

PSI Report 2021, from Gjensidige Insurance ASA, Norway

In 2020, Gjensidige Insurance 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, and green, zero emission society. 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 our first annual disclosure 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

- During 2020 and 2021, Gjensidige has continued to implement our sustainability strategy, focusing on the follow up of our three main target 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.
- In 2021 the Board of Directors revised the group's sustainability goals and strategy. In accordance with the three above-mentioned target areas we will strive to; Obtain 80 pct of EU taxonomy eligible products and services to be sustainable, by 2025 (premium volume); Achieve a 35 % reduction of GHG emissions in our claims processes by 2025 (reference year 2019); and Our investment portfolios is to be net zero emissions by 2050.
- These goals imply: (1) a renewed focus on preventing damage - by advising, informing and incentivising our customers; (2) reduction of the 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.
- During 2020 and 2021 a wide range of our suppliers and investments were assessed according to our objectives of reducing the CO₂ intensity, increasing the reuse of materials, and ensuring the compliance with good governance and control.
- 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.
- 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.

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 engaged with a wide range of customers and suppliers in 2020. This has been for the purpose of obtaining further information on client approaches to ESG where is needed or developing a joint plan of action.
- We also focus on the development of more sustainable insurance products, and we have – among other things – launched a greener household content and travel insurance with climate compensation for young people. We also established an insurance scheme whereby customers receive 5 per cent dividend when rebuilding with an environmental certification (BREEAM) for industrial buildings, as well as incentives to rebuild with the Nordic Swan Ecolabel for residential buildings.
- Related to the social dimension we have launched a self-help psychologist service particularly relevant during the Covid-19 pandemic. We have also established a ‘Back to work’ partnership with Unicare.
- 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.

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 promoted 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 the VAT taxation of e-vehicles, related to environmental consequences of scrapping. We have also been engaged in the debate on 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 related to ESG issues.
- We have established a cooperation with the Norwegian Computing Centre where we combine recognised climate models with claims data to develop more advanced assessments of climate consequences in the short, medium and long term – related to material damages.
- We share claims data with public authorities on 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, see Gjensidige's Integrated Annual Report 2020: [Gjensidige Annual report 2020.pdf](#)