

Annual report from Velliv 2023

Solid result, ongoing high deposits, and good returns to customers

CEO Kim Kehlet Johansen comments on the report:

"Velliv delivers a highly satisfactory result of DKK 930 million after tax. We propose DKK 550 million in dividends, to the benefit of our customers and the society as a whole via our owner Velliv Foreningen. The result is positively affected by increased earnings based on several years of customer growth, a solid return on equity, and one-off income of approx. DKK 180 million. We continue to experience a solid flow of new customers, just as we extend our agreements with existing customers, partly due to our customers being the most loyal and satisfied corporate customers of the industry."

Financial highlights

Result before tax of DKK 1,212m (DKK 249m in 2022)

Result after tax of DKK 930m (DKK 97m in 2022)

Gross Written Premiums (GWP) of DKK 34.1bn (DKK 34.9bn in 2022)

Return on equity after tax of 22.5 per cent (2.6 per cent in 2022)

Total customer returns of DKK 23.4bn (DKK -40.0bn in 2022)

Solvency ratio of 174 after a proposed dividend of DKK 550m to Velliv Foreningen

Historically high profit

The net profit for the period was DKK 930 million after tax. The result was positively affected by one-off income of approximately DKK 180 million and a high return on equity of DKK 198 million. The result corresponds a return on equity of 22.5 per cent, which is a record high. Gross Written Premiums amounted to DKK 34.1 billion and thus remain at a continued high level. Regular premiums increased by 11 per cent to DKK 15.7 billion. Velliv is experiencing a satisfactory customer development with a continued solid flow of new customers and continues to extend agreements with the vast majority of existing corporate customers. The high customer loyalty rate is also reflected by the fact that Velliv has the most satisfied and loyal corporate pension customers for the third year in a row, according to Aalund's corporate pension barometer. All in all, premiums have increased by 70 per cent over the past five years.

Still more customers are affected by long-term illness

In 2023, Velliv continued the efforts to balance the health and accident business, and thus Velliv invests significantly in the health area. More than 1,000 customers are now part of our program, where the customer and Velliv join efforts to prevent and shorten the course of illness. The efforts bring us closer to the objective of balance, but the result is influenced by the general development in society where an increasing number of Danes are affected by stress and other mental illnesses. The total risk result amounted to DKK -264 million and was negatively affected by the establishment of a risk margin in the health and accident business as well as regulation of benefits under disbursement. The result of the health and accident business amounted to DKK -581 million, and the result of the historical portfolio of health products classified as life insurances amounted to DKK 529 million, with DKK 212 million being transferred to the risk bonus reserves.

Investment and return

Customers with market rate products got a return of 11.2 per cent on average in 2023. In the fourth quarter, Velliv delivered one of the highest returns among the commercial pension companies, which meant that VækstPension Index and VækstPension Aftryk ended the year at the top of the market. At the beginning of 2024, Velliv expects a soft landing for the global economy with slightly falling interest rates. This is expected to contribute to good returns on stocks in 2024, although stocks prices are already high.

Responsible investments

In 2023, Velliv continued to deliver on the company's climate strategy. Among other things, we joined the Paris-Aligned Investment Initiative (PAII). In addition, Velliv had the climate targets approved under the Science Based Targets initiative (SBTi) and has set both short-term and long-term climate targets in line with the objectives of the Paris Agreement. In cooperation with the World Bank, Velliv has played a crucial role in

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structuring a completely new bond type that allows investors all over the world to finance green transition and social sustainability projects in developing countries. In addition, Velliv divested investments of approximately DKK 4 billion in fossil extraction companies that do not support the objectives of the Paris Agreement.

Find more information about the development in Velliv

- Get CEO Kim Kehlet Johansen's comments on the annual report 2023
[Vellivs annual report 2023](#)
- Velliv has the highest satisfaction rate among corporate customers
[Velliv still ranks no. 1 in customer satisfaction, loyalty, and image](#)
- Velliv intensifies its profile on fossil investments
[Velliv's view on fossil fuel investments](#)

Contact:

Head of Press Mikkel Bro Petersen, phone: +45 24 83 86 30