

UNEP-FI PSI Report 2024: Gjensidige Forsikring ASA, Norway

In 2020, Gjensidige Forsikring ASA became a signatory to the United Nations Environment Programme Finance Initiative (UNEP-FI) Principles for Sustainable Insurance (PSI).

We aim to contribute to the initiative as an insurer, and to encourage others in the insurance industry – as well as our suppliers and customers, to further develop and strengthen our common efforts to sustainable development. We believe that the insurance industry plays a crucial role in the transformation to a more social sustainable, zero emission society, as well as the reduction of nature risk. We will continuously work on improving our sustainability performance and our ability to promote ESG issues. It is also crucial to further develop our understanding of risk (both climate and nature risks), and our risk management system.

As a signatory to the PSI, Gjensidige here presents an updated disclosure, as of spring 2024, of our progress in implementing the Principles, highlighting key priorities and activities.

Principle 1: We will embed in our decision-making environmental, social and governance (ESG) issues relevant to our insurance business

- Gjensidige has continued to further develop and implement the group sustainability strategy, focusing on the follow-up of our three main focus areas: Safer society, Sustainable claims, and Responsible investments. The sustainability strategy is part of the group's general strategy and is adopted by our Board of Directors, the last time in 2023.
- In accordance with the three above-mentioned target areas, our Board of Directors has adopted targets aiming at: (1) by 2026 obtaining that 80 pct of EU taxonomy eligible products and services to be aligned with the taxonomy criteria for sustainable non-life insurance (premium volume); (2) to achieve 55 % reduction of GHG emissions related to our claims processes by 2030 (reference year 2019); and (3) to achieve net zero emissions through our investment portfolios by 2050.
- These goals imply: (1) to further develop our focus on preventing damage - by advising, informing and incentivising our customers; (2) a reduction of climate footprint related to the material consumption in claims processes (frequency claims) and our own operations; and (3) a continuous effort of screening our investments, in order to contribute to a net zero-emission society by 2050.
- From 2023 we have started to report according to the framework provided by the EU CSRD directive, and the ESRS sustainability reporting standards.
- Our integrated annual report for 2023 is based on this framework, including the framework for and presentation of our double materiality assessment (DMA). The subsequent issues identified by the DMA are further described and assessed in separate chapters in our annual report for 2023.
- Climate-risk assessments are integrated in our general risk management system, and climate risk is analysed and used as basis for new damage prevention initiatives. We also include nature risks in these assessments.

- Our governing documents rely on the UN Global Compact principles, which we have endorsed. We have also incorporated the UN Convention on Human Rights and the ILO's international standards on human and labour rights, the UN Guiding Principles on Business and Human Rights, as well as the OECD Guidelines on Responsible Business Conduct as guiding principles for our governing documents.
- Our suppliers are required to sign a self-declaration based on the UN Global Compact principles. We screen and follow up our suppliers through sustainability audits performed by EcoVadis.
- Our asset management is based on the 10 UN Global Compact principles. This is enshrined in our Group Policy for Responsible Investments and pertaining instructions, which are available at www.gjensidige.com.
- Moreover, for our investments and asset management, we seek to contribute widely to the safeguarding of human rights through responsible investments, as a follow-up to our commitment to the UN PRI. We monitor that all the companies we invest in comply with our requirements. This is followed up quarterly either through direct dialogue or through our managers. In the event of a violation, we engage in dialogue. If we are unable to exert influence, exclusion is one of the measures that will be considered. This is regulated in the instructions on exclusions. See also the chapter 'Responsible investments' in our 2023 annual report.
- A wide range of our suppliers and investments are being assessed according to the UN Global Compact principles, as well as our objectives of reducing CO₂ intensity, the usage of materials and natural resources, and the amount of waste, as well as increasing the reuse of materials. We also prioritize to ensure the compliance with social sustainability relevant criteria – including requirements for the follow-up of human rights and good working conditions, as well as good governance.

Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance (ESG) issues, manage risks and develop solutions

- Key principles within our sustainability strategy are to inform, interact and invest to achieve more sustainable outcomes. This includes continuous knowledge and capacity building in our own organization, as well as an active dialogue with our customers and suppliers.
- As part of our screening process, Gjensidige engages with a wide range of customers and suppliers. We thereby also obtain further information on client approaches to ESG, providing us with the basis for improved communication and knowledge dissemination towards our customers and the society at large.
- Gjensidige signed the UN Protocol for Responsible Investments (UN PRI) in 2020. We exclude companies we believe are in breach of international standards through the UN Global Compact and Inhumane Weapons Convention. We implement ESG assessments in our analyses and exercise active ownership in dialogue with companies, external investment managers and other investors.
- In 2020 Gjensidige endorsed the Task Force on Climate-related Financial Disclosures (TCFD), showing our support to the work on ensuring that climate-related information becomes more widely accessible in society.

- In 2022 we joined the Science Based Targets initiative (SBTi), and in 2023/24 we participated in a pilot project in order to highlight possible changes and revisions related to the framework for target setting for companies within the financial industry.
- From the spring of 2024 we participate in the working groups related to the UNEP PSI project on approaches and frameworks to nature positive insurance.
- One of our strategic sustainability targets is to achieve 80 % of eligible premium incomes from insurance products aligned with the EU taxonomy criteria for sustainable non-life insurance, by 2026. By the end of 2023 we had obtained approx. 30 of our premium incomes stemming from taxonomy aligned insurance products. This includes products related to commercial buildings, private homes, housing associations and private vehicles.

Princ. 3: We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance (ESG) issues

- We have forwarded opinions related to ESG issues, such as financial consequences of climate change, through our own communication services and by mainstream media. We have for example participated in debates concerning Norwegian municipalities' preparedness for tackling extreme weather events.
- We respond directly to consultations arranged by public authorities. Within an EU and Norwegian policy context, we also respond and engage in public issues through our industrial confederation – Finance Norway
- We have an extensive stakeholder dialogue based on needs, communicating in different arenas such as customer meetings, customer surveys, employee surveys, competitive tenders and supplier follow-up, and investor meetings.
- We cooperate with research and academic institutions to obtain new insights as well as contributing to research and development activities related to ESG issues.
- Over several years we have collaborated with the Norwegian Computing Centre in developing projects where we combine recognised climate models with claims data, in order to develop more advanced assessments of climate consequences in the short, medium and long term – related to material damages – and related to local variations.
- We also share claims data with public authorities on a regular basis.

Princ. 4: We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles

- Our performance is disclosed regularly through our quarterly reports, and our Integrated Annual Report. For additional background information that supports our compliance with the Principles for Sustainable Insurance, please see Gjensidige's Integrated Annual Report 2023: [b63c3f846dd39872.pdf \(cision.com\)](https://www.gjensidige.no/~/media/2024/04/20240401-gjensidige-integrated-annual-report-2023.pdf)