



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	939 717 609
Organisasjonsform:	Gjensidig forsikringselskap
Foretaksnavn:	Assuranceforeningen Gard - gjensidig -
Forretningsadresse:	Kittelsbuktveien 31 4836 ARENDAL

### Regnskapsår

Årsregnskapets periode:	21.02.2022 - 31.12.2022
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### Konsern

Morselskap i konsern:	Nei
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### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Inge Liltved
Dato for fastsettelse av årsregnskapet:	15.06.2023

### Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert  
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 14.06.2024



### Resultatregnskap

Beløp i: USD	Note	2022	2021
<b>TEKNISK REGNSKAP FOR SKADEFORSIKRING</b>			
Opptjente bruttopremier	5,6	216 090 000	180 519 000
Gjenforsikringsandel av opptjente bruttopremier	6	92 817 000	83 004 000
<b>Sum premieinntekter for egen regning</b>	<b>6</b>	<b>123 273 000</b>	<b>97 515 000</b>
Andre forsikringsrelaterte inntekter		247 000	4 000
<b>Erstatningskostnader</b>			
Brutto erstatningskostnader	6	120 185 000	149 000 000
Gjenforsikringsandel av brutto erstatningskostnader	6	34 596 000	49 740 000
<b>Sum erstatningskostnader for egen regning</b>	<b>6</b>	<b>85 589 000</b>	<b>99 260 000</b>
<b>Forsikringsrelaterte driftskostnader</b>			
Salgskostnader	7	8 494 000	8 407 000
Forsikringsrelaterte administrasjonskostnader inkl. provisjoner for mottatt gjenforsikring	7	17 763 000	8 709 000
Mottatte provisjoner for avgitt gjenforsikring og gevinstandeler	7	8 966 000	10 730 000
<b>Sum forsikringsrelaterte driftskostnader</b>		<b>17 291 000</b>	<b>6 386 000</b>
Andre forsikringsrelaterte driftskostnader	7	2 797 000	2 398 000
<b>Resultat av teknisk regnskap</b>		<b>17 843 000</b>	<b>-10 525 000</b>
<b>IKKE-TEKNISK REGNSKAP</b>			
<b>Netto Inntekter fra investeringer</b>			
Renteinntekt og utbytte m.v. på finansielle eiendeler	8	73 000	27 000
Verdiendringer på investeringer		-17 207 000	-7 882 000
Realisert gevinst og tap på investeringer		-363 000	2 046 000
Administrasjonskostnader knyttet til investeringer, herunder rentekostnader		525 000	389 000
<b>Sum netto inntekter fra investeringer</b>		<b>-18 022 000</b>	<b>-6 198 000</b>
<b>Resultat av ikke-teknisk regnskap</b>		<b>-18 022 000</b>	<b>-6 198 000</b>
<b>Resultat før skattekostnad</b>		<b>-179 000</b>	<b>-16 723 000</b>



## Resultatregnskap

<b>Beløp i: USD</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Skattekostnad	9	3 324 000	-1 352 000
<b>Resultat før andre inntekter og kostnader</b>		<b>-3 503 000</b>	<b>-15 371 000</b>
Estimatendringer knyttet til ytelsesbaserte pensjonsordninger	15	-177 000	-187 000
Skatt på andre inntekter og kostnader som ikke blir omklassifisert til resultatet	15	-44 000	-47 000
<b>Totalresultat</b>		<b>-3 636 000</b>	<b>-15 511 000</b>



### Balanse

Beløp i: USD	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	0
<b>Investeringer</b>			
Bygninger og andre faste eiendommer		0	0
Datterforetak, tilknyttede foretak og felleskontrollerte foretak		0	0
Finansielle eiendeler som måles til amortisert kost		0	0
Aksjer og andeler (inkl. aksjer og andeler målt til kost)	13	30 994 000	35 005 000
Rentebærende verdipapirer	13,14	210 168 000	188 027 000
Andre finansielle eiendeler	13,14		0
<b>Finansielle eiendeler som måles til virkelig verdi</b>		<b>241 162 000</b>	<b>223 032 000</b>
<b>Sum investeringer</b>	13	<b>241 162 000</b>	<b>223 032 000</b>
<b>Gjenforsikringsandel av brutto forsikringsforpliktelser</b>			
Gjenforsikringsandel av ikke opptjent bruttopremie	6,16	15 027 000	894 000
Gjenforsikringsandel av brutto erstatningsavsetning	6,14,1 6	118 398 000	115 719 000
<b>Sum gjenforsikringsandel av brutto forsikringsforpliktelser</b>		<b>133 425 000</b>	<b>116 613 000</b>
<b>Fordringer</b>			
Forsikringstakere	11,14	16 373 000	14 877 000
<b>Fordringer i forbindelse med direkte forretninger</b>		<b>16 373 000</b>	<b>14 877 000</b>
Fordringer i forbindelse med gjenforsikring		3 149 000	2 108 000
Andre fordringer		379 000	198 000
<b>Sum fordringer</b>	14	<b>19 901 000</b>	<b>17 183 000</b>
<b>Andre eiendeler</b>			
Anlegg og utstyr	10	3 429 000	2 150 000
Kasse, bank	12,14	78 253 000	69 277 000
Andre eiendeler betegnet etter sin art	13,14	7 084 000	7 233 000
<b>Sum andre eiendeler</b>		<b>88 766 000</b>	<b>78 660 000</b>
Andre forskuddsbetalte kostnader og opptjente ikke mottatte inntekter		4 641 000	3 827 000
<b>Sum forskuddsbetalte kostnader og opptjente ikke mottatte</b>		<b>4 641 000</b>	<b>3 827 000</b>



### Balanse

Beløp i: USD	Note	2022	2021
<b>inntekter</b>			
<b>SUM EIENDELER</b>		<b>487 895 000</b>	<b>439 315 000</b>
<b>EGENKAPITAL OG FORPLIKTELSER</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital		0	0
Sum innskutt egenkapital		0	0
<b>Opptjent egenkapital</b>			
<b>Fond m.v.</b>			
Avsetning til garantiordningen		3 000	4 000
Annen opptjent egenkapital		104 468 000	108 104 000
Sum opptjent egenkapital		<b>104 471 000</b>	<b>108 108 000</b>
<b>Sum egenkapital</b>		<b>104 471 000</b>	<b>108 108 000</b>
<b>Sum ansvarlig lånekapital m.v.</b>		<b>0</b>	<b>0</b>
<b>Brutto forsikringsforpliktelser</b>			
Avsetning for ikke opptjent bruttopremie	6,16	30 299 000	3 694 000
Brutto erstatningsavsetning	6,14,1 6	320 073 000	299 856 000
Sum brutto forsikringsforpliktelser		<b>350 372 000</b>	<b>303 550 000</b>
<b>Avsetninger for forpliktelser</b>			
Pensjonsforpliktelser o.l.	15	1 559 000	1 746 000
<b>Forpliktelser ved skatt</b>			
Forpliktelser ved periodeskatt	9	3 005 000	1 279 000
Forpliktelser ved utsatt skatt	9	10 854 000	10 425 000
Sum avsetninger for forpliktelser	14	<b>15 418 000</b>	<b>13 450 000</b>
Forpliktelser i forbindelse med direkte forsikring	14	6 297 000	10 628 000
Forpliktelser i forbindelse med gjenforsikring	14	8 661 000	1 752 000
Andre forpliktelser	14	768 000	283 000
Sum forpliktelser		<b>15 726 000</b>	<b>12 663 000</b>



## Balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>Påløpte kostnader og mottatte ikke opptjente inntekter</b>			
Andre påløpte kostnader og mottatte ikke opptjente inntekter	14	1 908 000	1 544 000
<b>Sum påløpte kostnader og mottatte ikke opptjente inntekter</b>		<b>1 908 000</b>	<b>1 544 000</b>
<b>SUM EGENKAPITAL OG FORPLIKTELSER</b>		<b>487 895 000</b>	<b>439 315 000</b>



Gard AS  
Servicebox 600  
4809 ARENDAL

27 NOV 2009

Saksbehandler: Ola Aamodt Fanger  
Dir. tlf.: 22 93 99 41  
Vår referanse: 09-9188  
Deres referanse:  
Arkivkode: 542.5  
Dato: 25.11.2009

## DISPENSASJON - PRESENTASJONSVALUTA

Det vises til søknad av 31. august 2009 om dispensasjon fra kravet om å presentere årsregnskapet i norske kroner iht. forskrift for årsregnskap m.m. for forsikringsselskaper (heretter "forskriften") §§ 7-1 jf. 2-6.<sup>1</sup>

Kredittilsynet kan dispensere fra kravet om at årsregnskapet skal presenteres i norske kroner i det enkelte tilfelle, jf. forskriften § 7-1. I høringsnotat<sup>2</sup> til § 2-6 heter det at:

*"De offisielle regnskapene fra finansinstitusjonene danner grunnlag for blant annet rapportering av kapitaldekning, økonomiske analyser og statistikkrapportering som ledd i tilsynet med finansiell stabilitet. Kredittilsynet har behov for konsistente og avstemte data for utformingen av analyser i det løpende tilsynsarbeidet. I dag foregår det en rutinemessig og standardisert avstemming av regnskapsstatistikken mot institusjonenes offisielle regnskaper. Dersom det åpnes opp for presentasjon av regnskap i annen valuta enn norske kroner vil det oppstå særlig behov for revisjon av forskjellene mellom offisielle regnskaper og rapportering til offentlige myndigheter. Selv om departementet foreslår krav om at det skal opplyses om omregningskursen dersom årsregnskapet er presentert i en annen valuta enn norske kroner, jf. regnskapsloven ny § 7-2, vil kontrollmulighetene med rapporteringen forringes da det må tas høyde for korreksjoner mht valutakursvingninger."*

Kravet om presentasjonsvaluta i NOK er begrunnet med hensynet til at bruk av annen valuta vil svekke årsregnskapet som grunnlag for kontroll, analyse og statistikk for norske myndigheter. Det følger av ovennevnte at det kreves særlige grunner for å dispensere fra kravet.

Assuranceforeningen Gard (heretter "Gard", "foretaket") viser til at kun 7 prosent av premieinntektene og 5 prosent av kravkostnadene er knyttet til NOK. USD er funksjonell valuta fordi den utgjør 80 prosent av premieinntektene og 60 prosent av kravkostnadene. Korreksjonene med hensyn til endringer i valutakursene gjør at regnskapet ikke viser det riktige forholdet

<sup>1</sup> FOR 1998-12-16 nr. 1241.

<sup>2</sup> Høringsnotat om endringer i forskrifter om årsregnskap m.m. for banker og finansieringsforetak, samt forsikringsselskaper av 31. oktober 2005.



mellom forretningsvolum og kravkostnader fra år til år. Gard mener at kravet til presentasjon av årsregnskapet i NOK innebærer at årsregnskapet ikke gir et rettviseende bilde av virksomheten.

Videre viser Gard til forhold knyttet til beregning av sikkerhetsavsetning og kravene til valutamatching, da det fører til en ubalanse mellom USD og NOK i balansen samt at omregningen av USD til NOK påvirker årsresultatet og sikkerhetsavsetningen til foretaket.

Foretaket viser også til at vesentlig intern og ekstern rapportering er bygget opp for og rapporteres i USD, samt at brukerne av regnskapet bruker og forventer at det skal rapporteres i USD.

Kredittilsynet finner at det i dette konkrete tilfellet kan gjøres unntak fra kravet om norsk presentasjonsvaluta. Anførlene viser at virksomheten er internasjonal, med hovedsakelig utenlandske kunder. Dette medfører at regnskapsbrukerne har behov for å sammenligne regnskapet med andre foretak som har avlagt regnskap i USD. Alle inntekter og utgifter er hovedsakelig knyttet til andre valutaer enn den norske, slik at årsregnskapet i NOK ikke gir et rettviseende bilde etter foretakets vurdering. Det legges til grunn at presentasjonsvaluta i USD, etter foretakets vurdering, vil gi et rettviseende bilde av virksomheten.


Kredittilsynet har i medhold av forskrift for årsregnskap m.m. for forsikringsselskaper §§ 7-1 jf. 2-6 fattet følgende vedtak om dispensasjon:

*Assuranceforeningen Gard gjensidig gis dispensasjon fra kravet om å presentere årsregnskapet i norsk valuta. Årsregnskapet skal presenteres i United States dollar (USD).*

Kredittilsynets vedtak kan påklages etter forvaltningsloven § 28. Finansdepartementet er klageinstans. Klagen rettes til Kredittilsynet. Klagefristen er 3 uker fra det tidspunkt dette brevet er mottatt.

For Kredittilsynet

  
Siv-Mette Thomassen  
seksjonssjef

  
Ola Aamodt Fenger  
førstekonsulent



## Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 31.08.2009	Vår dato 15.07.2010
Telefon 22077325	Deres referanse sunkar / Inge Liltved	Vår referanse 2009/929879

GARD AS  
Postboks 789 Stoa  
4809 ARENDAL

## Søknad om tillatelse til å unnlate å utarbeide årsregnskap og årsberetning på norsk språk for Assuranceforeningen Gard - gjensidig -, org. nr: 939 717 609

Det vises til Deres søknad av 31. august 2009 oversendt til Skattedirektoratet i brev av 17. november 2009 fra Finansdepartementet for behandling. Det vises også til telefon med Deres Inge Liltved 14. juli 2010 samt tidligere kommunikasjon om at behandlingen av søknaden skulle avvente en eventuell endring i dispensasjonspraksis for slike saker. De søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Assuranceforeningen Gard - gjensidige -.

### Bakgrunn:

Assuranceforeningen Gard - gjensidig - (foreningen) ble opprettet i 1907 og er en gjensidig forsikringsforening som tilbyr ansvarsforsikring for skip (såkalt "P&I forsikring") for skipsredere, operatører og befraktere over hele verden. Foreningen er medlem i International Group of P&I clubs som er en sammenslutning av de 13 største P&I forsikringsforeningene i verden, og som samlet sett forsikrer om lag 90 % av verdensflåten. Sammensetningen av Assuranceforeningen Gard - gjensidig - sin medlemsportefølje har endret seg over tid. Den norske andelen er stadig synkende. I dag kommer 80 % av forsikringspremien fra utenlandske medlemmer.

Foreningens virksomhet er forsikringsvirksomhet knyttet opp til i hovedsak utenlandske kunder. Foreningens eiere (dvs. medlemmer) er også i all hovedsak utenlandske. Flere personer i styret er ikke norsk språklige. Foreningen er derfor nødt til å utarbeide sin regnskapsinformasjon på engelsk for sine medlemmer og styre. Arbeidsspråket generelt i virksomheten er engelsk. Det engelske språklige regnskapet oversettes derfor til norsk kun p.g.a. kravene i regnskapsloven. Dette innebærer ekstra administrativ og økonomisk byrde for foreningen. Det søkes derfor om dispensasjon.

### Skattedirektoratets vurdering og konklusjon

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse Fredrik Selmers vei 4 Org. nr: 974761076	Sentralbord 800 80 000 Telefaks 22 17 08 60
skattedirektoratet@skatteetaten.no		



Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.


Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige sentrale brukere av regnskapsinformasjon som blir negativt berørt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det framgår av søknaden at selskapet at selskapene opererer innen en bransje med sterk internasjonal karakter og arbeidsspråket er engelsk. Alle sentrale aktører innen de bransjer selskapene driver, antas å måtte beherske og benytte engelsk språk. Selskapets medlemmer (eiere) og kunder er også i stor grad utenlandske.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering Assuranceforeningen Gard - gjensidig-dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

  
Heide Lindsjorn  
seksjonssjef  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

  
Jan Hoelstad



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## List of Signatures Page 1/1

### Gard P&I (Bermuda) Ltd. NUF - Financial statements Dec 2022.pdf

Name	Method	Signed at
Eilertsen, Trond	BANKID	2023-04-21 05:53 GMT+02
Lislegard-Bækken, Lars I K	BANKID_MOBILE	2023-04-18 20:40 GMT+02
Roppestad, Rolf-Thore	BANKID_MOBILE	2023-04-18 10:39 GMT+02



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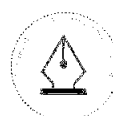


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## FINANCIAL STATEMENTS 2022

### GARD P. & I. (BERMUDA) LTD. NORWEGIAN BRANCH

*for the period 21 February 2022 to 31 December 2022*



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Board of Directors' Report

#### INTRODUCTION

The Board of Directors' hereby submits the report and accounts of Gard P. & I. (Bermuda) Ltd. – Norwegian Branch for the 2022 financial year, covering the period 21 February 2022 to 31 December 2022. This is Gard P. & I. (Bermuda) Ltd. Norwegian Branch's (the "Branch" or the "Company") 13<sup>th</sup> year of operation.

In 2022, The Board of Directors of Gard P. & I. (Bermuda) Ltd. – Norwegian Branch resolved to change the financial year, which will now end on 31 December. Therefore, the current financial period is from 21 February 2022 to 31 December 2022. From 1 January 2023, the full financial year will be 1 January to 31 December.

In the opinion of the Board of Directors the report and accounts for the period to 31 December 2022 gives a true and fair view of the Branch's financial position and result of its operations.

Statutory requirements with regard to solvency and capital are complied with.

Beyond what has been dealt with in this report, and the risks and uncertainties the marine insurance industry in general is faced with, the Board of Directors does not consider there to be any special risks or uncertainties connected to the business activities of the Branch.

#### THE OPERATION IN GENERAL

##### P&I insurance

Gard P. & I. (Bermuda) Ltd. is a mutual insurance association founded in Bermuda in 1988. The Company provides Protection and Indemnity (P&I) insurance and related insurance products to its members being owners, operators and charterers of ships entered in the Company. As a mutual insurance association, the club is owned by its members. There are no external capital owners. Gard P. & I. (Bermuda) Ltd. is the parent company in the Gard group (the "Group").

Protection and Indemnity (P&I) insurance is the name of the insurance covering the shipowner's liability towards a third party. The insurance covers both liabilities for property damage and personal injuries arisen in connection with the operation of the ship.

Traditional P&I insurance is currently offered by 13 global players covering about 90 percent of the world's merchant fleet.

These 13 clubs, or mutual insurance associations, have formed an organization called the International Group of P&I Clubs (the "IG"). One of the most important functions of the IG is to co-ordinate the clubs' collective purchase of market reinsurances. This is done within the framework of the so-called Pooling Agreement. The latter contains three main elements. The first is the claims sharing between the parties to the agreement. The second is the provisions dealing with collective purchase of market reinsurances covering liabilities in excess of the upper limit of the Pool. The third is the provisions governing a claim exceeding the limit of the IG clubs' collective market reinsurance contract, a so-called overspill claim.

##### The Branch

Gard P. & I. (Bermuda) Ltd. established a Branch in Norway on 6 March 2010. The Branch is established in accordance with a license granted by the Norwegian Ministry of Finance. The Branch complies with the terms of the license.

##### Gard AS

Gard AS is the general agent for the Branch. All insurance products are offered by the Branch through Gard AS on the basis of a delegation of authority. Gard AS is registered as insurance agent for Gard P. & I. (Bermuda) Ltd., Assuranceforeningen Gard -gjensidig-, Gard Marine & Energy Limited and Gard Marine & Energy Insurance (Europe)



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Board of Directors' Report

AS in accordance with the Norwegian legislation on insurance intermediary activities based on the EU insurance mediation directive.

Gard AS has offices in Arendal, Bergen and Oslo. Further, Gard AS has wholly owned subsidiaries in London (Gard (UK) Limited), New York (Gard (North America) Inc.), Hong Kong (Gard (HK) Ltd), Helsinki (Oy Gard (Baltic) Ab), Piraeus (Gard (Greece) Ltd), Tokyo (Gard (Japan) K.K.) and Singapore (Gard (Singapore) Pte. Ltd). The subsidiaries' main function is to be the local representative of Gard AS.

#### Personnel and organization

The general agent of the Branch is Gard AS. The Branch has no employees.

#### Directors' and Officers' liability insurance

There is a Directors and Officers' liability insurance in place covering all directors and officers of Gard P. & I. (Bermuda) Ltd. including all its subsidiaries. The cover applies worldwide and includes, but are not limited to the following: Management liability; Pre-Claim Inquiry Costs; and Certain legal fees/costs. The limit of the insurance is USD 30 million in the aggregate including all claims or losses.

#### Environmental and social impact

The Company is a mutual insurance provider and the environmental footprint is therefore limited as the products, in the form of insurance cover, do not have an environmental impact.

The Company fully supports the UN Principles of Responsible Investment and actively encourage the fund managers to sign up to them. These Principles recognise that long term sustainable returns are dependent on stable, well-functioning and well governed social, environmental and economic systems.

#### The Transparency Act

The Norwegian Transparency Act was entered into force as of 1 July 2022.

The Transparency Act shall promote company's respect for fundamental human rights and decent working conditions in connection with the provision of services and ensure the general public access to information regarding how company's address adverse impacts on fundamental human rights and decent working conditions.

Gard has published an account of due diligence report pursuant to Section 4 of the Transparency Act. The report as per 31 December 2022 will be made available at [www.gard.no](http://www.gard.no) at the latest of 30 June 2023 pursuant to Section 5 of the Transparency Act.

#### Research and development

The Branch does not carry out research and development activities.

## INSURANCE BUSINESS

#### Entered tonnage

At the end of the financial period, 31 December 2022, the number of entered vessels and other units was 5,181 and the total tonnage was 200.1 million gross tons of which owner's direct entries amounted to 154.5 million gross tons.

#### Reinsurance

In the financial period to 31 December 2022 the Branch's retention level for insurance liabilities arising out of any one event any one vessel was USD 4.9 million, net of reinsurance, for mutual entries reinsured under the Pooling Agreement and USD 9.8 million, net of reinsurance, any one event any one vessel for liabilities arising under fixed premium entries reinsured outside the Pool structure.



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## **GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH**

### Board of Directors' Report

According to the IG Pooling Agreement, the retention for all claims arising out of any one event any one vessel was USD 10 million. The reinsurance protection through the Pool was USD 2,000 million per event in excess of the USD 100 million upper limits of the Pool.

Fixed premium entries covering risks falling outside the scope of the Pooling Agreement were reinsured by the Company in the commercial reinsurance market with overall capacity limits of USD 500 million for Mobile Offshore Units and USD 1 billion for Charterers and Floating Production Storage and Offloading segments. The level of retained risk for each claim was USD 20 million.

Gard P. & I. (Bermuda) Ltd. has entered into a separate reinsurance treaty with Gard Reinsurance Co Ltd covering a proportion of the risks retained under the reinsurance arrangements based on the Pooling Agreement and other reinsurance arrangements. Pursuant to this reinsurance treaty 50 percent of the insurance liabilities of the Branch not covered by the Pooling Agreement or other reinsurance arrangements was ceded to Gard Reinsurance Co Ltd as reinsurance in the financial period to 31 December 2022.

Finally, Gard P. & I. (Bermuda) Ltd. has entered into a separate reinsurance treaty with Assuranceforeningen Gard - gjensidig - where the latter, as the reinsurer, covers a proportion of the risks retained by Gard P. & I. (Bermuda) Ltd. under the above reinsurance arrangements. Pursuant to this separate reinsurance treaty 2 percent of the insurance liabilities not covered by the Pooling Agreement or the market contracts of Gard P. & I. (Bermuda) Ltd. was ceded from Gard P. & I. (Bermuda) Ltd. to Assuranceforeningen Gard -gjensidig-, as reinsurance in the financial period to 31 December 2022.

### **FINANCIAL RISK**

#### Insurance risk

The Branch seeks to manage the insurance risk it faces through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The Branch is participating in the reinsurance arrangements that are in place for Gard P. & I. (Bermuda) Ltd. The Branch's underwriting policy supports the seeking of risks with adequate pricing that is commensurate with the risk profiles and claims experience. The risk-taking in the Branch follows Gard P. & I. (Bermuda) Ltd. which it is a part of. The volatility for the Branch is high relative to the premium volume on a standalone basis.

Insurance stress tests have been performed on Gard P. & I (Bermuda) Ltd. A set of extreme events have been identified and the realistic possible loss to the Company has been estimated. The highest insurance loss for own account from the identified extreme events is USD 25 million.

#### Market risk

The Branch does not hold investments. Market risk consists of currency risk, that is the risk of economic losses resulting from actual currency rates differing from expected currency rates. The currency exposure on the asset side is broadly matched to the assumed currency exposure of liabilities. The assumed currency exposure to liabilities differs from accounting exposure to currencies because the reserving currency is not always the actual currency of the future cash flow. There is an acceptable mismatch between the currency exposure on assets and liabilities. The currency exposure is managed through a rolling forward program.

#### Counterparty default risk

The Branch's external counterparty default risk is primarily connected to a possible shortfall on the part of market reinsurers. Historically only minor amounts have been written off as lost. Only reinsurers with a financial strength rating "A" or better from Standard & Poor's or other rating agencies are chosen. The credit risk in respect of receivables is handled by group policies and by close follow-up.

The main reinsurer of the Company is Gard Reinsurance Co. Ltd., which covers 50 percent of all risks undertaken by the Branch not reinsured elsewhere.



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## **GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH**

### Board of Directors' Report

The Branch acknowledges that there is an increased counterparty risk towards Russian entities due to the different sanction regimes imposed. Although, due to the Branch's limited exposure towards these counterparties, this does not impose any material financial risk as at 31 December 2022.

#### Liquidity risk

The insurance premium inflow is payable in three instalments during the policy year, the claims payment pattern will vary and reinsurance cost is payable in instalment during the policy year. A liquidity buffer is established as a money market fund and a more liquid part of the investment portfolio. The buffer is used to place excess liquidity in periods or to be drawn on when liquidity is needed.

The duration of investable assets shall meet the pay-out profile of Gard P. & I. (Bermuda) Ltd.'s liabilities. The investable asset consists of a liquid portfolio that can be liquidated in a short time. Gard P. & I. (Bermuda) Ltd. is part of a cash pool arrangement with Gard Marine and Energy Limited, Gard AS and Assuransgården. The Branch has adequate access to liquidity through Gard P. & I. (Bermuda) Ltd. The liquidity risk of the Branch is considered low.

#### Operational risk

The operational risk of the Branch is assessed annually through the Group's internal self-assessment. The results of the self-assessment are used to manage operational risk and to quantify the internal operational risk charge.

In relation to the war and events in Ukraine, the Branch's exposure towards Russian entities and entities controlled by Russian interests has remained limited in comparison with 20 February 2022. Gard does not have any exposure towards Russian reinsurers as at 31 December 2022. Gard Group's internal Sanctions Consultancy Group continues to work diligently, providing enhanced vigilance and strong advisory services that neither Gard Group nor our members or clients are in breach of rapidly evolving sanction regulations against Russia and Russian special designated parties imposed by the USA, EU, UK, and other countries.

#### Capital and solvency position

The Branch must comply with Norwegian regulations on solvency and capital requirements and fund management. Statutory requirements are calculated quarterly. According to the Solvency II regulation, Gard Bermuda NUF, as a branch of a third-country undertaking, must hold assets in Norway of EUR 500,000 to cover the minimum capital requirement of the home country deposit.

The deposit shall at all times cover statutory requirements as to solvency and capital. The assets shall be managed following the Norwegian fund management regulations for assets covering technical provisions.

The Norwegian Branch is an integrated part of Gard P. & I. (Bermuda) Ltd. and a necessary distribution channel for the Company's products. Gard considers it essential to sustain the operation in the Norwegian Branch to accomplish Gard P. & I. (Bermuda) Ltd.'s goals and accepted strategies.

All statutory requirements are complied with. If the solvency or capital position calls for it, Gard P. & I. (Bermuda) Ltd. can take the necessary actions to restore the Branch's liquidity position or capital adequacy to an acceptable level.

### **ACCOUNTS FOR THE FINANCIAL PERIOD TO 31 DECEMBER 2022**

The Company has been granted dispensation by the Norwegian Financial Supervisory Authority and the Tax Authority from the requirements to present the annual accounts in Norwegian currency and in the Norwegian language. In accordance with this, the annual accounts are presented in United States dollar (USD) and in the English language.

#### Change of financial year

The financial statements for the year ending 31 December 2022 covers the activity for the period from 21 February 2022 to 31 December 2022 – a period of 314 days. However, the accounts for the previous year used as a comparison cover the period from 21 February 2021 to 20 February 2022, i.e. a period of 365 days. Due to the different number of days in these two periods the numbers for this period and for the previous period will not be fully comparable.



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Board of Directors' Report

#### Result

Total comprehensive loss for the period was USD 38.0 million (loss of USD 2.9 million). The figure include a direct reinsurance call from Assuranceforeningen Gard -gjensidig- amounting to USD 25 million net of commission. Technical result was a loss of USD 24.1 million (loss of USD 4.4 million), including the net effect of a direct reinsurance call from Assuranceforeningen Gard -gjensidig- amounting to USD 25 million.

#### Premiums

Gard P. & I. (Bermuda) Ltd. NUF has seen a growth in premium, with gross written premium of USD 342.3 million, an increase of USD 40.1 million or 13.2 percent from last period. The increase over last period is due to growth in volume and hardening rates.

The gross earned premium income in the financial period ending 31 December 2022 was USD 297.6 million (USD 299.4 million).

Earned premium for own account was USD 78.3 million (USD 98.6 million). The current period include a 5 percent Owners' General Discount for the 2022 policy year amounting to USD 12.2 million and a direct reinsurance call of USD 34 million on Gard P. & I. (Bermuda) Ltd. from Assuranceforeningen Gard -gjensidig-. The comparable figures of last period include a 5 percent Owners' General Discount for the 2021 policy year amounting to USD 11.6 million.

#### Claims

Gross incurred claims during the period was USD 208.3 million (USD 248.4 million). Net claims incurred amounted to USD 107.4 million (USD 110.2 million) a decrease of 2.8 million (2.6 percent) from last period. The entity has faced three large claims in the period and only two new claims have been reported from the International Group of P&I Clubs.

#### Result on the non-technical accounts

The non-technical result consists of currency exchange gains/losses and a prorated part of the non-technical result in the parent company that is allocated to the branch. The factor was the branch's share of total equity (the average calculated capital requirement including a 20 percent buffer). This was in accordance with changes in tax the legislation and the OECD guidelines. The result was a negative USD 29.1 million (a negative USD 1.2 million).

#### Tax

The tax cost is calculated as ordinary corporate tax in the branch and is negative due to the loss before tax.

#### Total equity/Solvency capital requirement

In the balance sheet the SCR (Solvency capital requirement) was up to USD 140.3 million from USD 139.9 million at the end of last period. The required SCR was funded through a receivable from Gard P. & I. (Bermuda) Ltd. (Head account).

		31.12.2022	20.02.2022
Total comprehensive loss	USD	-38.0 million	-2.9 million
SCR	USD	140.3 million	139.9 million
Other intercompany	USD	122.0 million	93.1 million
Head account	USD	224.3 million	230.1 million

#### Technical provisions

As at 31 December 2022 the Branch's net technical provisions to cover reported and unreported claims amounted to USD 253.9 million (USD 245.1 million).

The Board of Directors are of the opinion that head account and technical provisions are sufficient to cover all technical liabilities as at 31 December 2022.



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

Board of Directors' Report

### GOING CONCERN AND FUTURE DEVELOPMENT

The Company's financial situation is monitored closely, not only the development of market risk, but also insurance risk, counterparty risk, operational risk and liquidity risk.

The business development is expected to be positive.

Against this background and pursuant to the Norwegian Accounting Act of 1998, section 3-3a, the annual financial statements of the Company have been prepared on a going concern basis and the Board of Directors is of the opinion that the conditions for going concern are present.

\*\*\*\*\*

The Board of Directors wishes to express its gratitude to customers, business associates and correspondents for their participation and support to the Branch, and thanks to all employees of Gard AS for their loyalty and interest throughout the year.

Bermuda, 16 March 2023

Board of Directors of  
**Gard P. & I. (Bermuda) Ltd. – Norwegian Branch**

\_\_\_\_\_  
Trond Eilertsen  
Chairman

\_\_\_\_\_  
Lars Lislegard-Bækken

\_\_\_\_\_  
Rolf Thore Roppestad  
Managing Director



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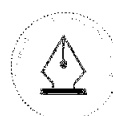
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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Statement of comprehensive income/(loss)

Amounts in USD 000's	Notes	21.02.22 to 31.12.22	21.02.21 to 20.02.22
<b>Technical account</b>			
Gross written premium	4, 5, 6	342,345	302,243
Gross earned premium	4, 5, 6	297,556	299,404
Ceded reinsurance	6	(219,238)	(200,846)
<b>Earned premium for own account</b>	6	<b>78,318</b>	<b>98,558</b>
Gross incurred claims	6	208,258	248,444
Reinsurers' share of gross incurred claims	6	(100,825)	(138,199)
<b>Claims incurred for own account</b>	6	<b>107,433</b>	<b>110,245</b>
Acquisition costs	8	11,193	11,490
Agents commission	8	11,661	11,644
Commission received	8	(30,616)	(33,136)
<b>Insurance related expenses for own account</b>		<b>(7,761)</b>	<b>(10,002)</b>
<b>Other insurance related expenses</b>	8	<b>2,699</b>	<b>2,687</b>
<b>Technical result</b>		<b>(24,054)</b>	<b>(4,373)</b>
<b>Non-technical account</b>			
Interest and similar expense		(2,140)	(2,027)
Change in unrealised loss on investments		(28,330)	(8,080)
Gain on realisation of investments		1,501	8,949
Other investment expenses		(156)	(75)
<b>Non-technical result</b>		<b>(29,125)</b>	<b>(1,233)</b>
<b>Loss before tax</b>		<b>(53,179)</b>	<b>(5,606)</b>
Corporate income tax	9	(15,134)	(2,736)
<b>Net result</b>	13	<b>(38,044)</b>	<b>(2,870)</b>
<b>Total comprehensive loss</b>		<b>(38,044)</b>	<b>(2,870)</b>



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**GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH**

## Balance sheet

Amounts in USD 000's	Notes	As at 31.12.22	As at 20.02.22
<b>Assets</b>			
Reinsurers' share of technical provisions			
Reinsurers' share of gross premium reserve	6	34,026	2,693
Reinsurers' share of gross claims reserve	6, 10	427,663	437,739
<b>Total reinsurers' share of technical provisions</b>		<b>461,689</b>	<b>440,432</b>
<b>Receivables</b>			
<i>Receivables from direct insurance operations</i>			
Policyholders	10, 11	24,897	17,904
<i>Other receivables</i>			
Receivables from reinsurance operations		6,492	6,292
Receivables from reinsurance operations - group companies		15,035	6,111
<b>Total receivables</b>	10	<b>46,424</b>	<b>30,307</b>
<b>Other assets</b>			
Cash and cash equivalents	10, 12	495	522
Deferred tax asset	9	35,202	21,994
Other assets	10	5,568	5,478
<b>Total other assets</b>		<b>41,266</b>	<b>27,993</b>
<b>Prepayments and accrued income</b>			
Accrued income and other prepayments		4,451	3,100
<b>Total prepayments and accrued income</b>		<b>4,451</b>	<b>3,100</b>
<b>Total assets</b>		<b>553,831</b>	<b>501,832</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Guarantee scheme provision		424	452
<b>Total equity</b>		<b>424</b>	<b>452</b>
<b>Technical provisions</b>			
Gross premium reserve	6	50,041	5,252
Gross claims reserve	6, 10	681,647	682,792
<b>Total technical provisions</b>	7	<b>731,688</b>	<b>688,044</b>
<b>Payables</b>			
<i>Payables arising out of direct insurance operations</i>			
		19,417	30,112
<i>Payables arising out of reinsurance operations</i>			
		9,469	9,759
<i>Payables arising out of reinsurance operations - group companies</i>			
		11,696	1,764
Other payables		154	73
<b>Total payables</b>		<b>40,736</b>	<b>41,708</b>
<b>Accruals and deferred income</b>			
Accruals and deferred income		5,246	1,679
<b>Total accruals and deferred income</b>		<b>5,246</b>	<b>1,679</b>
<b>Total equity and liabilities</b>		<b>778,093</b>	<b>731,883</b>
<b>Net assets</b>		<b>(224,263)</b>	<b>(230,051)</b>
<b>Head account</b>			
Head account	13	(224,263)	(230,051)
<b>Total head account</b>		<b>(224,263)</b>	<b>(230,051)</b>



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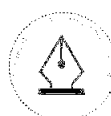
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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Statement of changes in equity

Amounts in USD 000's	Guarantee scheme	Total
Equity as at 21.02.21	454	454
Provision for Norwegian Non-life Insurance Guarantee Scheme	(2)	(2)
Equity as at 20.02.22	452	452
Equity as at 20.02.22	452	452
Provision for Norwegian Non-life Insurance Guarantee Scheme	(28)	(28)
Equity as at 31.12.22	424	424



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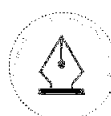
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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Statement of cash flow

Amounts in USD 000's	Notes	21.02.22 to 31.12.22	21.02.21 to 20.02.22
<b>Cash flow from operating activities</b>			
Loss before tax		(53,179)	(5,606)
Change in unrealised loss on investments (other assets)		(91)	0
Change in valuation due to change in exchange rates		1,926	1,239
Change in receivables and payables		26,715	27,584
Change in technical provisions and other accruals		24,602	(23,258)
<b>Net cash flow from operating activities</b>		<b>(26)</b>	<b>(41)</b>
<b>Net change in cash and cash equivalents</b>		<b>(26)</b>	<b>(41)</b>
Cash and cash equivalents at the beginning of the period		522	562
<b>Cash and cash equivalents at the end of the period</b>		<b>495</b>	<b>522</b>



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## GARD P. & I. (BERMUDA) LTD. – NORWEGIAN BRANCH

### Notes to the accounts

#### Note 1 – Corporate information

Gard P. & I. (Bermuda) Ltd. is a mutual insurance association incorporated and domiciled in Bermuda (the "Company"). The operations and insurance activities of the Company are carried out by its insurance manager, Lingard Limited.

In order to comply with Norwegian regulations, the Company established a Norwegian Branch on 21 February 2010 (the "Branch"). The Branch writes all business underwritten by the Company in Norway and is registered with the Norwegian Companies Register (organisation number 995 194 384). The financial statements of the Branch are reported to the Norwegian authorities and are filed in Norway.

In 2022, The Board of Directors of Gard P. & I. (Bermuda) Ltd. – Norwegian Branch resolved to change the financial year, which will now end on 31 December. Therefore, the current financial period is from 21 February 2022 to 31 December 2022. From 1 January 2023, the full financial year will be 1 January to 31 December.

Comparative figures have not been adjusted in relation to the change of financial year and shows the activity for the 12-month period 21 February 2021 to 20 February 2022.

#### Note 2 - Accounting policies

##### 2.1 Basis of preparation of the Accounts

The accounts include the Branch's activity from 21 February 2022 to 31 December 2022.

The financial statements have been prepared in accordance with regulations for annual accounts for general insurance companies approved by the Norwegian Ministry of Finance.

##### 2.2 Changes in accounting policies

There are no changes in accounting policies for the financial period ending 31 December 2022.

##### 2.3 Use of accounting estimates when preparing the accounts

The preparation of the accounts requires management to make estimates and assumptions that affect the valuation of assets, liabilities, revenues, expenses, and contingent liabilities. Due to unforeseen circumstances, these estimates may change in the future. Estimates and their assumptions are considered continuously, and the accounts adjusted accordingly.

Investment assets are not held directly by the Branch. A calculated share of the head office's investment return is therefore allocated to the Branch. The allocated share is calculated based on the average share between opening and closing balance of attributed investment assets plus a buffer of 20 per cent. Attributed investment assets are calculated as intercompany with head office plus accumulated deficit, while any accumulated surplus is not added. A 20 per cent buffer is added to Excess of assets over liabilities. This ensures that the basis for allocation of investment return is a solvency ratio of 120 per cent.

##### 2.4 Foreign currency

###### Functional currency and presentation currency

The accounts are prepared in USD, which is both the functional currency and presentation currency of the Branch.

###### Transactions in foreign currency

Transactions in currencies other than USD are translated at the rate applicable on the transaction date. Monetary items in the balance sheet in currencies other than USD are translated into USD using the exchange rate applicable on the balance sheet date. The currency

exposure of the provision for claims is assessed to be equivalent to the same currency exposure as claims paid. The opening and closing balances of the provision for claims other than USD are translated into USD based on the same method as for monetary items.

Translation differences are recognised in the statement of comprehensive income as they occur during the accounting period. Foreign exchange gains and losses that relate to borrowings, cash, and cash equivalents are presented as part of the non-technical result as 'Interest and similar income'. Foreign exchange gains and losses that relate to financial investments are presented as part of the non-technical result as 'Change in unrealised gain/loss on investments'.

All foreign exchange gains and losses relating to technical operations are presented in the statement of comprehensive income as part of the technical result.

##### 2.5 Provisions, contingent liabilities and assets

Provisions are recognised when the Branch has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. For potential obligations whose likelihood is not remote or probable (i.e. not 'more likely than not'), a contingent liability is disclosed.

There is no provision for contingent liabilities recognised in the balance sheet. Contingent assets are not recognised in the financial statements but are disclosed if it is likely that resources embodying economic benefits will flow to the Branch.

##### 2.6 Events after the reporting period

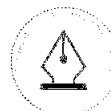
New and material information on the Branch's financial position at the end of the reporting period, which becomes known after the end of the reporting period, is recorded in the financial statements. Events after the reporting period that do not affect the Branch's financial position at the end of the reporting period, but which will affect the financial position in the future, are disclosed if significant.

##### 2.7 Other significant accounting policies

Other significant accounting policies are presented and described in other notes to the financial statements, together with the more expanded disclosures for that particular area. This is done to make the disclosures more relevant to the users and to make it easier to get an overview of the relevant note.

The following table includes other significant accounting policies that are described in other notes to the financial statements, including the number of the note:

Accounting policy	Note
Technical result	6
Technical provisions	6
Insurance related expenses	8
Tax	9
Cash and cash equivalents	13



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 3 - Intra-group transactions

##### Reinsurance agreements

Gard P. & I. (Bermuda) Ltd. has entered into reinsurance agreements with Assuranceforeningen Gard - gjensidig - ("Gard Norway") and Gard Reinsurance Co Ltd ("Gard Re"). The Branch cedes to Gard Norway by way of reinsurance 15 per cent for policy year up to 2009 and 2 per cent for policy year from 2010 of the Branch's insurance portfolio after taking the external reinsurance into account. The Branch cedes to Gard Re 50 per cent of the insurance portfolio after taking the external reinsurance and the reinsurance agreement with Gard Norway into account.

Amounts in USD 000's	Ceded to Gard Norway	
	21.02.22 to 31.12.22	21.02.21 to 20.02.22
Reinsurance premium	(34,837)	(4,023)
Reinsurers' share of gross settled claims	2,594	3,856
Reinsurance commission	9,402	1,346

Amounts in USD 000's	Ceded to Gard Norway	
	As at 31.12.22	As at 20.02.22
Reinsurers' share of claims reserve	9,795	9,439

Amounts in USD 000's	Ceded to Gard Re	
	21.02.22 to 31.12.22	21.02.21 to 20.02.22
Reinsurance premium	(78,318)	(98,558)
Reinsurers' share of gross settled claims	63,546	94,461
Reinsurance commission	20,944	32,322

Amounts in USD 000's	Ceded to Gard Re	
	As at 31.12.22	As at 20.02.22
Reinsurers' share of claims reserve	239,973	231,250

The Branch has entered into a reinsurance agreement with Hydra, which is a segregated accounts company. The Branch's segregated account (cell) in Hydra is covering the former companies' liability to a layer of the International Group (IG) Pool and retention in the 1st market excess layer.

Amounts in USD 000's	Ceded to Hydra	
	21.02.22 to 31.12.22	21.02.21 to 20.02.22
Ceded reinsurance premium	(53,345)	(37,098)

##### Insurance management agreement

The Branch has appointed Lingard Limited as insurance manager and principal representative in Bermuda. The services provided is governed by insurance management agreement with Lingard Limited.

Amounts in USD 000's	21.02.22	21.02.21
	to 31.12.22	to 20.02.22
Insurance services invoiced	47,106	53,667

##### Insurance/reinsurance agency agreements

Lingard Limited in its capacity as insurance manager of the Branch has entered into insurance agency agreements with Gard AS and its subsidiaries. Gard AS is delegated authority as an agent and insurance intermediary to perform claims handling and underwriting functions on behalf of the Branch.



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 4 - Gross written premium by geographical areas

Amounts in USD 000's	21.02.22 to 31.12.22	21.02.21 to 20.02.22
EEA (European Economic Area)	165,400	135,515
Norway	71,266	67,764
Other areas	105,679	98,965
<b>Total gross written premium</b>	<b>342,345</b>	<b>302,243</b>

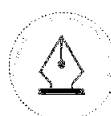
The geographical split is made based on the location of the individual Member or client.

A member is an owner, operator or charterer (including a bareboat or demise charterer) or a ship entered in the Association who according to the Articles of the Association and the Rules is entitled to membership of the Association. Client is defined as any entity with an active insurance cover from the Gard group of companies that is not in the capacity of a Member (P&I Owner's Entry and Charterer's Entry). Members may also be a Client of Gard.

#### Note 5 - Owners' General Discount

These accounts are prepared on the basis of 5 per cent Owners' General Discount in respect of the 2022 policy year (5 per cent in the respect of the 2021 policy year). The policy year is based on the period from GMT noon on 20 February to GMT noon on 20 February the following year.

The Owners' General Discount amounted to USD 12.2 million for the financial period ending 31 December 2022 (USD 11.7 million for the financial period ending 20 February 2022). On Estimated Total Call basis the gross written premium for the financial period ending 31 December 2022 is USD 356.5 million (financial period ending 20 February 2022 USD 313.9 million).



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 6 - Technical result and technical provisions

##### Accounting Policy

##### *Premiums and received reinsurance premiums*

Premiums are based on the insurance contracts where one party (the insurer) has accepted a significant risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. Premiums are recognised over the insurance policy period. The deferred call / last instalment for P&I business for the accounting year is subject to approval by the Board of Directors in the following year. Supplementary calls for P&I business may be charged to Members for previous policy years.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro-rata basis. The proportion attributable to subsequent periods is deferred as gross premium reserve.

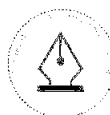
##### *Ceded reinsurance premiums*

Reinsurance premiums are recognised as an expense over the underlying policy period.

##### *Claims expenses*

Expenses regarding incurred claims and other administrative expenses are recognised in the period they are incurred. Paid claims include an allocated portion of both direct and indirect claims handling cost.

Amounts in USD 000's	21.02.22 to 31.12.22	21.02.21 to 20.02.22
<b>Technical result</b>		
Gross written premium	342,345	302,243
Gross earned premium	297,556	299,404
Ceded reinsurance	(219,238)	(200,846)
<b>Earned premium for own account</b>	<b>78,318</b>	<b>98,558</b>
<b>Claims incurred, gross</b>		
Incurred this period	184,736	227,407
Incurred previous periods	23,522	21,037
<b>Total claims incurred, gross</b>	<b>208,258</b>	<b>248,444</b>
Reinsurers' share of gross incurred claims	100,825	138,199
<b>Claims incurred for own account</b>	<b>107,433</b>	<b>110,245</b>



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 6 - Technical result and technical provisions continued

##### Accounting Policy

Technical provisions are calculated in accordance with the regulations for annual accounts for insurance companies.

##### Gross premium reserve

The gross premium reserve is amortised over the risk period and is calculated and accounted for in the balance sheet as a provision for the part of premium written that exceeds the end of the financial period. Changes in the provision are charged to the statement of comprehensive income.

##### Gross claims reserve

The gross claims reserve comprises estimates of the expected remaining exposure from claims that have been reported to the Branch (RBNS), and from claims that have been incurred but which have not yet been reported (IBNR).

Provisions for reported claims are made by assessing the liability of each claim. Actuarial methods are used in estimating the total cost of outstanding claims. The claim provisions have not been discounted.

In accordance with the Norwegian regulations for insurance companies, provision for Internal Claims Handling Expenses (unallocated loss adjustment expenses, or ULAE) is included in the Gross claims reserve.

##### Insurance contract liabilities

Insurance contract liabilities are the main items in the balance sheet based upon judgements and estimates. Estimates have to be made both for the expected total cost of claims reported and for the expected total cost of claims incurred, but not reported, at the balance sheet date. Standard actuarial methods are used in estimating the total cost of outstanding claims. The actuarial method use historical data as one of the elements in the model to estimate future claims costs. It can take a significant period of time before the ultimate claims cost can be established with certainty.

Amounts in USD 000's	As at 31.12.22	As at 20.02.22
<b>Technical provisions gross</b>		
Provisions, at the beginning of the period	682,792	712,837
Claims paid	209,403	278,489
Claims incurred - gross this period	(184,736)	(227,407)
Claims incurred - gross previous periods	(23,522)	(21,037)
<b>Provisions, at the end of the period</b>	<b>681,647</b>	<b>682,792</b>
Reinsurers' share of claims provision	427,663	437,739
<b>Provisions net, at the end of the period</b>	<b>253,983</b>	<b>245,053</b>
Provision for unearned premiums, gross	50,041	5,252
Reinsurers' share of premium provision	(34,026)	(2,693)
<b>Provision for unearned premiums, net</b>	<b>16,016</b>	<b>2,559</b>
<b>Provision for outstanding claims</b>		
Technical provision gross	681,647	682,792
Technical provision net	253,983	245,053



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 7 - Differences between Solvency II and balance sheet valuation

Amounts in USD 000's	Solvency II	Balance sheet	As at 31.12.22 Differences
<b>Assets</b>			
<b>Reinsurance recoverables</b>			
Reinsurers' share of gross premium reserve	0	34,026	(34,026)
Reinsurers' share of expected cash flow for unexpired cover net of reinsurer commission provision	21,647	0	21,647
Reinsurers' share of gross claims reserves	427,663	427,663	0
Discounting effect of reinsurers' share of gross claims reserves	(32,001)	0	(32,001)
Reinsurers' share of Bound but not incepted (BBNI) - net	(3,166)	0	(3,166)
<b>Reinsurance recoverables</b>	<b>414,143</b>	<b>461,689</b>	<b>(47,546)</b>
<b>Liabilities</b>			
<b>Technical provisions</b>			
Gross premium reserves	0	50,041	(50,041)
Gross expected cash flow for unexpired cover net of commission provision	34,671	0	34,671
Gross claims reserves	681,647	681,647	0
Discounting effect of gross claims reserves	(49,858)	0	(49,858)
Bound but not incepted (BBNI) - net	(6,554)	0	(6,554)
ULAE future claims discounted	10,142	0	10,142
Risk Margin	5,850	0	5,850
<b>Technical provisions</b>	<b>675,897</b>	<b>731,688</b>	<b>(55,791)</b>

#### *Reinsurance recoverables from non-life excluding health*

Reinsurers' share of expected cash flow for unexpired cover net of reinsurer commission provision claims, covers the combined ratio share of reinsurers' share of gross premium reserves less reinsurance commission provisions.

Discounting effect of reinsurers' share of gross claims reserve shows the reduction in reinsurers' share of gross claims reserve, in order to arrive at net present value of the reserves as at the balance sheet date.

Reinsurers' share of Bound but not incepted (BBNI) – net, covers the net of reinsurers' share of premiums, claims and commission based on agreements with customers entered into but not incepted as at the balance sheet date.

Losses occurring during is covering expected cash flow of extended reinsurance in order to align the coverage period with the premium reserve period.

#### *Technical provisions - non-life*

Bound but not incepted (BBNI) – net is covering the net of gross premiums, claims and commission from customer agreements entered into, but not incepted as at the balance sheet date.

Gross expected cash flow for unexpired cover net of commission provision is covering the combined ratio share of gross premium reserve less commission provisions. This represents the expected claims costs related to the gross premiums reserve as at balance sheet date.

Discounting effect of gross claims reserve is showing the reduction in gross claims reserve, in order to arrive at net present value of the reserves as at balance sheet date.

The risk margin is calculated as a 6% charge on future annual cash flows, and which is based on Solvency Capital Requirement in respect of non-hedgeable risks. The risk margin represents the cost of capital an insurance company would require to take on the obligations of a given company. Other equity is covering retained reserves to meet unforeseen fluctuations in claims exposure, possible catastrophes and extraordinary claims patterns that fall within the Group's liabilities. For Balance sheet amounts, other equity is included in the Technical provisions – non-life, while other equity is included in Excess of assets over liabilities for Solvency II amounts.



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 8 - Other insurance related expenses and number of staff

##### Accounting policy

Insurance related expenses for own account consist of broker and agent commissions, sales and administrative expenses, less commission received on ceded reinsurance premiums. Sales expenses are recognised in the period in which they are incurred. The administrative expenses and commission received are expensed over the underlying policy period.

Insurance related expenses are accounted for in the period they are incurred.

Amounts in USD 000's	21.02.22 to 31.12.22	21.02.21 to 20.02.22
<b>Acquisition costs and commissions</b>		
Insurance intermediary	11,193	11,490
Agents' commission	11,661	11,644
Commission received	(30,616)	(33,136)
<b>Insurances related expenses for own account</b>	<b>(7,761)</b>	<b>(10,002)</b>

The Branch has no employees and there has not been paid any remuneration to the Board of Directors.

The Branch is invoiced a monthly fee regarding Insurance intermediary services amounting to USD 47.1 million for the financial period ending 31 December 2022 (20 February 2022 USD 53.7 million) of which 11.2 million (20 February 2022 11.5 million) relates to acquisition cost.

Amounts in USD 000's	21.02.22 to 31.12.22	21.02.21 to 20.02.22
<b>Other insurance related expenses</b>		
Bad debt	340	(922)
Service cost	47,106	53,667
Allocated to claims handling and acquisition costs	(46,150)	(52,069)
Other operating expenses	1,403	2,011
<b>Other insurance related expenses</b>	<b>2,699</b>	<b>2,687</b>

Revenues related to non-insurance activities are included in other operating expenses.



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 9 - Tax

##### Accounting policy

The tax expense consists of tax payable and changes in deferred tax. A deferred tax asset is recorded in the balance sheet, when it is more likely than not that the tax asset will be utilised.

Amounts in USD 000's	21.02.22 to 31.12.22	21.02.21 to 20.02.22
<b>Basis for income tax expenses</b>		
Loss before tax	(53,179)	(5,606)
<b>Basis for calculating tax</b>	<b>(53,179)</b>	<b>(5,606)</b>
Permanent differences	(7,359)	(4,987)
<b>Basis for the tax expense for the period</b>	<b>(60,538)</b>	<b>(10,593)</b>
Change in temporary differences	(10)	(729)
<b>Basis for payable taxes in the income statement</b>	<b>(60,548)</b>	<b>(11,322)</b>
Change in (utilisation of) tax losses carried forward	60,548	11,322
<b>Taxable income (basis for payable taxes in the balance sheet)</b>	<b>0</b>	<b>0</b>
<b>Income tax expenses</b>		
Tax correction earlier period	0	(88)
Change in deferred tax	(15,134)	(2,648)
<b>Tax expenses ordinary result</b>	<b>(15,134)</b>	<b>(2,736)</b>
<b>Deferred tax asset</b>		
<b>Specification of tax effect resulting from temporary differences</b>		
Tax loss carried forward	139,507	86,538
Other temporary differences	1,300	1,435
<b>Total temporary differences</b>	<b>140,807</b>	<b>87,973</b>
Deferred tax, 25 per cent of total temporary differences	35,202	21,994
<b>Total deferred tax asset</b>	<b>35,202</b>	<b>21,994</b>
<b>Deferred tax asset reconciliation</b>		
Deferred tax asset at beginning of the period	21,994	
Deferred tax expense related to the period	15,134	
Exchange adjustment	(1,927)	
<b>Deferred tax asset at end of the period</b>	<b>35,202</b>	
<b>Reconciliation of the tax expense</b>		
Basis for calculating tax	(53,179)	(5,606)
<b>Calculated tax 25 per cent</b>	<b>(13,295)</b>	<b>(1,401)</b>
Tax expense	(15,134)	(2,736)
<b>Difference</b>	<b>1,840</b>	<b>1,335</b>
<b>The difference consist of:</b>		
Permanent differences not subject to deferred tax	1,840	1,247
Tax regarding tax audit earlier period	0	88
<b>Sum explained differences</b>	<b>1,840</b>	<b>1,335</b>



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 10 - Financial risk

##### Risk management framework

The purpose of the risk management system is to ensure that material risks are managed in accordance with the Branch's corporate objectives and risk-bearing capacity. The risk management system consists of the following components:

**Risk appetite and limits:** Overall Risk Appetite and Comfort Zone (target range for capitalization) are defined in accordance with risk carrying capacity and corporate objectives. This cascades into limits by risk type and legal entities. This forms the basis for all risk management, monitoring and reporting.

**Risk policies:** There are group policies describing the processes and procedures for managing material risk exposures. The purpose of the policies is to ensure consistent and adequate risk and capital management.

**Risk management cycle:** Material risks are identified, assessed regularly, managed proactively, monitored regularly and reported to relevant responsible body. Assessments are made on a quarterly basis as a minimum.

##### Main financial risks

##### Credit risk

The risk of economic losses resulting from the default of third parties.

##### Counterparty default risk

The main sources of counterparty default risk are reinsurers, cash deposits at banks and receivables from policyholders.

The credit exposure on the reinsurance program is in line with the guidelines of only accepting reinsurers with an A- or higher rating. The Branch is, however, faced with BBB rating exposure through the IG Pooling agreement. Among the thirteen clubs, three have ratings of BBB or lower.

Banks and custodians are in line with the guidelines with a credit rating of at least A/stable.

The credit risk in respect of receivables is handled by policies and by close follow up. Outstanding receivables can be netted off against outstanding claims payments to reduce the risk of doubtful debts.

The Branch acknowledges that there is an increased counterparty risk towards Russian entities due to the different sanction regimes imposed. Although, due to the Branch's limited exposure towards these counterparties, this does not impose any material financial risk as at 31 December 2022.

The table below shows the credit risk exposure as at 31 December 2022. Assets are classified according to the median rating amongst the three market leading providers, Standard & Poor's, Moody's and Fitch. Top rated assets are denoted with AAA rating and US long-term sovereign credit rating is equivalent to a AAA rating due to an applied median approach.

##### Credit risk exposure in balance sheet

Amounts in USD 000's	As at 31.12.22	As at 20.02.22
<b>Reinsurers' share of gross claim reserve</b>		
AA	6,322	8,035
A	409,243	421,003
BBB	12,099	8,701
<b>Total reinsurers' share of gross claim reserve</b>	<b>427,663</b>	<b>437,739</b>
<b>Receivables</b>		
AA	3,936	3,769
A	19,400	10,060
BBB	0	29
Not rated	23,088	16,449
<b>Total receivables</b>	<b>46,424</b>	<b>30,307</b>
<b>Cash and cash equivalents</b>		
AA	495	522
<b>Total cash and cash equivalents</b>	<b>495</b>	<b>522</b>
<b>Other financial assets</b>		
AAA	5,568	5,478
<b>Total other financial assets</b>	<b>5,568</b>	<b>5,478</b>

Other financials assets include regulatory and contractually required deposits that is considered encumbered assets amounting to USD 5.6 million as at 31 December 2022 (USD 5.5 million as at 20 February 2022).



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 10 - Financial risk continued

##### Age analysis of receivables

Amounts in USD 000's	As at 31.12.22	As at 20.02.22
Not due	35,052	21,017
0-60 days	7,999	1,848
61-90 days	1,261	1,078
Above 90 days	3,411	7,800
Provision for bad debt	(1,300)	(1,436)
<b>Total receivables</b>	<b>46,424</b>	<b>30,307</b>

##### Impaired receivables

As at 31 December 2022 there are impaired receivables of USD 1.3 million (20 February 2022 USD 1.4 million) related to past due. No collateral is held as security for the impaired receivables, but the receivables can be deducted from future claim payments if any. Impairment allowance is included in 'Other insurance related expenses'.

##### Analysis of provision for bad debt

Amounts in USD 000's	As at 31.12.22	As at 20.02.22
Balance as at the beginning of the period	1,436	2,305
Provision for receivables impairment	136	(869)
Receivables written off during the period as uncollectable	(476)	(53)
Unused amounts reversed	204	53
<b>Balance as at the end of the period</b>	<b>1,300</b>	<b>1,436</b>

The creation and release of provisions for impaired receivables has been included in 'Other insurance related expenses' in the statement of comprehensive income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 10 - Financial risk continued

##### Market risk

Market risk consists of currency risk and inflation risk.

##### Currency risk

The risk of economic losses resulting from actual foreign exchange rates differing from expected foreign exchange rates. Foreign currency exposures are assumed to be reasonably matched across the balance sheet and managed with an emphasis on major currency exposures. The sensitivity analysis for foreign currencies only applies to investments assets and illustrates the impact on values given changes in exchange rates against USD.

##### Inflation risk

Inflation risk is the risk of a loss in the value of nominal assets or nominal cash flows due to a persistence of high inflation. This risk is most visible in fixed income assets and liabilities due to the tendency of inflation to be followed by higher interest rates. This risk is mitigated by monitoring the duration profile of the portfolio and by maintaining a diversified portfolio of assets whose values are impacted differently by inflation, including inflation protected securities and real assets.

The table below splits the balance sheet into the major currencies USD, EUR and GBP, and remaining currencies are grouped into Other. Note that investments held as shares/units in various fund structures are reported in base currency. The split deviates from underlying currency exposure that is used as input in the enterprise risk models.

##### Currency split balance sheet

	As at	As at
Amounts in USD 000's	31.12.22	20.02.22
<b>Assets</b>		
USD	513,221	454,515
EUR	2,874	5,469
GBP	15	5,061
Other	37,721	36,787
<b>Total Assets</b>	<b>553,831</b>	<b>501,832</b>
<b>Liabilities and Head account</b>		
USD	500,167	326,145
EUR	27,373	34,175
GBP	2,612	36,761
Other	23,679	104,751
<b>Total Liabilities and Head account</b>	<b>553,831</b>	<b>501,832</b>
<b>Net asset exposure</b>		
USD	13,054	128,369
EUR	(24,499)	(28,706)
GBP	(2,597)	(31,700)
Other	14,042	(67,964)



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 10 - Financial risk continued

##### Liquidity risk

The risk that cash resources are insufficient to meet financial obligations when they fall due. In respect of catastrophic events there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries. Liquidity risk arises primarily due to the unpredictability of the timing of payment of insurance liabilities or when market depth is insufficient to absorb the required volumes of assets to be sold, resulting in asset sale at a discount.

##### Maturity profile

The following tables below set out the maturity profile of liabilities combining amounts expected to be recovered within one year, between one and five years and more than five years. Liabilities not covered by claims reserves are classified as other liabilities in the tables.

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	No maturity date	As at 31.12.22 Total
Gross claims reserve	216,150	404,012	61,485	0	681,647
Payables and accruals	45,981	0	0	0	45,981

Amounts in USD 000's	Within 1 year	1-5 years	More than 5 years	No maturity date	As at 20.02.22 Total
Gross claims reserve	219,826	399,664	63,302	0	682,792
Payables and accruals	43,387	0	0	0	43,387



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 11 - Receivables from direct insurance operations

Amounts in USD 000's	As at 31.12.22	As at 20.02.22
Direct and received premium	25,343	18,087
Direct and received premium through broker	(190)	(157)
Not closed premium	321	21
Claims related debtors, co-insurers	723	1,388
Provision for bad debts	(1,300)	(1,436)
<b>Receivables from direct insurance operations</b>	<b>24,897</b>	<b>17,904</b>

#### Note 12 - Cash and cash equivalents

##### Accounting policy

Cash and cash equivalents include cash in hand and deposits held at call with banks and brokers.

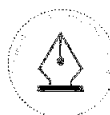
The Branch has a group account agreement and participates in a cash pool agreement. Both agreements are made with Nordea Bank Abp filial i Norge. The group account agreement implies that the Company can make overdrafts on individual bank accounts as long as the Company's total bank deposit is positive. The cash pool agreement secures efficient use of the operating bank deposits through the companies' opportunities to make use of the overdraft facility on individual bank accounts. Each company participating in the cash pool agreement is jointly liable for the overdraft facility through unsecured guarantees.

Cash and cash equivalents include restricted cash amounting to USD 0.5 million as at 31 December 2022 (USD 0.5 as at 20 February 2022).

#### Note 13 - Head account - Gard P. & I. (Bermuda) Ltd.

Amounts in USD 000's	As at 31.12.22	As at 20.02.22
Balance at the beginning of the period	230,051	244,490
Net result	(38,044)	(2,870)
Transfers with Gard P. & I. (Bermuda) Ltd.	(108,087)	(151,499)
Solvency Capital Requirement (SCR)	140,343	139,930
<b>Balance at the end of the period</b>	<b>224,263</b>	<b>230,051</b>

The insurance activity of the Branch is financed through Gard P. & I. (Bermuda) Ltd. accumulated results, solvency capital and any additional financing required are classified as balance towards Gard P. & I. (Bermuda) Ltd. and presented as Head account.



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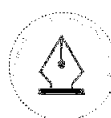
## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

### Notes to the accounts

#### Note 14 - Capital requirements

Gard P. & I. (Bermuda) Ltd., Norwegian branch is required to maintain minimum capital and surplus equal to the Solvency Capital Requirement ("SCR") under Solvency II. The statutory capital and surplus for Gard P. & I. (Bermuda) Ltd., Norwegian branch include supplementary calls based on gross written premium for the last three open policy years. The SCR, which is part of the Solvency II reporting package, will not be filed with the Norwegian Financial Supervisory Authority (Finanstilsynet) until after presentation of the financial statements (April 2023 for the 31 December 2022 figures). As a result, preliminary figures are included as at 31 December 2022 and 20 February 2022.

Amounts in USD 000's	As at 31.12.22	As at 20.02.22
<b>Own funds</b>		
Reconciliation reserve	98,240	97,951
Net deferred tax assets	20,174	21,859
<b>Excess of assets over liabilities</b>	<b>118,414</b>	<b>119,810</b>
Tier 1 - Unrestricted	98,240	97,951
Tier 3 - Net deferred tax assets	20,174	21,859
<b>Total basic own funds / (equal to Excess of assets over liabilities)</b>	<b>118,414</b>	<b>119,810</b>
Tier 2 - Supplementary calls - Available	375,965	369,712
Tier 2 - Supplementary calls - Eligible	70,171	67,503
<b>Total ancillary own funds</b>	<b>375,965</b>	<b>369,712</b>
Total available own funds to meet the SCR	494,379	489,522
Total available own funds to meet the MCR	98,240	97,951
Total eligible own funds to meet the SCR	168,411	167,916
Total eligible own funds to meet the MCR	98,240	97,951
SCR	140,343	139,930
MCR	39,207	39,708
<b>Ratio of eligible own funds to SCR</b>	<b>120%</b>	<b>120%</b>
<b>Ratio of eligible own funds to MCR</b>	<b>251%</b>	<b>247%</b>
<b>Minimum Capital Requirement (MCR)</b>		
Linear MCR	39,207	39,708
SCR	140,343	139,930
MCR cap (45% of SCR)	63,154	62,968
MCR floor (25% of SCR)	35,086	34,982
Combined MCR	39,207	39,708
Absolute floor of the MCR	3,966	4,309
<b>MCR</b>	<b>39,207</b>	<b>39,708</b>
<b>Solvency Capital Requirement (SCR)</b>		
Market risk	24,648	20,428
Counterparty default risk	22,290	22,188
Non-life underwriting risk	98,358	100,823
Diversification	(25,055)	(22,740)
<b>Basic SCR</b>	<b>120,241</b>	<b>120,699</b>
<b>Calculation of SCR</b>		
Operational risk	20,101	19,230
<b>SCR</b>	<b>140,343</b>	<b>139,930</b>



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## GARD P. & I. (BERMUDA) LTD. - NORWEGIAN BRANCH

Notes to the accounts

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Bermuda, 16 March 2023

The Board of Directors  
Gard P. & I. (Bermuda) Ltd. - Norwegian Branch

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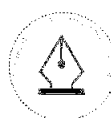
Trond Eilertsen  
Chairman

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Lars Lislegard-Bækken

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Rolf Thore Roppestad  
Managing Director



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To the General Meeting of Gard P. & I. (Bermuda) Ltd. NUF

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Gard P. & I. (Bermuda) Ltd. NUF (the Company), which comprise the balance sheet as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the period then ended, and notes to the accounts, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the period then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

PricewaterhouseCoopers AS, Kystveien 14, NO-4841 Arendal  
T: 02316, org. no.: 987 009 713 MVA, [www.pwc.no](http://www.pwc.no)  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Arendal, 16 March 2023  
**PricewaterhouseCoopers AS**

Fredrik Botha  
State Authorised Public Accountant  
(This document is signed electronically)



 Securely signed with Brevio

Auditor's report

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Botha, Fredrik	BANKID	2023-03-23 11:27

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