

**Annual financial statements for the
NORWEGIAN NATURAL PERILS POOL**

Reg. No. 975506584

Financial year
01.01.2025 - 31.12.2025

Statement of income

	Note	2025	2024
Operating revenue			
Called up from members	1	36 980 917	42 286 887
Other revenue	1, 2	662 311	430 360
Natural perils capital contributions received	3	2 714 572	0
Total operating revenue		40 357 800	42 717 247
Operating expenses			
Payroll expenses	4	12 183 102	11 497 466
Depreciation	5	88 273	68 255
Other operating expenses	6	28 442 225	31 089 236
Natural perils capital payment	3	2 714 572	0
Total operating expenses		43 428 171	42 654 957
Operating profit/loss		-3 070 372	62 289
Finance income			
Other interest income		3 233 307	2 220 331
Other finance income		151 583	0
Total finance income		3 384 890	2 220 331
Finance expenses			
Other interest expense		1	0
Other finance expenses		467	58
Total finance expenses		468	58
Net finance income		3 384 421	2 220 273
Profit/loss for the year		314 050	2 282 563
Transfers			
Transferred to retained profit payable to members	7	314 050	2 282 563
Total transfers		314 050	2 282 563

Statement of financial position

	Note	31.12.2025	31.12.2024
ASSETS			
Non-current assets			
Property, plant and equipment			
Equipment etc.	5	221 312	87 189
Total property, plant and equipment		221 312	87 189
Total non-current assets		221 312	87 189
Current assets			
Receivables			
Receivables from members		161 664 273	88 927 338
Other current receivables		287 998	225 825
Reinsurance receivables	8	132 676 864	0
Total receivables		294 629 136	89 153 163
Bank deposits, cash etc.			
Bank deposits	9	26 555 263	13 581 578
Total bank deposits, cash etc.		26 555 263	13 581 578
Total current assets		321 184 399	102 734 741
TOTAL ASSETS		321 405 711	102 821 930

Statement of financial position

	Note	31.12.2025	31.12.2024
EQUITY AND LIABILITIES			
Equity			
Earned equity			
Payable to members	7	13 057 427	12 743 377
Total earned equity		13 057 427	12 743 377
Total equity		13 057 427	12 743 377
Liabilities			
Provisions			
Pension obligations		511 851	0
Other provisions		96 033	693 814
Total provisions		607 884	693 814
Current liabilities			
Trade payables		2 809 360	1 397 055
Payable to authorities		936 210	1 032 943
Payable to members		162 088 168	78 640 418
Holiday pay		1 034 736	984 930
Fees for distribution		0	3 048 930
Natural perils capital	3	2 714 572	0
Other current liabilities		145 898	395 547
Reinsurance payables	8	134 102 933	0
Received through commutation	2	3 908 524	3 884 917
Total current liabilities		307 740 400	89 384 740
Total liabilities		308 348 285	90 078 554
TOTAL EQUITY AND LIABILITIES		321 405 711	102 821 931

Glenn Hovard Olsen
Chair

Øivind Gjerstad Skallerud
Deputy chair

Odd-Arne Hoel
Member

Jostein Wilhelm Damminger
Member

Ane Merete Wiig Syvertsen
Member

Mille Haslund Mellbye
Member

Guro Sollien Eriksrud
Member

Anne Therese Gullberg
Member

Hans Olav Høiby
Member

Marianne Sundvall
Managing Director

Notes

Accounting policies

The Norwegian Natural Perils Pool is subject to statutory accounting requirements under the Accounting Act, and the annual financial statements have been prepared in accordance with the Accounting Act's provisions for small entities (NRS 8) and generally accepted accounting principles.

The Pool does not underwrite insurance itself. Its role is to administer the regulatory framework set out in the Natural Perils Insurance Act and to ensure that the costs of natural perils are distributed correctly among the insurance undertakings. The Pool functions as an equalisation scheme for insurance undertakings when they have paid compensation for natural perils. The equalisation of natural perils claims between members is recognised through the balance sheet.

The Pool's operating revenue comprises amounts called up from members, based on their relative share of the total sum insured against fire in Norway, to cover administrative costs. Calls for contributions are made semi-annually, in January and July, in accordance with the budget approved by the Board and linked to the financial year. The calls are recognised in the income statement. Any operating surplus or deficit, including finance income and expenses related to the operation of the scheme, is recognised as a balance with the member undertakings.

The Pool manages the reinsurance coverage for the natural perils insurance scheme. The arrangement is organised such that the Pool, through the Board, purchases reinsurance on behalf of members. Joint purchase of reinsurance ensures that all members obtain the same terms and, not least, a favourable price in the market. In 2025, reinsurance covers events from NOK 2 to 16 billion. Accordingly, the reinsurance programme covers the insurance undertakings' aggregate liability for natural perils compensation arising from a single natural catastrophe up to NOK 16 billion. In addition, quota share reinsurance was arranged in 2025 with a limit for events exceeding NOK 2 billion. Calls for and payment of reinsurance are settled semi-annually with reinsurers and are recognised through the balance sheet.

With effect from 1 January 2025, following the entry into force of the Rules for Norwegian Natural Perils Pool, a natural perils capital is to be built up in the Pool. Over time, capital of at least NOK 4 billion is to be accumulated. In connection with the ordinary annual financial reporting to the annual general meeting, the Board shall approve a consolidated natural perils statement for the Pool, which forms the basis for contributions to and payments from the natural perils capital. In years where the Pool's natural perils statement shows a surplus, the members' surplus shall be transferred to the Pool.

In years where the Pool's natural perils statement shows a deficit, there will be a transitional period until the Pool's natural perils capital reaches NOK 4 billion. In deficit years during the transitional period, only member undertakings that do not have their own earmarked natural perils capital may request deficit coverage from the Pool for their share of the deficit. Once the Pool's natural perils capital reaches NOK 4 billion and the transitional period ends, all members may receive deficit coverage from the Pool, regardless of whether they have remaining earmarked natural perils capital in their own accounts. The rules on the transfer of surplus apply irrespective of the transitional period.

The Norwegian Natural Perils Pool administers the Pool's natural perils capital. Contributions, payments and returns on the natural perils capital are recognised in the income statement. As the natural perils capital is earmarked funds that may only be used to cover future deficits in the natural perils statement, called-up capital including its return is allocated as specific natural perils capital in the Pool.

Current assets and current liabilities are items that fall due for payment within one year of the balance sheet date and are measured at the lower of cost and fair value.

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Overview of participants in the Pool

Gjensidige Forsikring ASA incl. mutual fire insurance companies	26.4978%
If Skadeforsikring NUF	19.7726%
Fremtind Forsikring AS	16.7200%
Tryg Forsikring	9.4058%
Others (<10%)	27.6038%
	100%

Nature of operations and where the operations are conducted

Natural perils insurance is a statutory and mandatory cover linked to fire insurance in Norway. The provision is set out in the Natural Perils Insurance Act of June 16, 1989, and the Rules for Norwegian Natural Perils Pool of January 26, 2024. All non-life insurance undertakings writing fire insurance in Norway must be members of the Norwegian Natural Perils Pool, irrespective of where the undertaking has its head office. The Pool administers the natural perils insurance scheme, which provides cover against natural perils damage to property for which fire insurance is normally purchased, i.e. buildings, household contents, machinery and installations.

The Norwegian Natural Perils Pool is an equalisation pool where incurred natural perils claims, reinsurance costs and administrative costs are distributed among members according to each member's share in the Pool, corresponding to the proportionate share of members' total sums insured against fire in Norway. The basis for equalisation between members is the total of members' compensation payments to policyholders for natural perils claims, members' claims assessment costs and claims settlement costs. The scheme shall also ensure that reinsurance of the natural perils risk is arranged on behalf of members.

The policyholder deals with their own insurance company, and the assessment of compensation for natural perils depends on the ordinary insurance cover for the damaged objects. The Pool then equalises the natural perils claims according to the insurance undertakings' market shares. In other words, claims settlement is handled by the insurance company with which the customer is insured, while the total compensation costs arising from natural perils are distributed among member undertakings in proportion to their market share.

The operations are conducted from Oslo, where the administration is co-located with Finans Norge Forsikringsdrift (Finance Norway Insurance Services).

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Note 1 – Revenue

The gross amount called up from members was NOK 36 980 917, relating to calls to cover the Pool's administrative costs.

Administrative services invoiced to Panthavergarantipoolen (Mortgage guarantee pool) and Yrkesskadeforsikringspoolen for avslåtte risiki (Occupational injury insurance pool for declined risks) amounted to NOK 273 584, and external education amounted to NOK 383 980.

Other revenue amounted to NOK 4 747.

Note 2 – Commutation

Historically, companies that have ceased writing fire insurance in Norway have been able, after a few years, to discharge their liabilities through commutation, i.e. by paying their natural perils capital to the Pool. Ten years after the cessation of underwriting, the liability expires, and the paid natural perils capital is recognised as revenue in the Pool. With effect from claim year 2025, new rules apply. If an undertaking that is a member of the Pool ceases its fire insurance business, any natural perils capital of the member shall be transferred to the Pool without consideration. In the 2025 financial year, NOK 0 was recognised as revenue.

Note 3 – Natural perils capital set aside for deficit coverage

In 2025, the Pool's natural perils statement showed a deficit. Accordingly, no surplus was called up from members. Therefore, the Pool's natural perils capital as of December 31, 2025, consists of fees collected from policyholders who have purchased fire insurance from an insurance undertaking that is not a member of the Pool. The fee collected amounts to NOK 2 714 572, and the provision is used in full to cover deficits for members that have not themselves set aside natural perils capital in their own accounts.

Note 4 – Payroll expenses

The Pool had nine full-time employees as of December 31, 2025.

	2025	2024
Salaries, holiday pay, etc.	8 602 347	8 068 750
Salaries and fees other than for employees	857 010	864 052
Pension costs	1 216 491	1 101 401
Employer's contributions	1 507 254	1 463 263
	12 183 102	11 497 466

The Pool provides defined-contribution pensions for its employees under the Mandatory Occupational Pensions Act.

As of December 31, 2025, one retired employee was covered by an unfunded pension arrangement. The pension obligation is calculated as the present value of future probable pension payments and is based on actuarial calculations and assumptions.

Under the Rules for Norwegian Natural Perils Pool, one of the members of the Board of the Pool shall be independent, meaning that the member shall not be employed by, or otherwise have ties to, undertakings that are members of the Pool. This board member received a board fee of NOK 150 000 in 2025. No loans were granted or collateral provided to the Managing Director or employees.

The Managing Director of the Pool was employed by Finans Norge Forsikringsdrift (Finance Norway Insurance Services) up to December 31, 2025, and the Pool paid NOK 2 373 618 in 2025 for the allocation of Managing Director resources, presented under Other operating expenses. With effect from January 1, 2026, the Managing Director is employed by the Norwegian Natural Perils Pool.

The amounts include value-added tax.

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Note 5 – Property, plant and equipment

	IT equipment	Fixtures and fittings	Total
Cost at 1 Jan	193 891	68 295	262 186
Year's additions	222 395		222 395
Disposals	-113 213		-113 213
Cost as of 31 Dec	303 073	68 295	371 368
Year's depreciation	74 614	13 659	88 273
Accumulated depreciation at 1 Jan	20 806	40 977	61 783
Accumulated depreciation as of 31 Dec	95 420	54 636	150 056
Carrying amount as of 31 Dec	207 653	13 659	221 312
Depreciation rates	33.3%	20%	

Note 6 – Other operating expenses

	2025	2024
Meteor – external development	10 137 077	6 071 645
Administration costs from Finans Norge Forsikringsdrift	13 164 970	12 000 268
Rent	1 255 557	1 003 216
IT operation and development	240 776	613 412
Consulting services	1 036 069	4 639 262
Audit fees	114 921	119 336
Accountancy fees	356 206	287 088
Other external services	929 187	5 050 175
Telephone and communications	71 275	66 307
Courses and education	106 287	145 179
Meetings	149 276	214 176
Travel	246 261	382 396
Valuation and indexation (Takst og indeks)	347 916	343 847
Insurance premiums	43 834	28 664
Miscellaneous expenses	242 612	124 409
Bad debts	0	-145
	28 442 225	31 089 236

Audit fees amounted to NOK 114 921. In addition, other services were invoiced at NOK 65 875. The amounts include value-added tax.

Insurance premiums include the Board's liability insurance of NOK 40 793.

Note 7 – Payable to members under earned equity

Payable to members consists of accumulated profit in the Pool's annual result, which is defined as payable to/receivable from members. In practice, this constitutes the Pool's liquidity reserve placed in the operating bank account.

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Note 8 – Reinsurance

In 2025, the Norwegian Natural Perils Pool called up and paid NOK 671 664 643 in reinsurance on behalf of members. Of this, NOK 329 475 000 was paid to cover events from NOK 2 to 16 billion, and NOK 342 189 643 was paid in connection with quota share reinsurance for the first half of 2025.

As of December 31, 2025, outstanding payable to reinsurers amounts to NOK 134 102 933 in connection with settlement of quota share reinsurance for the second half of 2025, and outstanding receivable from members amounts to NOK 132 676 864. The settlement of quota share reinsurance for the second half of 2025 will be completed in the first quarter of 2026.

In connection with reinsurance coverage of the event “Hans” in 2023, the Pool called up NOK 277 867 309 from reinsurers in 2025, which has been allocated and paid out to the Pool’s members according to the distribution key for the 2023 claim year.

Note 9 – Bank deposits

Includes restricted tax withholding funds of NOK 609 886.