-2 741	0	0	-2 741
<b>Total cash flows</b>	<b>-2 741</b>	<b>0</b>	<b>2 777</b>	<b>36</b>
<b>Other changes</b>	<b>5</b>	<b>0</b>	<b>26</b>	<b>32</b>
<b>Non-life insurance contracts 31 December 2024</b>	<b>2 808</b>	<b>121</b>	<b>364</b>	<b>3 294</b>

NOK MILLIONS	Liability for incurred claims (LIC)		Liabilities for remaining coverage	Total
	Estimates of present value of future cash flows	Risk adjustment for non financial risk		
Reinsurance contracts assets 1 January 2024	699	39	-10	728
<b>Premium paid - reinsurance</b>	<b>0</b>	<b>0</b>	<b>-136</b>	<b>-136</b>
Recoveries of incurred claims and other insurance service expenses	0	0	0	0
Reinsurance expenses -related to past service	-23	-19	0	-42
<b>Insurance service expenses</b>	<b>-23</b>	<b>-19</b>	<b>0</b>	<b>-42</b>
<b>Insurance service result</b>	<b>-23</b>	<b>-19</b>	<b>-136</b>	<b>-178</b>
<b>Insurance related financial cost</b>	<b>19</b>	<b>-1</b>	<b>0</b>	<b>17</b>
Premium	-342	0	143	-199
<b>Total cash flows</b>	<b>-342</b>	<b>0</b>	<b>143</b>	<b>-199</b>
<b>Other changes</b>	<b>141</b>	<b>0</b>	<b>0</b>	<b>141</b>
<b>Reinsurance contracts assets 31 December 2024</b>	<b>494</b>	<b>18</b>	<b>-3</b>	<b>510</b>

NOK MILLIONS	Life insurance contracts	Non-life insurance contracts	Reinsurance	Total
<b>Specification of profit or loss items per product group 01.01. - 31.12.2024</b>				
Insurance service result	-1 708	266	-178	-1 620
Insurance related financial cost	-63 663	-101	17	-63 747

## IMPORTANT ASSUMPTIONS

### Discount curve for IFRS 17

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

Year	30.06.2025	30.06.2024	31.12.2024
1	4,7 %	5,1 %	4,8 %
2	4,6 %	5,0 %	4,7 %
3	4,5 %	4,8 %	4,6 %
4	4,4 %	4,6 %	4,6 %
5	4,3 %	4,5 %	4,5 %
10	4,4 %	4,3 %	4,4 %
15	4,3 %	4,2 %	4,3 %
25	4,2 %	4,0 %	4,1 %
50	3,9 %	3,8 %	3,8 %
75	3,8 %	3,7 %	3,7 %
100	3,7 %	3,6 %	3,7 %

## Salary growth curve

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

Year	30.06.2025	30.06.2024	31.12.2024
1	5,2 %	4,3 %	4,6 %
5	4,4 %	4,1 %	4,3 %
10	3,3 %	3,7 %	3,7 %
15	3,2 %	3,5 %	3,3 %
25	3,5 %	3,5 %	3,5 %
50	3,5 %	3,4 %	3,5 %
80	3,5 %	3,4 %	3,5 %

## SENSITIVITY IFRS 17

The table below shows the consequence for the group's residual value of a change in the standard assumptions used in the best estimate. Sensitivity related to costs is also included in the overview. The residual value consists of the part of the insurance liability that is not included in the best estimate or the risk adjustment.

NOK MILLIONER	Change	30.06.2025	30.06.2024	31.12.2024
Reduced mortality	-5 %	-4 670	-4 375	-4 674
Increased mortality	5 %	4 472	4 191	4 477
Increased disability	5 %	-415	-388	-414
Reduced disability	-5 %	417	391	418
Increased costs	5 %	-1 346	-1 261	-1 347
Reduced costs	-5 %	1 345	1 261	1 348
Increased yield curve	*)	34 880	32 536	35 002
Reduced yield curve	**)	-39 245	-39 298	-40 015

All changes to assumptions are in % change of the standard assumption applied as of 30.06.2025 (30.06.2024/31.12.2024).

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

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

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

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
<b>SUBORDINATED LOANS</b>					
Interest costs	-67	-32	-99	-72	-146
Value changes	-70	65	53	-101	-229
<b>Net costs subordinated loans</b>	<b>-137</b>	<b>33</b>	<b>-47</b>	<b>-173</b>	<b>-375</b>
<b>PERPETUAL HYBRID TIER 1 SECURITIES</b>					
Interest costs	-17	-18	-36	-38	-80
Value changes	46	113	121	78	5
<b>Net costs perpetual hybrid tier 1 securities</b>	<b>28</b>	<b>95</b>	<b>84</b>	<b>39</b>	<b>-75</b>
<b>Net costs subordinated loan and hybrid Tier 1 securities</b>	<b>-109</b>	<b>128</b>	<b>38</b>	<b>-133</b>	<b>-451</b>

This note gives a specification of the line "Net costs subordinated loan and hybrid Tier 1 securities" in the income statement. The fluctuations in value change are predominantly due to the loans being denominated in foreign currency. The subordinated loan is issued in euros and the perpetual hybrid Tier 1 security are issued in Japanese yen.

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

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

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

### FINANCIAL INSTRUMENTS MEASURED AT AMORTISED COST

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

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

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



## FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

### **This category includes:**

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

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

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

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

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

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

- Bloomberg Barclays Indices
- Bloomberg

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

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

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

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

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

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

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

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

#### **e) Receivables on credit institutions**

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

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

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

#### **g) Loans secured by mortgage**

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

### **SHARES AND UNITS**

#### **h) Shares (listed)**

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

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

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

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

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

**i) Shares (unlisted)**

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

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

**j) Private Equity**

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

## DERIVATIVES

**k) Futures/FRA/IRF**

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

**l) Options**

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

**m) Interest-rate swaps**

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

**n) FX-swaps**

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

**DEBT TO CREDIT INSTITUTIONS****o) Placements with credit institutions and deposits**

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

**SUBORDINATED LOAN CAPITAL, OTHER DEBT ISSUED, AND DEPOSITS FROM CUSTOMERS****p) Fair value of subordinated loans**

As these are loans that are not part of an active market, fair value is calculated based on observable data in an internal valuation model.

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

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

**r) Covered bonds issued**

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

**s) Deposits from customers**

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

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

NOK MILLIONS	30.06.2025		30.06.2024		31.12.2024	
	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>FIXED-INCOME SECURITIES AND OTHER DEBT INSTRUMENTS AT AMORTISED COST</b>						
Norwegian bonds	1 070	1 046	1 058	1 018	1 102	1 052
Foreign bonds	1 305	1 266	1 236	1 166	1 232	1 166
<b>Fixed-income securities and other debt instruments at amortised cost</b>	<b>2 375</b>	<b>2 312</b>	<b>2 294</b>	<b>2 184</b>	<b>2 334</b>	<b>2 219</b>
<b>LENDING LOCAL GOVERNMENT, ENTERPRISES &amp; RETAIL CUSTOMERS AT FAIR VALUE THROUGH PROFIT/LOSS</b>						
Loans secured by mortgage	3 164	3 164	2 474	2 474	3 197	3 197
Loans to local government sector or enterprises with local government guarantee	77 405	77 405	74 736	74 736	76 844	76 844
Loans abroad secured by mortgage and local government guarantee	5 608	5 608	6 181	6 181	6 311	6 311
Other lending	1 695	1 695	667	667	740	740
<b>Total loans to local government, enterprises &amp; retail customers at fair value</b>	<b>87 872</b>	<b>87 872</b>	<b>84 057</b>	<b>84 057</b>	<b>87 092</b>	<b>87 092</b>
<b>LENDING TO LOCAL GOVERNMENT, ENTERPRISES &amp; RETAIL CUSTOMERS – AT AMORTISED COST</b>						
Loans to and receivables from customers	44 204	44 204	42 804	42 817	42 836	42 851
<b>Total loans to local government, enterprises &amp; retail customers at amortised cost</b>	<b>44 204</b>	<b>44 204</b>	<b>42 804</b>	<b>42 817</b>	<b>42 836</b>	<b>42 851</b>
<b>FIXED-INCOME SECURITIES AT FAIR VALUE</b>						
Norwegian bonds	148 173	148 173	129 675	129 675	137 843	137 843
Norwegian certificates	14 820	14 820	13 679	13 679	12 361	12 361
Foreign bonds	213 379	213 379	213 997	213 997	215 443	215 443
Foreign certificates	0	0	700	700	0	0
Investments with credit institutions	53 190	53 190	46 558	46 558	53 431	53 431
<b>Fixed income securities at fair value</b>	<b>429 562</b>	<b>429 562</b>	<b>404 610</b>	<b>404 610</b>	<b>419 077</b>	<b>419 077</b>
<b>SHARES AND UNITS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Shares	421 905	421 905	362 801	362 801	410 894	410 894
Equity funds	54 478	54 478	48 741	48 741	53 887	53 887
Property funds	9 296	9 296	7 566	7 566	8 040	8 040
<b>Total shares and units at fair value</b>	<b>491 649</b>	<b>491 649</b>	<b>421 518</b>	<b>421 518</b>	<b>477 165</b>	<b>477 165</b>
<b>RECEIVABLES</b>						
Receivables related to direct business	1 074	1 074	862	862	1 383	1 383
Receivables related to reinsurance agreements	0	0	0	0	0	0
Reinsurance share of gross claims reserve	0	0	0	0	0	0
Receivables related to securities	12 349	12 349	8 177	8 177	1 797	1 797
Prepaid rent related to real estate activities	344	344	360	360	348	348
Other receivables	122	122	165	165	7	7
<b>Total other loans and receivables including receivables from policyholders</b>	<b>13 890</b>	<b>13 890</b>	<b>9 564</b>	<b>9 564</b>	<b>3 534</b>	<b>3 534</b>
<b>FINANCIAL LIABILITIES</b>						
Debt to credit institutions	6 570	6 570	3 286	3 286	1 395	1 395
Covered bonds issued	29 357	29 473	29 986	30 084	31 529	31 596
Liabilities and deposits from customers	17 151	17 151	15 629	15 629	15 801	15 801
Hybrid Tier 1 securities	1 308	1 308	1 356	1 356	1 429	1 429
Subordinated loan capital	0	0	3 358	3 358	3 560	3 560
<b>Total financial liabilities</b>	<b>54 386</b>	<b>54 502</b>	<b>53 615</b>	<b>53 712</b>	<b>53 713</b>	<b>53 781</b>

NOK MILLIONS	30.06.2025		30.06.2024		31.12.2024	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<b>FINANCIAL DERIVATIVES - AT FAIR VALUE THROUGH PROFIT OR LOSS</b>						
Forward exchange contracts	3 659	2 229	2 654	579	781	7 070
Interest rate swaps	480	2 208	620	2 639	243	4 235
Interest rate and currency swaps	608	0	491	0	445	0
<b>Total financial derivatives</b>	<b>4 747</b>	<b>4 436</b>	<b>3 766</b>	<b>3 218</b>	<b>1 469</b>	<b>11 304</b>

## Note 8 Borrowing

NOK MILLIONS	Nominal in NOK	Currency	Interest	Due date	Book value 30.06.2025	Book value 30.06.2024	Book value 31.12.2024
<b>FIXED - TERM SUBORDINATED LOAN</b>							
Kommunal Landspensjonskasse	2 530	EUR	Fixed <sup>1</sup>	2045	0	3 358	3 560
<b>Total subordinated loan capital</b>	<b>2 530</b>				<b>0</b>	<b>3 358</b>	<b>3 560</b>
<b>HYBRID TIER 1 SECURITIES</b>							
Kommunal Landspensjonskasse	984	JPY	Fixed <sup>2</sup>	2034	1 308	1 356	1 429
<b>Total hybrid Tier 1 securities</b>	<b>984</b>				<b>1 308</b>	<b>1 356</b>	<b>1 429</b>
<b>COVERED BONDS</b>							
KLP Kommunekreditt AS	0	NOK	Floating	2025	0	3 009	1 892
KLP Kommunekreditt AS	5 000	NOK	Floating	2026	5 051	5 053	5 053
KLP Kommunekreditt AS	1 000	NOK	Fixed	2027	1 017	1 017	1 012
KLP Kommunekreditt AS	6 000	NOK	Floating	2027	6 049	6 052	6 050
KLP Kommunekreditt AS	6 250	NOK	Floating	2028	6 304	3 027	6 306
KLP Kommunekreditt AS	700	NOK	Fixed	2029	722	722	706
KLP Boligkreditt AS	0	NOK	Floating	2024	0	599	0
KLP Boligkreditt AS	170	NOK	Floating	2025	170	2 501	2 501
KLP Boligkreditt AS	4 500	NOK	Floating	2026	4 533	4 533	4 535
KLP Boligkreditt AS	2 500	NOK	Floating	2027	2 516	2 516	2 516
KLP Boligkreditt AS	3 000	NOK	Floating	2028	3 008	1 003	1 003
Other					-13	-45	-45
<b>Total covered bonds</b>	<b>29 120</b>				<b>29 357</b>	<b>29 986</b>	<b>31 529</b>
<b>DEBT TO CREDIT INSTITUTIONS</b>							
KLP Banken AS	0	NOK	Floating	2024	0	127	0
KLP Banken AS	300	NOK	Floating	2025	301	301	301
KLP Banken AS	150	NOK	Floating	2026	151	151	151
KLP Banken AS	350	NOK	Floating	2027	353	202	353
KLP Fond	2 338	NOK/EUR/USD	Fixed	2025	2 338	147	0
KLP Fond	1 073	NOK/EUR/USD	Floating	2025	1 073	487	30
Kommunal Landspensjonskasse	2 291	NOK/EUR/USD	Floating	2025	2 291	1 784	512
Other					62	87	47
<b>Total liabilities to credit institutions</b>	<b>6 503</b>				<b>6 570</b>	<b>3 286</b>	<b>1 395</b>
<b>LIABILITIES AND DEPOSITS FROM CUSTOMERS <sup>3</sup></b>							
KLP Banken AS	17 151	NOK			17 151	15 629	15 801
<b>Liabilities to and deposits from customers</b>	<b>17 151</b>				<b>17 151</b>	<b>15 629</b>	<b>15 801</b>
<b>Total financial liabilities</b>	<b>56 287</b>				<b>54 386</b>	<b>53 615</b>	<b>53 713</b>

<sup>1</sup> The loan has been settled in 2025.

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

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

This note shows the financial liabilities that the Group had at the end of the reporting period, where the majority is funding for KLP Bank Group. The companies listed above are the issuers of the financial debt. Deposits belongs to KLP Banken AS.

## Note 9 Fair value hierarchy

NOK MILLIONS	Level 1	Level 2	Level 3	30.06.2025	30.06.2024	31.12.2024
<b>ASSETS BOOKED AT FAIR VALUE</b>						
Land/plots	0	0	1 283	1 283	1 283	1 283
Buildings	0	0	103 029	103 029	94 247	97 606
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>104 311</b>	<b>104 311</b>	<b>95 529</b>	<b>98 889</b>
<b>Lending at fair value</b>	<b>0</b>	<b>87 872</b>	<b>0</b>	<b>87 872</b>	<b>84 057</b>	<b>87 092</b>
Certificates	3 654	11 166	0	14 820	14 380	12 361
Bonds	21 133	340 393	0	361 526	343 845	353 274
Fixed-income funds	0	9 892	17 007	26 899	25 276	26 782
Loans and receivables	25 514	803	0	26 316	21 110	26 661
<b>Bonds and other fixed-income securities</b>	<b>50 301</b>	<b>362 253</b>	<b>17 007</b>	<b>429 562</b>	<b>404 610</b>	<b>419 077</b>
Shares	408 878	6 682	6 345	421 905	362 801	410 894
Equity funds	3 026	0	33	3 059	2 745	2 952
Property funds	0	2 691	6 605	9 296	7 566	8 040
Special funds	0	4 229	1 742	5 971	11 942	4 345
Private Equity	0	0	51 419	51 419	45 995	50 936
<b>Shares and units</b>	<b>411 903</b>	<b>13 602</b>	<b>66 144</b>	<b>491 649</b>	<b>421 518</b>	<b>477 165</b>
<b>Financial derivatives</b>	<b>0</b>	<b>4 747</b>	<b>0</b>	<b>4 747</b>	<b>3 766</b>	<b>1 469</b>
<b>Total assets at fair value</b>	<b>462 205</b>	<b>468 474</b>	<b>187 462</b>	<b>1 118 141</b>	<b>1 009 480</b>	<b>1 083 691</b>
<b>LIABILITIES BOOKED AT FAIR VALUE</b>						
Financial derivatives	0	4 436	0	4 436	3 218	11 304
Debt to credit institutions <sup>1</sup>	3 431	2 338	0	5 770	2 506	590
Subordinated loan capital	0	0	0	0	3 358	3 560
Hybrid Tier 1 securities	0	1 308	0	1 308	1 356	1 429
<b>Total financial liabilities at fair value</b>	<b>3 431</b>	<b>8 083</b>	<b>0</b>	<b>11 514</b>	<b>10 437</b>	<b>16 884</b>

<sup>1</sup> The line «Debt to credit institutions» includes liabilities measured at fair value and amortized cost. This line is therefore not reconcilable against the Balance sheet. The liabilities measured at amortized cost amounted to NOK 800 million per 30.06.2025.

Changes in level 3, financial assets and investment property	Financial assets	Investment property	Total
Opening balance 1 January	82 530	98 889	181 418
Sold	-2 797	-1 231	-4 028
Bought	3 819	4 280	8 099
Unrealised changes	-401	2 387	1 986
Other changes	0	-14	-14
<b>Closing balance</b>	<b>83 151</b>	<b>104 311</b>	<b>187 462</b>
Realised gains/losses	1 079	0	1 079

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

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

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

**Level 1:**

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

**Level 2:**

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

**Level 3:**

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

Valuations related to items in the various levels are described in Note 7. For description of the pricing of investment property, please see the last published annual financial statements. All Investment properties are included in level 3.

For level 3 securities, a change in MSCI Europe index of +/- 10 percent will result in a change in value of +/- NOK 1 035 million for shares and funds units, +/- NOK 7 713 million in private equity and +/- NOK 680 million in fixed-income funds. For sensitivity analysis of investment property, please refer to published annual report.

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

During the 2nd quarter, NOK 754 million in stocks moved from Level 1 to Level 2, and NOK 244 million moved from level 1 to level 3. In addition NOK 419 million in stocks moved from level 2 to level 1, and NOK 17 million from level 2 to level 3. The movements are due to changes in liquidity.



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

30.06.2025 NOK MILLIONS		Related amounts not presented net				
	Gross financial assets/ liabilities	Financial instruments	Security in cash	Security in securities	Net amount	Adjusted for the unit holders' interest in consolidated securities funds
<b>ASSETS</b>						
Financial derivatives	4 747	-2 747	-3 346	-7 020	101	87
Repos	4 784	0	0	0	4 784	4 784
<b>Total</b>	<b>9 532</b>	<b>-2 747</b>	<b>-3 346</b>	<b>-7 020</b>	<b>4 885</b>	<b>4 871</b>
<b>LIABILITIES</b>						
Financial derivatives	4 436	-2 747	-140	-64	1 599	1 615
Repos	2 341	0	0	0	2 341	2 341
<b>Total</b>	<b>6 777</b>	<b>-2 747</b>	<b>-140</b>	<b>-64</b>	<b>3 940</b>	<b>3 956</b>

30.06.2024 NOK MILLIONS		Related amounts not presented net				
	Gross financial assets/ liabilities	Financial instruments	Security in cash	Security in securities	Net amount	Adjusted for the unit holders' interest in consolidated securities funds
<b>ASSETS</b>						
Finansielle derivater	3 766	-1 115	-2 246	-4 199	79	80
Repos	2 882	0	0	0	2 265	2 882
<b>Total</b>	<b>6 647</b>	<b>-1 115</b>	<b>-2 246</b>	<b>-4 199</b>	<b>2 344</b>	<b>2 962</b>
<b>LIABILITIES</b>						
Finansielle derivater	3 218	-1 115	-35	-44	2 101	2 102
Repos	147	0	0	0	147	147
<b>Total</b>	<b>3 365</b>	<b>-1 115</b>	<b>-35</b>	<b>-44</b>	<b>2 249</b>	<b>2 249</b>

31.12.2024 NOK MILLIONS		Related amounts not presented net				
	Gross financial assets/ liabilities	Financial instruments	Security in cash	Security in securities	Net amount	Adjusted for the unit holders' interest in consolidated securities funds
<b>ASSETS</b>						
Financial derivatives	1 469	-1 431	-483	-2 483	37	37
Repos	6 896	0	0	0	6 896	6 896
<b>Total</b>	<b>8 365</b>	<b>-1 431</b>	<b>-483</b>	<b>-2 483</b>	<b>6 934</b>	<b>6 934</b>
<b>LIABILITIES</b>						
Financial derivatives	11 304	-1 431	-1 673	-6 420	3 267	3 288
Repos	0	0	0	0	0	0
<b>Total</b>	<b>11 304</b>	<b>-1 431</b>	<b>-1 673</b>	<b>-6 420</b>	<b>3 267</b>	<b>3 288</b>

The purpose of the note is to show the potential effect of netting agreements at the KLP Group; what possibilities the KLP Group has to net bilateral agreements against other counterparties should the latter go bankrupt and the remaining amount if all such netting agreements are materialized. The note shows derivative positions and repo agreements in the financial position statement. Repos are a part of the line "Debt to credit institutions" in the balance sheet.

The consolidated figures include all entities the KLP Group is considered to have control over. In addition, the outer line shows which de facto net amount remains if all the Groups netting agreements are set off; which only includes subsidiaries and entities, where the Group carries the risk.

## Note 11 **Capital adequacy**

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

Tier 1 own funds appear from the Solvency II balance sheet and hybrid tier 1 securities. In the calculation of eligible own funds hybrid tier 1 securities are limited to a maximum of 20 percent of total eligible tier 1 own funds. Any excess exposure is eligible as tier 2 own funds. Tier 2 own funds otherwise consist of subordinated debt, the risk equalization fund, the natural perils fund and ancillary own funds. The Financial Supervisory Authority of Norway has accepted that KLP's right to call in further member contribution if necessary, which is laid down in the Company's articles of association, can be counted as ancillary own funds, the amount corresponding to 2.5 percent of the Company's premium reserve. Any net deferred tax asset will be considered tier 3 own funds.

In the calculation of eligible own funds to cover the solvency capital requirement, eligible tier 1 own funds shall be at least 50 percent of the solvency capital requirement, eligible tier 3 own funds shall be less than 15 percent of the solvency capital requirement, and the sum of eligible tier 2 and tier 3 own funds shall not exceed 50 percent of the solvency capital requirement before capital requirement contributions from other financial sectors (KLP Banken and KLP Kapitalforvaltning). In the calculation of eligible own funds to cover the minimum consolidated group capital requirement, eligible tier 1 own funds shall be at least 80 percent of the minimum requirement, and eligible tier 2 own funds shall not exceed 20 percent of the minimum requirement. Own funds from other financial sectors (KLP Banken and KLP Kapitalforvaltning), tier 3 own funds and ancillary own funds are not eligible to cover the minimum requirement.

Without the use of the transitional measure on technical provisions the Company's SCR ratio is 288 percent, which is well over the Company's target of at least 150 percent. With the transitional measure on technical provisions the SCR ratio is 288 percent.

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
<b>ELIGIBLE OWN FUNDS</b>			
Assets	905 352	827 334	853 502
Liabilities	-856 023	-781 772	-805 295
<b>Excess of assets over liabilities</b>	<b>49 329</b>	<b>45 562</b>	<b>48 207</b>
- Risk equalization fund	-4 311	-3 843	-4 188
+ Hybrid tier 1 securities	1 308	1 356	1 429
Adjustment for other financial sector own funds	-277	-265	-98
<b>Tier 1 basic own funds</b>	<b>46 049</b>	<b>42 810</b>	<b>45 350</b>
<b>Sum tier 1 own funds</b>	<b>46 049</b>	<b>42 810</b>	<b>45 350</b>
Subordinated debt	0	3 285	3 514
Risk equalization fund and natural perils fund	4 311	3 843	4 188
<b>Tier 2 basic own funds</b>	<b>4 311</b>	<b>7 128</b>	<b>7 702</b>
Ancillary own funds	16 167	15 019	15 396
<b>Tier 2 ancillary own funds</b>	<b>16 167</b>	<b>15 019</b>	<b>15 396</b>
<b>Sum tier 2 own funds</b>	<b>20 478</b>	<b>22 147</b>	<b>23 098</b>
Deferred tax asset	0	0	0
<b>Tier 3 basic own funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sum tier 3 own funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Eligible own funds to cover the solvency capital requirement - tier 1</b>	<b>46 049</b>	<b>42 632</b>	<b>45 350</b>
<b>Eligible own funds to cover the solvency capital requirement - tier 2</b>	<b>8 201</b>	<b>7 485</b>	<b>7 394</b>
<b>Eligible own funds to cover the solvency capital requirement - tier 3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>A Eligible own funds to cover the solvency capital requirement</b>	<b>54 251</b>	<b>50 117</b>	<b>52 744</b>
<b>Eligible own funds to cover the minimum requirement - tier 1</b>	<b>42 290</b>	<b>39 129</b>	<b>41 516</b>
<b>Eligible own funds to cover the minimum requirement - tier 2</b>	<b>928</b>	<b>838</b>	<b>838</b>
<b>B Eligible own funds to cover the minimum consolidated group capital requirement</b>	<b>43 217</b>	<b>39 967</b>	<b>42 354</b>
<b>CAPITAL REQUIREMENT</b>			
Market risk	191 074	169 377	176 709
Counterparty risk	3 023	3 196	3 058
Life risk	140 862	126 180	140 142
Non-life risk	690	702	695
Health risk	514	457	471
Diversification	-70 692	-63 461	-68 328
Operational risk	3 817	3 491	3 576
Loss absorbing capacity of technical provisions	-251 005	-223 424	-239 819
Loss absorbing capacity deferred tax	-1 879	-1 665	-1 716
Capital requirement for other financial sectors	2 429	2 873	2 921
<b>C Solvency capital requirement</b>	<b>18 832</b>	<b>17 726</b>	<b>17 710</b>
Minimum capital requirement, KLP	4 072	3 668	3 670
Minimum capital requirement, KLP Skadeforsikring	565	523	522
<b>D Minimum consolidated group capital requirement</b>	<b>4 638</b>	<b>4 192</b>	<b>4 192</b>
<b>CAPITAL ADEQUACY</b>			
<b>SCR ratio (A/C)</b>	<b>288 %</b>	<b>283 %</b>	<b>298 %</b>
<b>MCR ratio (B/D)</b>	<b>932 %</b>	<b>960 %</b>	<b>1010 %</b>

## Note 12 Pension obligations

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
Capitalized net liability 01.01.	543	913	913
Capitalized pension costs	112	117	234
Capitalized financial costs	14	16	34
Actuarial gains and losses	125	-332	-442
Premiums / contributions received	-86	-73	-195
<b>Capitalized net liability</b>	<b>709</b>	<b>640</b>	<b>543</b>

Assumptions	30.06.2025	30.06.2024	31.12.2024
Discount rate	3.70 %	3.50 %	3.90 %
Salary growth	4.00 %	3.50 %	4.00 %
The National Insurance basic amount (G)	3.75 %	3.25 %	3.75 %
Pension increases	3.00 %	2.80 %	3.00 %
Social security contribution rate	14.10 %	14.10 %	14.10 %
Capital activity tax	5.00 %	5.00 %	5.00 %

The effect of changes in pension assumptions increase the pension liability for employees with NOK 125 million as of 30.06.2025. The change is recognized in "Total other income and expenses that will not be reclassified to profit or loss".

## Note 13 Other current liabilities

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
Short-term payables trade in securities	17 090	9 024	2 019
Incurred not assessed taxes	1 160	560	1 206
Accounts payable	259	290	274
Public fees	1 238	1 233	829
Other current liabilities	1 114	1 038	1 100
<b>Total other current liabilities</b>	<b>20 861</b>	<b>12 145</b>	<b>5 427</b>

## Key figures – Accumulated

NOK MILLIONS	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
<b>KLP GROUP</b>								
Total assets	1 194 837	1 148 840	1 147 389	1 128 114	1 079 281	1 065 541	1 016 721	972 345
Equity	-2 255	-3 291	-3 303	-2 594	-2 556	-3 090	-3 140	-3 555
Solvency SCR ratio	288 %	290 %	298 %	289 %	283 %	288 %	285 %	332 %
Number of employees in the Group	1 205	1 189	1 169	1 168	1 168	1 153	1 133	1 120
<b>KOMMUNAL LANDSPENSJONSKASSE</b>								
Profit before tax	1 167	205	2 169	1 663	926	183	-20	1 136
Premium income for own account	42 711	8 110	60 883	51 795	37 257	7 842	70 326	60 032
- of which inflow of premium reserve	40	40	1	1	1	0	92	91
Insurance customers' funds incl. acc. profit	18 422	11 233	30 200	23 024	16 132	9 265	28 261	21 501
- of which funds with guaranteed returns	4 132	4 289	2 423	2 423	2 419	2 456	2 139	2 125
Net investment common portfolio	825 733	805 349	803 441	790 200	761 757	751 512	734 337	718 214
Net investment choice portfolio	3 348	3 105	3 135	3 063	3 064	2 953	2 830	2 730
Insurance funds incl. earnings for the year	847 325	797 920	803 036	788 668	778 458	745 385	725 781	704 815
- of which funds with guaranteed interest	707 855	678 596	679 801	638 919	642 860	617 219	616 315	586 941
Solvency capital requirement (SCR)	54 711	53 359	52 962	52 772	50 482	49 575	49 517	49 918
Solvency SCR ratio	336 %	355 %	361 %	351 %	344 %	351 %	346 %	368 %
Riskprofit	78	168	790	420	81	82	648	364
Return profits	17 261	-4 094	51 090	40 471	26 553	18 729	29 466	15 822
Administration profit	32	-27	77	129	65	-8	144	176
Solvency capital	163 264	159 022	162 859	193 589	167 161	155 824	164 487	147 893
Value-adjusted return on common portfolio	3,1 %	0,0 %	9,0 %	7,0 %	4,6 %	3,0 %	6,4 %	3,9 %
Return on unit-linked portfolio	3,1 %	-0,8 %	10,8 %	8,6 %	5,8 %	4,0 %	8,3 %	4,8 %
Return on corporate portfolio	2,4 %	0,6 %	4,8 %	3,4 %	1,9 %	0,5 %	3,0 %	2,1 %
<b>KLP SKADEFORSIKRING AS</b>								
Profit before tax	193	32	386	196	64	-118	273	255
Insurance income	1 532	786	2 758	2 053	1 365	707	2 505	1 863
Owners' equity	3 089	2 979	2 955	2 760	2 669	2 523	2 594	2 589
Claims ratio, gross	75,4 %	74,8 %	77,3 %	79,2 %	81,4 %	98,2 %	83,5 %	78,9 %
Net reinsurance ratio	6,4 %	8,8 %	6,4 %	8,3 %	9,7 %	15,0 %	2,8 %	4,7 %
Claims ratio, net of reinsurance	81,7 %	83,6 %	83,8 %	87,6 %	91,2 %	113,1 %	86,3 %	83,6 %
Cost ratio	13,9 %	15,1 %	13,0 %	13,6 %	13,6 %	14,6 %	14,0 %	13,0 %
Combined ratio	95,6 %	98,7 %	96,8 %	101,1 %	104,8 %	127,7 %	100,4 %	96,6 %
Return on assets under management	2,7 %	0,7 %	6,2 %	5,0 %	2,9 %	1,7 %	5,5 %	3,3 %
Solvency capital requirement (SCR)			2 969	2 785	2 598	2 487	2 446	2 514
Solvency SCR ratio	242 %	246 %	256 %	238 %	223 %	210 %	227 %	246 %
Annual premium in force – retail market	1 330	1 268	1 620	1 178	1 149	1 107	1 068	1 042
Annual premium in force – public sector market	1 798	1 784	1 222	1 613	1 601	1 624	1 517	1 533
Net new subscriptions (accumulated within the year)	59	33	20	-14	-38	-3	72	61
<b>KLP BANKEN GROUP</b>								
Profit/loss before tax	184	77	325	255	167	75	285	203
Net interest income	271	133	520	386	255	127	465	340
Other operating income	48	24	96	71	46	22	89	67
Operating expenses and depreciation	-144	-81	-284	-208	-140	-81	-271	-201
Net realized/unrealized changes in financial instruments to fair value	9	1	-7	6	6	7	3	-3
Contributions	17 151	16 757	15 800	15 685	15 628	14 158	14 061	14 351
Housing mortgages granted	24 453	24 301	21 148	24 222	24 494	24 102	23 855	23 754
Loan(s) with public guarantee(s)	19 751	19 419	18 688	18 006	18 311	18 735	19 001	19 371

NOK MILLIONS	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Defaulted loans	74	67	64	58	54	53	44	52
Borrowing on the issuance of securities	30 157	32 284	32 335	32 543	30 767	31 253	31 408	31 616
Total assets	51 134	52 711	51 803	51 931	49 973	48 857	48 928	49 403
Average total assets	51 468	52 257	50 365	50 429	49 450	48 892	49 719	49 957
Owners' equity	3 537	3 440	3 439	3 359	3 280	3 189	3 174	3 132
Net interest rate	0,53 %	0,25 %	1,03 %	0,76 %	0,51 %	0,26 %	0,93 %	0,68 %
Profit/loss from general operations before tax	0,36 %	0,15 %	0,65 %	0,51 %	0,34 %	0,15 %	0,57 %	0,41 %
Return on owners' equity before tax	10,71 %	8,91 %	10,25 %	10,70 %	10,52 %	9,47 %	9,62 %	9,13 %
Capital adequacy	26,9 %	21,7 %	22,7 %	20,6 %	20,8 %	21,2 %	21,7 %	20,2 %
Number of private customers	59 065	58 585	57 679	56 601	55 670	54 058	52 488	51 340
Of this members of KLP	38 552	38 229	37 955	37 430	36 986	36 139	35 390	34 802
<b>KLP KAPITALFORVALTNING AS</b>								
Profit/loss before tax	24	-8	103	81	53	12	55	42
Total assets under management	910 557	867 813	878 867	859 290	818 496	797 875	760 484	715 698
Assets managed for external customers	254 234	231 931	238 104	226 091	214 053	202 680	179 219	162 321

# Kommunal Landspensjonskasse

## Income statement

Kommunal Landspensjonskasse

NOTE	NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
2	Premium income	34 602	29 416	42 711	37 257	60 883
	Income from investments in subsidiaries, associated enterprises and jointly controlled entities	2 883	831	4 397	907	5 426
	Interest income and dividends etc. on financial assets	4 944	4 377	9 291	8 808	17 264
3	Value changes on investments	10 983	7 135	4 405	21 065	36 593
	Gains and losses realized on investments	6 217	-1 019	6 567	2 631	5 983
	<b>Net income from investments in the common portfolio</b>	<b>25 027</b>	<b>11 324</b>	<b>24 659</b>	<b>33 410</b>	<b>65 265</b>
3	Net income from investments in the investment option portfolio	121	50	97	163	304
	Other insurance-related income	349	362	723	718	1 473
4	Claims	-7 189	-6 867	-18 422	-16 132	-30 200
	Changes in insurance liabilities taken to profit/loss - contractual liabilities	-34 759	-25 574	-30 663	-27 135	-56 412
	Changes in insurance liabilities taken to profit/loss - individual investment option portfolio	-146	-92	-107	-95	-197
	Funds assigned to insurance contracts - contractual liabilities	0	0	0	0	-37 537
	Unallocated profit to insurance contracts	-17 061	-7 756	-17 229	-26 432	0
5	Insurance-related operating expenses	-397	-361	-877	-793	-1 693
	Other insurance-related costs	-356	-368	-729	-721	-1 471
	<b>Technical profit/loss</b>	<b>191</b>	<b>134</b>	<b>164</b>	<b>241</b>	<b>416</b>
3, 6	Net income from investments in the corporate portfolio	838	588	1 119	734	1 989
	Other income	20	17	37	30	73
	Administration costs and other costs associated with the corporate portfolio	-86	-71	-153	-155	-309
	<b>Non-technical profit/loss</b>	<b>772</b>	<b>533</b>	<b>1 003</b>	<b>609</b>	<b>1 753</b>
	<b>Profit/loss pre-tax</b>	<b>962</b>	<b>667</b>	<b>1 167</b>	<b>850</b>	<b>2 169</b>
	Tax	-167	-89	-212	-172	-356
	<b>Income before other income and expenses</b>	<b>795</b>	<b>579</b>	<b>955</b>	<b>678</b>	<b>1 812</b>
7	Change in actuarial assumptions own employees	-77	91	-77	211	288
	Proportion of other comprehensive income on application of the equity method	-49	43	-49	122	155
	Adjustment of the insurance liabilities	14	-9	14	-32	-41
	Tax on other income and expenses that will not be reclassified to profit or loss	19	-26	19	-53	-72
	<b>Total other income and expenses that will not be reclassified to profit or loss</b>	<b>-92</b>	<b>98</b>	<b>-92</b>	<b>247</b>	<b>329</b>
	<b>TOTAL COMPREHENSIVE INCOME</b>	<b>703</b>	<b>677</b>	<b>863</b>	<b>926</b>	<b>2 142</b>

## Statement of financial position

### Kommunal Landspensjonskasse

NOTE	NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
	<b>ASSETS</b>			
	<b>ASSETS IN THE CORPORATE PORTFOLIO</b>			
	Intangible assets	1 564	1 465	1 497
8	Buildings and other real estate	1 322	1 322	1 322
	Shares and holdings in property subsidiaries	3 049	3 017	3 069
	Shares and holdings in other subsidiaries, associated enterprises and jointly controlled entities	7 137	6 450	6 898
9	Financial assets valued at amortized cost	16 849	21 620	21 625
8, 9	Financial assets valued at fair value	18 053	13 314	15 275
	Receivables	30 006	21 740	5 573
10	Right-of-use assets	595	702	648
	Other assets	2 015	1 975	1 463
	<b>Total assets in the corporate portfolio</b>	<b>80 590</b>	<b>71 605</b>	<b>57 370</b>
	<b>ASSETS IN THE CUSTOMER PORTFOLIOS</b>			
	Shares and holdings in property subsidiaries	88 040	77 712	81 308
	Shares and holdings in other subsidiaries, associated enterprises and jointly controlled entities	7 067	6 065	6 873
	Receivables on and securities issued by subsidiaries, associated enterprises and jointly controlled entities	9 997	10 756	10 380
9	Financial assets valued at amortized cost	298 040	295 694	297 388
8, 9	Financial assets valued at fair value	422 588	371 530	407 492
	<b>Total investment in the common portfolio</b>	<b>825 733</b>	<b>761 757</b>	<b>803 441</b>
	Shares and holdings in property subsidiaries	354	312	327
	Receivables on and securities issued by subsidiaries, associated enterprises and jointly controlled entities	55	58	55
9	Financial assets at amortized costs	1 044	1 007	1 024
8, 9	Financial assets at fair value	1 894	1 687	1 728
	<b>Total investments in the investment option portfolio</b>	<b>3 348</b>	<b>3 064</b>	<b>3 135</b>
	<b>Total assets in the customer portfolios</b>	<b>829 080</b>	<b>764 821</b>	<b>806 576</b>
	<b>TOTAL ASSETS</b>	<b>909 670</b>	<b>836 426</b>	<b>863 946</b>



NOTE	NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
<b>OWNERS' EQUITY AND LIABILITIES</b>				
	Owners' equity contributed	25 178	22 956	25 277
	Retained earnings	22 821	21 792	21 958
	<b>Total owners' equity</b>	<b>47 999</b>	<b>44 748</b>	<b>47 234</b>
9	Subordinated loan capital etc.	1 308	4 703	4 954
	Premium reserve etc.	644 282	598 484	613 543
	Buffer fund	121 996	108 949	122 976
	Premium funds, defined contribution funds, pension regulation funds etc.	60 581	41 619	63 370
	Unallocated profit to customers	17 150	26 331	0
	<b>Total insurance liabilities - contractual liabilities</b>	<b>844 010</b>	<b>775 383</b>	<b>799 889</b>
	Pension capital etc.	2 389	2 261	2 290
	Buffer fund	260	185	260
	Premium funds, defined contribution funds, pension regulation funds etc.	602	497	597
	Unallocated profit to customers	64	133	0
	<b>Total insurance liabilities - special investment portfolio</b>	<b>3 315</b>	<b>3 075</b>	<b>3 147</b>
7	Pension obligations	432	400	328
	Current tax liabilities	837	222	676
	Deferred tax liabilities	459	503	459
10	Lease liabilities	669	772	721
11	Liabilities	10 406	6 513	6 167
	Accrued costs and prepaid income	236	107	369
	<b>TOTAL OWNERS' EQUITY AND LIABILITIES</b>	<b>909 670</b>	<b>836 426</b>	<b>863 946</b>

## Changes in owners' equity

### Kommunal Landspensjonskasse

2025 NOK MILLIONS	Owners' equity contributed	Retained earnings		Total owners' equity
		Risk equalization fund	Other retained earnings	
<b>Own funds 1 January 2025</b>	<b>25 277</b>	<b>3 999</b>	<b>17 959</b>	<b>47 234</b>
Income before other income and expenses		124	831	955
Total other income and expenses that will not be reclassified to profit or loss			-92	-92
<b>Total comprehensive income (unallocated)</b>		<b>124</b>	<b>739</b>	<b>863</b>
Owners equity contribution recieved <sup>1</sup>	-99			-99
<b>Total transactions with owners</b>	<b>-99</b>			<b>-99</b>
<b>Own funds 30 June 2025</b>	<b>25 178</b>	<b>4 123</b>	<b>18 698</b>	<b>47 999</b>

<sup>1</sup> During the second quarter, NOK 1 428 million of ordinary equity capital contributions has been called in to be paid during third quarter.

2024 NOK MILLIONS	Owners' equity contributed	Retained earnings		Total owners' equity
		Risk equalization fund	Other retained earnings	
<b>Own funds 1 January 2024</b>	<b>22 978</b>	<b>3 674</b>	<b>17 193</b>	<b>43 845</b>
Income before other income and expenses		169	509	678
Total other income and expenses that will not be reclassified to profit or loss			247	247
<b>Total comprehensive income (unallocated)</b>		<b>169</b>	<b>756</b>	<b>926</b>
Owners equity contribution recieved <sup>1</sup>	-23			-23
<b>Total transactions with owners</b>	<b>-23</b>			<b>-23</b>
<b>Own funds 30 June 2024</b>	<b>22 956</b>	<b>3 843</b>	<b>17 949</b>	<b>44 748</b>

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

2024 NOK MILLIONS	Owners' equity contributed	Retained earnings		Total owners' equity
		Risk equalization fund	Other retained earnings	
<b>Own funds 1 January 2024</b>	<b>22 978</b>	<b>3 674</b>	<b>17 193</b>	<b>43 845</b>
Income before other income and expenses	1 050	325	437	1 812
Total other income and expenses that will not be reclassified to profit or loss			329	329
<b>Total comprehensive income</b>	<b>1 050</b>	<b>325</b>	<b>766</b>	<b>2 142</b>
Owners equity contribution recieved	1 248			1 248
<b>Total transactions with owners</b>	<b>1 248</b>			<b>1 248</b>
<b>Own funds 31 December 2024</b>	<b>25 277</b>	<b>3 999</b>	<b>17 959</b>	<b>47 234</b>

## Statement of cash flows

### Kommunal Landspensjonskasse

NOK MILLIONS	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Net cashflow from operational activities	4 401	1 095	-436
Net cashflow from investment activities <sup>1</sup>	-160	-208	-390
Net cashflow from financing activities <sup>2</sup>	-3 685	-89	1 114
<b>Net changes in cash and bank deposits</b>	<b>557</b>	<b>797</b>	<b>288</b>
Holdings of cash and bank deposits at start of period	1 430	1 141	1 141
<b>Holdings of cash and bank deposits at end of period</b>	<b>1 987</b>	<b>1 938</b>	<b>1 430</b>

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

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

## Notes to the financial statement

Kommunal Landspensjonskasse

### Note 1 Accounting principles and -estimates

#### Accounting principles

The financial statements in this interim report show the interim accounts for Kommunal Landspensjonskasse (KLP), for the period 01.01.2025 – 30.06.2025. The accounts have not been audited.

The interim financial statements have been prepared in accordance with the Regulations of 18 December 2015 No 1824 relating to annual financial statements for life insurance companies (the Financial Reporting Regulations) and IAS 34 Interim Reporting. The interim financial statements have been prepared on the same principles as the annual financial statements for 2024, unless stated otherwise.

The interim financial statements do not contain all the information required of complete annual financial statements, and this interim report should be read in conjunction with the annual financial statements for 2024. The company's annual report is available from [klp.no](https://klp.no).

#### Accounting estimates

In preparing the interim financial statements, management has exercised discretion and used estimates and assumptions that affect the accounting figures. Actual figures may deviate from estimates used. Reference is made to note 3 "Important accounting estimates and valuations" in the annual report for 2024 for a description of accounting items where there is a significant risk of material changes in balance sheet values in future periods.

### Note 2 Premium income

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Gross premiums due	34 601	29 414	42 671	37 256	60 882
Transfer of premium reserves from others	1	1	40	1	1
<b>Total premium income</b>	<b>34 602</b>	<b>29 416</b>	<b>42 711</b>	<b>37 257</b>	<b>60 883</b>

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

The note shows provisions for losses on fixed-income securities measured at amortised cost as well as loans and receivables measured at amortised cost. During the second quarter of 2025, no changes have been made to the models used to calculate the expected loss. The total net loss provisions as of 30.06.25 are reduced by NOK 19.5 million compared to 01.01.25.

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

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2025	30.06.2024	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	26 414	2 400	0	28 814	27 738	27 738
Transfer to stage 1 during quarter	0	0	0	0	0	0
Transfer to stage 2 during quarter	0	0	0	0	0	0
Transfer to stage 3 during quarter	0	0	0	0	0	0
Net changes	421	-398	0	23	-559	1 602
New losses	1 643	0	0	1 643	1 153	520
Write-offs	-972	0	0	-972	-569	-1 046
<b>Closing balance ECL</b>	<b>27 505</b>	<b>2 002</b>	<b>0</b>	<b>29 508</b>	<b>27 763</b>	<b>28 814</b>
Change 01.01- 30.06./31.12	1 092	-398	0	694	25	1 077

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

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2025	30.06.2024	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	3 814	103	188 738	192 655	190 065	190 065
Transfer to stage 1 during quarter	3	-3	0	0	0	0
Transfer to stage 2 during quarter	0	0	0	0	0	0
Transfer to stage 3 during quarter	0	0	0	0	0	0
Net changes	-260	-28	-19 980	-20 268	-14 787	2 974
New losses	48	0	0	48	39	178
Write-offs	-52	-6	0	-58	-89	-563
<b>Closing balance ECL</b>	<b>3 552</b>	<b>66</b>	<b>168 758</b>	<b>172 376</b>	<b>175 228</b>	<b>192 655</b>
Change 01.01- 30.06./31.12	-261	-37	-19 980	-20 279	-14 837	2 590

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

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2025	30.06.2024	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance 01.01.	227 264 583	5 345 055	0	232 609 638	228 392 310	228 392 310
Transfer to stage 1 during quarter	0	0	0	0	0	0
Transfer to stage 2 during quarter	0	0	0	0	0	0
Transfer to stage 3 during quarter	0	0	0	0	0	0
Net changes	-504 033	-772 784	0	-1 276 817	2 274 346	8 466 097
New fixed-income securities	12 264 504	0	0	12 264 504	8 181 657	2 502 635
Write-offs	-14 545 806	0	0	-14 545 806	-5 137 923	-6 751 404
<b>Fixed-income securities at amortised cost</b>	<b>224 479 248</b>	<b>4 572 271</b>	<b>0</b>	<b>229 051 520</b>	<b>233 710 390</b>	<b>232 609 638</b>
Book value ECL	-27 505	-2 002	0	-29 508	27 763	-28 814
<b>Book value fixed-income securities at amortised cost</b>	<b>224 451 743</b>	<b>4 570 269</b>	<b>0</b>	<b>229 022 012</b>	<b>233 682 627</b>	<b>232 580 824</b>

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

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2025	30.06.2024	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance 01.01.	86 449 259	81 462	1 118 371	87 649 093	82 156 525	82 156 525
Transfer to stage 1 during quarter	23 518	-23 518	0	0	0	0
Transfer to stage 2 during quarter	-13 939	13 939	0	0	0	0
Transfer to stage 3 during quarter	0	0	0	0	0	0
Net changes	-1 576 983	-870	-100 646	-1 678 500	-1 207 455	-2 968 098
New loans	5 018 856	0	0	5 018 856	5 353 256	13 364 999
Write-offs	-3 894 599	-10 874	0	-3 905 472	-1 487 715	-4 904 333
<b>Loans and receivables measured at amortised cost</b>	<b>86 006 113</b>	<b>60 139</b>	<b>1 017 725</b>	<b>87 083 977</b>	<b>84 814 612</b>	<b>87 649 093</b>
Book value ECL	-3 552	-66	-168 758	-172 376	175 228	-192 655
<b>Book value loans and receivables measured at amortised cost</b>	<b>86 002 561</b>	<b>60 074</b>	<b>848 967</b>	<b>86 911 601</b>	<b>84 639 384</b>	<b>87 456 438</b>

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

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2025	30.06.2024	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance 01.01.	39 251	2 100	0	41 351	64 596	64 596
Transfer to stage 1 during quarter	0	0	0	0	0	0
Transfer to stage 2 during quarter	0	0	0	0	0	0
Transfer to stage 3 during quarter	0	0	0	0	0	0
Net changes	1 087	0	0	1 087	769	-1 393
New loans	0	0	0	0	0	0
Write-offs	-21 575	0	0	-21 575	-9 419	-21 851
<b>Book value loans and receivables - excluded from the balance sheet</b>	<b>18 763</b>	<b>2 100</b>	<b>0</b>	<b>20 863</b>	<b>55 947</b>	<b>41 351</b>

Note 4 **Claims**

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Claims paid	7 346	6 904	14 289	13 713	27 777
Transfers of premium reserves to others	-157	-37	4 132	2 419	2 423
<b>Total claims</b>	<b>7 189</b>	<b>6 867</b>	<b>18 422</b>	<b>16 132</b>	<b>30 200</b>

Note 5 **Insurance-related operating expenses**

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Personnel costs	186	163	452	414	925
Depreciation	76	65	152	128	334
Other operating expenses	135	134	273	251	434
<b>Total insurance-related operating expenses</b>	<b>397</b>	<b>361</b>	<b>877</b>	<b>793</b>	<b>1 693</b>

Note 6 **Value-adjustment investment property**

The portfolio of investment properties, including investment properties owned via subsidiaries, has been valued as at 30. June 2025.

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
Value adjustment incl. foreign exchange	2 173	-233	2 236	-580	1 638
Foreign exchange effect on hedging	-646	576	-236	-208	-894
<b>Net value adjustment incl. exchange hedging</b>	<b>1 527</b>	<b>343</b>	<b>2 000</b>	<b>-788</b>	<b>745</b>

## Note 7 Pension obligations

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
Capitalized net liability 01.01.	328	572	572
Capitalized pension costs	66	67	135
Capitalized financial costs	9	10	21
Actuarial gains and losses	77	-211	-288
Premiums / contributions received	-48	-39	-112
<b>Capitalized net liability</b>	<b>432</b>	<b>400</b>	<b>328</b>

ASSUMPTIONS	30.06.2025	30.06.2024	31.12.2024
Discount rate	3.70 %	3.50 %	3.90 %
Salary growth	4.00 %	3.50 %	4.00 %
The National Insurance basic amount (G)	3.75 %	3.25 %	3.75 %
Pension increases	3.00 %	2.80 %	3.00 %
Social security contribution rate	14.10 %	14.10 %	14.10 %
Capital activity tax	5.00 %	5.00 %	5.00 %

The effect of changes in pension assumptions increase the pension liability for employees with NOK 77 million as of 30.06.2025. The change is recognized in "Total other income and expenses that will not be reclassified to profit or loss".

## Note 8 Fair value hierarchy

NOK MILLIONS	Level 1	Level 2	Level 3	30.06.2025	30.06.2024	31.12.2024
<b>FINANCIAL ASSETS BOOKED AT FAIR VALUE</b>						
<b>CORPORATE PORTFOLIO</b>						
<i>Certificates</i>	0	500	0	500	966	786
<i>Bonds</i>	0	10 427	0	10 427	7 732	8 646
<i>Fixed-income funds</i>	3 067	0	0	3 067	3 363	2 980
<b>Fixed-income securities</b>	<b>3 067</b>	<b>10 928</b>	<b>0</b>	<b>13 994</b>	<b>12 062</b>	<b>12 412</b>
<b>Loans and receivables</b>	<b>1 964</b>	<b>236</b>	<b>0</b>	<b>2 200</b>	<b>795</b>	<b>2 427</b>
<i>Shares</i>	0	0	4	4	4	4
<i>Funds units</i>	1 507	0	0	1 507	0	0
<i>Private Equity</i>	0	0	0	0	0	0
<b>Shares and units</b>	<b>1 507</b>	<b>0</b>	<b>4</b>	<b>1 511</b>	<b>4</b>	<b>4</b>
<b>Financial derivatives</b>	<b>0</b>	<b>348</b>	<b>0</b>	<b>348</b>	<b>402</b>	<b>432</b>
<b>Other financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52</b>	<b>0</b>
<b>Total corporate portfolio</b>	<b>6 538</b>	<b>11 511</b>	<b>4</b>	<b>18 053</b>	<b>13 314</b>	<b>15 275</b>
<b>COMMON PORTFOLIO</b>						
<i>Certificates</i>	3 347	3 994	0	7 341	5 819	4 669
<i>Bonds</i>	19 442	34 227	0	53 669	45 934	49 787
<i>Fixed-income funds</i>	24 604	11 551	17 007	53 162	48 544	51 935
<b>Fixed-income securities</b>	<b>47 393</b>	<b>49 772</b>	<b>17 007</b>	<b>114 172</b>	<b>100 297</b>	<b>106 390</b>

NOK MILLIONS	Level 1	Level 2	Level 3	30.06.2025	30.06.2024	31.12.2024
<b>Loans and receivables</b>	<b>15 985</b>	<b>910</b>	<b>0</b>	<b>16 895</b>	<b>13 780</b>	<b>16 424</b>
Shares	99 386	1 712	6 004	107 102	88 294	105 683
Funds units	110 072	8 587	10 885	129 544	117 511	126 924
Private Equity	0	0	51 419	51 419	45 995	50 936
<b>Shares and units</b>	<b>209 458</b>	<b>10 299</b>	<b>68 308</b>	<b>288 065</b>	<b>251 801</b>	<b>283 543</b>
<b>Financial derivatives</b>	<b>0</b>	<b>2 904</b>	<b>0</b>	<b>2 904</b>	<b>2 268</b>	<b>758</b>
<b>Other financial assets</b>	<b>0</b>	<b>552</b>	<b>0</b>	<b>552</b>	<b>3 384</b>	<b>377</b>
<b>Total common portfolio</b>	<b>272 837</b>	<b>64 437</b>	<b>85 315</b>	<b>422 588</b>	<b>371 530</b>	<b>407 492</b>

**INVESTMENT OPTION PORTFOLIO**

Fixed-income funds	312	10	0	322	324	311
<b>Fixed-income securities</b>	<b>312</b>	<b>10</b>	<b>0</b>	<b>322</b>	<b>324</b>	<b>311</b>
<b>Loans and receivables</b>	<b>178</b>	<b>0</b>	<b>0</b>	<b>178</b>	<b>98</b>	<b>36</b>
Shares	0	0	0	0	0	0
Funds units	1 319	15	43	1 377	1 258	1 379
<b>Shares and units</b>	<b>1 319</b>	<b>15</b>	<b>43</b>	<b>1 377</b>	<b>1 258</b>	<b>1 379</b>
<b>Financial derivatives</b>	<b>0</b>	<b>16</b>	<b>0</b>	<b>16</b>	<b>6</b>	<b>3</b>
<b>Other financial assets</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Total investment option portfolio</b>	<b>1 809</b>	<b>41</b>	<b>43</b>	<b>1 894</b>	<b>1 687</b>	<b>1 728</b>

<b>Total financial assets valued at fair value</b>	<b>281 184</b>	<b>75 989</b>	<b>85 362</b>	<b>442 535</b>	<b>386 531</b>	<b>424 496</b>
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**CORPORATE PORTFOLIO**

Buildings and other real estate	0	0	1 322	1 322	1 322	1 322
<b>Total buildings and other real estate</b>	<b>0</b>	<b>0</b>	<b>1 322</b>	<b>1 322</b>	<b>1 322</b>	<b>1 322</b>

**FINANCIAL LIABILITIES BOOKED AT FAIR VALUE****CORPORATE PORTFOLIO**

Financial derivatives	0	79	0	79	0	25
Debt to credit institutions	562	0	0	562	413	510
<b>Total corporate portfolio</b>	<b>562</b>	<b>79</b>	<b>0</b>	<b>641</b>	<b>413</b>	<b>536</b>

**COMMON PORTFOLIO**

Financial derivatives	0	1 778	0	1 778	436	4 497
Debt to credit institutions	1 715	0	0	1 715	1 355	2
<b>Total common portfolio</b>	<b>1 715</b>	<b>1 778</b>	<b>0</b>	<b>3 493</b>	<b>1 791</b>	<b>4 499</b>

**INVESTMENT OPTION PORTFOLIO**

Financial derivatives	0	6	0	6	2	17
Debt to credit institutions	14	0	0	14	17	0
<b>Total investment option portfolio</b>	<b>14</b>	<b>6</b>	<b>0</b>	<b>20</b>	<b>19</b>	<b>17</b>

					0	
<b>Total financial liabilities at fair value</b>	<b>2 291</b>	<b>1 863</b>	<b>0</b>	<b>4 154</b>	<b>2 223</b>	<b>5 052</b>

Changes in Level 3 financial instruments and real estate	Corporate portfolio		Common portfolio				Investment option portfolio
NOK MILLIONS	Shares	Buildings and other real estate	Shares	Fund units	Private equity	Fixed-income funds	Fund units
Opening balance 01.01.	4	1 322	5 879	10 706	50 936	17 279	42
Sold	0	0	0	-168	-1 704	-885	-1
Bought	0	0	16	176	2 540	836	0
Unrealised changes	0	0	109	171	-352	-222	2
<b>Closing balance 30.06</b>	<b>4</b>	<b>1 322</b>	<b>6 004</b>	<b>10 885</b>	<b>51 419</b>	<b>17 007</b>	<b>43</b>
Realised gains/losses	0	0	0	17	978	73	0

The amounts in the level distribution can in turn be found in the financial position statement under various portfolios' allocation of "financial instruments at fair value" and "buildings and other real estate". Unrealised



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

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

#### **Level 1:**

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

#### **Level 2:**

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

#### **Level 3:**

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

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

For level 3 securities, a change in MSCI Europe index of +/- 10 percent in the common portfolio will result in change in value of +/- 1 152 million in shares and funds units, +/- 7 713 million in private equity, and +/- 680 million in fixed-income funds. A corresponding change in the investment portfolio will result in a value change of +/- 2.6 million in funds units. A sensitivity analysis for investment property is available in the last published annual report.

With regard to transferring securities between the levels, a limit is set for the number of trading days and the amount of trading for shares by separating Level 1 and Level 2. The general principles related to the

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

During the 2nd quarter, NOK 58 million moved from Level 1 to Level 2 and 41 million from level 2 to level 1. In addition, 16 million moved from level 1 to level 3. The amounts are related to equity instruments and the movements are due to change in liquidity. There were no other movements between the levels in KLP.

## Note 9 Fair value of financial assets and liabilities

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

30.06.2025 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>ASSETS AT AMORTIZED COST</b>								
FIXED-INCOME SECURITIES								
Norwegian bonds	5 995	6 557	72 865	70 418	393	381	79 253	77 355
Foreign bonds	10 855	9 875	138 263	134 694	651	632	149 769	145 201
<b>Total fixed-income securities</b>	<b>16 849</b>	<b>16 432</b>	<b>211 128</b>	<b>205 112</b>	<b>1 044</b>	<b>1 013</b>	<b>229 022</b>	<b>222 557</b>
OTHER LOANS AND RECEIVABLES								
Secured loans	0	0	3 391	3 306	0	0	3 391	3 306
Lending with public sector guarantee	0	0	78 115	77 396	0	0	78 115	77 396
Loans abroad secured by mortgage and local government guarantee	0	0	5 406	5 406	0	0	5 406	5 406
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>86 912</b>	<b>86 107</b>	<b>0</b>	<b>0</b>	<b>86 912</b>	<b>86 107</b>
<b>Total financial assets at amortized cost</b>	<b>16 849</b>	<b>16 432</b>	<b>298 040</b>	<b>291 219</b>	<b>1 044</b>	<b>1 013</b>	<b>315 934</b>	<b>308 664</b>
<b>ASSETS AT FAIR VALUE</b>								
EQUITY CAPITAL INSTRUMENTS								
Norwegian shares	4	4	18 839	18 839	0	0	18 843	18 843
Foreign shares	0	0	88 263	88 263	0	0	88 263	88 263
<b>Total shares</b>	<b>4</b>	<b>4</b>	<b>107 102</b>	<b>107 102</b>	<b>0</b>	<b>0</b>	<b>107 106</b>	<b>107 106</b>
Property funds	0	0	11 801	11 801	43	43	11 844	11 844
Norwegian equity funds	1 507	1 507	109 360	109 360	1 319	1 319	112 186	112 186
Foreign equity funds	0	0	58 135	58 135	0	0	58 135	58 135
<b>Total equity fund units</b>	<b>1 507</b>	<b>1 507</b>	<b>179 297</b>	<b>179 297</b>	<b>1 362</b>	<b>1 362</b>	<b>182 166</b>	<b>182 166</b>
Norwegian alternative investments	0	0	1 666	1 666	15	15	1 681	1 681
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>1 666</b>	<b>1 666</b>	<b>15</b>	<b>15</b>	<b>1 681</b>	<b>1 681</b>
<b>Total shares and units</b>	<b>1 511</b>	<b>1 511</b>	<b>288 065</b>	<b>288 065</b>	<b>1 377</b>	<b>1 377</b>	<b>290 953</b>	<b>290 953</b>
DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	8 494	8 494	32 836	32 836	0	0	41 330	41 330
Foreign bonds	1 933	1 933	20 833	20 833	0	0	22 766	22 766
Norwegian fixed-income funds	3 067	3 067	26 263	26 263	322	322	29 652	29 652
Foreign fixed-income funds	0	0	26 899	26 899	0	0	26 899	26 899
Norwegian certificates	500	500	7 341	7 341	0	0	7 841	7 841
Foreign certificates	0	0	0	0	0	0	0	0

30.06.2025 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>Fixed income securities</b>	<b>13 994</b>	<b>13 994</b>	<b>114 172</b>	<b>114 172</b>	<b>322</b>	<b>322</b>	<b>128 489</b>	<b>128 489</b>
Norwegian loans and receivables	1 114	1 114	11 496	11 496	111	111	12 721	12 721
Foreign loans and receivables	1 085	1 085	5 399	5 399	67	67	6 552	6 552
<b>Total loans and receivables</b>	<b>2 200</b>	<b>2 200</b>	<b>16 895</b>	<b>16 895</b>	<b>178</b>	<b>178</b>	<b>19 273</b>	<b>19 273</b>
DERIVATIVES								
Interest rate swaps	312	312	339	339	0	0	651	651
Share options	0	0	0	0	0	0	0	0
Forward exchange contracts	36	36	2 565	2 565	16	16	2 617	2 617
<b>Total financial derivatives classified as assets</b>	<b>348</b>	<b>348</b>	<b>2 904</b>	<b>2 904</b>	<b>16</b>	<b>16</b>	<b>3 268</b>	<b>3 268</b>
OTHER FINANCIAL ASSETS								
<b>Other financial assets</b>	<b>0</b>	<b>0</b>	<b>552</b>	<b>552</b>	<b>1</b>	<b>1</b>	<b>553</b>	<b>553</b>
<b>Total financial assets valued at fair value</b>	<b>18 053</b>	<b>18 053</b>	<b>422 588</b>	<b>422 588</b>	<b>1 894</b>	<b>1 894</b>	<b>442 535</b>	<b>442 535</b>
LIABILITIES								
DERIVATIVES								
Interest rate swaps	0	0	255	255	0	0	255	255
Forward exchange contracts	79	79	1 523	1 523	6	6	1 608	1 608
<b>Total financial derivatives classified as liabilities</b>	<b>79</b>	<b>79</b>	<b>1 778</b>	<b>1 778</b>	<b>6</b>	<b>6</b>	<b>1 863</b>	<b>1 863</b>
SUBORDINATED LOAN CAPITAL								
Subordinated loan capital	0	0	0	0	0	0	0	0
Hybrid Tier 1 securities	1 308	1 308	0	0	0	0	1 308	1 308
<b>Total subordinated loan capital etc.</b>	<b>1 308</b>	<b>1 308</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 308</b>	<b>1 308</b>
LIABILITIES TO CREDIT INSTITUTIONS								
Norwegian call money <sup>1</sup>	0	0	22	22	0	0	22	22
Foreign call money <sup>1</sup>	562	562	1 693	1 693	14	14	2 269	2 269
<b>Total liabilities to credit institutions</b>	<b>562</b>	<b>562</b>	<b>1 715</b>	<b>1 715</b>	<b>14</b>	<b>14</b>	<b>2 291</b>	<b>2 291</b>

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

30.06.2024 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
<b>ASSETS – AT AMORTIZED COST</b>								
FIXED-INCOME SECURITIES								
Norwegian bonds	5 122	5 570	68 506	64 936	369	350	73 996	70 856
Foreign bonds	16 499	15 157	142 549	136 349	639	606	159 686	152 112
<b>Total fixed-income securities</b>	<b>21 620</b>	<b>20 727</b>	<b>211 055</b>	<b>201 285</b>	<b>1 007</b>	<b>956</b>	<b>233 683</b>	<b>222 968</b>
OTHER LOANS AND RECEIVABLES								
Secured loans	0	0	2 683	2 596	0	0	2 683	2 596
Lending with public sector guarantee	0	0	75 954	74 743	0	0	75 954	74 743
Loans abroad secured by mortgage and local government guarantee	0	0	6 003	6 046	0	0	6 003	6 046
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>84 639</b>	<b>83 384</b>	<b>0</b>	<b>0</b>	<b>84 639</b>	<b>83 384</b>
<b>Total financial assets at amortized cost</b>	<b>21 620</b>	<b>20 727</b>	<b>295 694</b>	<b>284 669</b>	<b>1 007</b>	<b>956</b>	<b>318 322</b>	<b>306 352</b>
<b>ASSETS – AT FAIR VALUE</b>								
EQUITY CAPITAL INSTRUMENTS								
Norwegian shares	4	4	15 177	15 177	0	0	15 181	15 181
Foreign shares	0	0	73 117	73 117	0	0	73 117	73 117
<b>Total shares</b>	<b>4</b>	<b>4</b>	<b>88 294</b>	<b>88 294</b>	<b>0</b>	<b>0</b>	<b>88 298</b>	<b>88 298</b>
Property funds	0	0	10 682	10 682	42	42	10 724	10 724
Norwegian equity funds	0	0	101 257	101 257	1 201	1 201	102 459	102 459
Foreign equity funds	0	0	48 877	48 877	0	0	48 877	48 877
<b>Total equity fund units</b>	<b>0</b>	<b>0</b>	<b>160 817</b>	<b>160 817</b>	<b>1 243</b>	<b>1 243</b>	<b>162 060</b>	<b>162 060</b>
Norwegian alternative investments	0	0	2 690	2 690	15	15	2 705	2 705
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>2 690</b>	<b>2 690</b>	<b>15</b>	<b>15</b>	<b>2 705</b>	<b>2 705</b>
<b>Total shares and units</b>	<b>4</b>	<b>4</b>	<b>251 801</b>	<b>251 801</b>	<b>1 258</b>	<b>1 258</b>	<b>253 063</b>	<b>253 063</b>
DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	7 324	7 324	26 654	26 654	0	0	33 979	33 979
Foreign bonds	408	408	19 279	19 279	0	0	19 687	19 687
Norwegian fixed-income funds	3 363	3 363	23 268	23 268	324	324	26 956	26 956
Foreign fixed-income funds	0	0	25 276	25 276	0	0	25 276	25 276
Norwegian certificates	966	966	5 119	5 119	0	0	6 085	6 085
Foreign certificates	0	0	700	700	0	0	700	700
<b>Fixed income securities</b>	<b>12 062</b>	<b>12 062</b>	<b>100 297</b>	<b>100 297</b>	<b>324</b>	<b>324</b>	<b>112 683</b>	<b>112 683</b>
Norwegian loans and receivables	238	238	6 357	6 357	26	26	6 621	6 621
Foreign loans and receivables	557	557	7 423	7 423	72	72	8 052	8 052
<b>Total loans and receivables</b>	<b>795</b>	<b>795</b>	<b>13 780</b>	<b>13 780</b>	<b>98</b>	<b>98</b>	<b>14 674</b>	<b>14 674</b>
DERIVATIVES								
Interest rate swaps	328	328	221	221	0	0	550	550
Share options	0	0	0	0	0	0	0	0
Forward exchange contracts	73	73	2 047	2 047	6	6	2 126	2 126
<b>Total financial derivatives classified as assets</b>	<b>402</b>	<b>402</b>	<b>2 268</b>	<b>2 268</b>	<b>6</b>	<b>6</b>	<b>2 676</b>	<b>2 676</b>
OTHER FINANCIAL ASSETS								
<b>Other financial assets</b>	<b>52</b>	<b>52</b>	<b>3 384</b>	<b>3 384</b>	<b>0</b>	<b>0</b>	<b>3 436</b>	<b>3 436</b>
<b>Total financial assets valued at fair value</b>	<b>13 314</b>	<b>13 314</b>	<b>371 530</b>	<b>371 530</b>	<b>1 687</b>	<b>1 687</b>	<b>386 531</b>	<b>386 531</b>

30.06.2024 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value

**LIABILITIES**

## DERIVATIVES

Interest rate swaps	0	0	111	111	0	0	111	111
Forward exchange contracts	0	0	325	325	2	2	327	327
<b>Total financial derivatives classified as liabilities</b>	<b>0</b>	<b>0</b>	<b>436</b>	<b>436</b>	<b>2</b>	<b>2</b>	<b>438</b>	<b>438</b>

## SUBORDINATED LOAN CAPITAL

Subordinated loan capital	3 348	3 358	0	0	0	0	3 348	3 358
Hybrid Tier 1 securities	1 356	1 356	0	0	0	0	1 356	1 356
<b>Total subordinated loan capital etc.</b>	<b>4 703</b>	<b>4 713</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 703</b>	<b>4 713</b>

## LIABILITIES TO CREDIT INSTITUTIONS

Norwegian call money <sup>1</sup>	0	0	126	126	0	0	126	126
Foreign call money <sup>1</sup>	413	413	1 229	1 229	17	17	1 658	1 658
<b>Total liabilities to credit institutions</b>	<b>413</b>	<b>413</b>	<b>1 355</b>	<b>1 355</b>	<b>17</b>	<b>17</b>	<b>1 784</b>	<b>1 784</b>

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

31.12.2024 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value

**ASSETS – AT AMORTIZED COST**

## FIXED-INCOME SECURITIES

Norwegian bonds	5 759	6 175	70 443	66 437	387	366	76 589	72 978
Foreign bonds	15 866	14 642	139 489	132 998	637	605	155 992	148 245
<b>Total fixed-income securities</b>	<b>21 625</b>	<b>20 818</b>	<b>209 932</b>	<b>199 435</b>	<b>1 024</b>	<b>971</b>	<b>232 581</b>	<b>221 223</b>

## OTHER LOANS AND RECEIVABLES

Secured loans	0	0	3 439	3 344	0	0	3 439	3 344
Lending with public sector guarantee	0	0	77 914	76 835	0	0	77 914	76 835
Loans abroad secured by mortgage and local government guarantee	0	0	6 104	6 163	0	0	6 104	6 163
<b>Total other loans and receivables</b>	<b>0</b>	<b>0</b>	<b>87 456</b>	<b>86 341</b>	<b>0</b>	<b>0</b>	<b>87 456</b>	<b>86 341</b>

<b>Total financial assets at amortized cost</b>	<b>21 625</b>	<b>20 818</b>	<b>297 388</b>	<b>285 776</b>	<b>1 024</b>	<b>971</b>	<b>320 037</b>	<b>307 565</b>
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**ASSETS – AT FAIR VALUE**

## EQUITY CAPITAL INSTRUMENTS

Norwegian shares	4	4	16 838	16 838	0	0	16 842	16 842
Foreign shares	0	0	88 845	88 845	0	0	88 845	88 845
<b>Total shares</b>	<b>4</b>	<b>4</b>	<b>105 683</b>	<b>105 683</b>	<b>0</b>	<b>0</b>	<b>105 687</b>	<b>105 687</b>
Property funds	0	0	11 496	11 496	42	42	11 538	11 538
Norwegian equity funds	0	0	108 630	108 630	1 322	1 322	109 952	109 952
Foreign equity funds	0	0	56 104	56 104	0	0	56 104	56 104
<b>Total equity fund units</b>	<b>0</b>	<b>0</b>	<b>176 230</b>	<b>176 230</b>	<b>1 364</b>	<b>1 364</b>	<b>177 594</b>	<b>177 594</b>
Norwegian alternative investments	0	0	1 630	1 630	15	15	1 644	1 644
Foreign alternative investments	0	0	0	0	0	0	0	0
<b>Total alternative investments</b>	<b>0</b>	<b>0</b>	<b>1 630</b>	<b>1 630</b>	<b>15</b>	<b>15</b>	<b>1 644</b>	<b>1 644</b>
<b>Total shares and units</b>	<b>4</b>	<b>4</b>	<b>283 543</b>	<b>283 543</b>	<b>1 379</b>	<b>1 379</b>	<b>284 926</b>	<b>284 926</b>

31.12.2024 NOK MILLIONS	Corporate portfolio		Common portfolio		Investment option portfolio		Total	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
DEBT INSTRUMENTS AT FAIR VALUE								
Norwegian bonds	8 005	8 005	29 906	29 906	0	0	37 911	37 911
Foreign bonds	641	641	19 881	19 881	0	0	20 522	20 522
Norwegian fixed-income funds	2 980	2 980	25 153	25 153	311	311	28 445	28 445
Foreign fixed-income funds	0	0	26 782	26 782	0	0	26 782	26 782
Norwegian certificates	786	786	4 669	4 669	0	0	5 455	5 455
Foreign certificates	0	0	0	0	0	0	0	0
<b>Fixed income securities</b>	<b>12 412</b>	<b>12 412</b>	<b>106 390</b>	<b>106 390</b>	<b>311</b>	<b>311</b>	<b>119 114</b>	<b>119 114</b>
Norwegian loans and receivables	756	756	11 391	11 391	24	24	12 172	12 172
Foreign loans and receivables	1 670	1 670	5 033	5 033	12	12	6 714	6 714
<b>Total loans and receivables</b>	<b>2 427</b>	<b>2 427</b>	<b>16 424</b>	<b>16 424</b>	<b>36</b>	<b>36</b>	<b>18 887</b>	<b>18 887</b>
DERIVATIVES								
Interest rate swaps	432	432	108	108	0	0	541	541
Share options	0	0	0	0	0	0	0	0
Forward exchange contracts	0	0	650	650	3	3	652	652
<b>Total financial derivatives classified as assets</b>	<b>432</b>	<b>432</b>	<b>758</b>	<b>758</b>	<b>3</b>	<b>3</b>	<b>1 193</b>	<b>1 193</b>
OTHER FINANCIAL ASSETS								
<b>Other financial assets</b>	<b>0</b>	<b>0</b>	<b>377</b>	<b>377</b>	<b>0</b>	<b>0</b>	<b>377</b>	<b>377</b>
<b>Total financial assets valued at fair value</b>	<b>15 275</b>	<b>15 275</b>	<b>407 492</b>	<b>407 492</b>	<b>1 728</b>	<b>1 728</b>	<b>424 496</b>	<b>424 496</b>
LIABILITIES								
DERIVATIVES								
Interest rate swaps	0	0	481	481	0	0	481	481
Forward exchange contracts	25	25	4 016	4 016	17	17	4 059	4 059
<b>Total financial derivatives classified as liabilities</b>	<b>25</b>	<b>25</b>	<b>4 497</b>	<b>4 497</b>	<b>17</b>	<b>17</b>	<b>4 540</b>	<b>4 540</b>
SUBORDINATED LOAN CAPITAL								
Subordinated loan capital	3 525	3 560	0	0	0	0	3 525	3 560
Hybrid Tier 1 securities	1 429	1 429	0	0	0	0	1 429	1 429
<b>Total subordinated loan capital etc.</b>	<b>4 954</b>	<b>4 989</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 954</b>	<b>4 989</b>
LIABILITIES TO CREDIT INSTITUTIONS								
Norwegian call money <sup>1</sup>	0	0	0	0	0	0	0	0
Foreign call money <sup>1</sup>	510	510	2	2	0	0	512	512
<b>Total liabilities to credit institutions</b>	<b>510</b>	<b>510</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>512</b>	<b>512</b>

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

## Note 10 Leases

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
<b>RIGHT-OF-USE ASSETS</b>	<b>Property</b>		
Opening balance 01.01.	648	756	756
Depreciation	-54	-54	-108
<b>Closing balance</b>	<b>595</b>	<b>702</b>	<b>648</b>

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
<b>LEASE LIABILITIES</b>	<b>Property</b>		
Opening balance 01.01.	721	822	822
Repayments	-52	-50	-101
<b>Closing balance</b>	<b>669</b>	<b>772</b>	<b>721</b>

NOK MILLIONS	Q2 2025	Q2 2024	01.01.2025 -30.06.2025	01.01.2024 -30.06.2024	01.01.2024 -31.12.2024
	<b>Property</b>				
Interest expense lease liabilities	4	5	9	10	19
<b>Interest expense lease liabilities</b>	<b>4</b>	<b>5</b>	<b>9</b>	<b>10</b>	<b>19</b>

## Note 11 Liabilities

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
Short-term liability securities	3 743	3 131	388
Advance tax-deduction pension scheme	1 026	1 013	603
Accounts payable	48	56	33
Derivatives	1 863	438	4 540
Debt to credit institutions	2 291	1 784	512
Liabilities related to direct insurance	1 406	62	53
Other liabilities	29	27	37
<b>Total liabilities</b>	<b>10 406</b>	<b>6 513</b>	<b>6 167</b>

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

30.06.2025 NOK MILLIONS			Related amounts not presented net		
	Gross financial assets/ liabilities	Financial instruments	Security in cash	Security in securities	Net amount
<b>ASSETS</b>					
Financial derivatives	3 268	-1 609	-2 269	-170	36
<b>Total</b>	<b>3 268</b>	<b>-1 609</b>	<b>-2 269</b>	<b>-170</b>	<b>36</b>
<b>PORTFOLIO ALLOCATION OF ASSETS</b>					
Total assets – common portfolio	2 904	-1 570	-1 693	-170	29
Total assets – corporate portfolio	348	-36	-562	0	0
Total assets – investment option portfolio	16	-3	-14	0	7
<b>Total</b>	<b>3 268</b>	<b>-1 609</b>	<b>-2 269</b>	<b>-170</b>	<b>36</b>
<b>LIABILITIES</b>					
Financial derivatives	1 863	-1 609	-52	-8	205
<b>Total</b>	<b>1 863</b>	<b>-1 609</b>	<b>-52</b>	<b>-8</b>	<b>205</b>
<b>PORTFOLIO ALLOCATION OF LIABILITIES</b>					
Total liabilities – common portfolio	1 778	-1 570	-52	-8	160
Total liabilities – corporate portfolio	79	-36	0	0	43
Total liabilities – investment option portfolio	6	-3	0	0	2
<b>Total</b>	<b>1 863</b>	<b>-1 609</b>	<b>-52</b>	<b>-8</b>	<b>205</b>

  

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



31.12.2024 NOK MILLIONS			Related amounts not presented net		
	Gross financial assets/ liabilities	Financial instruments	Security in cash	Security in securities	Net amount
<b>ASSETS</b>					
Financial derivatives	1 193	-760	-512	0	0
<b>Total</b>	<b>1 193</b>	<b>-760</b>	<b>-512</b>	<b>0</b>	<b>0</b>
<b>PORTFOLIO ALLOCATION OF ASSETS</b>					
Total assets – common portfolio	758	-758	-2	0	0
Total assets – corporate portfolio	432	0	-510	0	0
Total assets – investment option portfolio	3	-2	0	0	0
<b>Total</b>	<b>1 193</b>	<b>-760</b>	<b>-512</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>					
Financial derivatives	4 540	-760	-86	-4 673	46
<b>Total</b>	<b>4 540</b>	<b>-760</b>	<b>-86</b>	<b>-4 673</b>	<b>46</b>
<b>PORTFOLIO ALLOCATION OF LIABILITIES</b>					
Total liabilities – common portfolio	4 497	-758	-82	-4 673	10
Total liabilities – corporate portfolio	25	0	0	0	25
Total liabilities – investment option portfolio	17	-2	-4	0	11
<b>Total</b>	<b>4 540</b>	<b>-760</b>	<b>-86</b>	<b>-4 673</b>	<b>46</b>

The purpose of this note is to show the potential effect of netting agreements at KLP; what possibilities KLP has to net bilateral agreements against other counterparties should the latter go bankrupt and the remaining amount if all such netting agreements are materialized. The note shows derivative positions in the financial position statement, and one additional table with information on the different portfolios in the company.

## Note 13 Capital adequacy

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

Tier 1 own funds appear from the Solvency II balance sheet and hybrid tier 1 securities. In the calculation of eligible own funds hybrid tier 1 securities are limited to a maximum of 20 percent of total eligible tier 1 own funds. Any excess exposure is eligible as tier 2 own funds. Tier 2 own funds otherwise consist of subordinated loans, the risk equalization fund and ancillary own funds. The Financial Supervisory Authority of Norway has accepted that KLP's right to call in further member contribution if necessary, which is laid down in the Company's articles of association, can be counted as ancillary own funds, the amount corresponding to 2.5 percent of the Company's premium reserve. Any net deferred tax asset will be considered tier 3 own funds.

In the calculation of eligible own funds to cover the solvency capital requirement, eligible tier 1 own funds shall be at least 50 percent of the solvency capital requirement, eligible tier 3 own funds shall be less than 15 percent of the solvency capital requirement, and the sum of eligible tier 2 and tier 3 own funds shall not exceed 50 percent of the solvency capital requirement. In the calculation of eligible own funds to cover the

minimum capital requirement, eligible tier 1 own funds shall be at least 80 percent of the minimum capital requirement, and eligible tier 2 own funds shall not exceed 20 percent of the minimum capital requirement. Tier 3 own funds and ancillary own funds are not eligible to cover the minimum capital requirement.

Without the use of the transitional measure on technical provisions the Company's SCR ratio is 336 percent, which is well over the Company's target of at least 150 percent. With the transitional measure on technical provisions the SCR ratio is 336 percent.

NOK MILLIONS	30.06.2025	30.06.2024	31.12.2024
<b>ELIGIBLE OWN FUNDS</b>			
Assets	900 837	822 992	849 976
Liabilities	-851 455	-777 358	-801 785
<b>Excess of assets over liabilities</b>	<b>49 382</b>	<b>45 633</b>	<b>48 192</b>
- Risk equalization fund	-4 123	-3 843	-3 999
+ Hybrid tier 1 securities	1 308	1 356	1 429
<b>Tier 1 basic own funds</b>	<b>46 567</b>	<b>43 146</b>	<b>45 622</b>
<b>Total tier 1 own funds</b>	<b>46 567</b>	<b>43 146</b>	<b>45 622</b>
Subordinated debt	0	3 285	3 514
Risk equalization fund	4 123	3 843	3 999
<b>Tier 2 basic own funds</b>	<b>4 123</b>	<b>7 128</b>	<b>7 513</b>
Ancillary own funds	16 167	15 019	15 396
<b>Tier 2 ancillary own funds</b>	<b>16 167</b>	<b>15 019</b>	<b>15 396</b>
<b>Total tier 2 own funds</b>	<b>20 290</b>	<b>22 147</b>	<b>22 909</b>
Deferred tax asset	0	0	0
<b>Tier 3 basic own funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total tier 3 own funds</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Eligible own funds to cover the solvency capital requirement - tier 1</b>	<b>46 567</b>	<b>43 146</b>	<b>45 622</b>
<b>Eligible own funds to cover the solvency capital requirement - tier 2</b>	<b>8 144</b>	<b>7 337</b>	<b>7 340</b>
<b>Eligible own funds to cover the solvency capital requirement - tier 3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>A Eligible own funds to cover the solvency capital requirement</b>	<b>54 711</b>	<b>50 482</b>	<b>52 962</b>
<b>Eligible own funds to cover the minimum capital requirement - tier 1</b>	<b>46 567</b>	<b>43 146</b>	<b>45 622</b>
<b>Eligible own funds to cover the minimum capital requirement - tier 2</b>	<b>814</b>	<b>734</b>	<b>734</b>
<b>B Eligible own funds to cover the minimum capital requirement</b>	<b>47 381</b>	<b>43 879</b>	<b>46 356</b>
<b>CAPITAL REQUIREMENT</b>			
Market risk	191 726	169 981	177 387
Counterparty risk	2 802	3 004	2 836
Life risk	140 862	126 180	140 142
Diversification	-69 724	-62 536	-67 395
Operational risk	3 714	3 390	3 499
Loss absorbing capacity of technical provisions	-251 500	-223 952	-240 339
Loss absorbing capacity deferred tax	-1 591	-1 392	-1 451
<b>C Solvency capital requirement</b>	<b>16 288</b>	<b>14 673</b>	<b>14 680</b>
Absolute floor of the minimum capital requirement	48	46	48
Linear minimum capital requirement	2 457	2 002	2 184
Lower boundary (25% of the solvency capital requirement)	4 072	3 668	3 670
Upper boundary (45% of the solvency capital requirement)	7 330	6 603	6 606
<b>D Minimum capital requirement</b>	<b>4 072</b>	<b>3 668</b>	<b>3 670</b>
<b>CAPITAL ADEQUACY</b>			
<b>SCR ratio (A/C)</b>	<b>336 %</b>	<b>344 %</b>	<b>361 %</b>
<b>MCR ratio (B/D)</b>	<b>1164 %</b>	<b>1196 %</b>	<b>1263 %</b>

## Contact information

### KLP

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