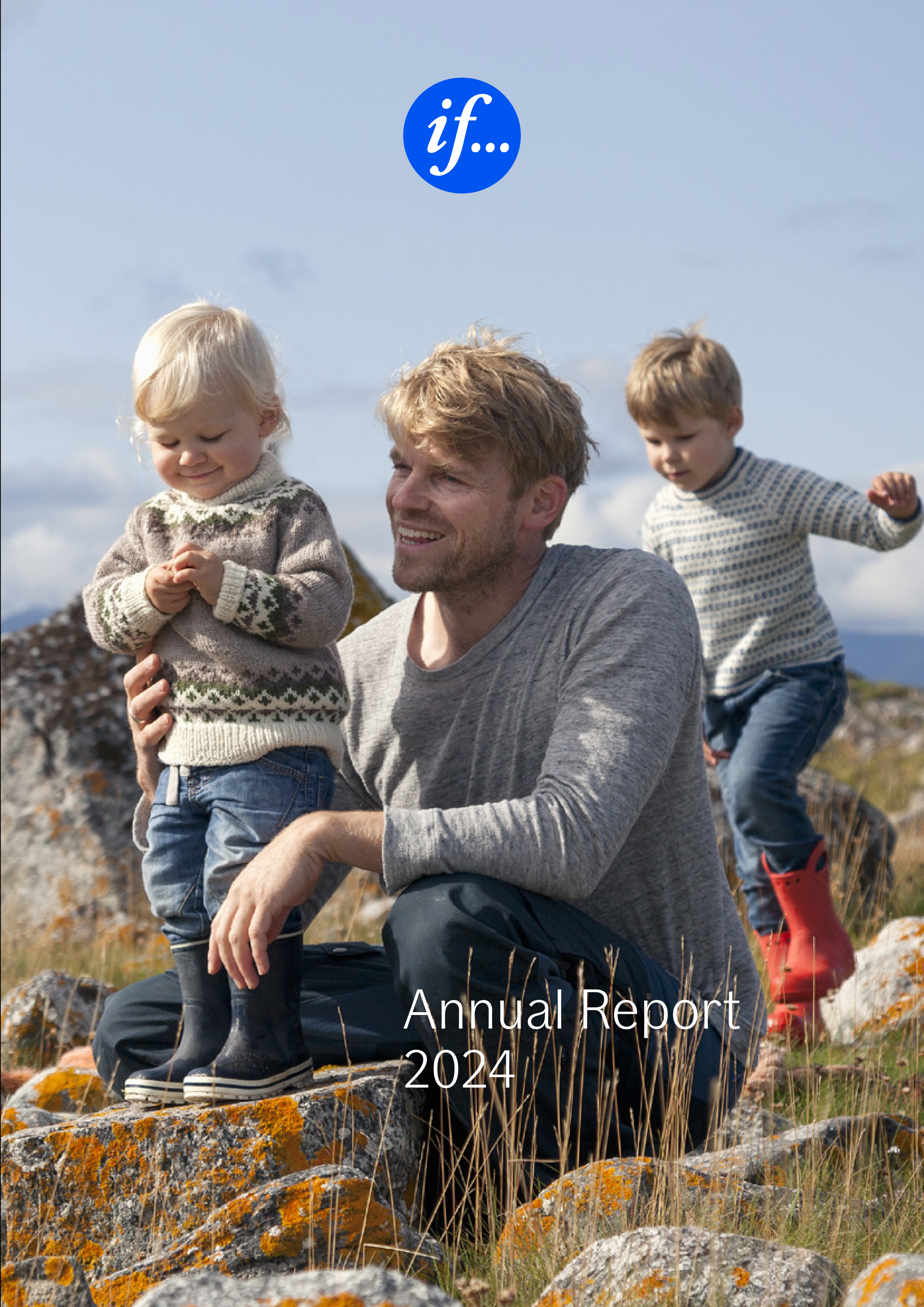
Annual Report 2024



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Comments by the Group CEO

Morten Thorsrud

Ready for the next 25 years!

If celebrated an important milestone in 2024 with its 25-year anniversary. Even though 1999 feels like a long time ago, we can look back on an impressive journey from its origins. Today If has grown to be the largest P&C insurance company in the Nordics and the Baltics. This market leading position will be solidified through the integration of Topdanmark, increasing If's market share in the Nordic market as well as in the Danish market to over 20%. Topdanmark is a successful company and the integration that will be completed during 2025 brings more than 2,000 new, highly skilled colleagues to If. I am looking forward to welcoming them onboard!

2024 was another year when If helped its customers a lot. We experienced less extreme weather events than during the previous year, but 2024 nonetheless started off with a particularly tough winter with many weather-related damage claims. The year was also characterized by several large-scale claims.

Claims volumes within property and motor were relatively flat during the year, while there was an increase within personal insurance, a continuation of the trend we have seen for the past few years.

In total, If handled over 2 million claims in 2024, with daily claims payouts of MSEK 115, all while keeping customer satisfaction at high levels. 85% of customers rated us with a score of 8-10 after their claims were settled.

As our growth increases, digitalization also increases in importance. In 2024, 63% of all claims were reported digitally, saving time for customers. In the motor area, our investments in digitalization have enabled automated claims calculations based on nearly 65,000 photo inspections of vehicle damage submitted by customers. This has significantly reduced the time required for claims assessments and scheduling necessary repairs.

As an extension of our claims operations, If buys materials and services for several billion SEK per year in the property and motor segment. This makes up a substantial part of If's indirect greenhouse gas emissions and is an obvious area where we can make an impact. Decreasing material use, repairing more and reusing parts is therefore an increasingly important priority for If and our suppliers.

To ensure that we keep our high ambitions, we are actively working to reach our climate targets which are approved by the Science Based Targets initiative (SBTi). As the leading P&C insurance company in the Nordics, we hope to set an example that others will follow.

In an increasingly changing world, If provides stability for our customers. With its scale and strength If can provide our customers with the confidence they need in business and their everyday lives.

We are ready for the next 25 years!

Morten Thorsrud, Group CEO

Board of Directors’ Report

The Board of Directors and the CEO of If P&C Insurance Holding Ltd (publ), corporate registration number 556241-7559, hereby issue their annual report and consolidated financial statements for the 2024 financial year.

Organization

If is a Nordic Group that also conducts insurance operations in the Baltic countries. The Group’s headquarters are located in Solna, Sweden.

The Parent Company of the If Group, If P&C Insurance Holding Ltd (publ), is a wholly owned subsidiary of Sampo plc, a Finnish listed company, whose registered office is in Helsinki.

The main role of If P&C Insurance Holding Ltd (publ) is to manage shares in wholly owned property and casualty insurance operations as well as other significant holdings. The holding company owns the Swedish companies If P&C Insurance Ltd (publ), If Livförsäkring AB, If Services AB and Insrt AB, the Danish company If IT Services A/S, the Norwegian companies Vertikal Helseassistanse AS and Viking Assistance Group AS and the Estonian company If P&C Insurance AS. On 1 November 2024, If Skadeförsäkring Holding AB (publ) acquired the Danish insurance group Topdanmark, with the parent company Topdanmark A/S. Subsequently, a restructuring has been carried out in which all of Topdanmark A/S’s directly owned subsidiaries have been sold to If Skadeförsäkring Holding AB (publ).

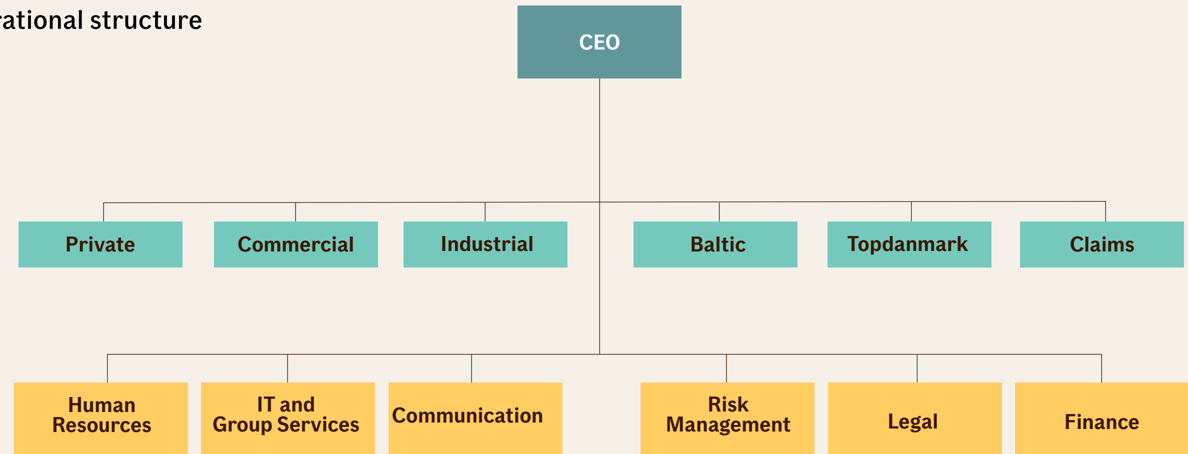
In the annual report, the term ”If Group” is used to describe the operations of all consolidated companies, including Topdanmark. The term If is used to describe the operations excluding the companies that were part of the acquisition of Topdanmark, and Topdanmark is used to describe the operations of companies that were part of the acquisition for the period 1 November to 31 December 2024.

If’s insurance operations in Denmark, Norway and Finland and to some extent Estonia, Latvia and Lithuania, are conducted via branches of If P&C Insurance Ltd (publ) in each country. In addition, If P&C Insurance Ltd (publ) has branch offices in France, the Netherlands, the UK and Germany to support customers with international operations. The Estonian company If P&C Insurance AS also conducts operations in Latvia and Lithuania via branches.

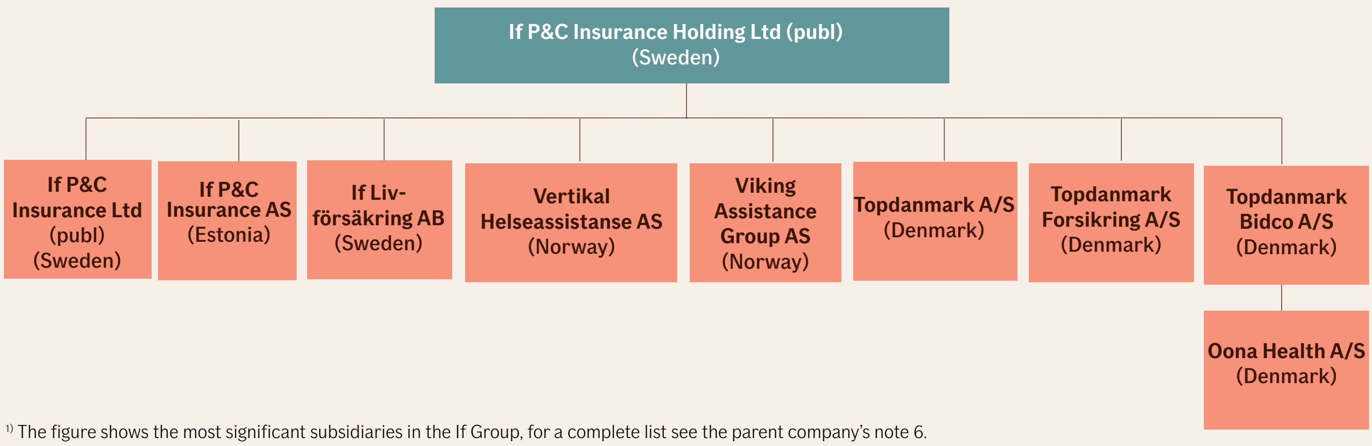
The insurance operation in the Nordic region is organizationally divided in accordance with customer segments into the business areas Private, Commercial and Industrial, and a Nordic claims management unit. Insurance operations in the Baltic countries are organized in one business area, Baltic. Following the acquisition through business combination of Topdanmark A/S on 1 November 2024, the Topdanmark companies are currently reported as a separate business area within the organization. Support functions such as Human Resources, IT and Group Services, Communication, Risk Management, Legal and Finance are organized as a support to the business.

The consolidated financial statements presented in this report include the Topdanmark business area as of 1 November 2024.

Operational structure



Legal structure [1)]



1) The figure shows the most significant subsidiaries in the If Group, for a complete list see the parent company’s note 6.

Significant events and effects during the year

On 16 September 2024, If’s parent company Sampo plc successfully completed the exchange offer (announced on 17 June 2024) for the shares it did not already own in Topdanmark A/S.

On 1 November 2024, If P&C Insurance Holding Ltd acquired from Sampo plc all of the outstanding shares in Topdanmark A/S, and companies in Topdanmark group are currently being integrated into If Group. As part of the integration, the Boards of Directors of If Skadeförsäkring AB (publ) and Topdanmark Forsikring A/S decided in December on a merger planned for 1 July 2025. The sales price of MDKK 34,750, equivalent to approximately MSEK 54,029, was paid through a loan agreement between Sampo and If Skadeförsäkring Holding and a shareholder contribution from Sampo. As a result, Topdanmark A/S has been fully consolidated into If P&C Insurance Holding’s accounts since 1 November 2024. For further information on the acquisition through business combination, see Note 35.

As part of the integration of Topdanmark into If’s organization, leadership changes were made within If’s Business Management Group. Peter Hermann, the current CEO of Topdanmark, has been appointed Deputy CEO of If. Meanwhile, Lars Kufall Beck, the current CFO of Topdanmark, has taken on the role of Chief Operating Officer, overseeing the corporate functions within the If management team.

The year 2024 was marked by continued uncertainty due to ongoing geopolitical tensions, including the prolonged impact of Russia’s invasion of Ukraine and rising instability in the Middle East. If’s insurance exposures in Russia, Ukraine, and the Middle East are limited to certain Nordic industrial line clients, with coverage subject to war exclusions. On the asset side, If has no direct investments in Russia, Ukraine, or the Middle East.

Earnings and financial position

Overall, the result for the year is affected by the acquisition through business combination of Topdanmark as its earnings are included in If Group from 1 November onwards. See Note 6, where Topdanmark is reported as a separate business area for further information.

Results

The insurance service result increased to MSEK 10,694 (9,664) of which Topdanmark is included with MSEK 521. The combined ratio improved to 83.0% (83.1). The net financial result was MSEK 5,396 (6,133). Profit before tax for the year amounted to MSEK 13,905 (15,582).

Premiums

Insurance revenue amounted to MSEK 68,045 (61,158), of which gross written premiums amounted to MSEK 69,719 (62,743). Gross written premium growth was 11.0% (excluding Topdanmark 6.7), driven mainly by premium increases and a strong renewal rate. All business areas showed good growth.

Claims

Insurance service expense, claims incurred and reinsurers’ share of claims incurred increased to a net of MSEK 42,412 (38,746). The change was attributable to Topdanmark in an amoutn of MSEK 1,770 and the remaining change is mainly attributable to an increased number of large claims and severe weather. The risk ratio improved to 61.6% (61.9), including a 4.9 percentage points (5.3) positive impact of prior years’ development.

On 31 December, the liability for incurred claims amounted to MSEK 88,766 (68,938). The increase was mainly affected by Topdanmark in an amount of MSEK 18,294. Adjusted for currency effects, Ifs part of the liability for incurred claims increased by MSEK 354 compared with the end of 2023.

The reinsurance asset for incurred claims amounted to MSEK 8,405 (5,848). Adjusted for currency effects, the increase for If during the period was MSEK 1,545 mainly attributable to large claims.

Expenses

Insurance service expense, operating expenses amounted to MSEK 9,911 (8,916) and claims handling expenses (within claims incurred) amounted to MSEK 3,592 (3,253). Adjusted for currency effects, the increase in these expenses was 4.2%.

The cost ratio for the If Group deteriorated to 21.4% (21.2) while If’s cost ratio was improved between years.

Other costs increased significantly as restructuring costs linked to the acquisition of Topdanmark were recognized in an amount of MSEK 1,719.

Consolidated results per quarter and full-year

MSEK	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2024 Jan-Dec	2023 Jan-Dec
Insurance revenue	19,811	16,418	16,124	15,692	68,045	61,158
Reinsurance premium expenses	-1,464	-1,223	-1,199	-1,142	-5,028	-3,832
Insurance service expenses, claims incurred	-12,303	-11,972	-11,083	-10,819	-46,177	-43,180
of which, claims handling expenses	*-1,152*	*-818*	*-805*	*-817*	*-3,592*	*-3,253*
Insurance service expenses, operating expenses	-3,109	-2,305	-2,323	-2,174	-9,911	-8,916
Reinsurers' share of claims incurred	435	1,959	1,000	370	3,765	4,434
Insurance service result	**3,370**	**2,878**	**2,519**	**1,926**	**10,694**	**9,664**
Investment result	400	2,878	1,915	2,391	7,584	9,934
Insurance finance income or expenses, net	2	-1,884	-29	-277	-2,188	-3,801
Net financial result	**402**	**994**	**1,886**	**2,114**	**5,396**	**6,133**
Other income	365	398	414	498	1,675	1,647
Other expenses	-2,322	-426	-436	-496	-3,681	-1,765
Interest expenses, financing	-164	-25	-26	-26	-240	-106
Interest expense on net pension asset/liability	2	2	2	2	7	8
Income from associates	57	0	0	-1	55	1
Result before income taxes	**1,710**	**3,820**	**4,359**	**4,016**	**13,905**	**15,582**
Claims ratio	64.7%	65.9%	67.6%	71.8%	67.3%	67.6%
Expense ratio	16.9%	15.2%	15.6%	14.9%	15.7%	15.6%
Combined ratio	81.6%	81.1%	83.1%	86.8%	83.0%	83.1%
Risk ratio [1]	58.4%	60.5%	62.2%	66.2%	61.6%	61.9%
Cost ratio [1]	23.2%	20.6%	21.0%	20.6%	21.4%	21.2%
Insurance margin [1]	18.4%	18.9%	16.9%	13.2%	17.0%	16.9%

[1] Refers to alternative performance measurements, which are defined in Glossary and definitions.

Net financial result
The net financial result was MSEK 5,396 (6,133), consisting of Investment result and Insurance finance income or expenses, net.

Investment result was MSEK 7,584 (9,934), of which MSEK 204 resulted from Topdanmark. This corresponded to a total investment return for If of 6.0% (8.3), driven by strong positive results both for the equity portfolio and the fixed income portfolio. The allocation of investment assets remained relatively stable, with fixed income comprising 90% (89) and equities 10% (11) of total investment assets in If Group. The duration of the fixed income assets at the end of the period was 2.6 (2.4).

Insurance finance income or expenses, net was negative MSEK 2,188 (negative 3,801) and included the effect of changes in discount rates of negative MSEK 226 (negative 1,562) and interest expense (unwinding) of negative MSEK 1,909 (negative 2,063).

Tax expense and net profit
The effective tax rate for the year was 20.68% (21.01). Out of the total tax expenses, current tax expense accounted for MSEK 2,843 (2,642) and deferred tax expense for MSEK 33 (631).

Net profit for the year was MSEK 11,029 (12,309).

Results per business area
Information concerning operations and the earnings trend in If Group's business areas is presented in Note 6.

Solvency and cash flow
Insurance is a regulated business subject to EU-wide rules for cal- culating capital requirements and available capital. All of If's insurance subsidiaries have regulatory solvency capital requirements (SCR) and fulfilled those during the financial year. During the year, Sampo received approval of a group partial internal model (PIM) for the calculation of SCR. If Skadeförsäkring AB (publ) previously had its own approved PIM but is now covered by Sampo's PIM for the calculation of SCR for the insurance risk, while other risks are calculated according to the standard formula. Topdanmark Forsikring already uses its own approved partial internal model (PIM) for calculating the SCR for the insurance risk, while other risks are calculated according to the standard formula. If Livförsäkring AB, If P&C Insurance AS (Estonia), and Forsikringsselskabet Dansk Sundhedssikring A/S use only the standard formula to calculate the SCR.

As a subsidiary of Sampo plc, If P&C Insurance Holding Ltd (publ) is a member of the Sampo Insurance Group and is not subject to a formal requirement to report its sub-group solvency position. The consolidation capital calculated according to the Swedish Financial Supervisory Authority's general recommendations amounted to MSEK 50,573 (47,943).

Cash flow from operating activities, including net investments in financial investment assets, amounted to MSEK 8,997 (8,153) and a dividend of MSEK 8,000 (8,000) was paid during the year.

Furthermore, cash flow has been affected in an amount of MSEK 53,685 by the acquisition of Topdanmark, which is offset by a shareholder contribution of MSEK 34,029 and a loan from Sampo of MSEK 20,000.

Personnel
The number of employees increased during the year and amounted to 10,547 (7,948) at year-end. The average number of employees during the year was 8,462 (7,871), of whom 53% (53) were women.

During the year, If recruited approximately 1,000 employees (1,200) in order to replace people who had retired or left the company and to add new competencies to the organization. As of 1 November, Topdanmark with approximately 2,400 employees is part of If Group.

The principles applied for determining remuneration to senior executives are presented in Note 10.

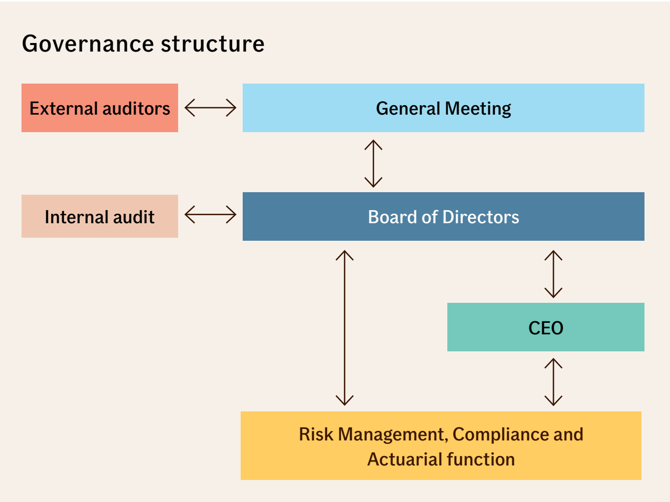
Outlook
The macroeconomic environment remains uncertain. Despite this, the underlying profitability of the insurance operation is expected to remain solid. A key success factor is continued accuracy in pricing insurance contracts, while ongoing efficiency improvements are important for long-term profitability.

Applied accounting policies
If P&C Insurance Holding Ltd (publ) has prepared the consolidated accounts in accordance with international accounting standards (IFRS Standards, IAS Standards, SIC Interpretations and IFRIC Interpretations), as adopted by the European Union. For the 2024 financial year, there were no new or amended standards that caused any significant changes or new requirements for the . Group.

Objectives and principles for financial risk management
The objectives of risk management are to provide the Boards of Directors and other stakeholders with assurance that risks and capital are being well managed while minimizing the effect of adverse events and their risk of reoccurring. Furthermore, the objectives are to provide the best possible information to support risk-based decisions and promote a strong risk culture, where all employees understand the importance of risk and contribute to the management of risk.

If P&C Insurance Holding Ltd (publ) has a risk management framework to manage risks in line with the overall risk management objectives and strategy. If P&C Insurance Holding Ltd (publ) bases its risk management framework on regulation and industry best practices and applies a three-lines model in the day-to-day management of risk. With the acquisition of Topdanmark, an integration has started to integrate Topdanmark with the If Group's risk framework. The risks, exposures and risk management are described in Note 5.

Corporate Governance Statement



If P&C Insurance Holding Ltd (publ) is not listed and does not comply with the Swedish Corporate Governance Code. However, the company has a subordinated loan listed for trading on the Luxembourg Stock Exchange (BdL Market). According to the Swedish Annual Accounts Act (1995:1554), there are requirements stipulating that such companies shall submit a limited Corporate Governance Statement. The company has decided to include the Corporate Governance Statement as part of the Board of Directors' Report.

As mentioned earlier, the company is a wholly owned subsidiary of the listed Finnish company Sampo plc. The shareholder's right to participate in company decisions is exercised at the Annual General Meeting and at Extraordinary General Meetings.

The Articles of Association, the fundamental control document for the company, states, inter alia, the object of the company's operations, the size of the share capital, the number of members of the Board of Directors and auditors, as well as the period for such assignments, matters that shall be addressed at the Annual General Meeting and how notice convening the General Meetings shall be sent out. According to the Articles of Association, the Board of Directors shall comprise no fewer than three and not more than five elected members, and the election shall apply for the period until the end of the Annual General Meeting taking place the year after the member was elected. The Articles of Association contain no stipulations pertaining to amendments of the Articles of Association. The company has issued two series of shares, Series A shares and Series B shares. Series A shares carry one vote each and Series B shares carry one tenth of a vote each. The shareholder or the shareholder's representative is entitled to vote for the full number of shares represented, with no restrictions on voting entitlement. No General Meeting has granted any authorization to the Board of Directors to make decisions that the company shall issue new shares or acquire own shares.

The Board of Directors is ultimately responsible for ensuring that there are efficient systems for follow-up and control of the company's business and financial position. The central finance and accounting department is responsible in part for control systems, control, accounting and reporting in accordance with generally accepted accounting principles, and in part for liquidity, funding and capital. Work involving internal control of financial reporting is based on If's Internal Control Policy, which is based on the framework established by the Committee of Sponsoring Organizations of the Treadway Commission, COSO. The aim is that the financial reports will not include any material errors. The control environment includes aspects such as the organizational structure, roles and responsibilities, integrity-steering documents, ethical values and the competences of If's employees. Control activities consist of steering documents, approval procedures, descriptions of procedures and controls to manage the identified risks. Implemented controls include activities such as authorization rules and referrals according to appropriate rules; for example, the four-eyes principle.

The risk management function is led by the Chief Risk Officer (CRO). The function has the task of supporting the implementation and development of the risk management system. The risk management function reports to the Board and the CEO, see also Note 5.

The compliance function is responsible for advising the Board and the CEO regarding compliance with the rules that are related to If Group's permit to conduct insurance operations. The compliance function also evaluates the measures taken to prevent non-compliance.

Furthermore, the compliance function assesses any consequences of rule changes that affect the business and identifies and assesses risks of non-compliance. A risk-based compliance plan is produced annually and adopted by the Board. The compliance function is operationally independent. The Chief Compliance Officer (CCO) is appointed by the CEO and has the overall responsibility for the function and its areas of responsibility. The Board issues an instruction to the CCO, which describes its tasks in more detail. The CCO reports directly to the company's Board and the CEO.

The actuarial function is led by the Chief Actuary and reports to the Board and to the CEO. The main tasks of the actuarial function are to coordinate the calculation of insurance liabilities to ensure reliability and adequacy, to comment on the underwriting policy, on whether the reinsurance arrangements are sufficient and on the solvency position and to contribute to the risk management system, including through the ORSA process.

Internal audit is an objective and independent function designed to add value to and improve the organization's operations. The internal audit helps the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness and suitability of risk management, control and governance processes.

The internal audit function conducted a number of audits of the company's operations during the year in accordance with a risk-based internal audit activity plan, which has been approved by the Board of Directors. The Chief Audit Executive reports the results of the audits directly to the Board of Directors. In addition, the Board of Directors receives an annual report containing a summary of the function's work, and significant observations during the year. The internal audit function also performs follow-up activities to ensure that corrective measures have been taken by the business.
The external auditors are independent reviewers of the company's accounts and assess and express an opinion on whether they consider that the annual report gives a true and fair view of the financial position and result. They also review that the accounts have been prepared in accordance with applicable laws and standards. The auditors also review the administration of the Board and the CEO.

Significant events after the balance sheet date

In February 2025, Peter Hermann announced that he will leave his position as Deputy CEO as of 1 July 2025.

Parent Company

The operations of the Parent Company If P&C Insurance Holding Ltd (publ) consist primarily of ownership and management of shares in subsidiaries and managing a part of the cash surplus in a dedicated investment portfolio. Parts of Group Management were employed by the Parent Company until 30 June 2023.

The Parent Company is also the main account holder for a group cash pool account system comprising the major part of the flows of liquid funds from the insurance operations. Underlying flows give rise to intra-group transactions within the Parent Company's balance sheet.

As part of the restructuring following the acquisition of Topdanmark A/S, Topdanmark A/S has sold all directly owned subsidiaries to If Skadeförsäkring Holding AB. These transactions have resulted in an extraordinary dividend during the year from Topdanmark A/S of MSEK 55,957 with a corresponding write-down of shares in Topdanmark A/S of MSEK 55,597. The Parent Company's net profit for the year was stable and amounted to MSEK 10,720 (8,272), mainly consisting of dividends from subsidiaries.

The Parent Company's consolidation capital at year end amounted to MSEK 57,433 (20,679) and its total assets to MSEK 79,156 (21,563).

Appropriation of earnings

Unrestricted funds in the company that are available for appropriation by the Annual General Meeting in accordance with the balance sheet, amount to:

SEK	
Net profit for the year	10,720,235,494
Profit brought forward	42,092,389,656
	52,812,625,150

The Board of Directors proposes appropriation of earnings as follows:

SEK	
Paid as dividend	11,000,000,000
Profit to be carried forward	41,812,625,150
	52,812,625,150

Group Five-year summary

MSEK	2024	2023	2022	2021	2020
Condensed income statement (2022-2024) [1,2]					
Insurance revenue	68,045	61,158	56,570		
Reinsurance premium expense	-5,028	-3,832	-3,174		
Insurance service expense, claims incurred	-46,177	-43,180	-38,978		
of which, claims handling expenses	*-3,592*	*-3,253*	*-3,002*		
Insurance service expense, operating expenses	-9,911	-8,916	-8,512		
Reinsurers' share of claims incurred	3,765	4,434	1,247		
Insurance service result	**10,694**	**9,664**	**7,152**		
Investment result	7,584	9,934	2,927		
Insurance finance income or expenses, net	-2,188	-3,801	6,488		
Net financial result	**5,396**	**6,133**	**9,415**		
Other income	1,675	1,647	1,470		
Other expenses	-3,681	-1,765	-1,570		
Interest expense, financing	-240	-106	-81		
Interest expense, net pension liability	7	8	-4		
Result from associates	55	1	97		
Result before income tax	**13,905**	**15,582**	**16,479**		
Income taxes	-2,876	-3,273	-3,456		
Net profit for the year	**11,029**	**12,309**	**13,023**		
Condensed income statement (2020-2021) [1,2]					
Premiums written, net of reinsurance				49,262	48,126
Premiums earned, net of reinsurance				48,418	47,028
Allocated investment return transferred from the non-technical account				145	173
Other technical income				1,232	1,079
Claims incurred, net of reinsurance				-31,717	-31,204
of which, claims handling expenses				*-2,701*	*-2,672*
Operating expenses for insurance operations, net of reinsurance				-7,662	-7,416
Other operating expenses				-1,260	-1,159
Technical result from property and casualty insurance				**9,155**	**8,502**
Investment result				2,371	1,529
Allocated investment return transferred to the technical account				-361	-404
Interest expense, net pension liability				-13	-16
Interest expense, financing				-163	-160
Result from associates				-67	-1
Result before income taxes				**10,923**	**9,451**
Taxes				-2,304	-2,046
Net profit for the year				**8,618**	**7,405**

Group Five-year summary, *continued*

MSEK	2024	2023	2022	2021	2020
Balance sheet, 31 December [1,2]					
Assets					
Intangible assets	19,546	2,119	2,233	2,137	2,256
Investment assets	147,040	120,312	116,288	113,839	108,535
Reinsurance assets/Reinsurers' share of technical provisions	8,622	6,251	2,934	3,299	2,844
Deferred tax assets	66	40	98	45	217
Debtors	4,579	3,530	2,711	17,129	15,969
Other assets, prepaid expenses and accrued income	9,732	6,750	7,082	9,423	8,267
Total assets	**189,585**	**139,001**	**131,345**	**145,872**	**138,089**
Shareholders' equity, provisions and liabilities					
Shareholders' equity	43,512	42,587	38,937	36,292	30,868
Subordinated debt	1,728	1,496	2,494	2,490	4,095
Deferred tax liability	5,399	3,900	3,405	3,614	2,822
Insurance liabilities/Technical provisions	102,253	79,162	74,433	92,599	88,629
Creditors	32,051	9,166	9,332	8,447	8,506
Provisions, accrued expenses and prepaid income	4,642	2,690	2,744	2,430	3,168
Total shareholders' equity, provisions and liabilities	**189,585**	**139,001**	**131,345**	**145,872**	**138,089**
Key data, property and casualty operations [1]					
Claims ratio	67,3%	67.6%	70.7%	65.5%	66.4%
Expense ratio	15,7%	15.6%	15.9%	15.8%	15.8%
Combined ratio	83,0%	83.1%	86.6%	81.3%	82.1%
Risk ratio [3]	61,6%	61.9%	65.0%	59.9%	60.7%
Cost ratio [3]	21,4%	21.2%	21.6%	21.4%	21.5%
Insurance margin [3]	17,0%	16.9%	13.4%	19.0%	18.2%
Gross written premium [3]	69,719	62,743	57,732	52,089	50,582
Ceded written premium	-5,267	-4,029	-3,260	-2,827	-2,455
Key data, asset management [2]					
Total investment return [4]	6,0%	8.3%	-4.4%	4.3%	2.3%
Total return [1,2,5]	7,584	9,934	-5,439	4,999	2,548
Other key data [1,2]					
Consolidation capital	50,573	47,943	44,739	42,352	37,568
of which, deferred tax	*5,333*	*3,860*	*3,307*	3,569	*2,605*
Consolidation margin	78,5%	81.7%	82.1%	86.0%	78.1%
Return on equity [3]	24,8%	27.7%	15.4%	29.2%	27.6%

[1] Since 1 January, 2023 If applies IFRS 17 Insurance contracts whereby all figures for 2022 have been recalculated in accordance with these policies. The figures presented for 2020-2021 are unchanged, which means that they are presented in accordance with the previously applied accounting policies.

[2] Since 1 January, 2023 If applies IFRS 9 Financial instruments. The figures presented for 2020-2022 are unchanged, which means that they are presented in accordance with the previously applied accounting policies.

[3] Refers to alternative performance measurements, which are defined in Glossary and definitions.

[4] The calculations are based on the policies used internally by If Group for the valuation of investment operations. Refer to Note 12.

[5] The total return from 2023 onward consists of the Investment result. For 2022 and earlier, this consists of the Investment result and effects presented in Other comprehensive income (Remeasurement of financial assets available for sale and Value changes on financial assets available for sale reclassified to the income statement).

Sustainability statement

General information

ESRS 2

BP-1 – General basis for preparation of the sustainability statement

The Sustainability statement constitutes the statutory sustainability report for If P&C Insurance Holding Ltd (publ) in accordance with the Annual Accounts Act. If P&C Insurance Holding Ltd (publ) has chosen to apply the updated requirements in the Annual Accounts Act and prepares the Sustainability statement in accordance with the European Sustainability Standards (ESRS) and the Taxonomy Regulation. The Sustainability statement also meets the requirements of the older version of the Annual Accounts Act that applied before 1 July 2024.

The sustainability statement for If P&C Insurance Holding Ltd (publ) is prepared on the same consolidated basis as the financial statements and covers If P&C Insurance Holding Ltd (publ) and its subsidiaries. The consolidation principles used in the sustainability statement follow those used in the financial reporting. If Group is used to describe the operations of all consolidated companies, including Topdanmark. If is used to describe the operations excluding the companies that were part of the acquisition of Topdanmark, and Topdanmark is used to describe the operations of companies that were part of the acquisition for the period 1 November to 31 December 2024.

The sustainability statement covers the full value chain including own operations as well as upstream and downstream. The upstream value chain includes suppliers of generic office products or services, and the downstream value chain encompasses claims suppliers, business partners and damage prevention, as well as investees and customers.

If Group has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

BP-2 – Disclosures in relation to specific circumstances

If Group reports the information related to the disclosures in relation to specific circumstances alongside the disclosures to which they refer, when applicable.

In this sustainability statement, If Group uses the short-, medium- and long-term time horizons as defined in ESRS 1 Section 6.4. Short-term time horizon is defined as the reporting period of the financial statement (one year), medium-term time horizon as the financial planning period (up to five years) and the long-term time horizon as + five years.

When greenhouse gas (GHG) data has been calculated, If group has sometimes relied on estimations and/or extrapolations when no activity or spend data has been available. There is also data that is subject to a high level of measurement uncertainty. For more information about this, see E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions.

When forward-looking information is disclosed, it is indicated if it is considered to be uncertain.

The previous materiality analysis that was made in accordance with the GRI-standards has been updated in accordance with the double materiality assessment described in ESRS 1.

Information regarding GHG emissions has been updated due to new insights into the emissions. For more information, see E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions. There are no other material errors from previous reporting periods.

The sustainability statement is based on the EU Corporate Sustainability Reporting Directive (CSRD) and has been structured in accordance with the ESRS. The sustainability statement also includes information according to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the EU Taxonomy Regulation, as presented in separate sections of the statement.

Since this is the first year of preparation of the Sustainability statement under the ESRS, there are disclosure requirements and datapoints described in ESRS 1 Appendix C that have been omitted or that are not applicable.

GOV-1 – The role of the administrative, management and supervisory bodies

Composition of the administrative, management and supervisory bodies

The decision-making powers of the Board of Directors follow from local legislation in the respective company's country of incorporation, as well as the articles of association and any other instructions given directly by the general meeting. According to the articles of association of If P&C Insurance Holding Ltd (publ), the Board of Directors shall consist of no less than three and not more than five members elected by the general meeting.

In 2024, the total number of elected members of the Board of Directors was four, all of whom were non-executive members. The Board of Directors of If P&C Insurance Holding Ltd (publ) has no employee representatives; however, the subsidiary If P&C Insurance Ltd (publ) has two employee representatives on its Board of Directors and Topdanmark AS has three on its Board of Directors.

All members of the Board of Directors of If P&C Insurance Holding Ltd (publ) have extensive experience of the Nordic insurance sector. More information about the experience of the Board of Directors is available on the website www.sampo.com. The share of men on the Board of Directors of If P&C Insurance Holding Ltd (publ) is 100% and all members of the Board of Directors are independent of the company, although not in relation to the shareholder as they are all employed at the owner company Sampo plc.

Roles and responsibilities of the Board of Directors

The Board of Directors is ultimately responsible for ensuring that the business is organised in an appropriate manner. The Board of Directors is also the corporate body with overall responsibility for the design and oversight of the risk management framework, and for ensuring that the management of risks and follow-up of the risks are satisfactory. The Board of Directors also has the ultimate oversight of sustainability within If Group, covering the entire range of environmental, social and governance matters. Further, the Board of Directors approves the policy framework and adopts instructions for the Chief Executive Officer (CEO), specifying the CEO's responsibilities. All steering documents are revised annually. The Board of Directors also approves the financial plans and decides on If Group's overall strategic direction. The Board of Directors and the CEO are jointly responsible for committing to a culture that promotes ethical behaviour, a high level of integrity and accountability, as well as a good internal control within If Group.

The Board of Directors has not appointed any formal board committees within its field of responsibility. The Board of Directors has, however, established a set of committees at group level, which are advisory and preparatory bodies to the Board of Directors, the CEO or certain functions of the respective If companies. The committees do not have a decision mandate. However, in some committees, the appointed Chairman is given formal delegations by the Board of Directors through the relevant policy to make certain decisions that fall under the categories that are the province of the committee. The Board of Directors also approves the yearly sustainability statement. Progress towards sustainability targets, as decided by the Board of

Directors in If P&C Insurance Holding Ltd (publ), is followed up at least annually and reported on in the sustainability statement.

Management role

The CEO bears ultimate responsibility for the day-to-day business activities of the companies within If Group. It has the possibility to delegate decision-making authority concerning day-to-day business activities to other persons within If, but retains accountability for the decisions made. The CEO of If P&C Insurance Holding Ltd (publ) is accountable for developing and implementing the overall strategy decided by the Board of Directors. Several business groups have been formed to coordinate and follow up on various issues that lie within the CEO's areas of responsibility. The Business Management Group is a preparatory body for the CEO of If P&C Insurance Holding Ltd (publ). The CEO is also the Chairman of the group.

Key functions

The Risk Management function is headed by the Chief Risk Officer. Responsibilities and tasks within the function are carried out by the Financial Risk and Capital Management unit, the Non-Financial Risk unit and the Validation team. Among other things, the function facilitates the implementation and the development of the risk management framework The Risk Management function reports to the Board of Directors and to the CEO.

The Compliance function is headed by the Chief Compliance Officer and is responsible for reporting to the Board of Directors and the CEO on the compliance with the rules that are relevant for the licence to conduct insurance business.

The Internal Audit function is headed by the Chief Audit Executive. The Internal Audit function evaluates and gives assurance to the Board of Directors and the CEO that governance, risk management, and internal control processes as designed and represented by the management are adequate and effective and support the business objectives. The Internal Audit function also evaluates the adequacy and effectiveness of the internal control system and all other elements of the system of governance and reports directly to the Board of Directors.

The Actuarial function is headed by the Chief Actuary who advises on actuarial matters and fulfils tasks according to the instruction of the Actuarial function. The Actuarial function reports to the Board of Directors and to the CEO.

All key functions report to the Board of Directors every quarter. In addition to the regular reporting, the Compliance function is also responsible for managing the whistleblowing channel, including the initiation of appropriate measures in relation to whistleblowing reports.

Sustainability Committee, Sustainability Office and Sustainability Core teams

If's Sustainability Committee is an advisory and preparatory body for the CEO for sustainability-related matters and the integration into operations. The committee meets quarterly. Members of the committee include the Chief Financial Officer (Chair), Head of Human Resources (HR), Head of Brand Marketing & Communication, Chief Legal Counsel, Chief Information Officer, Chief Risk Officer, Head of Sustainability and representatives from the business areas Private, Commercial, Industrial and the Baltics and the Claims unit.

The Head of Sustainability coordinates the sustainability work and reports on strategy, targets, actions and follow-up processes to the Sustainability Committee. The Head of Sustainability is supported in this work by the Sustainability Office and Sustainability Core teams. The Sustainability Office, for example, provides strategic input on sustainability issues, coordinates the reporting to the Sustainability Committee and cooperates with the Sustainability Core teams. The Sustainability Core teams mainly consist of persons in the line organisation who perform sustainability-related work within If Group. The Sustainability Policy presents the company's position and approach to sustainability.

Skills and expertise

The members of the Board of Directors and the CEO possess the appropriate skills and expertise to oversee sustainability matters. In particular, one of the board members of If P&C Holding Ltd. (publ) directs Sampo plc's Sustainability unit and another board member acts as Chief Investment Officer for Sampo Group. If Group provides structured training initiatives for certain groups of employees to meet specific business challenges, but each employee is also encouraged to take individual ownership of improving operational excellence within their area of responsibility. The Board of Directors receive regular training on developments in the area of sustainability. For example, training on CSRD and ESRS, including impacts, risks and opportunities related to climate change adaptation and climate change mitigation, and the Taxonomy Regulation was provided to the Board of Directors in December 2023.

Fit and proper

If Group has adopted the Sampo Group guidelines for selecting and assessing company management and other key personnel. The purpose of the guidelines is to ensure that the Sampo Group companies are managed with competence and integrity. A Fit and Proper Policy has been issued to supplement the Sampo Group Guidelines. The policy describes the fit and proper process and defines the positions that are subject to assessments. The policy considers, for example, the person's professional and formal qualifications and knowledge, as well as their relevant experience within the insurance sector, other financial sectors or other businesses.

To ensure that the company is managed and overseen in a professional manner, the fitness assessment considers the respective duties of the members of the Boards of Directors to ensure an appropriate diversity of qualifications, knowledge and relevant experience, both individually and collectively.

Assessed persons should be of good repute and integrity. The assessment includes an evaluation of the person's honesty and financial soundness based on relevant evidence regarding their character, personal behaviour and business conduct, including criminal, financial and supervisory aspects relevant to the assessment.

GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

In 2024, the Board of Directors of If P&C Insurance Holding Ltd (publ) convened 14 times. The Board of Directors regularly discusses reviews related to different areas of sustainability, which are presented by the executive management and specialists. The reviews provide the Board of Directors with information about the material impacts, risks and opportunities related to sustainability, and about the progress made towards the company's sustainability targets. The reviews also ensure that the Board of Directors' understanding and competence in sustainability matters are up to date. Apart from reports from the Sustainability unit, reports from other units such as the Compliance function, the Risk Management function and HR can also include sustainability matters as sustainability is an integral part of the operations. The Board of Directors and management committees receive meeting materials before each meeting and have time to provide feedback. During a meeting, a presentation of the topic in question is provided before a decision is made.

Sustainability-related risks are part of the overall risk management. The Board of Directors is responsible for ensuring that the risks are properly managed and controlled. Additionally, the Board of Directors oversees material impacts and opportunities related to strategy and major transactions together with operative management. In 2024, for example, the Board of Directors approved the sustainability report for 2023; hence, impacts, risks and opportunities related to climate change mitigation and the science-based targets were overseen.

Examples of topics related to If Groups' impacts, risks and opportunities identified through the double materiality analysis that have been handled at the meetings of the Board of Directors in 2024:

– Update and follow-up of sustainability targets, including near-term science-based emissions reduction targets
– Policy updates
– Employee engagement survey results and related development measures
– Regulatory development concerning sustainability
– Sustainability reporting
– Occupational safety/Information security/Non-compliance incidents/Internal control effectiveness.

A due diligence process in accordance with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises has been developed to identify, avoid and address possible adverse impacts on human rights, labour rights, the environment and anti-corruption commitments associated with the supply chains and business partners. The process has been incorporated into the purchasing processes, starting in Norway due to the Norwegian Transparency Act. The Transparency Act requires If P&C Holding Ltd (publ) and its subsidiaries to conduct due diligence on fundamental human rights and decent working conditions in the own operations, the supply chain and the business partners related to the operations in Norway. In accordance with the legislation, If is obliged to annually publish a report on the due diligence carried out during the reporting period. For more information regarding due diligence, see GOV-4 – Statement on due diligence.

GOV-3 – Integration of sustainability-related performance in incentive schemes

The members of the Board of Directors of If P&C Insurance Holding Ltd (publ) do not participate in any incentive schemes issued by the company.

The CEO of If P&C Insurance Holding ltd (publ) participates in an annual short-term incentive programme, where targets are based on If Group's key performance indicators (KPIs), business area results and individual performance. The CEO also has targets connected to Sampo Group, due to his position as a member of the Sampo Group Executive Committee. Part of the payout from the 2024 short-term incentive programme will be based on the fulfilment of targets related to the Science Based Targets initiative.

The Remuneration Policy states that both quantitative and qualitative criteria shall be used for assessing performance and that qualitative criteria shall include sustainability measures. Sustainability-related metrics in annual incentive programmes are for example customer retention, customer satisfaction (NPS) and employee engagement (eNPS). To be eligible for payment from a variable compensation programme, participants must furthermore have acted in compliance with internal and external rules for the business

The CEO also participates in two long-term incentive (LTI) schemes, LTI 2020:1 and LTI 2024, of which the latter includes environmental, social and governance (ESG) targets. Based on the terms and conditions of LTI 2024, 10% of the reward is subject to the performance of Sampo Group's work related to sustainability. The sustainability performance criterion consists of group and subsidiary balanced scorecards relating to development, implementation and execution of science-based targets.

The Board of Directors of If P&C Insurance Holding Ltd (publ) annually approves the Remuneration Policy, the forms of variable compensation to be offered and the individual variable compensation elements and maximum variable compensation levels for the CEO. The Head of HR has the mandate to issue business instructions to direct the implementation of the Remuneration Policy and is responsible for determining detailed remuneration guidelines for each year in accordance with the Remuneration Policy, the Sampo Group Remuneration Principles, and the instructions from the Board of Directors. The launch of the long-term incentive schemes and their terms and conditions are approved by the Board of Directors.

GOV-4 – Statement on due diligence

If Group addresses the actual and potential negative impacts on the environment and people connected with the business. These include negative impacts connected with the own operations and the upstream and downstream value chain. Engagement with internal and external stakeholders as well as the identification of, and the actions taken to address adverse impacts are described under each subsection.

Sampo Group is a signatory of the UN Global Compact, and its Group Code of Conduct is based on the ten principles related to human rights, labour, environment and anti-corruption. This is also an integral part of If Group's due diligence policies and processes targeting employees (e.g., HR Policy and Ethics Policy), customers (e.g., Underwriting Policy), investees (e.g., Responsible Investment Policy) and suppliers and business partners (i.e., Supplier Code of Conduct and Procurement Policy).

Employees

As If Group's business is mainly in the Nordic and Baltic countries, the risk of direct human rights violations in own operations[1] is considered to be relatively low. However, it is recognised that some circumstances may have an indirect negative impact on human rights, such as lack of inclusiveness due to language barriers, unwarranted pay differences, unequal treatment, or harassment, for example.

If Group aims to ensure a constructive and trustful dialogue with employees and their elected representatives for the purpose of developing the company and safeguarding the correct treatment of employees. If Group has different ways of identifying possible issues as well as risks and impacts relating to its own employees, including employee surveys, work environment councils, meetings with employee representatives and incident reporting channels.

If's Ethics Committee discusses, and coordinates ethics issues and provides recommendations. The Ethics Policy, which applies to all employees, describes If's goals, principles and responsibilities in this area, including human rights, in greater detail. Furthermore, each business area, the claims unit and corporate functions have appointed Ethics Officers that can be approached for advice on ethical issues. In addition, If organises courses, seminars and discussions on ethics and ethical dilemmas in the workplace and provides e-learning courses on ethics. The One Responsible If e-learning programme is mandatory for all employees to conduct on an annual basis. The training includes one part that reflects the content of the Ethics Policy and training on a methodology to help manage ethical dilemmas.

Topdanmark has implemented a Code of Conduct, which consists of a number of principles that reflect the conduct that Topdanmark wants to promote. The principles cover how employees should treat each other, serve customers and interact with other stakeholders such as investors, suppliers, business partners and authorities. The principles also reflect how to exercise corporate governance and

[1] www.amnesty.org/en/countries/

work with social and environmental sustainability. The Code of Conduct covers a wide range of topics including business principles and business ethics, including anti-corruption and lobbyism and the whistleblower scheme.

All new employees and consultants at Topdanmark have been obliged to complete and pass the e-learning course on the Code of Conduct in connection with their employment. Other employees are obliged to complete the e-learning course every second year. The Code of Conduct applies to all employees, management, consultants and the Board of Directors.

Underwriting

If has integrated sustainability considerations directly into the underwriting process for corporate clients. The main focus is on the large corporate clients, but the requirements also apply to smaller company clients. The framework is based on the UN Global Compact, and covers human rights, labour, environment and anti-corruption.

If expects its clients, including entities belonging to the same corporate group as the clients, to comply with the UN Global Compact, even if they are not participating in the initiative themselves. To assess whether corporate clients are complying with the UN Global Compact, If uses research from an external service provider. If, according to the assessment, a corporate client is found to be in breach of one or more of the UN Global Compact principles, the company will be notified and asked to remedy the situation. If a client is not willing or able to improve its governance or practice to comply with the principles, they could be asked to find another insurer.

Topdanmark uses an external service provider for the customer due diligence. All commercial customers with at least two employees are screened for ESG criteria and there are regular meetings with the sustainability team and the underwriting team to assess potential breaches of the UN Global Compact. In case of a breach, the customer is asked to provide a remedy and correct their business to ensure that no other breaches occur. This process is done in dialogue between Topdanmark and the customer. The dialogue process is important as a major part of Topdanmark's customers are in the small and medium-sized enterprises segment, and because of their size sometimes do not have the resources to act alone. If the customer is unwilling to remedy the breach, Topdanmark can choose to terminate the customer relationship. The specific demands for customers in terms of upholding human rights are explicitly stated on Topdanmark's website, in the Human Rights Policy and in the Code of Conduct for Suppliers. The results of the screenings are reported quarterly in the Sampo Group ESG Fact Book.

Investments

Sampo Group is a signatory of Principles for Responsible Investment (PRI). As an active and responsible owner, If Group has incorporated ESG factors into the investment analysis and decision-making processes, as well as the ownership policies and practices. The investment philosophy of Sampo Group is to invest directly in individual companies' shares and debt instruments. These companies are carefully studied before any investments are made, and ESG factors are considered along with other factors that might affect the risk-return ratio of separate investments. If's investment policies include instructions on how to take ESG issues into account by using an internal ESG traffic light model. The traffic light model is based on ESG risk ratings provided by an external data provider.

As a complement to risk rating, If Group uses sector-based screening and norm-based research. The sector-based screening aims to identify and inform decisions regarding companies that are involved in certain industry sectors and in the production and distribution of certain products and services. Certain industry sectors can be considered sensitive or controversial from an ESG perspective.

Norm-based research assists in the decision-making regarding companies' adherence to international norms concerning environmental protection, human rights, labour standards and anti-corruption.

If a sustainability risk is identified, additional research must be conducted, and the investment will not be allowed unless special permission is provided by If's Chief Financial Officer. The ESG risk ratings, sector-based screenings and norm-based research are monitored and followed up monthly, and a detailed report is presented to the Investment Control Committee. The information is also reported to the Board of Directors on an annual basis.

If engages with companies through direct dialogue and voting, but also through pooled engagement with other investors, if it is believed that this can be an effective means of achieving a desired change within the company. Reasons for engagement with other investors include breaches of international norms and standards. This information is obtained using the norm-based research. As a measure of last resort, the investment might be sold, if the investment object that is the target of the engagement action does not respond to the engagement efforts and does not take measures to prevent the abuse or breach within a reasonable time frame.

If has a separate Responsible Investment Policy, which expands the scope of the responsible investment processes and increases alignment across the Sampo Group. In the policy, both current and new investments are covered by the responsible investment processes, and clearly defined responsibilities of the various parts of these processes have been included. Also, the industries that are considered to be sensitive and the tolerance levels for these sectors have been reviewed and updated. Exemptions can, however, be granted for some sectors if the company has a credible strategy to transition to a more sustainable business model, and the policy includes examples of such credible strategies.

Topdanmark's equity exposure mainly stems from investments in Exchange Traded Funds (ETF), where the selection criteria from the fund provider exclude positions that are not aligned with Topdanmark's Responsible Investment Policy. The fund providers handle engagement and voting for Topdanmark as it is assessed that the fund providers, due to their size, can more effectively influence companies to conduct their business more sustainably.

Suppliers and business partners

If Group has a due diligence process for suppliers and business partners, based on the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for business and human rights. The aim of the process is to identify, avoid and address possible adverse impacts on human rights, labour, environment and anti-corruption commitments associated with the supply chain and business partners.

The due diligence process is currently being implemented across If's various business areas and countries, and is subject to some variations based on the specific context of each department and its supply chain.

There are four main steps of the process. In the initial phase of the due diligence, suppliers and business partners are verified and screened against global sanctions and warning lists. Suppliers are then assessed for sustainability risks, based on the sector and geography in which they operate. Suppliers assessed as having a high-risk profile are sent self-assessment questionnaires to complement the information.

The Supplier Code of Conduct defines the minimum requirements that suppliers are expected to respect and is based on the UN Global Compact and its underlying conventions and declarations. The Supplier Code of Conduct is being attached to agreements with suppliers, and forms the basis for the follow-up and supplier engagement. Suppliers within motor and property claims are also expected to comply with Additional Environmental Requirements; for more information about the content of these, see E5-2 Actions and resources related to resource use and circular economy.

To ensure that suppliers comply with the Supplier Code of Conduct, If has different follow-up options, such as sending self-assessment questionnaires, or conducting site visits. If is continually working to formalise and improve this process.

In the event of any identified deviations from the Supplier Code of Conduct, the supplier will be asked to provide a corrective action plan for If Group to approve. The aim of the process is to help suppliers to develop and improve rather than terminating the business relationship with them. However, If Group reserves the right to terminate a contract if there are serious violations that the supplier is not handling or remediating in a sufficient way.

The due diligence process is monitored by means of quarterly internal reporting.

GOV–5 - Risk management and internal controls over sustainability reporting

The risk management and internal control system in relation to the sustainability reporting process are part of the overall risk management framework. The risk management framework manages the risks in line with the overall risk management objectives and strategy. The framework is based on regulation and industry best practice, and the three lines model is applied in the day-to-day management of risk. As part of the framework, the risk management process includes risk identification, assessment, response, monitoring and reporting. The three lines model addresses how specific duties related to risk and control are assigned and coordinated. The first line comprises the business areas, the Claims unit and corporate functions. The second line consists of the Risk Management function, the Compliance function and the Actuarial function. The Internal Audit function constitutes the third line.

Risks are identified and assessed by the first line based on the risk management framework. This includes both risk management as part of day-to-day activities and quarterly risk assessments. Identification of risks is performed within the respective business area or function, taking both internal controls and occurred incidents into account. Risks are assessed in terms of impact and likelihood, where prioritisation of mitigating actions is decided based on the criticality of the risks. Key controls have been developed for the most critical risks related to the sustainability reporting.

Risks connected to the sustainability reporting are mainly related to inaccurate or incomplete data and the inadequate presentation of the sustainability reporting. Various internal controls related to the sustainability reporting have been implemented, such as the four eyes principle in the production to ensure accuracy, reconciliation of data to verify completeness, and IT controls such as access rights and segregation of duties in the reporting system to secure the availability, integrity and confidentiality of data and reports. Furthermore, clear policies and instructions are implemented to ensure that the sustainability statement contains fair presentations and disclosures.

Based on the risk management process, highly rated risks are followed up continuously by both risk owners in the first line and by the second line. Risks and internal control findings are communicated to relevant stakeholders in the sustainability reporting process so that they can take mitigating actions, such as improvements to internal controls, when needed.

Risk reporting routines have been formalised and set up to meet internal and external regulatory requirements. The first line reports its identified risks and internal control weaknesses to the second line as well as to the applicable committees on a regular basis. The second line is responsible for the reporting of key findings to the Risk Committee, the CEO and the Board of Directors.

SBM-1 – Strategy, business model and value chain

If Group provides insurance solutions for individuals, businesses and international industrial enterprises, and has more than 4 million customers in the Nordic and Baltic countries. If Group also has branch offices in France, Germany, the Netherlands and the United Kingdom for customers that conduct international operations.

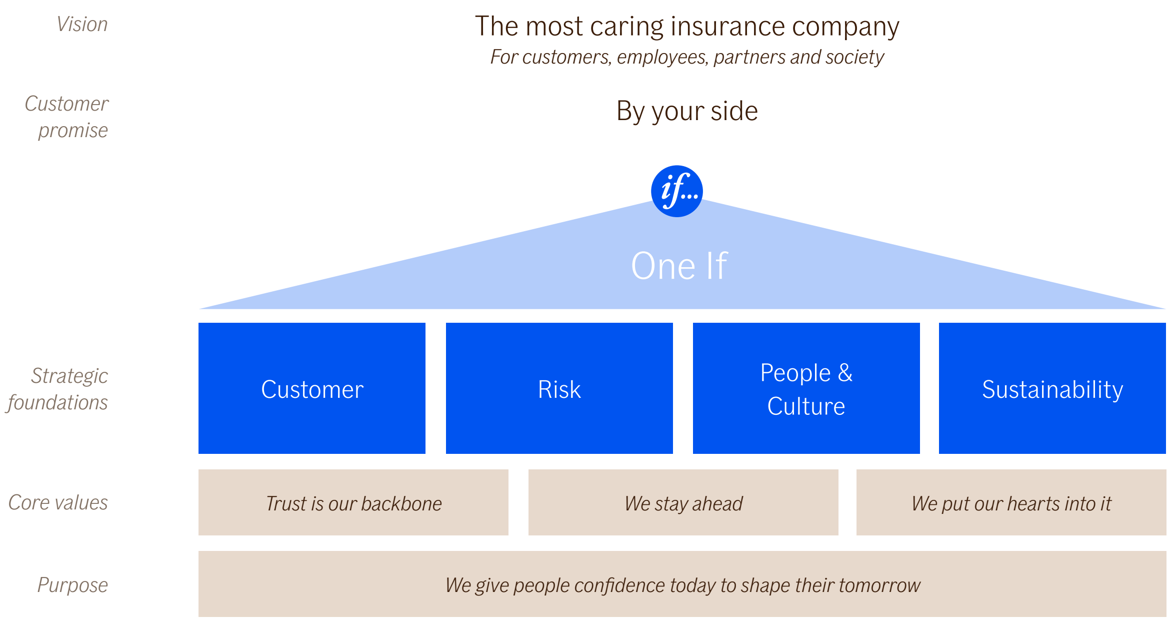
The insurance business is divided by customer segments into the cross-Nordic business areas Private, Commercial (small and medium-sized companies), Industrial (large corporations) and Topdanmark. The operations in the Baltic countries constitute a separate business area. The Private business area accounts for more than half of the total premium income, where vehicle, property and personal insurances constitute the main lines of business. Insurance is provided through own branches, other brands and in co-branding and partnerships, to offer customers a full range of competitive insurance solutions.

As per 31 December 2024, If Group's total employee headcount was 11,172. The number of employees by geographical areas is presented in S1 Own workforce.

In 2024, If Group's insurance revenue amounted to MSEK 68,045 (61,158). For more information about the breakdown of total revenue in accordance with operating segments, see Note 6 – Result per business area.

Sustainability is an integral part of If Group's core business. The ambition is to be the most trusted insurance company, and to actively contribute to a more sustainable society. If Group provides social and economic security to customers, and to society at large, through high-quality insurance products. It is believed that If Group's knowledge, products and services can support the transformation to a more sustainable society as described in the commitments below.

If's strategy framework consists of four strategic foundations: Customer, Risk, People & Culture and Sustainability. The strategic foundation of sustainability is built on three commitments: Commitment to our customers, Commitment to our employees and Commitment to society.



Customer
If's ambition is to have the most satisfied customers and partners in the Nordics and Baltics.

Risk
If's ambition is to be best in risk.

People & Culture
If's ambition is to have the most engaged people.

Sustainability
If's ambition is to be the most trusted insurance company and actively contribute to a more sustainable society.

If's sustainability strategy is based on its materiality analysis and builds on the:

Commitment to our customers

- If provides state-of-the-art loss prevention services that reduce risk and economic cost, increase safety and decrease the environmental impact.
- When something happens, If helps the customers to rebuild and recover, and makes sure that claims are handled in a sustainable way.
- If excels in responsible business practices and provides insurance products and services with a focus on quality, transparency and efficiency.

Commitment to our employees

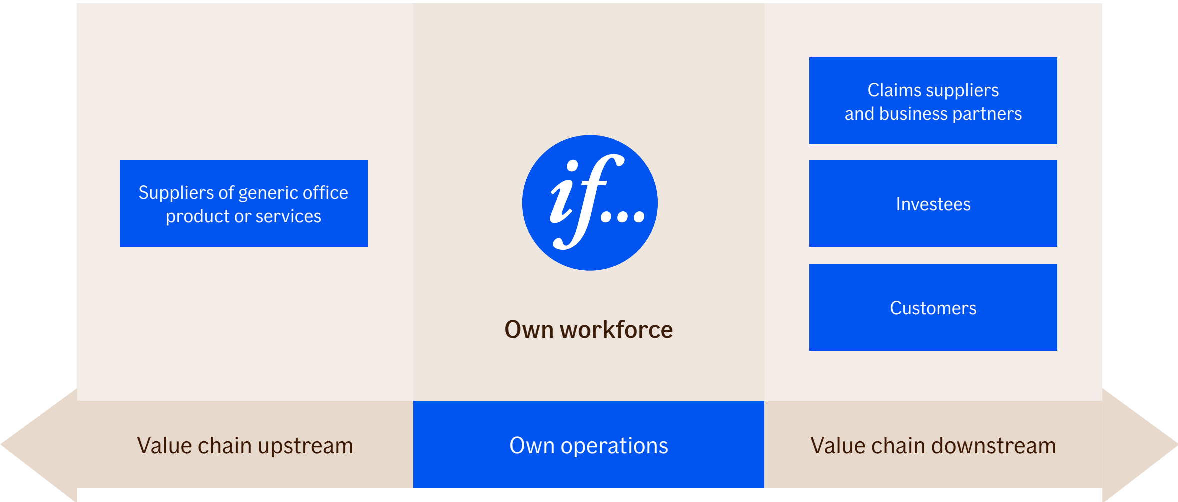
- If provides a healthy, safe and attractive work environment for all employees.
- If provides a diverse and inclusive work environment, where everyone is treated fairly and equally.
- If provides environmentally friendly workplaces, enabling the employees to minimise their environmental footprint.

Commitment to society

- If adheres to good corporate governance and transparency.
- If contributes with its expertise in risk management to the building of a more resilient society.
- If supports the transformation to a low-carbon society.

For more information about measurable metrics related to commitment to our customers, see for example metrics related to resource efficiency and circular economy in the claims handling operations in E5 Circular economy in claims handling (vehicle repairs). Targets related to commitment to our employees are disclosed in S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities. Targets related to the commitment to society and the transformation to a low-carbon society (science-based targets) are disclosed under E1-4 – Targets related to climate change mitigation and adaptation.

Business model and value chain
To gain input regarding important issues in the value chain, including on sustainability matters, If Group conducts screening of its underwriting and investment portfolios, and also engages with suppliers and business partners through regular meetings and due diligence processes. To read more about these activities, see S2-2 – Processes for engaging with value chain workers about impacts. These inputs inform



about potential impacts, risks and opportunities that are important for the sustainability agenda and the business model at large.

If Group provides loss prevention services for its customers, helping to reduce risk and economic cost, increase safety and reduce environmental impact. The priority is to help the customers to manage risks and to provide support when accidents occur. Sharing knowledge and insights is also an important part of the interaction with other key stakeholders and with society at large. If Group participates in relevant research projects that are related to risks and that increase societal resilience, and actively participates in the public debate on relevant topics, such as climate change, road safety and health.

If Group's value chain includes own operations (own offices and employees), the upstream value chain consists of suppliers of generic office products, and the downstream value chain consists of claims suppliers, business partners, investees and customers.

SBM-2 – Interests and views of stakeholders

If Group conducts regular dialogues with its many stakeholders and has also involved stakeholders as part of the double materiality analysis. The primary stakeholder groups are customers, employees, management, partners and suppliers, authorities and local communities. Each primary stakeholder group has several sub-categories.

Stakeholder engagement and activities have been integrated into the ordinary business operations to ensure meaningful and regular engagement with the stakeholder groups. The type of dialogue and activity depends on the specific stakeholder group (see the stakeholder engagement table, below).

The stakeholders' perspectives provide important insights for identifying and fully understanding the actual and potential, negative and positive impacts on the environment and people, including impacts on human rights across activities and business relationships, as well as the material risks and opportunities.

As a result of the continual dialogue, the key stakeholders support the chosen strategy and business model. The views and interests of stakeholders are carefully considered when developing the strategy, and If Group aims to develop the operations and relationship with stakeholders further. Examples of actions taken include improvements to external communications, customer service and internal reporting.

The Board of Directors is informed about the views and interests of stakeholders as part of regular reporting and when considered necessary.

The interests, views and rights of the own workforce support the company's strategic decisions. If Group strives for a constructive, trustful and open dialogue with employees and their elected representatives, with the purpose of developing the company and safeguarding the correct treatment of all employees.

If Group has a value chain with many different groups of workers, including those involved in the claims handling (e.g., vehicle repairs and property renovations), investee companies, IT hardware and software, and office supplies, as well as in the customer companies. The perspectives of value chain workers provide important insights for identifying and understanding If Group's impacts on human rights and labour practices across the activities and business relationships.

Engagement with workers in the value chain is integrated into the daily business operations for example, through the due diligence process.

Customers are identified as a primary stakeholder group that both affects and is affected by If Group in the short and long term. Stakeholder engagement and activities are integrated into the ordinary business operations to ensure meaningful and regular engagement with the stakeholder groups.

The main forums for customers to raise concerns are customer meetings, customer satisfaction surveys, the Customer Ombudsman, interviews and in some countries, the mandatory customer complaint's function. The key issues raised are mainly related to preventing damage, injuries and accidents; responsible and environmentally friendly claims handling; responsible investments; and counteracting financial crime and corruption.

As part of the double materiality assessment, two types of stakeholders have been identified:

1. Potential and actual affected stakeholders (i.e., those affected by a company's business activities), and
2. Users of the sustainability statement.

The views and expectations of the various stakeholders have been included in the assessment.

In addition to the stakeholders in the table, Topdanmark also identified investors, non-governmental organisations (NGOs), media, rating agencies and analysts as key stakeholders.

Until 18 October 2024, Topdanmark was listed on the Danish Stock exchange and naturally engaged with the shareholders on a regular basis to ensure efficient financial allocation and to gain an understanding of the shareholders' interests. Engagement occurred, among other things, through the annual general meeting and other meetings. Among the topics discussed were the financial performance, strategy and group structure, as well as the regulatory development and climate targets. By actively leaning on the rating agencies that focus on listed companies, Topdanmark provided transparency for the

Stakeholder engagement

Stakeholder group	Forum for dialogue	Examples of discussion topics
Customers [1,2]	– Customer meetings – Customer satisfaction – Customer Ombudsman	– Preventing damage, injuries and accidents – Responsible and environmentally friendly claims handling – Responsible investments – Counteracting financial crime and corruption
Employees [1,2]	– Leader–employee dialogues – Work environment councils – Meetings with union representatives – Employee surveys	– Healthy and safe work environment – Diversity and inclusion – Skills and professional development – Business conduct and ethics
Management [1,2]	– Board of Directors meetings – Management Group meetings	– Responsible business practices and satisfied customers – Healthy, safe, diverse and inclusive work environment – Good governance, active contribution to society and reducing GHG emissions
Partners and suppliers [1,2]	– Meetings with partners and suppliers – Engagement through the due diligence process	– Responsible procurement practices encouraging environmentally friendly products and services – Responsible business practices and transparency – Active contribution to society and reducing GHG emissions
Authorities and local communities [1,2]	– Meetings with supervisory authorities – Meetings and communication via industry organisations	– Responsible business practices – Good corporate governance and transparency – Active contribution to society and reducing GHG emissions

[1] Potential and actual affected stakeholders (i.e., affected by the business activities).
[2] Users of the sustainability statement

investors and the market. Engagement with rating agencies mainly occurred through meetings and exchange of information such as targets, actions and performance on progress. Engagement with media mainly occurred through meetings and participation in events and seminars, and the topics discussed were financial performance, customer service, ESG matters and society, and legislation.

Topdanmark also engaged with NGOs through meetings, events and by providing knowhow to NGOs that work in areas that are compatible with Topdanmark's business strategy.

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

If Group has conducted a double materiality assessment, in accordance with the European Sustainability Reporting Standards (ESRS). The results of the assessment are presented in the table on next page. The material impacts, risks and opportunities are addressed in the strategy and the risk management framework and are evenly distributed throughout the own operations and the upstream and downstream value chain. For more information about factors used to set thresholds for the materiality see IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities.

Climate change

There are physical and transition risks related to climate change that could lead to financial consequences for If Group. Climate-related physical risks are already relevant in the short term and are likely to grow in the medium to long term. The risks are managed through a combination of reinsurance, pricing and diversification. The insurance solutions provide customers with extensive coverage against natural hazards and provide support and incentives for loss prevention measures and claims handling.

The climate impact of the own operations is relatively low, as the direct GHG emissions of If Group are relatively low. When considering the whole value chain, including the investments and claims handling, the negative impact of the GHG emissions is greater. If Group has set science-based emission-reduction targets, which includes investments and claims handling, and has taken actions to achieve them.

Circular economy

If Group has a negative impact on the environment with regard to resource use, especially in claims handling. By, for example, increasing the number of reused parts in claims and reducing material use in property claims, If Group can limit the negative impact and reduce costs.

Own workforce

Working conditions is considered to be a material topic where If Group has a large impact, especially as employees spend a lot of time at work. There are several processes and actions in place, and work-life balance is assessed regularly. If Group has a positive impact on training and skills development through different development opportunities, such as internal career opportunities, growth talks, job shadowing and job rotation. There is a risk of increased costs and higher employee turnover if expectations related to working conditions, privacy legislation and equal treatment and opportunities for all are not met.

Workers in the value chain

If Group has an impact on workers in the value chain, especially through the suppliers within the claims handling, business partners, corporate customers and investments. The risks of negative impact can be mitigated with strong policies and governance structures, but due to the complexity of the value chain and the limits of engagement, they cannot be completely eliminated. Due to increasing regulation and possible reputational damage, negative impacts can also cause financial risks.

Consumers and end-users

If Group has a positive impact on consumers and end-users by protecting them and their assets. The protection of the health, safety and security of consumers and end-users and their assets is both the core

Topics	Impact materiality	Financial materiality	Value chain
E1 Climate change	Material	Material	Entire value chain
E2 Pollution	-	-	-
E3 Water and marine resources	-	-	-
E4 Biodiversity and ecosystems	-	-	-
E5 Circular economy	Material	Material	Entire value chain
S1 Own workforce	Material	Material	Own operations
S2 Workers in the value chain	Material	-	Entire value chain excluding own operations
S3 Affected communities	-	-	-
S4 Consumers and end-users	Material	Material	Customers
G1 Business conduct	-	Material	Entire value chain

business and the foremost opportunity. Failure to meet customer expectations related to data privacy and other forms of legislations can have negative consequences and is therefore a reputational and financial risk.

Business conduct
For If Group, responsible business conduct is seen as a baseline. By promoting high standards, effective governance structures and training regarding topics such as business conduct and corporate culture as well as anti-corruption and bribery, the risk of reputational damage due to employees not acting responsibly can be reduced.

For more information about how the strategy and business model interact with material impacts, risks, and opportunities, see each of the reported ESRS topics

If Group uses the expertise in risk management to contribute to the building of a more resilient society. If Group participates in relevant research projects that are related to the expertise and knowledge in risk management, with the aim of building knowledge about how to reduce risks and increase societal resilience. If Group also participates in the public debate on relevant topics, such as climate change, road safety and health, and conducts continual dialogue with policymakers.

Sustainability risks are mitigated through proactive efforts to reduce exposure to both transition risk and physical climate risk. Exposure is reduced through active risk assessment and pricing, reinsurance, diversification, ESG risk rating, sensitive sector screening, norm-based research, active ownership related to the investment portfolio, a Supplier Code of Conduct, science-based climate targets and staying up to date with research on climate change adaption. If actively focuses on predicting and preventing weather-related insurance claims to reduce the risk of higher costs. Resilience towards material impacts, risks and opportunities is assessed as a part of the existing processes for risk management, strategy development and sustainability management.

To assess the sensitivity to climate change, If has analysed the investment portfolio's exposure to systemic economic and financial climate change risks. Furthermore, the impact of climate change on the insurance results has been analysed based on macroeconomic variables and effects on claims and the pricing of insurance contracts. The conclusion from the analysis is If's underwriting and investment returns are resilient to climate changes. The objective of the analysis is also to find information that is useful to the underwriting and investment decision processes, and the insights gained can be used to remove or mitigate climate change risk or to benefit from identified opportunities.

A more detailed specification of the material sustainability topics, related impacts, risks, and opportunities, as well as the approach to managing them, can be found in each of the ESRS topics in this sustainability statement.

2024 is the first reporting year that If Group has conducted a double materiality assessment, and thus changes since last year are not reported. Based on the identified risks and opportunities in the assessment, If Group does not expect there to be material adjustments within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statement.

Identified impacts, risks and opportunities are covered by the sector-agnostic disclosure requirements in accordance with the ESRS. However, some entity-specific measures have been added.

IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities
During 2023 and 2024, If Group conducted a double materiality assessment to identify sustainability matters that could trigger risks or opportunities that influence the ability to create and protect value (financial materiality), as well as sustainability matters related to the business that could have positive or negative impacts on people or the environment (impact materiality). The double materiality assessment served as a source for identifying the information to be included in the sustainability statement. The methodology used in the double materiality process follows the legislative requirements and supporting guidance provided by EFRAG.

The first phase of the double materiality assessment was to identify an initial list of sustainability topics that are potentially material for If Group. The list was based on the ESRS standards, the previous materiality analysis, which was made in accordance with the GRI-standards, and industry benchmarks. The identified topics were mapped against the parts in the value chain where impacts, risks and opportunities (IRO) potentially take place. If Group's value chain is divided into upstream (suppliers of generic office products or services), own operations (own workforce and offices) and downstream (claims suppliers, business partners, investees and customers).

In the second phase, several interviews and workshops with internal key stakeholders and experts were conducted and facilitated by an external consultant. In the workshops, representatives from for example the Sustainability unit, Risk Management function, HR, Legal and the business areas identified the impacts, risks and opportunities associated with the sustainability topics in the initial list. In addition to this, external sources such as industry and research reports were consulted in order to verify information or to gain a better understanding of different issues. The expected time horizon of each impact, risk and opportunity was defined as short-term (one year), medium-term (up to five years) or long-term (five+ years).

Information regarding affected stakeholders' perspectives collected through the existing channels was utilised in the assessment of impacts. For a list of If Group's stakeholders and forums where stakeholder dialogue takes place, see SBM-2 – Interests and views of stakeholders.

When assessing impact materiality, each sustainability topic was categorised based on whether its impact on people or the environment is positive or negative, and whether it is actual or potential. The criteria used for assessing the materiality of each topic were severity (scale, scope and, for negative impacts, irremediable character) and likelihood (whether it was an actual impact or a likelihood of potential impact). In the event of a potential negative human rights impact, the severity took precedence over its likelihood, in accordance with the requirement in ESRS 1.

When assessing financial materiality, If Group identified and assessed risks and opportunities associated with each sustainability topic based on whether they potentially impact the financial development, performance, position, cash flow, access to finance or cost of capital. The identified impacts were the starting point for the risk and opportunity identification. The criteria used for defining the financial materiality assessment for each topic were the potential magnitude of the financial effects and the likelihood of occurrence.

Thresholds were set based on the quantitative assessment of severity/financial effect and likelihood, using the expertise and perspectives of involved stakeholders. Impacts, risks and opportunities with the highest combined assessed severity/financial effect and likelihood were determined to be material. Thresholds were set together with the Sampo Sustainability unit, representatives from If Group and other internal stakeholders based on their expertise regarding the insurance industry, If-specific circumstances, business model and markets, as well as sustainability expertise. The quantitative thresholds were used in order to facilitate the judgement of materiality, and the comparability between topics and sub-topics, but the assessment was primarily qualitative.

The ongoing work and results of the double materiality assessment, were presented to the Sustainability Committee with the purpose of controlling and anchoring the results and to the steering group[2] for the internal CSRD project with the purpose of continually controlling, anchoring and deciding on the results.

The identified sustainability-related risks are integrated into the overall risk management framework and are subject to the same risk management process. The identified impacts and opportunities are not directly included in the risk management process, but the governance of them rather lies within the Sustainability unit or other relevant business units. The methodology and assessments of the risks were discussed with Risk Management, to ensure that the assessment was in line with existing risk assessments, as well as to gain insights based on the department's expertise.

This was the first double materiality assessment to be performed. Therefore, there are no changes to how the assessment was conducted compared to previous reporting periods. The double materiality will be reassessed annually, and any modifications made to the process will then be reported.

A separate double materiality assessment was performed for Topdanmark during 2024 which does not cause any changes to If's material topics.

Climate change

In addition to the double materiality assessment, GHG emission calculations, climate-related scenario analyses and multiple risk management practices (e.g., internal model, price analysis, stress tests, scenario analysis, sensitivity analysis) are used to identify and assess impacts, risks and opportunities connected to climate change.

The GHG emissions from own operations (Scope 1 and 2) do not have significant negative impacts on climate change; rather, the main impact on climate change is caused through indirect emissions (Scope 3) resulting from the investment operations and the supply chain (i.e., claims handling). If Group continually analyses and assesses potential additional GHG emission sources. In 2025, for example, If Group will further investigate insurance associated emissions.

If Group has assessed climate-related physical risks in own operations and in the value chain. In the short term, risks arise in the form of changes in claim frequencies and/or the severity of the climate-related physical risks that are already relevant in the current climate in the Nordics, such as windstorms, floods, heavy rainfall, landslides, erosion, heatwaves and rising sea levels. In the medium to long term, increased weather-related losses will likely increase the exposure. Increasing claims costs from climate-related physical risks are mitigated through pricing. The economic impact of unexpectedly high levels of natural disasters is managed through a combination of reinsurance and diversification. For more information, see ESRS 2 SBM-3 – Scenario Analysis.

Transition risks are associated with new regulation, new technology, changing customer behaviour and increased stakeholder concern. Corporate clients may be exposed to litigation under new regulation related to climate change, leading to increased claims costs in liability insurance. Increased concerns from some stakeholders can lead to increased costs for due diligence and a need to discontinue business relationships with certain suppliers and customers. Opportunities related to climate changes have also been identified, such as possibilities to invest in new green technologies. Increased climate-related physical risks could also lead to an increased demand for insurance products and services that provide protection against physical risks and that support climate change adaptation. The development of new products and services is already part of business development and innovation, and risk management services are already part of the services to both private and corporate customers.

To manage climate-related risks, If Group conducts sensitivity analyses using scenarios in which the severity and likelihood of natural catastrophes are assumed to increase. The scope, method and results of the scenarios are described in ESRS 2 SBM-3 – Scenario Analysis.

Pollution

If Group has assessed that pollution is not a material sustainability topic for a company operating in the P&C insurance industry and has therefore not comprehensively screened its site locations and business activities regarding this topic.

Water and marine resources

If Group has assessed that water and marine resources is not a material sustainability topic for a company operating in the P&C insurance industry and has therefore not screened its assets and activities regarding this topic.

Biodiversity and ecosystems

If Group has assessed that biodiversity and ecosystems is not a material sustainability topic for a company operating in the P&C insurance industry and has therefore not screened its assets and activities regarding this topic. The most relevant impacts, dependencies, risks

[2] The steering group is chaired by the Head of Sustainability. Other members are the CFO, the CRO and the Head of Corporate reporting and Cash Management.

and opportunities related to biodiversity and ecosystems are linked to the value chain, mainly through the underwriting, investment operations and claims handling. If Group will follow the topic and the materiality will be re-evaluated in the coming years.

Resource use and circular economy

The process for identifying material impacts, risks and opportunities related to resource use and circular economy has focused on information that already exists within If Group. Affected communities were not consulted in relation to resource use and circular economy specifically, due to the sector, business model and limited use of resources in own operations. If Group has several channels for dialogues with stakeholders, where topics such as circular economy and resource use can be raised. For more information about stakeholder engagement, see SBM-2 – Interests and views of stakeholders.

If Group has identified financial opportunities related to circular economy, primarily by implementing a circular resource flow related to claims handling within property and motor. Through this, If Group can reduce the negative impact on the environment from its downstream value chain. For more information regarding resource use and circular economy as well as prioritisation of the material resources used, see E5 – Resource use and circular economy.

Business conduct

When identifying and assessing material impacts, risks and opportunities, If Group has evaluated the geographical context of its operations, considering the environmental, social and regulatory landscapes that influence the impacts. The insurance services, including product offerings and service delivery methods, have been assessed to identify potential and actual impacts. The risks and opportunities identified are mainly industry-specific for the insurance sector and relate to corporate culture, protection of whistleblowers as well as corruption and bribery.

IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement

Based on the results of the double materiality assessment, If Group reports material disclosure requirements related to the ESRS topical standards E1 Climate change, E5 Circular economy and resource use, S1 Own workforce, S2 Workers in the value chain, S4 Consumers and end-users and G1 Business conduct. For more information about the double materiality process, see IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities.

Responsible investments and responsible underwriting are two sustainability areas that are material for If Group; however, these are not reported as entity-specific but are instead covered by the ESRS topics E1 Climate change and S2 Workers in the value chain.

Disclosure requirements related to E2 Pollution, E3 Water and marine resources, E4 Biodiversity, and S3 Affected communities, are not reported on as the impacts, risks and opportunities in relation to these topics are not seen as material. However, If Group will follow the development within these topics and potentially re-evaluate the materiality in the coming years.

For more information about the disclosure requirements with which If Group complies in preparing the sustainability statement, see Appendix 1. Data points deriving from other EU legislation can be found in Appendix 2.

General information about policies

Policies are reviewed annually and approved by the Board of Directors. The CEO is responsible for organising and overseeing the daily business activities in accordance with instructions from the Board of Directors. All employees need to read, understand and follow internal rules. All leaders with staff responsibility have an additional responsibility to ensure that it is possible for the employees to follow internal rules that apply to them. If's One Responsible If learning programme is part of all new employees' onboarding and an annual activity for all existing employees. The programme covers If's policies on ethics, social media, sustainability, information security, personal data, conflicts of interest, code of conduct, anti-money laundering and counter-terrorist financing. The onboarding of new employees encompasses modules on diversity, equity and inclusion, compliance, ethics and security, and the onboarding of new leaders includes additional information about for example, leadership, health and safety, and union collaboration.

As a general rule, policies apply to all employees within all legal entities and all geographies in If Group. All policies as well as Sampo Group guidelines are available on the intranet. Policies that are relevant for external stakeholders are published on the company's webpage. The interests of stakeholders are communicated through the stakeholder engagement activities and are considered in the policy review process.

Sampo Group, of which If Group is part, is committed to respecting internationally recognised human rights, as defined in the United Nations' Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. Sampo Group is also committed to complying with core International Labour Organization labour standards. Sampo Group has signed the UN Global Compact, which is a principle-based framework for business, and states binding principles on human rights, labour, environment and anti-corruption. These principles are an integral part of the policies that target the employees, customers, investees and suppliers. Sampo Group is also a signatory to the UN Principles for Responsible Investment.

Topdanmark has its own policies; however, these address the same principles, even if they can be divided into different scopes (e.g., human rights are addressed within several policies in If, whilst Topdanmark has a separate Human Rights Policy). Going forward, If's policies will be updated and shall apply to all employees within all legal entities and all geographies in If Group.

Sustainability-related policies and instructions

Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy

Objectives
Establish If's general framework to combat money laundering and financing of terrorism.

Key contents
Description of roles and responsibilities, preventive measures, reporting and implementation.

Materiality
Business conduct.

Monitoring
The Board of Directors is responsible for overseeing the internal governance and internal control framework, ensuring compliance with applicable requirements to prevent money laundering and terrorist financing. A board member is appointed as being responsible for the implementation of the measures required to comply with the AML/CTF regulation. An AML/CTF Compliance Officer is appointed in the Compliance function.

Anti-Fraud Instruction

Objectives
Protect the customer's interests, the company's interests, and the insurance collective's interests by actively preventing, detecting and rejecting fraud.

Key contents
Description of responsibilities, reporting and implementation.

Materiality
Business conduct.

Monitoring
Unit-specific instructions describe the processes in further detail. Leaders are responsible for providing a sufficient internal control structure. The Investigation unit is responsible for supporting the organisation.

Code of Conduct (public)

Objectives
Define the Sampo Group's principles for corporate governance and how employees should treat each other, customers, and other stakeholders.

Key contents
Description of the principles and standards for business conduct, professional ethics, a fair and safe workplace, and environmental and climate considerations.

Materiality
Business conduct, Climate change, Resource use and circular economy, Own workforce, Workers in the value chain, and Consumers and end-users.

Monitoring
The Sampo Group Code of Conduct applies to all companies belonging to Sampo Group and forms the basis for conduct-related policies and guidelines across the Group, and is monitored according to the internal governance framework.

Complaints Handling Policy

Objectives
Describe the complaints handling process.

Key contents
Description of responsibilities, process, reporting, training, and implementation.

Materiality
Business conduct and Consumers and end-users.

Monitoring
Each unit monitors the complaints handling process according to internal instructions. The customer may request a review by the internal, independent Customer Ombudsman organisation. The Customer Ombudsman reports on complaints annually to the Board of Directors, and, if applicable under local law, to the financial supervisory authorities.

Compliance Policy

Objectives
Achieve an integrated compliance culture.

Key contents
Description of responsibilities, communication and reporting, and implementation.

Materiality
Business conduct.

Monitoring
The Board of Directors is responsible for ensuring the company's compliance. The Compliance function is responsible for advising and reporting to the Board of Directors and the CEO and for supporting the organisation in managing compliance risks. Leaders are responsible for ensuring that their organisation works in compliance with applicable rules.

Conflicts of Interest Policy

Objectives
Enable employees to manage conflicts of interest.

Key contents
Description of responsibilities, identifying conflicts of interest, communication and reporting, rules and regulations, and implementation.

Materiality
Business conduct, Own workforce, Workers in the value chain, and Consumers and end-users.

Monitoring
Leaders are responsible for reviewing potential individual conflicts of interest identified by co-workers. Risk and Quality coordinators, HR Compliance and the Compliance function are responsible for supporting the organisation in managing conflicts of interest.

Distribution Policy

Objectives
Provide high-level guidance in the distribution of insurance products and ensure that all distribution is performed in accordance with applicable rules.

Key contents
Description of responsibilities and implementation.

Materiality
Workers in the value chain, Consumers and end-users.

Monitoring
Leaders are responsible for ensuring proper implementation within their area of responsibility.

Diversity, Equity and Inclusion Instruction

Objectives
Describe the ambition level and the actions that If is adopting to promote a workplace where diversity matters and employees feel safe, included and stimulated to do their job and contribute to the further development of If.

Key contents
Description of responsibilities, rules and regulation, and implementation.

Materiality
Own workforce.

Monitoring
The Diversity and Inclusion Board is an advisory and preparatory body to the CEO that monitors initiatives and progress. The Head of Diversity, Equity and Inclusion supports the organisation and reports to the Diversity and Inclusion Board.

Ethics Policy (public)

Objectives
Describe If's commitment to high ethical standards.

Key contents
Description of responsibilities, communication and reporting, and implementation.

Materiality
Business conduct, Own workforce, Consumers and end-users.

Monitoring
The Ethics Committee is an advisory and preparatory body to the CEO. The Chairman of the Ethics Committee is responsible for informing the Board of Directors about relevant issues that arise in the Ethics Committee. An Ethics Officer is appointed in each business area to ensure that the policy is followed and that a high level of ethics is observed within the business area.

Governance Policy

Objectives
Describe, on a high level, the principles and functioning of the system of governance in If.

Key contents
Description of legal and operational structure, internal control system, decision-making, internal reviews, communication and reporting, rules and regulations, and implementation.

Materiality
Business conduct.

Monitoring
The Board of Directors is accountable for the proper implementation of, and the review of the effectiveness of, the System of Governance in If. The Internal Audit function evaluates the adequacy and effectiveness of the internal control system and all other elements of the System of Governance.

HR Policy

Objectives
Describe the principles applied to work environment, leadership and employeeship at If.

Key contents
Description of responsibilities and implementation.

Materiality
Own workforce.

Monitoring
Monitoredt hrough HR processes, regular reviews, surveys, and reports.

Information Security Policy	
Objectives Ensure the protection of information owned by If, and third-party information in the custody of If. **Key contents** Description of information security framework, information handling, responsibilities, reporting and implementation.	**Materiality** Business conduct. **Monitoring** The Information Security Committee is an advisory and preparatory body to the CEO. The Chief Information Security Officer is responsible for supervising information security activities and reports to the Information Security Committee.
Leader in If Business Instruction	
Objectives Clarify expectations, activities and responsibilities regarding all leaders in If. **Key contents** Description of responsibilities, communication and reporting, and implementation.	**Materiality** Business conduct, and Own workforce. **Monitoring** The leader's leader has the main responsibility for following up leadership performance, supported by HR.
Personal Data Policy	
Objectives Ensure that personal data is processed in compliance with applicable rules and regulations, and that there is good internal control of all personal data processing activities. **Key contents** Description of processing of personal data, lawfulness, responsibilities, reporting and implementation.	**Materiality** Own workforce, and Consumers and end-users. **Monitoring** The Data Protection Officer monitors the processing of personal data and reports to the Risk Committee, the Board of Directors and relevant supervisory authorities.
Procurement Policy	
Objectives Ensure that employees are aware of, and understand, the obligations and responsibilities in relation to suppliers and other third parties. **Key contents** Description of scope, roles, contractual requirements, procurement process and due diligence, decision process and implementation.	**Materiality** Workers in the value chain. **Monitoring** The Supplier Committee is an advisory and preparatory body to the CEO. The Supplier Committee supervises If's supplier activities, prepares an annual plan of agreements to review and audit as a suggestion to the Compliance and Internal Audit function, and reports to the Board of Directors.
Remuneration Policy	
Objectives Describe the remuneration framework of If. **Key contents** Description of rules, responsibilities, communication and reporting, monitoring and control, and implementation.	**Materiality** Own workforce. **Monitoring** The Remuneration Committee supports the Board of Directors in its responsibility to oversee the Remuneration Policy. An independent board member is consulted in the preparation of remuneration proposals to the Board of Directors. If's Risk Management function, Compliance function and/or an external auditor perform reviews of the Remuneration Policy and of payouts from variable compensation programmes. The reviews are reported to the Board of Directors.
Responsible Investment Policy (public)	
Objectives Present the responsible investment principles applied in If. **Key contents** Description of If's commitment to responsible investment, implementation, responsibilities, communication and reporting.	**Materiality** Business conduct, Climate change, Workers in the value chain, and Consumers and end-users. **Monitoring** The Investment Control Committee supervises If's investment activities and reports to the Board of Directors. The Chairman of the Investment Control Committee is responsible for overseeing the practical implementation.

Risk Management Policy	
Objectives Set the risk management framework in If. **Key contents** Description of If's risk management objectives, risk management framework, risk management strategy, risk culture, risk appetite statement, capital management, risk management process, risk categories, risk ownership, roles and responsibilities, reporting and implementation.	**Materiality** Business conduct, Climate change, Resource use and circular economy, Own workforce, Workers in the value chain, and Consumers and end-users. **Monitoring** The Board of Directors is responsible for the design and oversight of the risk management framework. The CEO is responsible for the implementation and monitoring of the effectiveness of the risk management framework. The Risk Committee is an advisory and preparatory body to the CEO and assists the CEO in overseeing the risk management system. The Chief Risk Officer reports to the Board of Directors. There are additional committees in place for key risk areas, monitoring that risks are managed and controlled as decided by the Board of Directors. The Risk Management function, the Compliance function and the Actuarial function support the organisation in monitoring the risk management processes.
Supplier Code of Conduct (public)	
Objectives Ensure that If's suppliers conduct business in accordance with If's sustainability standards. **Key contents** Description of rules and regulations, scope, responsibilities, communication and reporting, and compliance with the Code of Conduct.	**Materiality** Business conduct, Climate change, Resource use and circular economy, Workers in the value chain, and Consumers and end-users. **Monitoring** If monitors the suppliers through self-assessment questionnaires, audits and site visits. The supplier is responsible for ensuring that suppliers in their supply chain adhere to the responsibilities set out in this Code of Conduct.
Sustainability Policy	
Objectives Describe If's commitment to promoting sustainability. **Key contents** Description of If's commitments, responsibilities, communication and reporting, and implementation.	**Materiality** Business conduct, Climate change, Resource use and circular economy, Own workforce, Workers in the value chain, and Consumers and end-users. **Monitoring** The Sustainability Committee is a preparatory and advisory body to the CEO. The Sustainability Committee reviews progress on key performance indicators. The Head of Sustainability reports to the Sustainability Committee and coordinates If's sustainability work. The Board of Directors annually adopts the sustainability report, as part of the annual report.
Underwriting Policy	
Objectives Secure that If's insurance operations are in line with corporate strategy and specify overall principles for underwriting activities within If. **Key contents** Description of rules and regulations, activities, governance and responsibilities, and implementation.	**Materiality** Climate change, Workers in the value chain, and Consumers and end-users. **Monitoring** The Underwriting Committee is an advisory and preparatory body to the CEO. Designated persons or units are responsible for the internal underwriting control. Each underwriting unit is subject to regular Underwriting and/or Portfolio reviews. The Underwriting Committee reports to the Risk Committee.
Whistleblowing Instruction	
Objectives Achieve transparency and a high level of ethics, reduce risks and maintain trust in If's operations. **Key contents** Description of responsibilities, when and how to use the whistleblowing service, the investigation process, and implementation.	**Materiality** Business Conduct, Own workforce, Workers in the value chain, and Consumers and end-users. **Monitoring** The Chief Compliance Officer is responsible for the whistleblowing service. Appointed whistleblowing teams handle the cases.

Environmental information

EU Taxonomy

The EU Taxonomy is a classification system that translates the EU's climate and environmental objectives into criteria for specific economic activities for investment purposes.

The basic principle of the Taxonomy is that in order for an economic activity to be recognised as environmentally sustainable (Taxonomy-aligned) it must make a substantial contribution to at least one of the EU's climate and environmental objectives (i.e., climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems). In addition, the economic activity cannot significantly harm any of these objectives and must meet the minimum social safeguards criteria. The Taxonomy Delegated Acts establish and maintain criteria (i.e. technical screening criteria) for activities that have a substantial positive environmental impact.

Companies are required to report on Taxonomy eligibility (i.e., reporting on whether the economic activity is included in the Taxonomy Delegated Acts) and Taxonomy alignment (i.e., reporting on whether the economic activity meets the technical screening criteria for i) substantial contribution, ii) do no significant harm, and iii) comply with minimum social safeguards.

Insurance companies are required to report on key performance indicators (KPIs) on sustainable underwriting activities (the proportion of the non-life gross written premiums (GWPs) corresponding to insurance activities identified as environmentally sustainable in the Taxonomy in relation to total non-life GWP) and sustainable investments (the proportion of the insurer's or reinsurer's investments that are directed at or associated with, the funding of economic activities that qualify as environmentally sustainable).

In 2024, the weighted average of If Group's Taxonomy-aligned activities concerning both underwriting and investments were 1.7% (turnover-based) and 1.7% (capital expenditures-based)[3].

Underwriting activities

Non-life insurance and reinsurance are recognised as enabling economic activities that can make a substantial contribution to the environmental objective of climate change adaptation. At the time of writing this report, the EU Taxonomy does not define other environmental objectives for insurance activities.

The non-life insurance activities listed in the Taxonomy Delegated Acts are (a) Medical expense insurance; (b) Income protection insurance; (c) Workers' compensation insurance; (d) Motor vehicle liability insurance; (e) Other motor insurance; (f) Marine, aviation and transport insurance; (g) Fire and other damage to property insurance; (h) Assistance.

Methodology

To be Taxonomy-eligible, a non-life insurance activity must provide coverage against climate-related perils (e.g., flooding, landslides and heat stress).

If Group follows the European Commission Notice on the interpretation of certain legal provisions of the Disclosures Delegated Acts under Article 9 of the EU Taxonomy Regulation, published on 21 December 2023[4]. This means that solely the share of insurance premiums that only pertain to the coverage of climate-related perils is reported as eligible. The premiums for which If Group has not been able to obtain the necessary data related to climate-related perils are reported as non-eligible.

For an eligible insurance activity to be classified as Taxonomy-aligned, it must fulfil the technical screening criteria set out for the substantial contribution to the environmental objective of climate change adaptation and the Do No Significant Harm (DNSH) principle for the environmental objective of climate change mitigation, and comply with minimum social safeguards.

When assessing the Taxonomy-alignment, If Group has concentrated on the most relevant products in terms of climate change adaptation, which are mainly related to the 'Fire and other damage to property insurance' line of business. For the products where potential alignment with the technical screening criteria was identified, a more thorough and granular product-level analysis and split of premium (e.g., based on a policy, country, or element) was conducted to identify the specific premiums that are in scope for Taxonomy-alignment. For example, the premiums related to home insurance with comprehensive coverage were considered to be in scope for alignment, whilst premiums that are not connected to comprehensive coverage were removed from the calculation. Finally, it was only the part of the premiums that pertains to the coverage of climate-related perils that was deemed to be aligned.

[3] Topdanmark is included as per 2024-12-31 in the investment KPI and for November-December 2024 in the underwriting KPI.
[4] https://eur-lex.europa.eu/eli/C/2024/6691/oj/eng#

Sustainable underwriting activities – Alignment

Substantial contribution	Do No Significant Harm (DNSH)	Minimum Social Safeguards
For an eligible non-life insurance activity to be classified as environmentally sustainable (Taxonomy-aligned), it must fulfil the technical screening criteria set out for the substantial contribution to the environmental objective of climate change adaptation: – Leadership in modelling and pricing of climate risks – e.g., the insurance activity uses state-of-the-art modelling techniques that: (a) properly reflect climate change risks; (b) do not only rely on historical trends; and (c) integrate forward-looking scenarios. – Product design – e.g., insurance products sold under the insurance activity offer risk-based rewards for preventive actions taken by policyholders. – Innovative insurance solutions – e.g., insurance products sold under the insurance activity offer coverage for the climate-related perils where required by the demands and needs of policyholders. – Data sharing – e.g., a significant share of loss data related to the insurer's activity is made available, free of charge, to public authorities for the purpose of analytical research. – High level of service in post-disaster situation – e.g., claims under insurance activity are processed fairly with regard to customers, in accordance with high handling standards for claims.	The eligible non-life insurance activity must also fulfil the technical screening criteria set out for the DNSH principle for the environmental objective of climate change mitigation: – The activity does not include insurance for the extraction, storage, transport or manufacture of fossil fuels, or the insurance of vehicles, properties or other assets dedicated to such purposes.	Finally, the eligible non-life insurance must meet the requirements for minimum social safeguards, (e.g., procedures implemented to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles[1]): – Human rights, including workers' rights – e.g., adequate human rights due diligence processes are in place. – Bribery/corruption – e.g., adequate internal controls, compliance programmes or measures for preventing and detecting bribery are in place. – Taxation – e.g., the company has adequate tax risk management strategies and processes. – Fair competition – e.g., employee awareness of the importance of compliance with all applicable competition laws.

[1] UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

If Group's substantial contribution analysis

Leadership in modelling and pricing of climate risks
To fulfil the criteria, the insurance activities need to use state-of-of-the-art modelling techniques that properly reflect climate change risks, that do not only rely on historical data and that integrate forward-looking scenarios. For If Group, climate-related physical risks are already relevant in the short term and are likely to grow in the medium to long term. As part of the planning process, external factors such as windstorms, sea temperature and flooding that could impact the portfolio are closely followed. Pricing is typically based on historical claims data and portfolio results, and trends in claims will 'automatically' have an effect on the price. Forward-looking scenarios (including scenarios related to natural catastrophes) on a one-year basis are also part of the annual capital allocation process that in turn affects the pricing on all products. In the medium term, a number of scenario analyses, stress tests, sensitivity analyses and reverse stress tests, including scenarios relating to natural catastrophes, are used in the assessment. Scenario analyses are also used to understand the impact of climate change on the long-term risks and opportunities. However, the scenarios used for the medium and long term are not used in the actual pricing, as these concern a longer period than the contracts are signed for.

Product design
The insurer also needs to provide incentives for risk reduction by setting out conditions for the insurance coverage of risk that act as a price signal of risk. The incentive could be an increased coverage or reduced deductible or premium when the policyholder protects an asset or activity against natural catastrophe damage. A core part of the business is to give the customers advice on preventive measures. As an example, the house assessments provided to homeowners in Sweden and Norway provide the customer with recommendations on maintenance and loss prevention measures. If measures are taken, the coverage of the insurance could be increased, or the deductible could be reduced.

Innovative insurance solutions
In accordance with the rules regarding product oversight and governance (POG) in the Insurance Distribution Directive (IDD), all relevant risks for the specific customer group must be specified when developing new products. The IDD also requires an assessment of the demands and needs of the customer before entering into an insurance contract. If Group adheres to IDD when developing new products. Risk transfer solutions such as protection against business interruption or a replacement home are also offered.

Data sharing
If Group has made information about loss data available, free of charge, to public authorities for the purpose of analytical research. Where If Group is not yet sharing this type of data, a declaration of the intention to do so if asked for is made available on the website.

High level of service in post-disaster situation
Finally, If Group has a clear process on how to act if a large-scale loss event happens (regardless of whether it is climate related or not). For example, If will contact the specialists needed and make sure that they go out to the customer. More than 50% of the claims can be solved within 24 hours and in case of a large-scale loss event[1], If employees will go out to the location within three hours. Information about additional measures in these cases can be found on the website. Also, after a climate risk event has occurred, insurers need to provide information about the conditions under which coverage could be renewed or maintained. However, insurance policies in the Nordics typically provide extensive protection against natural catastrophes and renewing the policy after an event is, in most cases, unconditional.

[1] http://www.if.se/foretag/kundfordelar/skadehantering

If Group's Do No Significant Harm analysis

To be Taxonomy-aligned, insurance activities cannot cause any significant harm to the environmental objective of climate change mitigation. Therefore, the activities cannot include insurance for the extraction, storage, transport or manufacture of fossil fuels, or the insurance of vehicles, property or other assets dedicated to such purposes. If Group has used NACE codes to extract contracts that could be related to the extraction, storage, transport or manufacture of fossil fuels. Private customer insurance coverage is considered to be aligned with DNSH as they are not considered to include coverage dedicated to the extraction, storage, transport or manufacture of fossil fuels, or the insurance of vehicles, property and other assets dedicated to such purposes. This screening has been performed for industrial and commercial customers.

If Group's Minimum Social Safeguard analysis

For an economic activity to be considered as Taxonomy-aligned, a company carrying the activity must also comply with the Minimum Social Safeguards, which are due diligence and remedy procedures that are implemented to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Human rights

If Group works to make the UN Global Compact principles part of the strategy, culture and day-to-day operations, and has integrated these into central policies and processes. Respect for human rights, labour, the environment and anti-corruption is therefore an integral part of policies and processes targeting the employees (e.g., HR Policy and Ethics Policy), customers (e.g., Underwriting Policy), investees (e.g., Responsible Investment Policy) and suppliers (e.g., Supplier Code of Conduct).

Sampo Group, of which If Group is part, is committed to respecting internationally recognised human rights, as defined in the United Nations' Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. If Group is also committed to complying with core International Labour Organization labour standards. Sampo Group has signed the UN Global Compact, which is a principle-based framework for businesses that states binding principles on human rights, labour, the environment and anti-corruption.

If Group has integrated the UN Global Compact principles on human rights, labour, the environment and anti-corruption directly into the underwriting operations. To assess whether corporate clients are complying with the UN Global Compact, research from an external service provider is used. In the company assessment from the external partner, each company is given a score, and actions are taken when needed.

If Group also uses norm-based research regarding companies' adherence to international norms concerning environmental protection, human rights, labour standards and anti-corruption. If a sustainability risk is identified, additional research must be conducted, and the investment will not be allowed unless special permission is provided.

The Supplier Code of Conduct defines the minimum requirements that suppliers are expected to respect. The Code of Conduct covers human rights, labour rights, the environment and anti-corruption. All employees who purchase products or services within the areas of office procurements, claims handling and claims settlement must incorporate the Supplier Code of Conduct into the relevant purchasing agreement. To avoid and address possible adverse impacts on human rights, labour rights, the environment and anti-corruption commitments that are associated with the operations, supply chains and business partners, If Group has a due diligence process in accordance with OECD Guidelines for Multinational Enterprises.

Corruption/Bribery

The internal control system encompasses a range of both proactive and reactive mitigating techniques to mitigate the risk of corruption or bribery, – e.g., clear and implemented steering documents and instructions, employee training, access rights, segregation of duties, the four-eyes principle, and other manual and automatic control activities. The effectiveness of the risk mitigation techniques is monitored through various kinds of quality follow-ups in the business. Neither the undertaking nor senior management have been convicted of corruption or bribery.

Taxation

Sampo Group is committed to ensuring that it observes all applicable laws, rules, and regulations in all jurisdictions where it conducts business. Each Sampo Group company must pay its taxes in the countries in which its actual business operations take place. All taxes must be paid on time and the Group is committed to not transferring value created to low-tax jurisdictions. At If Group, the central tax function and local accounting have overall responsibility for ensuring tax compliance. The financial tax position is audited annually by external auditors. The company has not been convicted of tax evasion.

Fair competition

There is an e-training course in fair competition in the annual policy certification package and a mandatory e-training course on competition law for relevant groups of employees. Neither the company nor its senior management have been convicted of breaking competition laws.

The analysis, which is based on the above-mentioned interpretations, shows that 3.6% (3.4) of the total non-life insurance GWPs were Taxonomy-eligible, and 1.8% (1.5) of total GWPs were Taxonomy-aligned in 2024[5]. All the Taxonomy-aligned products are related to Fire and other damage to property insurance. In 2024, If Group increased the share of Taxonomy-aligned premiums due to increased alignment within the Property portfolio. The comparative figures have not been subject to review by the assurance provider.

If Group continues to integrate the EU Taxonomy into the business strategy and product development processes while monitoring the market expectations and customer needs in this area. In the coming years, If Group aims to increase the share of Taxonomy-aligned underwriting activities in the insurance portfolio.

[5] Topdanmark included November-December 2024

Taxonomy-aligned underwriting

	Substantial contribution to climate change adaptation			DNSH (Do No Significant Harm)					
Economic activities	**Absolute premiums, year 2025 [1]**	**Proportion of premiums, year 2025 [1]**	**Proportion of premiums, year 2024**	**Climate change mitigation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and eco-systems**	**Minimum social safeguards**
	(MSEK)	**%**	**%**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**
A.1. Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	1,213	1.8%	1.5%	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**
A.1.1 Of which reinsured	-	-%	-%	-	-	-	-	-	-
A.1.2 Of which stemming from reinsurance activity	-	-%	-%	-	-	-	-	-	-
A.1.2.1 Of which reinsured (retrocession)	-	-%	-%	-	-	-	-	-	-
A.2 Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	**1,262**	**1.8%**	**1.9%**						
B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	66,449	96.4%	96.6%						
Total (A.1 + A.2 + B)	68,925	100.0%	100.0%						

[1] Topdanmark included November-December 2024

Investment activities

The EU Taxonomy requires insurance companies to report the proportion of underlying investments that are Taxonomy-eligible and -aligned. To facilitate this type of reporting at portfolio level, all holdings need to be screened and analysed in relation to the economic activities of the Taxonomy.

If Group analysed all underlying investments according to the Taxonomy reporting requirements, except for sovereign exposures that should be excluded in the Taxonomy analysis. In If Group's analysis, exposures to municipalities were not categorised as sovereign exposures.

When analysing Taxonomy eligibility and alignment, derivatives and investments in undertakings that do not fall within the scope for publishing non-financial information under Directive 2013/34/EU (i.e., non-NFRD companies), were excluded from the numerator, in line with the reporting requirements set in the Taxonomy Disclosures Delegated Act. Reporting requirements also obligate insurance undertakings to distinguish between the proportion of the investments that are held in respect of life insurance contracts where the investment risk is borne by the policy holders and the proportion of remaining investments. If Group has no investments held in respect of life insurance contracts where the investment risk is borne by the policy holders.

The EU Taxonomy analysis of If Group's investments was performed with the use of data from an external data provider.

The external data provider identified companies engaged in economic activities covered by the Taxonomy and produced all Taxonomy indicators directly based on the respective investee companies' own reporting of Taxonomy eligibility and alignment. The indicators were provided based on both underlying companies' revenue and their capital expenditures. As security-specific (e.g., mortgage bonds) eligibility and alignment data is still scarce, most of the securities' eligibility and alignment data was matched to the issuer's reported data. The companies' reported eligibility and alignment data was not modified in any way by the data provider or by If Group, and it therefore includes some discrepancies (e.g., the breakdown of alignment to environmental objectives does not correspond to total alignment).

The relevant investment assets were further analysed according to the Taxonomy reporting requirements by using both data provided by the external data provider and data gathered based on each individual security's issuer. The investments in undertakings categorised as non-NFRD companies were identified by using data provided from the external data provider. As not all NFRD companies are covered by the external data provider, there is a possibility that there are NFRD companies that have not been identified in the assets not covered by the analysis. The investments in undertakings from the EU and non-EU countries have been identified using the securities' issuers' country code. Similarly, investments in undertakings categorised as financial and non-financial have been identified using the securities' issuers' internal sector information to determine the main sector that the companies operate in (e.g., NACE codes).

The analysed underlying investments also include real estate assets (property plant and equipment as well as investment property), cash and cash equivalents, investments in associated companies and intangible assets. These assets are included in the denominator of the EU Taxonomy calculations. For If Group's real assets, no activities with EU Taxonomy eligibility or alignment were found.

For the direct real estate investments, no activities with Taxonomy alignment were found. However, direct real estate investments have been included in the Taxonomy eligibility figures for If Group. All investments in associated companies were in non-NFRD companies, and thus included no Taxonomy eligibility or alignment figures. Cash and cash equivalents were analysed based on the counterparties, but due to the nature of the instruments (e.g., cash and money market instruments), there was no Taxonomy eligibility or alignment reported. The intangible assets of If Group were also not found to have activities related to the Taxonomy.

According to the analysis, the turnover and capital expenditures-based Taxonomy eligibility of If Group's covered assets on 31 December 2024 was 4.7% (7.2) and 5.2% (7.7), respectively, and the turnover and capital expenditures-based Taxonomy alignment of If Group's covered assets was 0.8% (1.1) and 1.3% (1.6), respectively[6]. As expected, the reported numbers are low, as most of the underlying companies are not subject to mandatory Taxonomy reporting, and reported eligibility and alignment are low in general.

If Group reports additional KPIs related to fossil gas and nuclear energy sectors, as laid down by the Delegated Regulation (EU) 2033/1214, regarding its investment activities. Due to minimal exposure to those sectors within the insurance activities, data limitations and current market practices, If Group considers the additional KPIs not applicable in regards of the underwriting activities.

Taxonomy aligned investment

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings as per below:		**The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings as per below:**	
Turnover-based:	0.8%	Turnover-based:	MSEK 1,374
Capital expenditures-based:	1.3%	Capital expenditures-based:	MSEK 2,165
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		**The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.**	
Coverage ratio:	94.8%	Coverage:	MSEK 169,235

[6] Topdanmark included as per 2024-12-31

Additional, complementary disclosures: Breakdown of denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI.		**The value in monetary amounts of derivatives..**	
	0.0%		MSEK 10
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
For non-financial undertakings:	21.6%	For non-financial undertakings:	MSEK 36,601
For financial undertakings:	27.4%	For financial undertakings:	MSEK 46,334
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
For non-financial undertakings:	10.9%	For non-financial undertakings:	MSEK 18,396
For financial undertakings:	13.8%	For financial undertakings:	MSEK 23,283
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:**	
For non-financial undertakings:	12.9%	For non-financial undertakings:	MSEK 21,830
For financial undertakings:	22.2%	For financial undertakings:	MSEK 37,556
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:		**Value of exposures to other counterparties and assets:**	
	15.9%		MSEK 26,903
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities[1]:		**Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities[1]:**	
	100.0%		MSEK 169,235
The value of all the investments that are funding economic activities that are not Taxonomy eligible relative to the value of total assets covered by the KPI[2]:		**Value of all the investments that are funding economic activities that are not Taxonomy eligible[2]:**	
	95.3%		MSEK 161,291
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI[3]:		**Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned[3]:**	
	3.9%		MSEK 6,570

[1] The figure in the table equals the total amount of If Group's investments covered by the KPI other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders. The turnover-based and capital expenditures-based alignment for these investments are 0.8% and 1.3%, respectively.

[2] Turnover-based figure is reported in the table. The capital expenditures-based figure is 94.2%.

[3] Turnover-based figure is reported in the table. The capital expenditures-based figure is 4.5%.

Additional, complementary disclosures: Breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:**	
For non-financial undertakings:		**For non-financial undertakings:**	
Turnover-based:	0.8%	Turnover-based:	MSEK 1,284
Capital expenditures-based:	1.2%	Capital expenditures-based:	MSEK 2,028
For financial undertakings:		**For financial undertakings:**	
Turnover-based:	0.1%	Turnover-based:	MSEK 90
Capital expenditures-based:	0.1%	Capital expenditures-based:	MSEK 137
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:		**Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:**	
Turnover-based:	0.8%	Turnover-based:	MSEK 1,374
Capital expenditures-based:	1.3%	Capital expenditures-based:	MSEK 2,165
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:		**Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:**	
Turnover-based:	-%	Turnover-based:	-
Capital expenditures-based:	-%	Capital expenditures-based:	-

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided 'do-not-significant-harm'(DNSH) and minimum social safeguard positive assessment:				
(1) Climate change mitigation	Turnover:	0.8%	Transitional activities:	Turnover 0.1% CapEx 0.5%
	CapEx:	1.2%	Enabling activities:	Turnover 0.1% CapEX 0.7%
(2) Climate change adaptation	Turnover:	0.0%		
	CapEx:	0.0%	Enabling activities:	Turnover 0.0% CapEx 0.0%
(3) The sustainable use and protection of water and marine resources	Turnover:	0.0%		
	CapEx:	0.0%	Enabling activities:	Turnover 0.0% CapEx 0.0%
(4) The transition to a circular economy	Turnover:	0.0%		
	CapEx:	0.0%	Enabling activities:	Turnover 0.0% CapEx 0.0%
(5) Pollution prevention and con-trol	Turnover:	0.0%		
	CapEx:	0.0%	Enabling activities:	Turnover 0.1% CapEx 0.1%
(6) The protection and restoration of biodiversity and ecosystems	Turnover:	-%		
	CapEx:	-%	Enabling activities:	Turnover -% CapEx -%

Nuclear and fossil gas related activities

Row	Nuclear energy-related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas-related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Taxonomy-aligned economic activities (denominator), based on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to denominator of the applicable KPI	-	-%	-	-%	-	-%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 4	0.0%	MSEK 4	0.0%	-	-%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 34	0.0%	MSEK 34	0.0%	-	-%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%	0	0.0%	-	-%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**MSEK 1,270**	**0.8%**	**MSEK 1,266**	**0.7%**	**MSEK 4**	**0.0%**
8.	**Total applicable KPI**	**MSEK 1,308**	**0.8%**	**MSEK 1,304**	**0.8%**	**MSEK 4**	**0.0%**

Taxonomy-aligned economic activities (denominator), based on CapEX

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 6	0.0%	MSEK 6	0.0%	-	-%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**MSEK 2,097**	**1.2%**	**MSEK 2,092**	**1.2%**	**MSEK 4**	**0.0%**
8.	**Total applicable KPI**	**MSEK 2,103**	**1.2%**	**MSEK 2,098**	**1.2%**	**MSEK 4**	**0.0%**

Taxonomy-aligned economic activities (numerator), based on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 4	0.3%	MSEK 4	0.3%	-	-%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 34	2.5%	MSEK 34	2.5%	-	-%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**MSEK 1,270**	**92.4%**	**MSEK 1,266**	**92.2%**	**MSEK 4**	**0.3%**
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**MSEK 1,308**	**95.2%**	**MSEK 1,304**	**94.9%**	**MSEK 4**	**0.3%**

Taxonomy-aligned economic activities (numerator), based on CapEX

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-%	-	-%	-	-%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 6	0.3%	MSEK 6	0.3%	-	-%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**MSEK 2,097**	**96.8%**	**MSEK 2,092**	**96.6%**	**MSEK 4**	**0.2%**
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**MSEK 2,103**	**97.1%**	**MSEK 2,098**	**96.6%**	**MSEK 4**	**0.2%**

Taxonomy-eligible but not taxonomy-aligned economic activities, based on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 1	0.0%	MSEK 1	0.0%	-	-%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 1	0.0%	MSEK 1	0.0%	-	-%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 16	0.0%	MSEK 16	0.0%	-	-%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 6	0.0%	MSEK 6	0.0%	-	-%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 3	0.0%	MSEK 3	0.0%	-	-%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**MSEK 5,071**	**3.0%**	**MSEK 4,967**	**2.9%**	**MSEK 103**	**0.1%**
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**MSEK 5,097**	**3.0%**	**MSEK 4,993**	**3.0%**	**MSEK 103**	**0.1%**

Taxonomy-eligible but not taxonomy-aligned economic activities, based on CapEX

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%	-	-%	-	-%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%	MSEK 0	0.0%	-	-%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 12	0.0%	MSEK 12	0.0%	MSEK 0	0.0%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 10	0.0%	MSEK 10	0.0%	-	-%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	**MSEK 5**	**0.0%**	**MSEK 5**	**0.0%**	**-**	**-%**
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**MSEK 6,404**	**3.8%**	**MSEK 6,107**	**3.6%**	**MSEK 297**	**0.2%**
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**MSEK 6,431**	**3.8%**	**MSEK 6,134**	**3.6%**	**MSEK 298**	**0.2%**

Taxonomy non-eligible economic activities, based on turnover

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**MSEK 161,290**	**95.3%**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**MSEK 161,291**	**95.3%**

Taxonomy non-eligible economic activities, based on CapEX

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	MSEK 0	0.0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**MSEK 159,418**	**94.2%**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**MSEK 159,419**	**94.2%**

E1 Climate change

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In order to determine the material topics and to identify actual and potential, negative and positive impacts, risks and opportunities regarding the economy, the environment and people, including impacts on human rights across activities and in the value chain, If Group has conducted a double materiality assessment that is regularly updated. Material impacts, risks and opportunities and the connection to the strategy and actions are described in the table below. Within E1 Climate change, Energy is not considered to be a material topic for If Group, and is therefore not reported.

If Group is exposed to both physical risks and transition risks. Physical risks are risks related to the physical impacts of climate change and transition risks are risks related to the transition to a low-carbon economy. Regarding underwriting, climate-related physical risks are already relevant in the short term and are likely to grow in the medium to long term. In the short term, risk arises in the form of changes in claim frequencies and/or the severity of the climate-related physical risks that are already relevant in the current climate in the Nordics, such as windstorms, floods, heavy rainfall, landslides, erosion and heatwaves. Natural catastrophe risk contributes substantially to the gross underwriting risk but as it is to a large extent mitigated by proper pricing, reinsurance and diversification, the contribution to the net risk is less material. The main perils that If Group is exposed to are Nordic windstorms, and there are also some indications that hail and floods may become more prevalent.

The transition to a low-carbon economy results in risks associated with changes in the regulatory environment, new technology, changing customer behaviour and increased stakeholder concern. Companies that If Group insures may be exposed to litigation under new regulation related to climate change, which can lead to increased claims costs in liability insurance. With new technology there are also new risks – for example, new battery-driven technology, where batteries are stored overnight in private homes, offices and production facilities, as well as more solar panels on roofs, low-emission materials for insulation (such as foam plastic) and more wood used

Topic	Impacts	Risks and opportunities	Strategy and actions
Climate change adaptation	Non-life insurance and reinsurance are recognised by the EU Taxonomy as enabling economic activities that can make a substantial contribution to the environmental objective of climate change adaptation. If Group's insurance solutions provide extensive coverage against natural hazards, provide support and incentives for loss prevention measures, provide a high level of service in post disaster situations, and the pricing properly reflects climate change risk. If finances and actively participates in research projects on climate change adaptation, by contributing with data and knowledge. Time horizon: Short, medium, long-term	There are physical and transition risks related to climate change that could lead to financial consequences for If Group. Regarding underwriting, climate-related physical risks are already relevant in the short term and are likely to grow in the medium to long term. Pricing is typically based on claims data and portfolio results – i.e., trends in claims will automatically have an effect on price. Physical risks could also affect reinsurance prices. Time horizon: Short, medium, long-term	– Training, increasing awareness among employees and customers, etc. – Proper underwriting and pricing of climate-related risks. – Loss prevention and risk management services. – Claims handling and support in post-disaster situations. – Diversification. – Reinsurance.
Climate change mitigation	If Group has a negative impact mainly in relation to investment operations and claims (less impact from own operations). If Group has set science-based emission reduction targets and has taken actions to achieve them. These targets and actions can limit the negative impact. Time horizon: Short, medium, long-term	There are transition risks related to climate change that could lead to financial consequences for If Group. There is a reputational risk in the event that If Group would not have ambitious climate change mitigation targets or would not reach its science-based targets. Both impact and likelihood are seen as very low. The transition to a low-carbon society, with potentially increasing environmental and climate regulation, more stringent emission requirements and changes in market preferences, could also affect the value of If Group's investments. These risks are assessed to have a relatively low likelihood in the short term, compared to other risk types. In a longer time horizon, however, these risks could become material. Time horizon: Short, medium, long-term	– Training, increasing awareness amongst employees. – Approved science-based targets, including investments and claims handling. – Science-based targets included in strategic planning, internal policies, and follow-up processes.

in construction instead of concrete, which all lead to increased fire hazards.

For more information about the resilience of the strategy and business model in relation to climate change see SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model.

Scenario analysis related to climate risks

On behalf of If, the external consultant ORTEC Finance has analysed If's investment and underwriting portfolio as well as the solvency position and capital exposure to systemic economic and financial climate-related risks in four different climate scenarios for the period 2025–2060. The insights gained could potentially be used in the management of If Group's investment portfolio (e.g., to remove or decrease certain climate-related risks, or to try to benefit from identified opportunities), but more work is needed before this can be implemented.

Topdanmark has analysed scenarios based on different representative concentration pathway (RCP) scenarios and different time periods of up to 100 years. In addition, Topdanmark receives information from reinsurance companies and other external specialists on expectations related to climate change – e.g., from the Danish Meteorological Institute to identify and assess cloudburst claims. The overall conclusion from the scenario analysis and stress tests for Topdanmark is that the main climate change risk is physical risk in the underwriting activities. It is expected that cloudbursts will become even more volatile, resulting in more extreme cloud burst and windstorm events as well as an increase in the number of events. The physical risk can potentially have substantive financial or strategic impact on the business, as it could increase the compensations to be paid out. The financial impact is considered to be medium, both in the short and the long term. The increase of the tail risk is dependent on the RCP scenario. However, the impact of climate change on the windstorm risk is modest and does not depend on the RCP scenario as significantly as the cloudburst risk. Topdanmark has not identified any significant transition risks but will closely monitor potential transition risks and their impact on Topdanmark. .

In If's analysis, four scenarios (here called pathways) are used. Each pathway is associated with a narrative and a set of assumptions about, for example, implemented climate policies, technology changes, fuel demand, emissions, temperature changes and physical risks.

The four pathways:

Net-Zero:
This scenario describes an easy and smooth transition where political and social organisations act quickly and predictably to achieve net-zero CO2 emissions by 2050.

Net-Zero Financial Crisis:
In this scenario, the transition to a greener economy takes place in a disorderly manner. Sudden divestments to align portfolios with the Paris Agreement goals in 2025 have disruptive effects on financial markets, with sudden repricing followed by stranded assets and a sentiment shock.

Limited Action:
In this scenario, policymakers implement limited nationally determined contributors and fall short of meeting the Paris Agreement goals. Global warming reaches 2.8°C and this causes high physical impact.

High Warming:
In this scenario, the world fails to meet the Paris Agreement goals, and global warming reaches 4.2°C above pre-industrial levels by 2100. The physical climate causes large reductions in economic productivity and increased impacts from extreme weather events. This scenario focuses on physical risk, as a green transition does not take place.

Investments

The results show that If's investment portfolio is relatively resilient to climate-related risks in all four pathways. In the short term, the main risk is related to the pricing-in shock in the Net-Zero Financial Crisis, whilst in the long term, there are negative impacts on the returns in all pathways, due to increasing physical risks. In addition, returns from 'brown' sectors, such as oil, gas, coal, and fossil-based utilities, are particularly affected in both of the Net-Zero pathways. The general behaviour of If's investment returns in each pathway is summarised below.

Net-Zero	Net-Zero Financial Crisis	Limited Action	High Warming
The entire portfolio is relatively resilient under the Net-Zero pathway. Most of the risks are located in the equities and are balanced out by the corporate credit exposure. Climate impacts are concentrated in the short term due to the nature of how the scenario captures transition risks. In the long term, physical risks become more material but remain manageable. Fixed-income nominal returns are influenced by inflation impacts in the short term, due to the surge in investments in low-carbon electricity generation and energy efficiency improvements in order to reach net-zero emissions by 2050. In the medium term, electricity prices decline due to the switch to cheap renewables in the power sector, which contributes to lower overall price levels and lower inflation. The pricing-in shock in financial markets, which affects equities and bond spreads, takes place gradually up until 2025, with a fairly mild overall effect.	The conclusions drawn for the Net-Zero pathway also apply for the Net-Zero Financial Crisis pathway. The key difference here is that transition risks are exacerbated due to the disorderly transition, which brings confusion and additional volatility to financial markets. The Net-Zero Financial Crisis pathway includes the same policy assumptions, technology trends and physical risks as for Net-Zero. However, delayed awareness of the scale and speed of the transition leads to a confidence shock to the financial system, due to an aggressive market correction of carbon-intensive and related assets. Equities and bonds are abruptly re-priced in 2025, with a consequential sentiment shock. Stock market volatility is increased from the start of the pricing-in shock to one year after the start of the sentiment shock. Listed assets are particularly affected, which provokes an overshooting effect when the transition occurs in 2025. This overshoot is then partially corrected in the following year, leading to a V-shaped pattern. This leads to much larger losses in the first-time bucket and positive returns in the following years. After the chaotic period, climate impacts under the Net-Zero Financial Crisis pathway follow the same pattern as in the Net-Zero pathway. However, the short-term losses still lead to an underperformance (cumulatively speaking) of the Net-Zero Financial Crisis pathway throughout the time horizon.	The Limited Action path-way highlights how scaled-down transition policy leads to larger physical risk and material transition risk in the portfolio. Climate impacts start to become evident in around the 2040s, where physical risks increase and cause losses in the higher risk asset classes. Physical risks lead to increasingly lower equity returns. Two pricing-in rounds have a large impact on equity return in these years. Overall, global transition impacts are positive throughout the modelled time period, although less so towards the end. Positive impacts on GDP are driven in the short term by the stimulus effect of investments in low-carbon electricity generation, and in the longer term by the combined effects of continued investment in energy efficiency improvements and changes in real consumer incomes.	In the High Warming pathway, climate impacts are rather muted across the portfolio in the first decade. This is because of the assumption that a transition will not occur. As such, this scenario highlights physical risk exposure in isolation. From the 2030s, physical risks start to build up and cause material losses in the riskier asset classes. These losses compound as time passes due to ever-increasing global average temperatures, and thereby increasing physical risks. After several severe extreme weather event clusters hit the Western world, the market becomes aware of the lower-than-expected market performance due to these expected physical impacts. These expected physical impacts up until 2050 are priced-in during the period 2026–2030. Expected physical risks for the second half of the century are then priced-in during the period 2036–2040. This explains the underperformance observed in these periods. Europe is relatively resilient to extreme weather events, and remains only mildly impacted compared to the USA, for instance. However, gradual temperature rises are expected to impact productivity and the performance of certain sectors (e.g., agriculture), but unlike for the transition scenarios, there are no clear winning/losing sectors in the failed transition. It is expected that the entire economy will suffer from physical risks, regardless of whether actors are operating in a green or brown industry. The key differentiating factor here will be the location and resilience of operations, and the length/complexity of supply chains.

Underwriting and business strategy

The application of a comprehensive climate-related risk scenario analysis to If's underwriting operations is difficult for an external provider to perform with only exposure input from If, as insurance products are less standardised than financial instruments. However, a scenario analysis would be a useful complement to the short-term scenarios that are partly reflecting climate-related risk – in particular, scenarios relating to natural catastrophes. The conducting of a scenario analysis is therefore being planned for the coming years. For now, the impact of climate-related risk on underwriting and business strategy has been qualitatively and quantitatively assessed for the four pathways.

Net-Zero	Net-Zero Financial Crisis	Limited Action	High Warming
In the Net-Zero pathway, changes in the frequency and/or severity of climate-related claims are assumed to not be very sudden or severe, and can therefore be priced based on claims data and portfolio results, as is the current practice. It follows that the gross profitability of the business can be maintained based on the strategy that has already been implemented. Furthermore, the impact on reinsurance prices and availability is assumed to be moderate. Reinsurance can therefore continue to be used to manage If's aggregated exposure to natural catastrophe risk and to reduce volatility in claims costs over time, thereby stabilising the net financial results. The demand from customers and partners for sustainable products and services, as well as for insurance policies tailored to new technologies and new market practices, is assumed to increase. The change is assumed to be gradual, and the strategic risks can therefore be mitigated by the business practices cur-rently in place.	Compared to the Net-Zero pathway, there is greater uncertainty related to the transition path in the Net-Zero Financial Crisis pathway. This uncertainty can lead to general market effects, such as increased demand for insurance, more selective underwriting and higher insurance risk margins. Furthermore, the reinsurance market may also be affected by uncertainty, thereby leading to higher prices and/ or lower capacity. Developments in this pathway could therefore potentially affect If's business strategy to a moderate extent, at least temporarily.	In the Limited Action pathway, policy makers take moderate steps (although too weak and slow) to increase climate action. This will lead to rising temperatures, which may lead to an increase in the frequency and intensity of extreme weather events. The impact of increased temperature is likely to have a different impact depending on the peril – floods, storms, freez-ing temperatures, etc. Overall, the Nordic region is less susceptible to extreme weather events, and the changes in temperature will have regional impacts and will become evident over time. For If, it is important to follow the regional impact within the Nordics, and to help policyholders with pre-emptive risk mitigation and overall risk selection and pricing of weather events. The extreme weather events result in a higher number of insurance claims related to property damage and (potentially) business interruption, although fewer claims than in the High Warming pathway. If should consider reviewing its business strategy in this pathway, to ensure it is relevant for the changing envi-ronment and the rising costs.	In the High Warming pathway, the frequency and severity of climate-related claims will increase. The demand for certain types of insurance protection will also increase. If will need to focus more on climate-related risks and natural catastrophes in both risk selection and pricing. Some objects, regions and perils may become excluded, or may be covered only partially, and the price of insurance will increase. At the same time, the demand for reinsurance against climate-related losses will increase, and capacity is likely to become lower, thereby raising the cost of reinsurance. In this pathway, If's business strategy will need to be reviewed to some extent, at least in terms of risk appetite and risk preferences.

Solvency and capital
The impact of climate-related risk on If's solvency position and capital has been qualitatively assessed for the four pathways.

Net-Zero	Net-Zero Financial Crisis	Limited Action	High Warming
As gross profitability, reinsurance protection and business strategy are assumed to continue as today, the effect on solvency and the need for additional capital will be small in the Net-Zero pathway. The high investment activity in the pathway may lead to an increase in interest rates, which would be positive for If's solvency position.	Compared to the Net-Zero pathway, If's solvency position is assumed to be somewhat more volatile in the Net-Zero Financial Crisis scenario. The risk appetite may therefore be lower, at least temporarily, and additional capital buffers to mitigate risks may be needed. If's solvency position would also be negatively affected by lower interest rates following interventions by central banks.	In the Limited Action pathway, increased payouts for weather-related claims could start to put pressure on If's financial reserves, thereby affecting If's solvency position. The investment portfolio result could also be slightly lower in the long term, unless increased attention is devoted to ESG factors. The need for additional solvency capital may increase if reinsurance capacity for weather events decreases.	In the High Warming pathway, If's solvency position may become more volatile if the product terms and conditions are not carefully aligned with the reinsurance protection available. The positive return from the investment portfolio could be somewhat lower in the long term, which will place more emphasis on the profitability of the insurance operations. The need for additional solvency capital increases.

E1-1 – Transition plan for climate change mitigation
If Group is developing its transition plan, which will be based on the current emissions reduction targets and action plans. If Group aims to continually reduce the emissions from its operations, and to encourage partners and customers to reduce theirs. Therefore, If Group has set ambitious and science-based emissions reduction targets in line with the Paris Agreement. To reach the targets, relevant decarbonisation levers and actions to be taken in the coming years have been identified.

If and Topdanmark committed to the Science Based Targets initiative (SBTi) in October 2021 and June 2022, respectively. Targets are considered to be 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement (i.e., to limit global warming to well below 2°C, preferably 1.5°C, compared to pre-industrial levels). As financial institutions, If and Topdanmark developed targets in accordance with the SBTi sector-specific guidelines for the financial sector. If's near-term science-based emission-reduction targets were approved by the SBTi in December 2023 and Topdanmark's targets were approved in August 2024. For more information regarding the science-based targets, see E1-4 – Targets related to climate change mitigation and adaptation.

If's and Topdanmark's emission-reduction targets are an integral part of the companies' strategies and business plans. The transition plan, when finalised, will also be embedded into the strategies and business plans. The science-based targets have been approved by the Board of Directors for each group company and validated by the executive management. The Boards of Directors and the executive management groups annually approve the business plans.

Since the targets were approved, If has set up more regular internal reporting processes for tracking progress against the targets and has also developed action plans for reaching the targets. During 2024, If started to internally report Scope 1 and 2 emissions on a quarterly basis. Scope 3 supplier engagement targets are reported internally semi-annually, whilst investment targets are reported internally on a monthly basis. If has also planned and taken several actions to ensure that the targets will be met. Identified decarbonisation levers are presented here, and further details can be found in E1-3 – Actions and resources in relation to climate change policies.

Topdanmark has developed a roadmap to reach the science-based targets that have been set to reduce carbon emissions, and has processes in place to monitor progress.

If Group has identified a set of decarbonisation levers, including for example:

- Electrifying the car fleet
- Switching to renewable energy and reduction of energy use in offices
- Responsible investments
- Supplier engagement
- Sustainable claims handling

If Group has not identified any locked in GHG emissions from key assets and products.

If Group has economic activities and investments that are covered by the EU Taxonomy. If Group does not currently have any quantifiable objectives related to the EU Taxonomy but wishes to increase the degree of aligned economic activity, for that which is eligible. The implementation of the actions will lead to increased costs. These costs are however not seen as significant. It is also difficult to separate these costs from the normal operations, for example, the already existing supplier engagement work or the work related to increasing the degree of taxonomy-aligned economic activities.

If Group is not excluded from the EU Paris-aligned Benchmarks.

E1-2 – Policies related to climate change mitigation and adaptation
If Group has several policies aimed at securing and strengthening the efforts to mitigate climate change and to adapt to the changes that are already experienced as an effect of a warming climate. The Sustainability Policy describes the general commitment to promoting sustainability, and the Responsible Investment Policy presents the responsible investment principles applied. The Supplier Code of Conduct ensures that the suppliers conduct business in accordance with the sustainability standards, while the Underwriting Policy sets expectations on corporate clients to respect the principles of the UN Global Compact. The policies address climate change mitigation and climate change adaptation. Energy efficiency and renewable energy are also addressed to some extent, both within the own operations as well as in relation to expectations on suppliers.

Topdanmark has its own policies; however, they address the same principles, even if they can be divided into different scopes (e.g., human rights are addressed within several policies in If, whilst Topdanmark has a separate Human Rights Policy). Going forward, If's policies will be updated and shall apply to all employees within all legal entities and all geographies in If Group.

Policy	Mitigation	Adaptation	Energy efficiency	Renewable energy
Sustainability Policy	Addressed	Addressed	Addressed	Addressed
Responsible Investment Policy	Addressed	Not addressed	Not addressed	Not addressed
Supplier Code of Conduct	Addressed	Addressed	Addressed	Addressed
Underwriting Policy	Addressed	Addressed	Not addressed	Addressed

Sustainability Policy

The Sustainability Policy presents the approach to sustainability. In accordance with the policy, the aim is to provide state-of-the-art loss prevention services that reduce risk and economic cost, increase safety and decrease the environmental impact. The priority is to help customers to manage risks, including climate-related risks, and to provide support when accidents occur. Claims should also be handled in a sustainable way. The aim is to encourage and support suppliers and partners in their efforts to use more sustainable methods in their operations.

To ensure that the offices are environmentally friendly, the Sustainability Policy states that emissions to air, water and soil as well as waste generated from own operations should be identified, monitored, controlled and managed. If Group therefore prioritises the use of renewable energy sources, when possible. Environmentally friendly alternatives should be prioritised when procuring office supplies and services. In order to reduce business travel, there is a focus on 'meeting instead of travelling' and providing state-of-the-art virtual meeting opportunities.

Climate change mitigation and adaptation are critical parts of the commitment to society. If Group contributes with its expertise in risk management to the building of a more resilient society. Sharing knowledge and insights is an important part of the interaction with key stakeholders and the society at large. If Group sets ambitious climate targets and supports the transformation to a low-carbon society. Climate change affects us all and therefore requires long-term solutions that actively involve the insurance industry in partnership with other stakeholders.

Responsible Investment Policy

The Responsible Investment Policy presents the approach to responsible investments. The aim is to recognise and mitigate the adverse impacts of the investment operations on the environment, society, employees, human rights, anti-corruption and anti-bribery. Therefore, sustainability is incorporated into investment operations, and the investment decisions consider not only financial aspects, but also sustainability factors, as well as related risks. The Responsible Investment Policy covers both current and new investments. As part of its responsible investment approach, If makes use of ESG risk rating, sector-based screening and norm-based research.

If's investment policies include instructions on how to take ESG issues into account by using an internal ESG traffic light model. The traffic light model is based on ESG risk ratings provided by an external data provider. The ESG risk rating is a two-dimensional materiality framework that measures a company's exposure to ESG risks and how well the company is managing those risks, including climate-related risks.

As a complement to risk rating, sector-based screening is also used – i.e., screening to identify and assess companies that are involved in certain industry sectors and in the production and distribution of certain products and services. Certain industries, such as oil and coal, are classified as sensitive sectors, which have a defined tolerance level.

If Group also uses norm-based research – i.e., research that assists investors in making conclusions regarding companies' adherence to international norms concerning environmental protection, human rights, labour standards and anti-corruption.

If a sustainability risk is identified, additional research must be conducted, and the investment will not be allowed unless special permission is provided by If's Chief Financial Officer. If strives to ensure that its investee companies operate responsibly and may engage with investees regarding, for example, environmental aspects and climate change. If the investee company does not respond to the engagement efforts and does not take measures to prevent the abuse or breach within a reasonable time frame, the investment may be sold, or the exposure reduced.

If's near-term science-based emission-reduction targets for investments are integrated in the Responsible Investment Policy. For more information, see E1-4 – Targets related to climate change mitigation and adaptation.

Supplier Code of Conduct

The Supplier Code of Conduct, which is part of the Sustainability Policy, defines the minimum requirements that suppliers are expected to respect when conducting business with If Group. The Code of Conduct covers the following areas of sustainability: human rights, labour, the environment and anti-corruption, and is based on the ten principles of the UN Global Compact.

With regard to the environment, the Code of Conduct states that the supplier shall apply a precautionary approach towards environmental and climate challenges. The use and development of environmentally friendly technology shall be promoted, and business shall be conducted with as low impact on the environment and public health as possible.

Energy shall also be used responsibly, and the supplier shall strive to reduce the consumption and regularly monitor energy use. The supplier shall prioritise the use of renewable energy sources, when possible. The supplier shall strive to minimise GHG emissions by identifying, monitoring, controlling and managing GHG emissions from their operations. This also includes, when possible, choosing means of transportation that have the least negative environmental impact.

In case of identified deviations from the Code of Conduct, the supplier will be asked to provide a corrective action plan for If to approve. If reserves the right to terminate the contract with the supplier in the case of material breaches of the responsibilities outlined in the Code of Conduct and underlying conventions and declarations.

Underwriting Policy

The Underwriting Policy specifies the overall principles for underwriting activities, and guides the insurance product development. The Underwriting Policy is supplemented by detailed underwriting guidelines, regulating for example risk selection and risk assessment criteria. As part of the underwriting principles, it is expected that corporate clients respect international norms and conventions on human rights, labour, the environment and anti-corruption, as defined in UN Global Compact. The Underwriting Policy and guidelines include instructions regarding terms and conditions for natural hazards coverage. Sustainability products shall be developed in accordance with relevant legal requirements (e.g., the EU Taxonomy Regulation) and internal sustainability requirements. The underwriting guidelines also include instructions regarding renewable energy.

E1-3 – Actions and resources in relation to climate change policies

Both climate change adaptation and climate change mitigation are material topics for If Group, and actions are thus taken and resources allocated within both topics. No significant additional costs are associated with the planned and implemented actions.

Climate change mitigation

If and Topdanmark have measured and worked to limit the GHG emissions for several years. If's near-term science-based emission-reduction targets were approved by the SBTi in December 2023, and Topdanmark's were approved in August 2024. In order to reach the targets, If and Topdanmark have identified a number of actions, some of which have already been implemented. The actions, presented in the following sections, have been planned and implemented related to own operations, supplier engagement and investments.

Electrifying the car fleet

An important element in the efforts to reduce GHG emissions from company vehicles is to gradually shift from diesel and petrol vehicles to plug-in hybrids and electric vehicles.

In the Nordics, If's purchasing guidelines for company vehicles encourage the purchasing of plug-in hybrids and electrical vehicles. During 2024, If started to pay for the installation cost of charging boxes at the homes of employees in Denmark who are entitled to a car benefit. The share of company vehicles in the Nordics that are plug-in hybrids or EVs increased from 77% in 2023 to 87% in 2024.

In the Baltic countries, If reduced the number of company cars from 30 to 15 during 2024, of which 12 are fully electric and 3 hybrids. This was done as part of a local initiative to switch from a benefit-based company car system to a shared car-pool system.

Switching to renewable energy and reduction of energy use in offices

In 2023, If updated the internal environmental standards for all offices, which will serve as a baseline in securing environmentally friendly workplaces. The standards provide concrete measures, targets and guidance on topics such as office supplies, how the canteens should operate, energy efficiency, updating rental agreements, reducing waste, and providing facilities that support physical exercise, such as walking, running and bicycling. During 2024, If started mapping the fulfilment of these measures across all offices. As part of updating the rental agreements, If has switched to purchasing renewable electricity in all of the major offices in the Nordic countries, purchasing renewable district heating where possible (the Espoo office from 2023), and installed solar panels (in 2024 panels were installed in Bergshamra in addition to those in Vækerø).

Supplier engagement

In order to limit the GHG emissions from claims handling, If Group maintains a close dialogue with the claims suppliers. As part of the science-based targets, both If and Topdanmark have set supplier engagement targets. For more information about the progress towards these targets, see E1-4 targets related to climate change mitigation and adaptation.

In 2024, If Group initiated a process to assess how many of the suppliers within motor and property claims have science-based targets or equivalent, to be able to support and incentivise remaining partners to set GHG emissions reduction targets going forward. If has primarily focused on vehicle and property claims, as a substantial part of the emissions are linked to claims within these segments, see E1-6 – Gross Scope 1, 2 and 3 and Total GHG emissions.

Sustainable claims handling

If's property and vehicle repair contractors are not only required to comply with If's Supplier Code of Conduct but must also comply with additional sector-specific environmental requirements, which for example cover transportation, material usage and energy usage. For more information about repairing and reusing instead of using new parts (and thereby reducing the greenhouse gas-emissions from claims handling), see E5-2 – Actions and resources related to resource use and circular economy.

In 2023, If developed the Sustainable Building module and made it part of the most comprehensive insurance for commercial buildings in Norway. In 2024, the module was launched in Sweden. Through Sustainable Building, If provides concrete advice, guidance and financial support for sustainable measures, such as the use of solar panels and energy efficiency measures, in the reconstruction after major damage. The module is based on the certification systems BREEAM-NOR in Norway and BREEAM-SE and Miljöbyggnad in Sweden.

Topdanmark also has an ongoing dialogue with partners on the possibility of choosing reused materials instead of, for instance, new materials after building claims, while still taking cost and security into consideration.

Responsible investments

In 2024, If's approved near-term science-based emission-reduction targets were integrated into the Responsible Investment Policy. For more information, see E1-2 – Policies related to climate change mitigation and adaptation. If's investment operations also established regular follow-up and reporting routines. If also started purchasing additional data from an external data provider to have up-to-date information about investees' climate targets, temperature rating and GHG emissions.

In accordance with the SBTi recommendations, financial institutions with approved targets should, within six months from the time of target approval, establish a policy that they will phase out financial support to thermal coal across all their activities, in line with a full phaseout by 2030 globally. Coal companies are defined as companies with more than 5% of revenues from thermal coal mining. As If's Responsible Investment Policy already included restrictions regarding coal in line with this threshold, no updates of the policy were needed. Exemptions can be granted if the company has a credible strategy to transition to a more sustainable business model. In 2024, If made no new investments in coal companies and had one existing investment, amounting to MSEK 489 (approximately 0.4% of total investments), in a company with indirect coal involvement. Financial institutions are also recommended to disclose investments in fossil fuel companies. In 2024, If had investments in companies with direct[7] fossil fuel involvement[8] amounting to MSEK 368 (approximately 0.3% of total investments) and investments in companies with indirect[9] fossil fuel involvment amounting to MSEK 764 (approximately 0.6% of total investments).

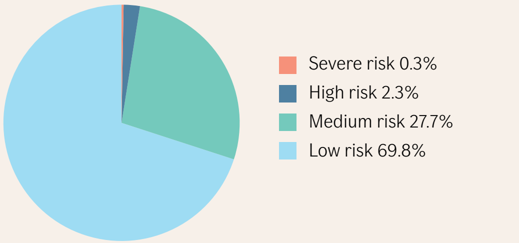
In 2024, If had more than MSEK 16,500 invested in green bonds, and more than MSEK 1,500 invested in sustainability and sustainability-linked bonds.

In 2024, seven cases were sent for approval, due to possible sustainability risks. Two investments were not allowed due to sustainability risks, whilst five investments were allowed after additional research

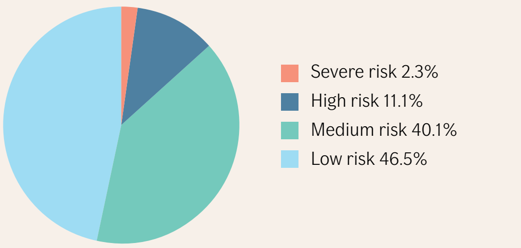
[7] Direct involvement refers to the manufacture or production of a product or service.
[8] Companies with more than 30% revenue from fossil fuel
[9] Indirect business refers to various parts of the value chain of product or service production, such as subcontracting, transport, or distribution.

had been conducted. For information regarding pooled engagements, see S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers.

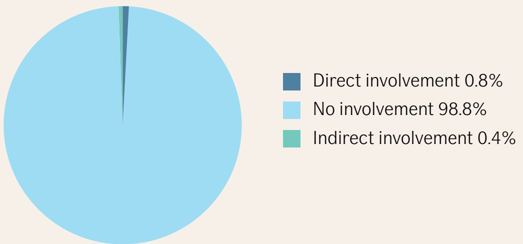
Investment allocation according to ESG risk rating categories – If



Investment allocation according to ESG risk-rating categories – Sustainalytics benchmark



Sensitive sector investments – If [1]



[1] Direct involvement refers to the manufacture or production of a product or service. Indirect business refers to various parts of the value chain of product or service production, such as subcontracting, transport, or distribution.

To achieve the set SBTi targets, Topdanmark has devised a strategy that revolves around strategic asset allocation and proactive investee engagement. In strategic asset allocation, investments in companies and assets that offer strong financial returns and that align with the sustainability objectives are prioritised. Topdanmark collaborates through external funds managers with the companies to set ambitious emission-reduction targets, to enhance disclosure and transparency around climate-related risks, and to implement sustainable business practices.

Climate change adaptation

Climate change will lead to severe consequences for society unless sufficient mitigation and adaptation measures are implemented. If Group has taken actions related to climate change adaptation in its underwriting processes, through loss prevention services and claims handling, as well as in public relations and affairs.

Underwriting

If is continually developing the underwriting and pricing of extreme weather and climate-related physical risks. Pricing is typically based on historical claims data and portfolio results, and trends in claims will automatically have an effect on the price. Forward-looking scenarios, including natural hazards scenarios, on a one-year basis are also part of the annual capital allocation process that in turn affects the pricing on all products. Reinsurance is used to manage the aggregated exposure to natural catastrophes. In 2023 and 2024 If further developed the climate risk pricing.

At Topdanmark, climate change adaptation action in 2024 included various initiatives, such as price adjustments on coverage related to climate, developing new data models through AI to foresee risks of impact on the insured object in case of extreme weather, and a comprehensive reinsurance programme that sufficiently hedges against the climate-related risks.

Loss prevention

If Group works actively with loss prevention, including those against climate-related damage. The type of service depends on the type of customer and insurance, as well as country. If offers large corporate clients advanced risk management services, where risk engineers conduct on-site risk assessments and identify specific preventive measures. As part of the field work, the risk engineers make assessments and advise clients on natural hazards, such as coastal flooding, tornados, hailstorms and wildfires. In 2024, If's property risk engineers spent more than 1,300 days providing on-site risk management services to large corporate clients.

In cooperation with an external partner, If offers house assessments to private customers who own their house and hold top-level coverage insurance policies in Finland, Norway and Sweden. The house assessments provide the customer with advice on maintenance and loss prevention measures, including climate-related damage. Small and medium-sized corporate clients in Norway and Finland are offered a similar building check. In 2024, the house assessments and building checks were updated to include more advice on how to prevent damage related to extreme weather, such as heavy rainfall, flooding and storms.

Topdanmark has systematically worked on the prevention of damage to goods, buildings and basements through collaboration on climate-proofing buildings and the implementation of backflow valves. Loss prevention activities also include providing advice on the external webpage, SMS notifications before storms and cloudbursts, and access to engineering teams for commercial customers with high risk.

Claims handling

If Group has clear processes in place for how to actively support customers during and after a climate-related event. For example, If will contact the specialists needed and make sure that they go out to the customer. More than 50% of claims can be solved within 24 hours, and for a large-scale loss event, If employees will go out to the location within three hours. Information about these additional measures in such cases can be found on the website.

In 2024, If launched a pilot project to investigate how satellite data can be utilised in claims situations – for example, by mitigating losses, and optimising loss adjusting and claim handling resources. The aim is to have more communication and co-operation with customers when an event is potentially approaching.

Topdanmark continually focuses on making claims handling processes more efficient and digital. In 2024, Topdanmark expanded the scope of automated claims and implemented an AI process to predict and support the assessment of coverage. To have sufficient inhouse personnel in preparation to help customers, Topdanmark established a specific team that can be deployed immediately when extreme weather events occur. The team also concludes agreements with suppliers to reduce damage and repair damage quickly through, for instance, a focus on drying instead of replacing. The process further includes the use of weather bots when processing minor claims in order to focus the resources on major claims management.

Public relations and affairs

If Group's aim is to use the expertise in risk management to contribute to the building of a more resilient society. Sharing knowledge and insights is an important part of the interaction with key stakeholders and with society at large. If also participates in various research projects that are related to its expertise and knowledge in risk management, together with universities, research institutes and clients. The aim of this work is to better understand risks and to support the clients in their risk management, but also to contribute to a more sustainable society. If actively participates in the public debate on relevant topics, such as climate change, and conducts continual dialogue with policymakers.

In 2024, If commissioned an opinion poll in Norway to measure the population's opinions regarding climate issues. The project entailed a survey and report, an official launch and political debate, as well as press releases. Similar opinion polls were also carried out in Sweden and Denmark. If regularly publishes an extreme weather report, analysing the work conducted by Norwegian municipalities on climate change adaptation. The report is prepared in cooperation with CICERO Center for Climate Research and IVL Swedish Environmental Research Institute. In 2024, If commissioned a new report, which will be presented in 2025.

Under the auspices of Insurance & Pension Denmark, Topdanmark provides data to help the Danish municipalities to identify the largest risk areas in relation to extreme weather – such as massive rainfall, for instance.

E1-4 – Targets related to climate change mitigation and adaptation

If and Topdanmark have set near-term science-based emission-reduction targets. If's targets were approved by the SBTi in December 2023 and Topdanmark's targets were approved in August 2024. The targets were developed in accordance with the SBTi sector-specific guidelines for the financial sector. These guidelines require financial institutions to set targets for: emissions from owned or controlled sources (Scope 1), emissions from the generation of purchased electricity, heating, steam and cooling (Scope 2) and investment and lending activities (Scope 3, category 15). As financial institutions' greatest impact on climate change is generally through their investment

If's approved near-term science-based emission-reduction targets

Target area	Scope	Near-term target	Target-setting method	Decarbonisation lever	Target status 31 December 2024
Own operations	Scope 1 + 2	Reduce absolute Scope 1 + 2 GHG emissions by 42.5% by 2030 from a 2020 base year.	Absolute emission reduction, Scope 2 follows a market-based method	Electrifying the car fleet Switching to renewable energy and reduction of energy in the offices	Reduction by 18.3%
Suppliers	Scope 3 (Category 1-14)	30.0% of the suppliers by spend, covering purchased goods and services, will have science-based targets by 2028.	Supplier engagement	Supplier engagement Sustainable claims handling	15.8% of suppliers (within property and motor)
Investments Headline targets: If P&C Insurance Holding Ltd (publ)'s portfolio targets cover 85% of its total assets under management as of 2020.	Scope 3 (Category 15)	Align the Scope 1 + 2 portfolio temperature score by invested value of the listed equity, corporate bond, fund and ETF portfolio from 2.52°C in 2020 to 2.04°C by 2027.	Temperature rating [1]	Responsible investment approach	2.06
		Align the Scope 1 + 2 + 3 portfolio temperature score by invested value of its listed equity, corporate bond, fund and ETFs portfolio from 2.70°C to 2.14°C by 2027.	Temperature rating [2]	Responsible investment approach	2.44
		Align Scope 1 + 2 portfolio temperature score by invested value of the corporate loan portfolio from 2.91°C in 2020 to 2.25°C by 2027.	Temperature rating [3]	Responsible investment approach	1.97
		Align Scope 1 + 2 + 3 portfolio temperature score by invested value of the corporate loan portfolio from 2.84°C in 2020 to 2.21°C by 2027.	Temperature rating [4]	Responsible investment approach	2.45
		Reduce GHG emissions from the commercial real estate sector within the corporate loan portfolio by 57.2% per square metre by 2028, from a 2020 base year.	SDA [5]	Responsible investment approach	Reduction by 62.0% per square meter

The CDP-WWF Temperature Scoring Methodology tool, recommended by SBTi, has generated temperature scores outside the range defined by the methodology, with values below 1.5°C and above 3.2°C. To ensure consistency and transparency, If tracks two sets of targets: one based on the tool's unadjusted calculations (as approved by SBTi and presented in the table above) and another adjusted with a minimum threshold of 1.5°C and a maximum cap of 3.2°C. The adjusted targets and corresponding progress are detailed below:

[1] Scope 1 + 2: The temperature score by invested value decreased from 2.64°C in 2020 to 2.32°C in 2024, showing progress toward the target of 2.11°C by 2027.

[2] Scope 1 + 2 + 3: The temperature score by invested value decreased from 2.75°C in 2020 to 2.56°C in 2024, showing progress toward the target of 2.28°C by 2027.

[3] Scope 1 + 2: The temperature score by invested value decreased from 2.98°C in 2020 to 2.31°C in 2024, showing progress toward the target of 2.29°C by 2027.

[4] Scope 1 + 2 + 3: The temperature score by invested value decreased from 2.98°C in 2020 to 2.47°C in 2024, showing progress toward the target of 2.41°C by 2027.

[5] Sectoral Decarbonization Approach

Topdanmark's approved near-term science-based emission-reduction targets

Target area	Scope	Near-term target	Target-setting method	Decarbonisation lever	Target status 31 December 2024
Own operations	Scope 1 + 2	Reduce absolute Scope 1 + 2 GHG emissions by 45.0% by 2030 from a 2022 base year.	Absolute emission reduction, Scope 2 follows a market-based method	Electrifying the car fleet Switching to renewable energy and reduction of energy in the offices	Reduction by 16.2%
Suppliers	Scope 3 (Category 1–14)	20.0% of the suppliers by spend, covering purchased goods and services, will have science-based targets by 2028.	Supplier engagement	Supplier engagement Sustainable claims handling	17.1% of suppliers
Investments Headline targets: Topdanmark A/S's portfolio targets cover 70% of its total investments and lending by total balance sheet assets as of 2022.	Scope 3 (Category 15)	Align Scope 1 + 2 portfolio temperature score by invested value within the listed equity and corporate bonds from 2.33°C in 2022 to 1.95°C by 2028.	Temperature rating [1]	Responsible investment approach	2.10
		Align Scope 1 + 2 + 3 portfolio temperature score by invested value within the listed equity and corporate bonds from 2.54°C in 2022 to 2.18°C by 2028.	Temperature rating [2]	Responsible investment approach	2.43
		Reduce GHG emissions from the residential real estate sector within the securitised fixed income portfolio by 53.2% per square metre from a 2022 base year.	SDA [3]	Responsible investment approach	Reduction by 7.8% per square metre
		Reduce GHG emissions from the commercial real estate sector within the securitized fixed income portfolio by 64.7% per square metre by 2030, from a 2022 base year.	SDA [3]	Responsible investment approach	Reduction by 5.6% per square metre

The CDP-WWF Temperature Scoring Methodology tool, recommended by SBTi, has generated temperature scores outside the range defined by the methodology, with values below 1.5°C and above 3.2°C. To ensure consistency and transparency, Topdanmark tracks two sets of targets: one based on the tool's unadjusted calculations (as approved by SBTi and presented in the table above) and another adjusted with a minimum threshold of 1.5°C and a maximum cap of 3.2°C. The adjusted targets and corresponding progress are detailed below:

[1] Scope 1 + 2: The temperature score by invested value decreased from 2.51°C in 2022 to 2.34°C in 2024, showing progress toward the target of 2.04°C by 2028.

[2] Scope 1 + 2 + 3: The temperature score by invested value decreased from 2.63°C in 2022 to 2.52°C in 2024, showing progress toward the target of 2.22°C by 2028.

[3] Sectoral Decarbonization Approach

and lending activities, the SBTi guidelines prioritise target-setting in these areas.

When setting the targets, If and Topdanmark engaged in close dialogue with internal key stakeholders, as for example the executive management, as well as with the owner and sister companies. Sampo Group has also been in dialogue with investors and some large corporate clients.

There have not been any changes in the targets during the reporting year. However, the Scope 1 and 2 GHG emissions for the baseline year 2020 and comparative year 2023 have been recalculated due to changes in the reporting boundary (e.g., Boalliansen AS and Digiconsept AS have been excluded from the boundary). Minor errors related to mistakes in the data collection have also been corrected.

If's and Topdanmark's Scope 1 and Scope 2 emissions are linked to the use of company vehicles and energy in the Nordic and Baltic offices. Emissions from these sources represent a very small proportion of the total emissions, compared to investments and claims. As financial institutions, If and Topdanmark must use absolute targets for the Scope 1 and 2 target-setting.

Although this is not a SBTi requirement, If and Topdanmark have chosen to set supplier engagement targets, since claims handling represents a substantial part of the total emissions. Supplier engagement targets offer a way to influence decarbonisation efforts within a company's supply chain when granular emissions data is unavailable or challenging to track. These targets focus on engaging a defined set of suppliers in the near term to set their own science-based targets, or equivalent.

If and Topdanmark use the Temperature Rating Approach and the Sectoral Decarbonization Approach (SDA) for target-setting regarding investments. Temperature rating can be used to determine the current temperature rating of the portfolios, based on the public GHG emissions reduction targets of the investees, and to take actions to align the portfolios with ambitious long-term temperature goals by engaging with portfolio companies to set ambitious targets. SDA is a method for setting physical intensity targets that use convergence of emissions intensity. An intensity target is defined by a reduction in emissions relative to a specific business metric.

Progress against the targets is monitored regularly internally and reported externally in the sustainability statement.

E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

On 1 November 2024, If P&C Insurance Holding Ltd (publ) acquired the Danish group Topdanmark and there are thus material changes to If Group's downstream and upstream value chain. In order to ensure comparability between previous years, If's and Topdanmark's full year GHG emissions are reported separately in the two tables below. Thereafter the combined GHG emissions for If Group are presented, consisting of If's full year emissions and Topdanmark's emissions from November and December 2024.

Greenhouse gas emissions If	Retrospective				Milestones and target years			
	2020 (Base year)	2023 (Comparative)	2024	% 2024/2023	2025	2030	2050	Annual % Target / base year
Scope 1 GHG emissions [1]								
Gross Scope 1 GHG emissions (tCO2eq)	287	192	182	-5.1%	-	-	-	-
Percentage of Scope 1 GHG emissions from regulated trading schemes (%)	0%	0%	0%	-%	-	-	-	-
Scope 2 GHG emissions [2]								
Gross location-based Scope 2 GHG emissions (tCO2eq)	1,435	778	1,001	28.7%	-	-	-	-
Gross market-based Scope 2 GHG emissions (tCO2eq)	1,787	1,516	1,512	-0.2%	-	-	-	-
Significant scope 3 GHG emissions [3]								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	483,761	425,418	344,968	-18.9%	-	-	-	-
1 Purchased goods and services	89,802	88,723	131	-99.9%[4]	-	-	-	-
2 Capital goods [5]	1,983	1,386	1,264	-8.8%	-	-	-	-
3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	381	478	517	8.1%	-	-	-	-
4 Upstream transportation and distribution [6]	-	-	31	100%	-	-	-	-
5 Waste generated in operations [7]	19	182	199	9.3%	-	-	-	-
6 Business traveling [8]	1,847	4,087	3,790	-7.3%	-	-	-	-
7 Employee commuting [9]	3,686	3,570	3,179	-11.0%	-	-	-	-
8 Upstream leased assets	-	-	-	-%	-	-	-	-
9 Downstream transportations	-	-	-	-%	-	-	-	-
10 Processing of sold products	-	-	-	-%	-	-	-	-
11 Use of sold products	-	-	88,618	100%[10]	-	-	-	-
12 End-of-life treatment of sold products	-	-	-	-%	-	-	-	-
13 Downstream leased assets	-	-	-	-%	-	-	-	-
14 Franchises [11]	-	-	-	-%	-	-	-	-
15 Investments [12]	386,043	326,992	247,239	-24.4%	-	-	-	-
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)	485,483	426,388	346,151	-18.8%	-	-	-	-
Total GHG emissions (market-based) (tCO2eq)	485,834	427,126	346,662	-18.8%	-	-	-	-

[1] For mobile combustion, If has reported litres (Baltics), driven kilometres (Nordics) and in the cases were no such data was available (Viking), the data has been estimated based on the number and type of cars and the actual figues provided by other parts the group. Data on stationary combustion is reported for the first time in 2024, from a gas boiler for heating in the Tallin office, and a reserve heating boiler in the Oslo office.

[2] Scope 2 emissions come from electricity consumed in offices (MWh) as well as electric cars owned or long-term leased by If (consumption based on km driven), as well as district heating and district cooling consumed in offices.

[3] Scope 3 categories 8, 9, 10, 12, and 13 have not been reported on since these are not assessed to be material categories.

[4] Purchased goods and services includes data from water (m^3), paper (tonnes), and cloud services (number of users, and CO2eq emissions calculated by one provider). In 2023, greenhouse gas emissions from property and vehicle claims were categorised as category 1, but as of 2024 these emissions are categorised as category 11, in line with updated industry best practice.

[5] Capital goods include data from purchased IT equipment (number of items and model) and renovations (cost, focusing on larger renovations and not daily maintainance).

[6] This includes letters sent, primarily to customers, representing a majority of the upstream transportation and distribution. Data on packages sent is not included.

[7] For waste generation, If only has activity-based data from the largest offices in the Nordics. The data has been extrapolated to account for the emissions in the offices in the Baltics and the smaller offices in the Nordics.

[8] This includes data from flights, hotel nights, trains, taxi, staff cars, bus, ferry and rental cars. Data from flights and hotels comes from the travel agencies in the Nordics and Baltics, and the rest of the categories have been collected from the remuneration systems or has been estimated when no activity data was available.

[9] The data from employee commuting has been calculated using a survey that was answered by around 600 employees across all countries and business areas.

[10] Emissions for 2021 based on a life cycle assessment conducted by IVL Swedish Environmental Research Institute. From 2024, GHG emissions from property and vehicle claims are included in category 11 Use of sold products (previously in category 1 Purchased goods and services), in line with updated industry best practice.

[11] Viking has franchise operations, and will look into the possibility to report emissions from these in the coming years.

[12] Investments concerns If's financed emissions for Scope 1 and 2. Investment categories included in the calculations are direct equity, fixed income and fund investments. In 2024 the coverage of If's financial assets (including associated assets) was 81.2% and the Scope 3 financed emissions were 3,612,091 tCO2eq.

Greenhouse gas emissions Topdanmark	Retrospective				Milestones and target years			
	2022 (Base year)	2023 (Comparative)	2024	% 2024/2023	2025	2030	2050	Annual % Target / base year
Scope 1 GHG emissions [1]								
Gross Scope 1 GHG emissions (tCO2eq)	788	753	640	-15.0%	-	-	-	-
Percentage of Scope 1 GHG emissions from regulated trading schemes (%)	0%	0%	0%	-%	-	-	-	-
Scope 2 GHG emissions [2]								
Gross location-based Scope 2 GHG emissions (tCO2eq)	597	419	457	9.1%	-	-	-	-
Gross market-based Scope 2 GHG emissions (tCO2eq)	2,399	2,341	2,031	-13.3%	-	-	-	-
Significant scope 3 GHG emissions [3]								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	12,122	10,675	10,360	-2.9%	-	-	-	-
1 Purchased goods and services [4]	13	138	138	0.2%	-	-	-	-
2 Capital goods [5]	98	408	527	29.3%	-	-	-	-
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	817	795	656	-17.4%	-	-	-	-
4 Upstream transportation and distribution [6]	-	-	4	100%	-	-	-	-
5 Waste generated in operations [7]	58	43	54	23.4%	-	-	-	-
6 Business traveling [8]	1,580	1,709	1,656	-3.1%	-	-	-	-
7 Employee commuting [9]	1,250	1,541	1,520	-1.3%	-	-	-	-
8 Upstream leased assets	-	-	-	-%	-	-	-	-
9 Downstream transportations	-	-	-	-%	-	-	-	-
10 Processing of sold products	-	-	-	-%	-	-	-	-
11 Use of sold products	-	-	-	-%	-	-	-	-
12 End-of-life treatment of sold products [10]	-	-	-	0.0%	-	-	-	-
13 Downstream leased assets [11]	-	139	41	-70.2%	-	-	-	-
14 Franchises	-	-	-	-%	-	-	-	-
15 Investments [12]	8,305	5,903	5,764	-2.4%	-	-	-	-
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)	13,507	11,847	11,458	-3.3%	-	-	-	-
Total GHG emissions (market-based) (tCO2eq)	15,309	13,769	13,032	-5.4%	-	-	-	-

[1] Scope 1 CO2e emissions include Topdanmark's mobile combustion, owned and leased cars, and consumption of natural gas. Mobile combustion is calculated based on the consumption of petrol and diesel, or converted from the kilometers travelled where actual consumption data is unavailable. Data includes both private- and business travel. The numbers for 2022 and 2023 have been restated to include emissions from Oona Health A/S.

[2] Scope 2 CO2e emissions include consumption of district heating and electricity in offices (MWh). The numbers for 2022 and 2023 have been restated to include emissions from Oona Health A/S.

[3] Scope 3 categories 8, 9, 10, 12 and 14 are not reported since these are not assessed to be material categories. Topdanmark is currently not able to report on emissions from claims handling (category 11 Use of sold products).

[4] Purchased goods and services include data from water (m^3), paper (tonnes), plastic (number of units) and cloud services (number of users or CO2 emissions reports provided by supplier).

[5] Capital goods include data from purchased IT equipment (number of items and model) and renovations (cost, focusing on larger renovations and not daily maintainance).

[6] Upstream transportation and distribution includes number of letters sent, primarily to customers throughout the year as well as number of letters sent to- and received from shareholders as part of the acquisition during May-September 2024.

[7] Waste generated in operations include the actual amount of waste at the headquarter and the office in Viby as well as extrapolated data for the minor sites. Oona Health A/S office location in Sweden (5 full time equivalents) is not included.

[8] Business travel emissions include data from flights, hotel nights, trains, taxi, staff cars, bus and rental cars.

[9] Employee commuting emissions are calculated based on data from a survey in September 2024 that was answered by around 500 employees.

[10] Previously Topdanmark reported on end-of-life treatment of used IT equipment sold to a third party for repurposing. Considering the low emissions from this category, it is not seen as material and not reported.

[11] Downstream leased assets (rental of office space at the headquarter from January 2024 to June 2024). Emissions are calculated based on consumption of natural gas and electricity.

[12] Investments concerns Topdanmark's financed emissions for Scope 1 and 2. Investment categories included in the calculations are direct equity, fixed income and fund investments. In 2024 the coverage of Topdanmark's financial assets was 67.6% and the Scope 3 financed emissions were 55,557 tCO2eq.

Greenhouse gas emissions If Group [1]	Retrospective				Milestones and target years			
	N/A for If Group Base year	2023 [2] (Comparative)	2024 [3]	% 2024/2023	2025	2030	2050	Annual % Target / base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO2eq)	-	192	283	47.3%		-	-	-
Percentage of Scope 1 GHG emissions from regulated trading schemes (%)	-	0%	0%	-%		-	-	-
Scope 2 GHG emissions 2								
Gross location-based Scope 2 GHG emissions (tCO2eq)	-	1,197	1,082	-9.6%		-	-	-
Gross market-based Scope 2 GHG emissions (tCO2eq)	-	1,516	1,857	22.5%		-	-	-
Scope 3 GHG emissions (significant categories)								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	-	425,418	351,479	-17.4%		-	-	-
1 Purchased goods and services	-	88,723	148	-99.8% [4]		-	-	-
2 Capital goods	-	1,386	1,324	-4.4%		-	-	-
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	-	478	626	31.0%		-	-	-
4 Upstream transportation and distribution	-	-	32	100%		-	-	-
5 Waste generated in operations	-	182	215	18.1%		-	-	-
6 Business traveling	-	4,087	4,080	-0.2%		-	-	-
7 Employee commuting	-	3,570	3,432	-3.9%		-	-	-
8 Upstream leased assets	-	-	-	-%		-	-	-
9 Downstream transportations	-	-	-	-%		-	-	-
10 Processing of sold products	-	-	-	-%		-	-	-
11 Use of sold products [5]	-	-	88,618	100% [4]		-	-	-
12 End-of-life treatment of sold products	-	-	-	-%		-	-	-
13 Downstream leased assets	-	-	-	-%		-	-	-
14 Franchises	-	-	-	-%		-	-	-
15 Investments [6]	-	326,992	253,003	-22.6%		-	-	-
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)	-	426,807	352,844	-17.3%		-	-	-
Total GHG emissions (market-based) (tCO2eq)	-	427,126	353,618	-17.2%		-	-	-

[1] This table includes the emissions for If group, combining If and Topdanmark for the first time. For more information about the data included in the categories as well as potential estimations and extrapolations made, please see the notes under the If and Topdanmark tables respectively.

[2] 2023 figures only include If.

[3] Topdanmark was acquired by If in November 2024, and thus the 2024 data includes November and December for Topdanmark, and the full year for If.

[4] In 2023, greenhouse gas emissions from vehicle and property claims were categorised as category 1, but as of 2024 these emissions are categorised as category 11, in line with updated industry best practice.

[5] Use of sold products include emissions from vehicle and property claims, and only includes If.

[6] Investments concerns If Group's financed emissions for Scope 1 and 2. Investment categories included in the calculations are direct equity, fixed income and fund investments. In 2024 the coverage of If Group's financial assets (including associated companies) was 78.6% and the Scope 3 financed emissions were 3,667,648 tCO2eq.

The comparative figures have not been subject to review by the assurance provider.

If has seen a decrease in several emission categories (mobile combustion and business travel for example). In some locations, If and its subsidiaries had challenges with obtaining sufficiently detailed data from landlords and other partners, thus estimates were made, based on a conservative approach, for these locations.

During 2024, If reviewed the Scope 3 emissions, which resulted in the inclusion of several new categories (i.e., renovations, and upstream transportation and distribution). During 2025, If will assess whether these categories should be seen as significant and be included in the annual reporting going forward. If also recognises that emissions from its insurance activities (i.e., insurance-associated emissions) represent an important part of its emissions and will assess this category in the coming years.

If has also made some recalculations of its previous reporting years, including its base year. This was done due to new information regarding the heating system in If's office in Tallinn, which was previously counted as district heating (Scope 2) but is actually a gas boiler (Scope 1). If's former subsidiaries Boalliansen AS and Digiconsept AS, which were sold during 2023, have also been excluded in the re-calculated base year.

Of the Scope 3 emissions, 52.7% of If's emissions and 60.5% of Topdanmark's emissions are calculated using primary sources. The secondary data largely concerns emissions from investments and claims, where there is a challenge in getting primary data directly from the partner or investee.

GHG intensity per net revenue [1] If Group [2]	2023	2024	Change 2023–2024 (%)
Total GHG emissions (location-based) per net revenue (tCO2eq/SEK)	0.000007	0.000005	-28.6%
Total GHG emissions (market-based) per net revenue (tCO2eq/SEK)	0.000007	0.000005	-28.6%

[1] The denominator used when calculating the GHG emissions intensity is the insurance revenue (in the consolidated income statement for If P&C Insurance Holding Ltd (publ)).
[2] This includes If only for 2023, and Topdanmark for November-December 2024.

The calculation methodology for If Group investments' GHG emissions follows the GHG Protocol's investment-specific method. The emissions from investments are allocated to If Group based on its proportional share of investments in investee companies. The proportional share is calculated by using Enterprise Value Including Cash (EVIC) to represent the total value of each investee company. The absolute GHG emissions of investee companies are collected using an external service provider, where the primary source used is company reported emissions followed by estimated emissions. The scope of investments' GHG emissions includes If Group's financial assets and investments in associates. The data provider does not cover all investment assets (e.g., private companies), which has resulted in data gaps as the coverage was 78.6% of If Group's financial assets (incl associated companies). If Group has not used its own estimations for financed emissions yet as the data coverage by the external data provider has been relatively good and using estimates would affect the data quality. Hence, If Group uses the transitional provision for not including information from the value chain. In order to fill the gaps, If Group will evaluate the possibility to use extrapolation as a way of estimating the missing emissions data in the future.

Emission factors

Activity	Emission factor reference, If	Emission factor reference, Topdanmark
Stationary combustion	DESNZ 2024 (natural gas, fuel oil)	DESNZ 2024 (natural gas)
Mobile combustion	DESNZ 2024, South Pole derived based on Värmeforsk 2023 (petrol); South Pole derived based on Drivmedel 2023 (diesel)	South Pole derived based on Värmeforsk 2023 (petrol); South Pole derived based on Drivmedel 2023 (diesel)
Electricity	AIB 2023, ecoinvent v3.10; EI 2023 (grid); AIB 2023, ecoinvent v3.10, IPCC, 2014, EI 2023 (renewable)	AIB 2023, ecoinvent v3.10, IEA electricity EFs (grid)
Heating	Euroheat & Power, 2023; BREEAM/Statkraft 2023; Finnish Energy Statistics 2023; Deducted from fuel mix using emission factors from the Swedish EPA 2023 and Energimyndigheten 2023, Norsk Fjernvarme 2023 (Åenergi), Norsk Fjernvarme 2023 (Eviny), Norsk Fjernvarme 2023 (Lyse), Norsk Fjernvarme 2023 (Statkraft, assume Namsos), South Pole calculated average weight based on estimates of location; Swedenergy 2023 for Göteborg (Göteborg Energi AB); Swedenergy 2023 for Sundbyberg-Solna (Norrenergi AB); Swedenergy 2023 for Sundsvall (Sundsvall Energi AB)	South Pole derived 2023, based on location
Cooling	Assumed as 0 based technology information from Oslofjord varme 2023; Mölndal energi 2023; Norrenergi AB, 2023;South Pole derived average based on suppliers, 2023; Turku Energia 2023	
Purchased goods and services	DESNZ 2023; Google, 2012; Amazon, 2021; IPCC, 2014;Google, 2012; Microsoft, 2021; IPCC, 2014; SCA Ortviken 2012 (Life cycle assessment); Supplier information from Mondi, 2022; CEDA 4.01 2023	DESNZ 2023; CEDA 4.01 Global; AIB 2023, Ecoinvent v.3.9.1.; Supplier information from Mondi, 2022
Capital goods	Dell 2018-2022 calc average, Google November 14 2019, Lenovo 2021, Samsung 2020 calculated supplier average, Apple 2017-2022 calculated supplier average; DESNZ 2022, CarbonCatalogue 2016, CEDA 4.01; Ecoinvent v3.9.1, Lexmark 2020	Apple 2017-2022 calc average, Apple 2021-2023 calc average, Dell 2014 (LCA conducted in 2008), Konica Minolta 2018, Dell 2019-2021 calc average; Lenovo 2021, Samsung 2020 calc average, Supplier average, Apple 2020/2021
Fuel and energy-related activities	AIB 2023, ecoinvent v3.10, Swedish EPA 2023, Finnish district heating statistics 2023, DESNZ 2024, IPCC 2014, IEA Renewable Energy Progress Tracker 2024, Derived by South Pole based on Suomen, Ympäristökeskus 2023, EI 2023, ecoinvent v3.10; Finnish Energy Statistics 2023; Deducted from fuel mix using emission factors from the Swedish EPA 2023 and Energimyndigheten 2023, Oslofjord varme 2023, South Pole derived 2023, IEA heat generation by source 2023; South Pole derived average based on suppliers, 2023; South Pole derived based on Drivmedel 2023, Swedenergy 2021, Värmeforsk 2011	DESNZ 2023; Euroheat & Power 2023; IEA 2022, Ecoinvent v3.9.1; South Pole derived 2023, IEA heat generation by source 2023; South Pole derived based on Drivmedel 2023; Värmeforsk 2011
Upstream transportation	DESNZ 2024 (road and air freight)	DESNZ 2024 (road and air freight)
Operational waste	DESNZ 2024; Ecoinvent version 3.9	ADEME 2023 BC V8.9; DESNZ 2023; Ecoinvent v3.9 and v3.10, World Bank waste statistics 2024;
Business travel	DESNZ 2024; Cornell Hotel Sustainability Benchmark Index 2023; Naturvårdsverket 2023; RDC flight data 2024, average of If Nordics and calculated average based on 2023 flight haul information; SBB/SJ 2023, IEA electricity EFs 2023; South Pole derived, Swedish Energy Authority 2023; Swedish Transport Administration 2023, El.se 2023 for Nordics; EI 2022, Ecoinvent v.3.9.1. and EI 2022 grid mix for CH4 and N2O	DESNZ 2024; Cornell Hotel Sustainability Benchmark Index 2023; Naturvårdsverket 2023; South Pole derived, Swedish Energy Authority 2023
Employee commuting	DESNZ meth doc 2023, IEA electricity EFs 2023; AIB 2023, ecoinvent v3.10; IEA EEEI data 2023 for residential energy consumption and heat fuel mix, DESNZ 2023, and IPCC 2014 for fuel EFs, Anthesis 2021 for WFH assumptions, South Pole electricity EFs 2023 for emissions from electricity, and South Pole heat EFs 2023 for emissions from heat; Mobitool v3.0, IEA electricity EFs 2023; Naturvårdsverket 2023; SBB/SJ 2023, IEA electricity EFs 2023; Swedish Energy Authority 2023; Swedish Transport Administration 2023, Energinet 2023, IEA 2023	DESNZ 2023; DESNZ meth doc 2023, Energinet 2023, IEA 2023; Calc. EI 2022, Ecoinvent v.3.9.1. and EI 2022 grid mix for CH4 and N2O and EU e-bike assessment; EI 2022, Ecoinvent v.3.9.1. and EI 2022 grid mix for CH4 and N2O; Naturvårdsverket 2023; SBB/SJ 2023, Energinet 2023, IEA 2023. South Pole derived 2023 based on Anthesis 2021, IEA EEEI 2023 data, DESNZ 2023, and South Pole electricity and heat EFs 2023; South Pole derived, Swedish Energy Authority 2023
Downstream leased assets		AIB 2023, ecoinvest v3 10; DESNZ 2023
Downstream transportation		DESNZ 2024 (road freight)

E5 Resource use and circular economy

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

In order to determine the material topics and to identify actual and potential, negative and positive impacts, risks and opportunities regarding the economy, the environment and people, including impacts on human rights across activities and in the value chain, If Group has conducted a double materiality assessment that is regularly updated. Material impacts, risks and opportunities and the connection to the strategy and actions are described in the table below.

For a full description of the process to identify and assess material impacts, risks and opportunities, see IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities.

Topic	Impacts	Risks and opportunities	Strategy and actions
Resource inflows, including resource use	If Group has a negative impact on the environment related to resource use in claims handling, primarily regarding construction material and car parts. Lower resource use and a higher use of recycled and reused materials by If's partners in claims handling could limit the negative impact on the environment.	There are opportunities for If Group related to increasing a circular-based resource flow related to claims handling within vehicle and property. This could result in reduced costs due to both purchasing more reused parts and materials and reusing rather than disposing of used materials. The opportunity is considered to have high likelihood and medium impact. There is a risk of reputational damage and added costs in the event of failure to seize opportunities related to circular economy. There is also a risk of higher costs due to difficulties finding or using recycled or reused materials.	– Policies and guidelines (e.g., Supplier Code of Conduct). – Metrics and targets (e.g., reused parts and glass repairs).
	Time horizon: Short, medium, long-term	Time horizon: Short, medium, long-term	

E5-1 – Policies related to resource use and circular economy

If Group has several policies and guidelines that aim to ensure that resources are used in a sustainable way and that circular flows are increased in the business operations. If Group is continually working to integrate the EU Taxonomy into its business strategy, to support the transition to a low-carbon, resilient and resource-efficient economy. The Sustainability Policy describes the general commitment to promoting sustainability, and the Supplier Code of Conduct ensures that suppliers conduct business in accordance with the sustainability standards. Resource use, circularity mechanisms and sustainable material usage are important areas for own operations as well as in relation to expectations on suppliers and investees. For additional information about the below policies, see E1-2 – Policies related to climate change mitigation and adaptation.

Topdanmark has its own policies; however, they address the same principles even if they can be divided into different scopes (e.g., human rights are addressed within several policies in If, whilst Topdanmark has a separate Human Rights Policy). Going forward, If's policies will be updated and shall apply to all employees within all legal entities and all geographies in If Group.

Sustainability Policy

Circular economy and resource use are integral parts of If's three sustainability commitments.

If Group strives to reduce waste and to reuse and recycle resources, as well as minimising the use of chemicals and hazardous substances. Water and energy shall be used responsibly and If Group strives towards reducing this consumption. If Group prioritises the use of renewable energy sources, when possible.

An important priority is to contribute to research on risk management and societal resilience through If Group's own data, which could contribute to lower resource use through avoided damage. Furthermore, If Group aims to continually reduce its own emissions, and to encourage its partners and customers to reduce theirs.

If's aim is to encourage and support the suppliers and partners in their efforts to use more sustainable methods in their operations. If's Supplier Code of Conduct defines the minimum requirements that If asks suppliers to respect when conducting business with If. For the vehicle and property repair contractors there are additional sector specific environmental requirements, see E5-2 – Actions and resources related to resource use and circular economy.

Supplier Code of Conduct
The Supplier Code of Conduct states that the supplier shall identify, monitor, control and manage emissions to air, water and soil, as well as waste generated from its operations. The supplier shall, to the greatest extent possible, strive to reduce waste and to reuse and recycle resources. Water shall be used responsibly, and the supplier shall strive towards reducing water consumption. The supplier shall ensure that water from the operations is treated and reused, when possible.

E5-2 – Actions and resources related to resource use and circular economy
If Group does not produce, sell or handle physical goods, and the actions related to resource use and circular economy therefore focus on value chain engagement. By actively requesting innovative solutions, resource efficiency, transparency and responsibility from the suppliers, If Group aims to minimise the negative impact and stimulate sustainable production and consumption.

The Supplier Code of Conduct, which is part of the Sustainability Policy, defines the minimum requirements that suppliers are expected to respect when conducting business with If Group. The Code covers human rights, labour rights, anti-corruption and the environment, including sustainable material use. For more information about the code and the compliance with it, see S2-4 — Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers. If's suppliers within vehicle and property claims must also adhere to the Additional Environmental Requirements, which are incorporated into the purchasing agreements.

Property repairs
The Additional Environmental Requirements for property repair contractors include requirements to repair more, reduce material usage, demolish less and increase remote work using video and sensors. They also include requirements to use material with environmental certification (when available).

If is continuously working to decrease the resources used in renovations, which require partnerships with suppliers and customers. As an example, in 2024, If initiated a pilot study with several partners that looks into creative ways to decrease material use when floors are being renovated after damage has occurred.

Topdanmark explores the opportunities for selling building materials for reuse following damage repair with a focus on gentle cleaning and drying to minimise teardowns and material waste. Furthermore, Topdanmark engages in dialogue with partners on the possibility of choosing more environmentally friendly materials when repairing claims, while still taking cost and security into consideration.

Vehicle repairs
The Additional Environmental Requirements for vehicle repair contractors include requirements to repair instead of using new parts, and to reuse spare parts. If has also set expected levels of plastic repairs and used parts, which are reported and monitored regularly. As a consequence, If's vehicle repair contractors reuse metal and plastic instead of using new materials. In 2024, an estimated 3,640 tonnes of metal and plastics were saved as plastic repair and metal parts were repaired rather than exchanged. Vehicle repair contractors are also required to make use of photo inspections, where possible. In 2024, more than 64,000 photo inspections were conducted in the Nordics, instead of inspections at a vehicle repair shop.

Within motor claims, If has worked closely with the dismantling industry and has long-term partnerships with selected dismantlers. In the contracts and follow-ups, If monitors the performance of all dismantling partners in order to obtain as many spare parts as possible for the claims handling. In 2024, If also launched a smart-repair concept for quick, high-quality repairs.

Topdanmark has close collaboration with selected partners to promote recycling and repair in the claims handling processes, with a focus on using spare parts for repairs, repairing windscreens instead of replacing them, and repairing bumpers. One important part of this is the communication with customers, to ensure that they support and understand the importance of these actions. When repairing windscreens, for example, Topdanmark proactively communicates with customers on the importance of quickly sending the car for repair after a stone has hit a windscreen, as this improves the chances of repair.

Some of the projects come with associated costs, whilst others enable If Group to save money (for example, purchasing recycled materials). In general, the costs are not deemed as significant for If Group as a whole and are not easy to separate from the day-to-day operations.

E5-3 – Targets related to resource use and circular economy
If Group promotes resource efficiency and circular economy in the claims handling operations and measures the progress (for example) by the metric presented in the table Circular economy in claims handling (vehicle repairs).

If Group has not set specific measurable outcome-related targets for its resource use and circular economy actions. The most significant identified impacts and opportunities are related to claims handling operations. The circular economy solutions in these operations are currently evolving and are subject to uncertainties, as well as differences in terms of availability, quality and price in the different countries in which If Group operates. It is therefore seen as difficult to set specific and time-bound targets at this stage, instead the Claims unit at If is working with internal goals that are set and followed up on a yearly basis. If Group is also continuously working with its suppliers to limit the material use in claims handling and to increase the proportion of recycled parts. If Group regularly reviews the process to manage impacts, risks and opportunities related to resource use and circular economy.

E5 - Circular economy in claims handling (vehicle repairs)
If Group measures the proportion of reused parts and glass repairs in car repair claims, based on monetary amount spent and the number of glass claims.

The metrics, proportion of reused parts and proportion of glass repairs, show the progress made towards limiting the negative impact on the environment that arises from the use of virgin resources, as well as how efficiently If Group is exploiting the opportunities that arise from utilising a circular business model. If Group aims to increase the number of metrics that are measured and followed-up on in the future.

Circular economy in claims handling (vehicle repairs), 2024	If	Topdanmark[1]
Share of reused parts	5.2%	5.1%
Share of glass repairs	38.0%	39.8%

[1] Full-year 2024

The measurement is not validated by an external body other than the assurance provider.

Social information

S1 Own workforce

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In order to determine the material topics and to identify actual and potential, negative and positive impacts, risks and opportunities regarding the economy, the environment and people, including impacts on human rights across activities and in the value chain, If Group has conducted a double materiality assessment that is regularly updated. Material impacts, risks and opportunities and the connection to the strategy and actions are described in the table below.

Topic	Impacts	Risks and opportunities	Strategy and actions
Working conditions	By complying with core International Labour Organization labour standards as well as the UN Global Compact principles on human rights, labour, the environment and anti-corruption, If Group has a positive impact on working conditions. . Working conditions are considered to be a material topic, where If Group has a major impact, as employees spend a lot of time at work. If Group has several processes and actions in place to ensure good working conditions and regularly assesses the work–life balance. Failing to provide good working conditions could have a potential negative impact on the mental health of the employees. Failing to provide good work conditions could have a potential negative impact on the employee's work–life balance. Time horizon: Short-term	There is a risk of fines due to breaches of regulations related to working conditions or work environment safety. However, the likelihood of this risk materialising is considered to be low. There is a risk of increased costs and longer sick leaves due to lack of knowledge regarding the employee's well-being. The likelihood of this risk materialising is considered to be higher than the risk of fines due to breaches of regulations. There is an opportunity to attract and retain employees based on the ability to offer good working conditions and a safe work environment. Time horizon: Short-term	– Internal policies and guidelines (e.g., Code of Conduct, HR Policy). – Work environment councils. – Communication Council based on European Work Councils' stipulation. – Training and competence development programmes. – Metrics and targets (e.g., employee engagement in eNPS, turnover, sickness). – Activities to support physical and mental health (e.g., well-being weeks).
Equal treatment and opportunities for all	If Group has a positive impact by reducing unwarranted pay differences that are directly or indirectly derived from gender through, for example, the pay gap analysis. If Group has a positive impact on training and skills development by means of the different development opportunities, such as internal career opportunities, growth talks, job shadowing and job rotation. If Group has a potential negative impact on its employees should there be cases of discrimination and harassment by If Group as an employer, by leaders or by employees. Time horizon: Short-term	There is a potential reputational risk due to, for example, unwarranted pay differences that are directly or indirectly derived from gender, or from an unequal gender balance among employees, management, and Board. There is a risk of increased employee turnover and increased costs in the event of failure to ensure equal treatment and opportunities for all. If Group has an opportunity to reduce costs by investing in engagement and employee skills development that could positively impact the employee turnover. Time horizon: Short-term	– Internal policies and guidelines (e.g., Code of Conduct, Diversity, Equity and Inclusion Instruction). – Effective governance structures (e.g., diversity models). – Metrics and targets (e.g., related to gender diversity). – Training and competence development to promote diversity, equity and inclusion. – Grievance mechanisms.
Privacy [1]	There is a potential negative impact on employees if personal information about the employees is lost. Time horizon: Short-term	There is a risk of costly fines due to breaches of privacy legislation. There is also a risk of difficulties in attracting new employees or that current employees leave the company due to failures to comply with privacy legislation. Time horizon: Short-term	– Internal policies and guidelines (e.g., Code of Conduct, HR Policy, Personal Data Policy). – Effective governance structures. – Training and competence development programmes.

[1] Privacy is handled separately within Other work-related rights.

The One If strategy framework contains 'People & Culture' as one of four main strategic foundations; this emphasises the people- and culture-related topics on the company agenda. The importance of having great employees, a strong company culture and a first-rate work environment where employees can impact their growth opportunities is central to the continued people engagement. As One If, the aim is to work together across functions and business areas to utilise the substantial workforce as a competitive advantage, where customers, partners, and employees experience If as one company.

If invests in culture, leadership and people in order to build a work environment that both enables strong performance and supports employee well-being. Ensuring that great people want to join and continue working at If, as well as giving their best to help the company reach its goals, is vitally important for the company's performance and value creation.

If Group has included in its workforce all types of employees who may face material impacts from own operations and the value chain in the scope of disclosure. This encompasses permanent, temporary, full-time and part-time employees.

Labour practices and human rights are recognised as systemic issues that reflect broader societal challenges; however, within If, these concerns may be tied to specific individual incidents. Topdanmark has identified risks related to, for example, transgressive behaviour, training or pay gaps between genders, and discrimination of employees with disabilities.

There is a risk of not having a non-discriminatory, open, and agreeable working environment where everyone is treated fairly and equally regardless of gender identity, ethnic group, religion, national identity, age, sexual orientation or physical ability. This could also limit the ability to serve a diverse customer base in the best possible way and thus impact financial performance. In engagement surveys, it has been noted that the two If Specifically Underrepresented Groups (ISURG)[10] have reported the lowest average scores. If is actively working to adjust business processes to address this. However, there is an increased risk of negative impact for these groups.

If Group has no material impacts on own workforce that would arise from transition plans, forced labour or child labour.

S1-1 – Policies related to own workforce

Sampo Group, which If Group is part of, is committed to respecting internationally recognised human rights, as defined in the UN Guiding Principles on Business and Human Rights. The Sampo Group Code of Conduct covers topics such as human rights and labour practices, diversity, equity and inclusion, and employee well-being and competence development. The Sampo Group Code of Conduct states that Sampo Group strongly condemns all forms of forced and compulsory labour (e.g., slavery, slave-like practices, various forms of debt bondage), as well as child labour and modern slavery (e.g., human trafficking), and is committed to the abolition of such practices.

Topdanmark has its own policies; however, they address the same principles even if they have different scopes, (e.g., human rights are addressed within several policies in If, whilst Topdanmark has a separate Human Rights Policy[11]). Topdanmark's Human Rights Policy applies to the own workforce, non-employees, business partners and the Board of Directors. It is also expected that suppliers, customers and investees adhere to internationally recognised human rights. The objective of the Human Rights Policy is to manage, prevent, mitigate and remediate actual and potential adverse impacts, and to address risks and pursue opportunities relating to human rights, including minimising the risk of negative impact on human rights in other parts of the value chain and in society. Going forward, If's policies will be updated and shall apply to all employees within all legal entities and all geographies in If Group.

For more information about policies related to own workforce, see General information about policies.

Working conditions

The Sustainability Policy states that If shall provide a healthy, safe and attractive work environment for all employees. A sound work environment ensures physical safety, relating to issues such as ergonomics and well-functioning office spaces, as well as psychological safety, which concerns reasonable workload, good leadership, development opportunities and non-tolerance of discrimination and harassment.

The HR Policy states that If demands accountability, rewards good performance and shows sensitivity and respect in difficult situations. The HR Policy also states that If shall strive to ensure a health-promoting work environment and work actively with both preventive health care and rehabilitation.

If is legally required to systematically plan and manage the work environment to ensure that it is safe for all employees from both a physical and a psychosocial perspective. If sets local work environment plans annually and follows up their implementation on a regular basis. The safety representatives cooperate with the employer and are also involved in risk assessment processes and other matters related to the work environment, such as workplace orientation and emergency procedures. Employees may use the whistleblowing system for addressing work-related misconduct or major deficiencies regarding workplace security.

When addressing employee health, safety and well-being, Topdanmark engages directly with the employees in the bi-annual engagement survey and following team talks. When addressing work environment and employment-related areas, Topdanmark addresses the union representatives and local representatives in the organisation. Furthermore, Topdanmark has a Well-being Committee that addresses day-to-day issues regarding the physical and mental work environment. The committee comprises employees, employee representatives and Senior Vice Presidents. Topdanmark also has a Collaboration Committee that oversees cooperation between the different entities in the company. The committee comprises union representatives and executive management. These committees meet twice and four times a year, respectively.

Remuneration is an important part of the value proposition to current and future employees, as well as an important topic for other stakeholders such as investors. If designs the remuneration packages to be financially responsible for the company and the individual in the long term, and are performance-based in nature. Adequate remuneration is ensured though local collective agreements.

If aims to be inclusive and communicative, and thereby recognises the importance of employee representation and a constructive dialogue with trade unions and other employee representatives. If upholds the right to freedom of association and effectively recognises the right to collective bargaining.

The Ethics Policy is in line with the UN Guiding Principles on Business and Human Rights and states that If respects human rights by seeking to avoid infringing on the rights of others and working to address adverse human rights impacts in which If may be involved. If has established policies, systems, and processes to ensure ethical behaviour in all parts of the company. Each employee is responsible for acting in an ethical fashion, in accordance with policies and values.

[10] Employees who consider themselves to be a POC (People of Colour), a refugee and/or LGBTQIA+ or employees with neurodiversity and/or disabilities.
[11] The international bill of human rights is incorporated into Danish law and such rights are thereby addressed through relevant legislation. Therefore, Topdanmark's Human Rights Policy does not explicitly address trafficking, forced labour, compulsory labour or child labour.

If has several measures in place to provide or enable remedy for possible adverse human rights impacts of working conditions.

Depending on local regulations, employees are offered comprehensive health insurance that covers both illness and accidents. In the event of sickness, employees can receive compensation for part of the income lost. Rehabilitation is offered to help employees return to work after an accident or prolonged sick leave. In situations of dismissal due to shortage of work as the result of a reorganisation, rationalisation or change of direction of the business, If offers conversion support.

Equal treatment and opportunities for all

If believes in equal opportunities for all, in a diverse and inclusive working environment, where everyone is treated fairly and equally regardless of gender, ethnic background, religion, nationality, age, sexual orientation, political opinion or physical ability. If does not tolerate any type of discrimination or harassment.

The HR Policy states that all employees have the right to be led in a supportive, empowering, development-oriented and performance-focused manner. Leaders are primarily responsible for ensuring that employee evaluation, feedback and coaching are performed and that adequate resources for, and access to, competence development are provided.

If shall offer a respectful, nurturing and developmental work environment where employees receive help to realise their full potential via performance management, good feedback, coaching and competence development, but where the main responsibility for development and performance rests with the employees themselves.

The Diversity, Equity and Inclusion Instruction states that no form of discrimination, harassment, bullying or any other form of physical or verbal mistreatment, neither within If nor by the customers or suppliers, is tolerated. If is convinced that a diverse, equitable and inclusive work culture boosts innovation and the growth of intellectual capital in many ways. If wants the workplace to be empowering, enabling all employees to be themselves and bring their full potential to their work.

The Ethics Policy states that one of If's basic principles is that all people have equal value. If's culture shall promote equality and diversity, and no discrimination of any kind is tolerated. Decisions on hiring, promotion, development and compensation should be based on the employee's abilities and skills and must never be based on irrelevant factors, such as, for example, their gender identity, age, ethnic background, religious belief or sexual orientation.

According to the Whistleblowing Instruction, all employees are encouraged to report openly. Reporting can, however, be done anonymously if the employee wishes to do so. The whistleblowing service offers a possibility to alert If about suspicions of misconduct, including discrimination and harassment, in confidence. It is an important tool for reducing risks and maintaining trust in the operations by enabling the early detection of possible misconduct and the taking of appropriate action.

In order to support the diversity and inclusion work, If has appointed a Head of Diversity, Equity and Inclusion, who reports to the Diversity and Inclusion Board and the Head of People Strategy and Culture. The role of the Head of Diversity, Equity and Inclusion is to create and implement plans to promote cultural change around diversity and inclusion across If. This includes setting up roadmaps and change programmes, conducting measurements and gap assessments, preparing reports, and cooperating with all units to integrate diversity and inclusion into their daily work.

If's Diversity and Inclusion Board is an advisory and preparatory body consisting of members appointed from different parts of the organisation. The role of the Diversity and Inclusion Board is to take a holistic view of diversity and inclusion, and to monitor that initiatives are taken and progress is made towards creating a diverse and inclusive culture.

Topdanmark has an employee resource group focusing on diversity, equity, inclusion and belonging. The group consists of employees from all parts of the organisation and takes a bottom-up approach to working with issues of diversity, equity, inclusion and belonging within the company. The group is the eyes and ears of the employees, and gathers, analyses and recommends steps forward on the diversity, equity, inclusion and belonging agenda to the Group Executive Management, who then approve or reject the proposals.

If has several measures in place to provide or enable remedy for possible adverse human rights impacts in relation to equal treatment and opportunities for all. There are guidelines that describe the responsibilities, roles and processes for how to handle bullying and harassment. Where needed, employees are supported by employee or union representatives and health and safety delegates.

Regular pay gap analyses are performed to ensure equal pay. An annual equal pay report includes an action plan to adjust any unwarranted individual pay gaps and forms one part of the measures in accordance with anti-discrimination legislation.

Privacy

The Ethics Policy states that If and its employees shall act fairly, decently, honestly and with a high level of integrity, and that the fundamental right to privacy shall be respected. Personal information about If's employees must be obtained correctly and lawfully, be relevant for the intended purpose and be treated with the utmost care.

The Personal Data Policy describes the principles for processing personal data within If. Personal data may be processed by If, provided that it is processed in accordance with the applicable legislation and the Personal Data Policy. The guiding principle is to always safeguard the employees' personal integrity, and to protect their personal information.

Sensitive personal data shall only be processed if this is explicitly permitted in specific legislation, if the individual has given explicit consent or if the processing is necessary to establish, exercise or defend legal claims. The individual's consent shall always be documented. If shall always comply with any national legislation that defines specific types of personal data as sensitive personal data.

There are measures in place to provide or enable remedy for possible adverse human rights impacts in relation to personal data. If has a process to ensure that any personal data breaches are reported and handled in accordance with applicable data privacy legislation. All individuals have the right to receive a copy of any personal data concerning them. If shall, on its own initiative or at the request of the individual, rectify or erase erroneous, unnecessary, incomplete or outdated information related to the purpose of the processing. All individuals may, in certain situations, be entitled to have their personal data deleted (the right to be forgotten). Individuals may contact the Data Protection Officer on all issues related to the processing of their data and the exercise of their rights under relevant legislation.

S1-2 – Processes for engaging with own workers and workers' representatives about impacts

If Group engages regularly and directly with employees and their representatives to gain in-sight into employees' perspectives, receive feedback and identify development needs. Stakeholder engagement and activities are integrated into the ordinary business operations, in order to ensure meaningful and regular engagement with the stakeholder groups. The forums for dialogues with own workers and workers' representatives are leader–employee dialogues, work environment councils and meetings with union representatives, as well as bi-annual employee surveys. Employees can also raise concerns through different reporting channels. For more information about stakeholder engagement, see SBM-2 – Interests and views of stakeholders.

If Group does not have a Global Framework Agreement. However, an agreement on an information and consultation procedure with the workers' representatives has been established, based on the European Works Councils' stipulation. The highest level of engagement with workers' representatives takes place in the Communication Council, which is chaired by the CEO of If P&C Insurance Holding Ltd (publ). The Communication Council meets quarterly to address topics that concern more than one country or business area.

The employee engagement surveys cover the physical and psychosocial work environment and address questions related to, for example, well-being and the field of diversity, equity and inclusion. The surveys measure the perceived sense of diversity, equity and inclusion, where the goal is to achieve an outstanding perceived sense of inclusion. Within If, this is defined as at least 80–85% of employees agreeing, or strongly agreeing, with the statements related to inclusion. The intent is to ensure that all employees, regardless of their attributes, will report similar levels of employee engagement and experience across the organisation. Responses are examined in several demographic groups based on, for example, gender and two 'If Specifically Underrepresented Groups' (ISURG), which encompass employees who consider themselves to be a person of colour, a refugee and/or LGBTQIA+, and employees with neurodiversity or disability). The data allows management teams to identify development areas, set targets and measure the effectiveness of implemented actions. Leaders discuss the results with their team to identify improvement areas and take relevant action.

If's Head of Diversity, Equity and Inclusion has launched a Diversity, Equity and Inclusion maturity model, representing four stages of maturity: Global compliance, Developing, Proficient and Strategic. The model dictates the systematic implementation of diversity, equity and inclusion into every aspect of the business through internal governance, compliance, work climate, leadership and actively working on behavioural change.

S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

If Group strives to ensure a constructive and trustful dialogue with employees and their elected representatives for the purpose of developing If Group and safeguarding the correct treatment of all employees. If Group promotes a culture of open discussion, and employees can raise concerns directly with the team leader, through employee surveys, work environment councils, union representatives (where applicable) or through a business incident system. Employees are primarily encouraged to report openly, either in their own name or confidentially through their leader, but If also offers the opportunity to report anonymously through a whistleblowing system, which is managed by an external party. Corrective measures are taken based on the information received through all reporting channels.

If Group offers training on the purpose and correct usage of the incident reporting systems, to promote reporting as an opportunity to proactively identify tendencies and risks, and to enable If Group to avoid or minimise potential risk or injury. The whistleblowing system is also available to individuals outside If Group through If's external website.

The business incident reporting system is a channel for identifying and following up on risks and is therefore the main database for all reported business incidents that have had, or could potentially have, a negative impact on the operations, the financial position, the customers, the public's confidence in If or the safety of the employees. All issues are managed by the employee and the leader according to applicable procedures, with the support of HR, if needed.

The bi-annual employee surveys help to assess the willingness to openly voice opinions and report misconduct, and whether the available reporting tools are fit for their intended purpose. The employee surveys provide the employees with the opportunity to share their views about the company, different aspects of working at If Group and the culture. Employees are encouraged to give feedback on, for example, the psychosocial environment to help achieve a healthy, inclusive and safe environment.

For more information about the protection of whistleblowers, see section ESRS G1 – Business conduct policies and corporate culture.

S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Working conditions

To manage the risk deriving from breaches of regulations related to working conditions or work environment safety, and lack of knowledge regarding the employee's well-being, several actions were taken in 2024.

During 2024 If continued to develop the mandatory e-learning programme One Responsible If. The programme reflects key ethical and practical guidelines, such as those outlined in the Ethics and Sustainability policies. The programme also includes a section on incident reporting with the aim of ensuring that all employees are aware of the available channels and the types of incidents that should be reported. Other important topics covered in the programme include anti-money laundering, conflicts of interest, and information security.

During 2024, If Group continued to run regular employee engagement surveys. The surveys give an increased insight into work-life conditions and enable If Group to adapt the working environment to better care for the employees. Employee surveys are a vital channel for gaining understanding about both the physical and the psychosocial working environment.

In 2024, If arranged well-being weeks in all countries, where employees could listen to lectures on different health topics, meet healthcare providers, gain new insights and challenge themselves by participating in competitions that encouraged healthy habits and routines. A health strategy was created, focusing on mental health, work ergonomics and the cognitive demands of work life, and the implementation of this strategy was initiated.

Growth and performance enablement is supported by the setting of clear expectations and goals, and is facilitated by forward-looking growth talks, frequent check-ins and feedback activities. To identify and document the critical skills for value creation, both today and for the future, If conducts skills inventories. In the regular individual growth talks, the employee and the leader discuss the employee's skills and interests, and individual skills development, and reflect on the critical skills that have been identified in the skills inventory.

During 2024, If paid extra attention to activities that build a strong and rich feedback culture to strengthen organisational, team and personal growth. Feedback has been identified as an important part of the annual growth talks. Communication activities have focused on building awareness and sharing good feedback practices and tools.

Going forward, If Group will continue efforts to promote internal mobility as an opportunity for employees to develop their knowledge and continue developing in different roles within the group. In 2024, If established an internal recruitment guideline to clarify the process and highlight development opportunities within If.

Equal treatment and opportunities for all

To manage the risks deriving from unwarranted pay differences and unequal treatment and opportunities, several actions to promote diversity, equity and inclusion and to further enhance the equal treatment of employees have been taken.

If's diversity, equity and inclusion work is communicated in job advertisements, and the recruitment process has been further developed to include different types of assessments, including the use of personality tests and case presentations, structured interview guidelines, references, and a four eyes principle to avoid decisions being influenced by unconscious bias and discrimination. In 2024, If further developed existing employer branding initiatives to incorporate more of the diversity, equity and inclusion work. If also trained all leaders in competence-based interview techniques to reduce bias.

In 2024, If continued to promote diversity, equity and inclusion through a number of corporate level decisions, workshops, and events. If initiated a training course on diversity, equity and inclusion together with London School of Economics, and several business area management teams have commenced the programme.

If Group annually conducts an equal pay analysis as a common global process. The purpose is to identify, address and prevent unwarranted pay differences that may directly or indirectly be derived from gender. The aggregated results of the analysis are presented in the annual Equal Pay Report, where gender salary measurements are compared to previous years' data and benchmarked against the external market. The goal of the report is to offer a consistent metric for the assessment of progress over time. Moreover, the report also includes an action plan to adjust any unwarranted individual pay gaps and forms one part of the active measures in accordance with anti-discrimination legislation.

In 2024, resources were appointed to ensure the integration of diversity, equity and inclusion topics across the Baltic region, and a session on diversity, equity and inclusion-awareness was held for Baltic leaders, focusing on diversity and gender equality.

Going forward, If Group will continue efforts in relation to diversity, equity and inclusion, focusing on improving methods to develop inclusive leadership, which in return contributes to improved psychological safety in all teams. If Group will also focus on further developing the approach to neurodiversity and disability through various activities and by forming communities of best practice that can be consulted to make decisions more inclusive. If Group will continue to examine the employer brand, with the aim of appealing to a more diverse workforce, which is impacted by societal trends such as immigration and generational values.

If has a potential negative impact from discrimination and harassment, and has conducted company-wide surveys on harassment since 2018. The number of cases in 2024 remained at a low level, similar to the previous year. The survey results are followed up, and corrective measures are taken based on the information received via different reporting channels.

Other work-related rights

To manage the risks deriving from breaches of privacy legislation, several actions were taken during the year to further increase the awareness of data protection rules and principles. During 2024, the reporting process connected to sick leave was reviewed to enable a more proactive management of specific work environment factors that tend to be linked to illness. Statistics on absence or illness due to mental health are not reported separately, for data privacy reasons.

Remediation and efficiency of actions taken

To ensure early intervention regarding potential negative impacts, If Group monitors workforce-related information on a quarterly basis. In addition, a deeper analysis is performed annually, and discussed in different forums, such as management teams. Detailed analyses and actions are performed as needed.

If Group has several policies and processes in place to ensure that there are no material negative impacts on the own workforce. In the event of negative impact, remediation processes are followed. Employees can report incidents to their leader, HR or the Compliance function, or through one of the reporting channels available on the intranet. Actions are taken based on the information received through the reporting channels.

To ensure that actions to manage material impacts, risks and opportunities are effective, If Group monitors, for example, employee engagement and employee turnover on a regular basis.

If Group wants to be an attractive and responsible employer, and invests in creating a corporate culture that nurtures health and well-being, work–life balance and career development. If Group offers, for example, flexible working hours and hybrid work, occupational health services, training and career opportunities. The effectiveness of these measures is monitored, for example, by employee engagement surveys and other health and safety metrics.

The main responsibility to ensure that employees are not negatively impacted lies with HR. It is also HR that seeks to maintain or strengthen positive impacts related to the own workforce.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

If Group has set time-bound and outcome-oriented targets for employee engagement surveys to address the impacts, risks and opportunities related to employee well-being, competencies and diversity. When addressing employee health, safety and well-being, engagement occurs directly with the employees in engagement surveys and subsequent team talks.

The employee engagement results are based on surveys of employees to assess their experience of working at the company. Separate employee engagement surveys have been conducted at If and Topdanmark.

If's survey focuses on engagement and culture, complemented by questions about the working environment (both physical and psychosocial).

In 2024, Topdanmark's engagement survey had a participation rate of 96%. The survey resulted in an engagement score of 80 points, which was the same as in 2023. If a team does not reach 60 points, they must have a team talk with an HR partner. In 2024, Topdanmark saw that the teams with the lowest scores in the previous engagement survey had raised their scores by an average of between 18 and 30 points. This shows that the mandatory team talk has a positive effect on the well-being in the individual teams. Furthermore, Topdanmark conducted two additional surveys during the acquisition period to monitor and act on potential negative impacts on employees due to feelings of uncertainty.

The engagement surveys are distributed bi-annually to all employees.

Data on an aggregated level is used by management teams as input into organisational development processes. For example, data is used to follow-up trends in employee engagement and well-being to ensure early intervention due to possible negative impacts and the possibility to target needed actions to different organisations. Results from engagement surveys have indicated that the feedback culture

Employee engagement, 2024	Target	Scale	Spring	Autumn
If (Heartbeat, eNPS)	2024: >50	-100-100	52	54
Topdanmark (Group engagement survey)	2025: 79	0-100	80	80

Surveys are company-specific and not comparable to each other.

could be strengthened and that there is a potential to improve internal career development possibilities. Therefore, these topics have been integrated in the new Growth Talk model, the leadership training and the new internal recruitment guideline. Increased insight into work-life conditions also enables If Group to adapt the working environment to better care for the employees.

In addition to top management, representatives from different parts of the organisation have been involved in drafting the targets. External stakeholders' feedback is also considered, where relevant.

If's target for eNPS is considered as ambitious, based on the eNPS methodology. The target is agreed on and discussed with If's management and union representatives. The results are regularly communicated to all employees to ensure transparency.

Personnel figures are reported according to headcount or full-time equivalent (FTE) values. Headcount is used for calculating the total number of employees, non-guaranteed hours employees, turnover, family-related leave, employees covered by collective bargaining agreements and occupational healthcare, and age distribution. FTE is used for calculating full-time, part-time, permanent and temporary employees. For the most part, year-end figures are used, except for employee turnover (external turnover, including both voluntary and involuntary turnover), where annual average figures are used. Remuneration-related figures are also calculated using the FTE average.

Most If Group employees work in Sweden, Finland, Norway, Denmark, Spain, Estonia, Latvia and Lithuania. A small number of employees work in other countries, such as France, the Netherlands, Germany and the UK (in this report, referred to as "Other").

The gender pay gap describes the difference in actual paid out compensation between men and women. The difference in pay can be explained by factors such as position in the company, job tasks and responsibilities.

The number of internally reported human rights incidents includes verified severe violations of human rights and labour rights legislation. The number of incidents of discrimination and harassment includes incidents of discrimination as defined in the Sampo Group Code of Conduct and incidents of harassment that have resulted in disciplinary action (warning or dismissal).

The metrics for own workforce have not been validated by an external body other than the assurance provider.

S1-6 – Characteristics of the undertaking's employees

Number of employees (headcount), 31 December 2024

Gender	If	Topdanmark
Female	4,810	1,068
Male	3,962	1,332
Other	0	0
Not disclosed	0	0
Total number of employees	**8,772**	**2,400**

The FTE (full time equivalent) is calculated based on the work time of monthly paid employees registered in the If Group HR systems. The FTE is adjusted for leaves of absences exceeding 29 days. Furthermore, the FTE is adjusted to zero if an employee has a sickness absence of more than 90%. Summer workers and trainees are excluded from the calculation.

The headcount is calculated based on the number of monthly paid employees registered in the If Group HR systems. Summer workers and trainees are excluded from the calculation.

If Group only collects information about binary gender, due to legal restrictions.

Number of employees (headcount), 31 December 2024

Country	If	Topdanmark
Denmark	582	2,395
Estonia	514	0
Finland	2,072	0
France	7	0
Germany	8	0
Latvia	573	0
Lithuania	190	0
Netherlands	8	0
Norway	1,827	0
Spain	230	0
Sweden	2,756	5
United Kingdom	5	0
Total number of employees	**8,772**	**2,400**

Employee turnover is calculated by dividing the number of employees who left during 2024 by the average number of employees. The figures include external voluntary and involuntary turnover.

Number of terminations and turnover rate, 31 December 2024

	If		Topdanmark [1]	
	Terminations	Turnover %	Terminations	Turnover %
Denmark	78	13%	24	1%
Estonia	44	9%	0	0%
Finland	128	6%	0	0%
Latvia	33	6%	0	0%
Lithuania	16	8%	0	0%
Norway	143	8%	0	0%
Sweden	312	11%	0	0%
Other	99	40%	0	0%
Total	**853**	**10%**	**24**	**1%**

This is departure turnover including only full-time permanent employees with monthly pay.
[1] November - December 2024

If Group's number of employees remained stable during 2024, except for the integration of Topdanmark, which impacted the number of employees in Denmark and in If in total at year-end. Topdanmark employees are included in the average number of employees for the period November to December 2024.

Employees by contract type and binary gender, 31 December 2024

FTE[1]/Headcount	If				Topdanmark				Total
	Female	Male	Other [2]	Not disclosed	Female	Male	Other[2]	Not disclosed	
Number of employees (headcount)	4,810	3,962	0	0	1,068	1,332	0	0	11,172
Number of employees (FTE)	4,388	3,817	0	0	1,040	1,325	0	0	10,570
Number of permanent employees (headcount)	4,739	3,937	0	0	1,050	1,315	0	0	11,041
Number of temporary employees (headcount)	71	25	0	0	18	17	0	0	131
Number of non-guaranteed hours employees (headcount)	102	66	0	0	66	60	0	0	294
Number of full-time employees (head-count)	4,403	3,820	0	0	931	1,309	0	0	10,463
Number of part-time employees (headcount)	407	142	0	0	135	25	0	0	709

[1] Full Time Equivalent
[2] Gender as specified by the employees themselves.

Employees by contract type and country, 31 December 2024

If (FTE[1]/Headcount)	Denmark	Estonia	Finland	Latvia	Lithuania	Norway	Sweden	Other	Total
Total number of employees (FTE[1])	561	486	1,944	540	182	1,737	2,499	255	8,205
Number of permanent employees (headcount)	580	506	2,057	565	179	1,791	2,740	258	8,676
Number of temporary employees (headcount)	2	8	15	8	11	36	16	0	96
Number of non-guaranteed hours employees (headcount)	16	0	0	0	0	59	93	0	168
Number of full-time employees (headcount)	531	491	1,897	568	186	1,736	2,562	252	8,223
Number of part-time employees (headcount)	51	23	175	5	4	91	194	6	549

Topdanmark (FTE[1]/Headcount)	Denmark	Estonia	Finland	Latvia	Lithuania	Norway	Sweden	Other	Total
Total number of employees (FTE[1])	2,359	0	0	0	0	0	5	0	2,365
Number of permanent employees (headcount)	2,360	0	0	0	0	0	5	0	2,365
Number of temporary employees (headcount)	35	0	0	0	0	0	0	0	35
Number of non-guaranteed hours employees (headcount)	126	0	0	0	0	0	0	0	126
Number of full-time employees (headcount)	2,235	0	0	0	0	0	5	0	2,240
Number of part-time employees (headcount)	160	0	0	0	0	0	0	0	160

[1] Full Time Equivalent

S1-7 – Characteristics of non-employee workers in the undertaking's own workforce

On 31 December 2024, the total number of non-employees registred in the HR systems was 851 (headcount) at If, and 974 (headcount) at Topdanmark. Non-employees are consultants that are hired by the company or are independent contractors, for example consultants working within IT.

S1-8 – Collective bargaining coverage and social dialogue

In total, 79% of all employees in If Group are either represented by an independent trade union or covered by collective bargaining agreements. The figure only includes employees who are fully covered by collective agreements in locations where trade unions are formally recognised. Nevertheless, the agreements apply to most employees' terms of employment (excluding top management) even if they are not covered by the agreements. There are several collective bargaining agreements within If Group's operations in the European Economic Area (EEA), depending on the geographical location and national practices.

If Group follows local regulations, thereby respecting the freedom of association, and the business processes are designed to ensure equal treatment regardless of unionisation, based on the employees' constitutional rights. Information about trade unions is available on the intranet and included in the introduction for new employees. All employees are provided with information stipulating the employment conditions that are applicable for, for example, health and safety, remuneration, working hours, work-time flexibility, training and competence development, employability/life-long learning and equal opportunities.

Collective bargaining coverage and social dialogue

Coverage rate	Collective Bargaining Coverage		Social Dialogue
	Employees - EEA	Employees - Non-EEA	Workplace representation (EEA only)
	(For countries with >50 employees representing >10% of the total employees	(Estimate for regions with >50 employees representing >10% of the total employees)	(For countries with >50 employees representing >10% of the total employees
0-19%			
20-39%			
40-59%			
60-79%			Denmark [1] Sweden
80-100%	Denmark [1] Finland Norway Sweden		Finland Norway

[1] Including Topdanmark

If Group does not have a Global Framework Agreement. However, an agreement on an information and consultation procedure with the workers' representatives has been established, based on the European Works Councils' stipulation. The highest level of engagement with workers' representatives takes place in the Communication Council, which is chaired by the CEO of If P&C Insurance Holding Ltd (publ). The Communication Council meets quarterly to address topics that concern more than one country or business area.

S1-9 – Diversity metrics

Gender distribution at top management[1] (headcount and %), 31 December 2024

	Level 1 (CEO)		Level 2 (Reporting to level 1)		Level 3 (Reporting to level 2)	
	Headcount	%	Headcount	%	Headcount	%
If						
Female	0	0%	2	18%	38	51%
Male	1	100%	9	82%	37	49%
Topdanmark						
Female	0	0%	2	22%	15	30%
Male	1	100%	7	78%	35	70%

[1] If Group here defines top management as the CEO and the management level employees who report to the CEO.

Distribution of employees by age group (headcount), 31 December 2024

Age group	If	Topdanmark
Under 30	1,365	366
30-50	5,092	1,307
Over 50	2,315	726
Total	**8,772**	**2,400**

S1-10 – Adequate wages

Remuneration depends on objective criteria, such as work experience, competence, position and responsibilities, and all employees are paid an adequate wage in line with applicable benchmarks. Pay and additional benefits are not based on, or affected by, gender or any other non-professional aspect. There are, for example, job title and job position structures to ensure that employees in the same position are employed under the same conditions, and internal and external benchmarks are used in setting the salary ranges.

S1-11 – Social protection

All employees within If Group are covered by social protection against loss of income due to major life events such as sickness, unemployment, employment injury and acquired disability, parental leave and retirement.

S1-12 – Persons with disabilities

If Group does not collect data on disabilities due to legal restrictions.

S1-13 – Training and skills development metrics

Training and skills development metrics are calculated using headcount. Several new reporting processes were implemented in 2024 to meet the ESRS reporting requirements. Reporting on training and skills development will be further developed in 2025 to ensure as accurate data as possible.

Growth and performance enablement is supported by setting clear expectations and goals, and is facilitated by forward-looking growth talks, frequent check-ins, and feedback activities. Growth talks are forward-looking conversations emphasizing themes such as feedback, ambitions, skills and interests and growth goals, which are considered important for personal and professional growth. The recommendation is to have two growth talks each year and to document these.

If offers a wide range of development opportunities to help employees gain valuable experiences and broaden their horizons. Together with their leaders, employees can discuss how they aspire

Percentage of employees that participated in regular performance reviews (by gender), 2024	If	Topdanmark
Female	53%	80%
Male	48%	63%
Total	**51%**	**70%**

to learn and grow. Growth goals are set, and discussions are held on how to learn and develop. Much of the learning and growth takes place through collaboration with various colleagues and participation in different projects. Employees can also be inspired to grow through, for example, Teams communities, mentorships, job shadowing or job rotation

S1-14 – Health and safety metrics

In total, 100% of all If Group employees (within all countries of operation) are covered by an occupational health and safety management system.

Health and safety information, 2024

	If [1]	Topdanmark [1, 2]
Percentage of employees who are covered by health and safety management system	100%	100%
Number of fatalities as result of work-related injuries	0	0
Number of recordable work-related accidents	54	1
Rate of recordable work-related accidents	3.62	1.74

[1] Information regarding non-employees is not available
[2] November-December 2024

S1-15 – Work-life balance metrics

All employees included in the headcount are entitled to family-related leave through social policy or collective bargaining agreements. The percentage of employees who took family-related leave is calculated based on headcount.

Number of employees who took family-related leave 2024

	If	Topdanmark [1]
Male	11.5%	4.2%
Female	7.0%	1.4%
Total	**9.5%**	**2.6%**

[1] November - December 2024

S1-16 – Remuneration metrics (pay gap and total remuneration)

Remuneration-related metrics are calculated using FTE average. Exchange rates may have an impact on the remuneration figures presented in the report.

Gender pay gap, 2024

	If	Topdanmark [1]
Fixed remuneration	16.9%	14.3%
Fixed and variable remuneration	20.1%	23.8%

[1] Full-year 2024

The above gender pay gap figures describe the difference in actual paid out compensation between men and women. The difference can be explained by factors such as position in the company, job tasks and responsibilities. If strives to improve the pay gap development through targeted efforts such as establishing a more diversified candidate pool and improving the recruitment toolbox, and thereby achieving a more gender-balanced recruitment in all hires.

The calculation encompasses fixed and variable remuneration to monthly paid employees (permanent and temporary, full-time and part-time), the Business Management Group and the CEO.

Fixed remuneration includes fixed salary as a gross amount before deduction of income tax or any social contributions that are liable to be paid by the employee. Fixed remuneration also includes holiday pay, holiday compensation and any taxable benefits (for example, lunch, telephone, car benefit and car allowance).

Variable remuneration includes all variable compensation elements, such as short-term variable compensation, sales incentives, long-term incentives, options, gratuities and all other kinds of performance-related bonuses.

Overtime compensation, social security contributions or pension paid on top of the salary by the employer are not included in the calculation.

The gender pay gap calculation principles have been updated to reflect the requirements of the ESRS; therefore, the figures reported in 2023 are not comparable with the reporting year.

Annual total remuneration ratio of the highest paid individual to the median annual remuneration, 2024	If	Topdanmark
Pay ratio	40.0	21.2

The calculation encompasses the annual fixed and variable remuneration to monthly paid employees (permanent and temporary, full-time and part-time) who were in an employment relationship at the date of payment. Fixed and variable remuneration are defined as above, and the same exclusions are applied. The median annual remuneration is the midpoint of all individual annual total remunerations.

S1-17 – Incidents, complaints and severe human rights impacts

In 2024, If had 3 complaints reported through channels for people in the own workforce. Corrective measures have been taken according to the internal process description, and the cases have been closed.

The number of incidents of discrimination and harassment includes incidents of discrimination as defined in the Sampo Group Code of Conduct and incidents of harassment that have led to formal consequences (e.g., warning or dismissal).

Number of incidents of discrimination and harassment, 2024	If	Topdanmark [1]
Number of incidents of discrimination or harassment	0	0

[1] November-December 2024

The number of internally reported human rights incidents includes any severe violations of human rights and labour rights legislation.

Number of severe human rights incidents, 2024	If	Topdanmark [1]
Number of severe human rights incidents	0	0

[1] November-December 2024

S2 Workers in the value chain

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

In order to determine the material topics and to identify actual and potential, negative and positive impacts, risks and opportunities regarding the economy, the environment and people, including impacts on human rights across activities and in the value chain, If Group has conducted a double materiality assessment that is regularly updated. Material impacts, risks and opportunities and the connection to the strategy and actions are described in the table below.

Topic	Impacts	Risks and opportunities	Strategy and actions
Working conditions	If Group has not discovered any negative impacts regarding the topic in the value chain. However, If Group is aware that there is a potential risk of breaches of working conditions in the value chain. If Group has a potential positive impact through its supply chain engagement by having a due diligence process and a supplier Code of Conduct. Time horizon: Short to medium-term	If Group has established a due diligence process to look at sustainability-related risks in the supply chain, aligned with existing and upcoming legislation. There is however a risk of reputational damage and financial consequences in the event of failure to properly implement the due diligence process. There is a potential risk of poor quality if suppliers do not take working conditions seriously. By taking working conditions seriously, suppliers could increase the quality of the work. Time horizon: Short to medium-term	– Internal policies and guidelines (e.g., Code of Conduct, Responsible Investment Policy). – Effective governance structures (e.g., investments, underwriting, suppliers, customers). – Training and competence development programmes.
Equal treatment and opportunities for all	If Group is aware that there is a potential negative impact related to equal treatment and opportunities for workers in the value chain. If Group has a potential positive impact through its supply chain engagement and due diligence processes. Time horizon: Short to medium-term	There are potential risks related to equal treatment and opportunities for workers in the value chain; however, they are not considered to be financially material for If Group. There are potential opportunities related to equal treatment and opportunities for workers in the value chain; however, they are not considered to be financially material for If Group. Time horizon: Short to medium-term	– Internal policies and guidelines (e.g., Code of Conduct, Responsible Investment Policy). – Effective governance structures (e.g., investments, underwriting, suppliers, customers).
Other work-related rights	If Group has not discovered any negative impacts regarding other work-related rights in the value chain. However, If Group is aware that there is a potential risk for forced labour, inadequate housing, water and sanitation in the value chain, If Group could therefore have a negative impact on work-related rights in the value chain. Time horizon: Short to medium-term	Risks related to child labour are considered to be low in the countries where If Group operates. However, the potential risk for forced labour and inadequate housing, water and sanitation exists in the value chain. This is therefore considered to be a low likelihood/high-impact risk. If Group does not have detailed information about workers in the value chain; privacy is therefore not considered to be a material topic. If Group has not identified any opportunities related to other work-related rights for workers in the value chain. Time horizon: Short to medium-term	– Internal policies and guidelines (e.g., Code of Conduct, Responsible Investment Policy). – Effective governance structures (e.g., investments, underwriting, suppliers, customers).

If Group has an impact on workers in the value chain especially through its suppliers and business partners, corporate customers and investments. In the upstream value chain, there are workers at suppliers of office products (including IT equipment) who perform office work, as well as workers on the site performing facility management and work in the canteens.

In the downstream value chain, there are workers at suppliers of claims handling, investee companies and corporate clients who perform various types of work. There are also workers at business partners distributing If Group's products.

Based on the double materiality assessment, If Group identified that especially workers in the downstream value chain (e.g., suppliers in claims handling) are the main types of value chain workers that could be negatively affected. These workers may face risks that are inherent to their roles and operating contexts, which are mitigated by the suppliers' adherence to the required health and safety standards outlined in the Supplier Code of Conduct.

Ensuring that human and labour rights are respected by the suppliers and business partners is important in order to mitigate financial risks. Business partners that breach human rights and labour rights may face legal, reputational and operational consequences, which may in turn become an operational risk for If Group. A stable business relationship with a responsible partner is a competitive advantage and is therefore seen as an opportunity.

If Group includes all value chain workers who may be materially impacted by its operations, products, services and business relationships in its disclosures. The main focus is on tier 1 suppliers, where If Group is expected to have the largest impact, although the impacts that If Group may have through the investees and corporate customers are also considered.

In the upstream value chain and in the offices and operations, there are consultants and service workers who provide services to the employees, as well as those working for the software and hardware companies. The downstream value chain includes workers in vehicle and property repairs, healthcare providers treating sickness and injuries, and people working for any of the companies that If Group either invests in or provides insurance to.

If develops its understanding of particularly vulnerable value chain workers, for instance, through self-assessment questionnaires completed by suppliers and engagement with investee companies and corporate customers. Examples of particularly vulnerable groups within the value chain include different minorities and migrant workers.

Many of the suppliers in claims handling are located in the Nordics, where the risk of human rights violations in general is seen as lower than in many other regions globally. However, through investments and underwriting, If Group has an indirect impact on workers within many industries and regions around the globe. The value chain can be long and complex, and certain sectors can be associated with potential human rights and labour rights violations. If Group has a limited possibility to impact the responsible companies regarding risks that materialise many steps away in the value chain. However, there are systems in place to assess sustainability risks related to suppliers, underwriting and investments.

Risks related to forced labour and child labour, discrimination and violations of privacy can be considered systemic. To address identified breaches of the Supplier Code of Conduct, measures are established (e.g., audits, self-assessment questionnaires, site visits) and the process for more effective resolution of individual incidents is consistently being refined.

If places demand on suppliers to respect human and labour rights and has conducted many dialogues with some of the major suppliers over the years. To If's knowledge, none of the suppliers are involved in severe human and/or labour rights abuses, but considering the risk, If is not dismissing the fact that this could occur.

Through continual work with supplier engagement, If Group hopes to have a positive impact on the human and labour rights of the suppliers' workers. This positive impact could rely on continual business opportunities for the supplier and the creation of job stability for its workers.

Ensuring that human and labour rights are respected by the suppliers and business partners is also important in order to mitigate financial risks.

S2-1 – Policies related to value chain workers

If Group works to make the UN Global Compact principles part of the strategy, culture and day-to-day operations, and has integrated the principles into central policies and processes. Interests of key stakeholders such as workers in the value chain have been considered when developing policies such as the Supplier Code of Conduct. Respect for human rights, labour rights, the environment and anti-corruption is an integral part of the policies and processes that target the value chain workers at the customers (e.g., Underwriting Policy), investees (i.e., Responsible Investment Policy) and suppliers (i.e., Supplier Code of Conduct and Procurement Policy).

Topdanmark has its own policies; however, they address the same principles, even if they can be divided into different scopes (e.g., human rights are addressed within several policies in If, whilst Topdanmark has a separate Human Rights Policy). Going forward, If's policies will be updated and shall apply to all employees within all legal entities and all geographies in If Group.

If Group has not been made aware of severe confirmed cases of non-adherence to global standards for value chain workers in its upstream and downstream value chain during the reporting period.

Underwriting Policy

The Underwriting Policy states that corporate clients are expected to respect international norms and conventions on human rights, labour rights, the environment and anti-corruption, as defined in the UN Global Compact. In the event that a corporate client is found to be in breach of one or more of the UN Global Compact principles, the company will be notified and asked to remedy the situation. If a client is not willing or able to improve its governance or practice to comply with the principles, they could be asked to find another insurer.

Responsible Investment Policy

If Group aims to recognise and mitigate the adverse impacts of its investment operations on the environment, society, employees, human rights, anti-corruption and anti-bribery. Therefore, sustainability is incorporated into the investment operations, and the company's investment decisions consider not only financial aspects but also sustainability factors, as well as the related risks. The responsible investment processes cover both current and new investments. As an active owner, If strives to ensure that its investee companies operate responsibly, and when breaches of international norms and standards are detected, If engages with companies through direct dialogue, voting and pooled engagement. As a measure of last resort, the investment might be sold, if the investment object that is the target of the engagement action does not respond to the engagement efforts and does not take measures to prevent the abuse or breach within a reasonable time frame.

Distribution Policy

If's Distribution Policy applies to If's distribution of insurance products through its own employees or distributors, or when acting as a distributor for another insurance company. The policy includes instructions on responsible sales practices, which means that the sales staff involved in the distribution of insurance contracts undergo comprehensive training in this area.

All insurance distributors that distribute If's products shall, as applicable under local law, hold proper licences and/or registrations with competent authorities. The employees of the distributors must fulfil the good repute requirements, as applicable under local law. They must also have the required level of knowledge and competence to distribute insurance products.

Procurement Policy

The Procurement Policy aims to ensure that If's suppliers and other third parties conduct their business in a way that is consistent with If's Supplier Code of Conduct and in accordance with all legal and regulatory obligations, and therefore meet If's minimum requirements. The policy refers to the Supplier Code of Conduct and states that sustainability values (including human rights, labour rights, environment and anti-corruption) shall always be followed. A due diligence process is carried out with the purpose of performing and maintaining an up-to-date risk profile of suppliers. The process may include requests for corrective measures to be taken by the supplier. If reserves the right to terminate contracts with a supplier in the event of material breaches of the responsibilities outlined in the Code of Conduct.

Supplier Code of Conduct and Sampo Group Code of Conduct

If's Supplier Code of Conduct covers human rights, labour rights, the environment and anti-corruption, and is based on the ten principles of the UN Global Compact and its underlying conventions and declarations. The Code of Conduct applies to suppliers with whom If conducts business, including subsidiaries and sub-suppliers. The Code of Conduct also applies to all of the suppliers’ employees, whether permanent or temporary. In the event of identified deviations from the Code of Conduct, the supplier will be asked to provide a corrective action plan. If reserves the right to terminate contracts with a supplier in the event of material breaches of the requirements outlined in the Code of Conduct.

The Supplier Code of Conduct addresses child labour and forced labour, which are strictly forbidden. If the supplier should employ persons under the age of 18, these should not carry out work that is heavy, hazardous or occurs at night, in accordance with the principles of the International Labour Organization conventions.

The Sampo Group Code of Conduct, which also applies to If Group, strongly condemns all forms of forced and compulsory labour (e.g., slavery, slave-like practices, various forms of debt bondage), as well as child labour and modern slavery (e.g., human trafficking) as defined by the International Labour Organization’s core conventions (Minimum Age, Forced Labour and the Abolition of Forced Labour), and states that Sampo Group is committed to the abolition of such practices.

Whistleblowing Instruction

The whistleblowing service offers a possibility for value chain workers to alert If Group about suspicions of misconduct, in confidence. It is an important tool for reducing risks and maintaining trust in the operations by enabling the early detection of possible misconduct and the taking of appropriate action

S2-2 – Processes for engaging with value chain workers about impacts

If Group has different processes by which to understand and consider the perspectives of value chain workers. If Group has a close relationship with many of its claims handling suppliers, which enables it to discuss topics such as working conditions during meetings or site visits. Engagement can also be part of the due diligence process if a supplier is assessed as belonging to a high-risk sector or region, where they are asked to fill out a self-assessment questionnaire including questions on workers’ conditions and rights. If Group also tries to understand the perspectives of workers in the companies that If Group invests in or provides insurance to. This is done by social questions being part of the screening of investees and larger commercial customers. The frequency and method of engagement depend on the assessed risk (e.g., the type and size of the business partner).

Different persons are responsible for carrying out stakeholder dialogues, depending on the type and size of business partner and/or contract, as well as which business unit is responsible for the partnership. For example, business support specialists, business developers or procurement specialists are responsible for dialogues with claims partners.

The various due diligence and screening processes allow If Group to understand and manage impacts on the workers in the value chain. Assessment of the effectiveness of engagement is monitored, for example, through follow-up meetings with suppliers and corporate clients, or with external partners during engagement with investee companies. If severe risks related to human rights are detected, If Group may place demands on the customer, investee or supplier in question, or terminate the agreement with the party.

If Group has not identified any vulnerable groups in its immediate value chain, as working conditions and workers’ rights are embedded in local labour laws and therefore generally well respected across the Nordics and Baltics. However, If Group does not have full control and insight into its value chain, especially beyond the first tier. It is therefore possible that there are vulnerable groups in the value chain, for example, migrant workers in the construction sector.

Topdanmark takes the UN Global Compact principles into consideration when selecting and evaluating suppliers, and performs screening of suppliers. Topdanmark engages with stakeholders on a frequent basis, including suppliers and business partners. In high-risk sectors, such as building restoration services, engagement occurs with the suppliers’ work-environment representatives. Workers at suppliers are also able to raise any issues through the whistleblower system. In 2025, Topdanmark will intensify dialogues with suppliers, emphasising sustainability progress and practices.

For more information about the nature and frequency of the engagements, see the Stakeholder engagement overview in SBM-2 – Interests and views of stakeholders. For more information about the due diligence process, see GOV-4 – Statement on due diligence.

S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Should If Group cause any harm to workers in its value chain, If Group will cooperate in providing remedy in accordance with applicable legislations. This is not a frequent occurrence instance and there are therefore no formal processes in place for assessing the effectiveness of the remedy provided.

If Group has a whistleblowing platform, which employees and external stakeholders, including workers in the value chain, can use to report non-compliance with legislation and suspicions of serious misconduct or irregularities. This includes the possibility to report criminal offences as well as serious violations of human and labour rights related to workers’ safety, harassment and conditions that may have a decisive impact on individuals’ life and/or health, among others. If’s whistleblowing system is handled by an external party and is separated from If’s IT systems, and it allows anonymous reporting. Topdanmark’s whistleblowing channel is handled internally by the Head of Group Compliance and Head of Internal Audit. For more information about the whistleblowing channel, see G1-1 – Business conduct policies and corporate culture.

The Supplier Code of Conduct states that suppliers shall inform their employees about the whistleblowing channel. If Group also supports the suppliers having their own whistleblowing systems.

Incidents reported through the whistleblowing channel are reviewed and managed in accordance with If’s Whistleblowing Instruction, which complies with relevant legislation.

If Group currently has no formal processes for evaluating whether the whistleblowing channel and other means of communication for workers in the value chain are used and trusted. If’s whistleblowing channel has, however, been used for reporting both by employees and external stakeholders which indicates that it is accessible and visible to those who need to report irregularities. If has a Whistleblowing Instruction, which provides guidance on how to use the service, as well as stating the rights of anyone using the service, such as the right to anonymous reporting, and that the case will be investigated, assuming it is reported in good faith.

S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

If Group is aware of the potential negative impact that it could have on workers in the value chain. However, If Group has not identified any actual impact from the business regarding workers in the value chain, and the risk for potential negative impact is generally assessed to be low. There are, however, several processes in place to address potential negative impacts, as well as to manage material risks and/or pursue material opportunities. The risk of violations in the value chain is continually assessed, and measures and mitigation actions are adjusted according to the applicable risk level.

Supply chain management

The Supplier Code of Conduct defines the requirements for suppliers with regard to environmental, social and governance matters. In order to ensure that the requirements of the Code of Conduct are followed, and to monitor the suppliers' alignment with sustainability criteria, If has implemented a due diligence process. The process aims to identify the suppliers and partners that work in sectors or countries where the risk for sustainability-related violations is higher, in order to prioritise where to initially focus the engagement efforts.

If a supplier or partner has been categorised as having a high risk of sustainability-related violations, it will be sent a self-assessment questionnaire, including relevant questions for the sector and size of the company. In the event of any identified deviations, the supplier might be asked to provide a corrective action plan for If to approve. If may also conduct site visits or audits of the supplier, and reserves the right to terminate contracts with the supplier in the event of material breaches of the requirements outlined in the Code of Conduct and in underlying conventions and declarations. For more information about the approach for providing remedy in case of any violations, see S2-3 –Processes to remediate negative impacts and channels for value chain workers to raise concerns.

In order to assist the purchasers in conducting the due diligence process, If provides both a digital platform and external consultancy support. An internal project team has also been set up, with representatives from sustainability, IT and legal, in order to handle questions related to the implementation of the due diligence process. When it comes to making decisions based on risks associated with suppliers and business partners, cases can be escalated to the internal investigation unit or the procurement counsel.

Topdanmark's suppliers are required to comply with its Supplier Code of Conduct. Topdanmark can, at any time, perform inspections to determine whether the supplier complies with the principles of the code, through for example, requesting information from the supplier as well as through audits. If the supplier does not expect to comply with the principles of the Supplier Code of Conduct, Topdanmark must be informed in advance, so it is possible to enter into a dialogue on how and when the supplier will be able to comply with the principles.

Topdanmark has a due diligence process in place, which enables the identification of potential negative impacts on human rights. If the potential negative impacts lie with Topdanmark, the affected stakeholders are offered suitable remedy depending on the nature of the breach. If the negative impact is identified with the suppliers, a reactive dialogue is started. If the dialogue does not lead to any changes or remedy for the persons affected, at worst, Topdanmark can terminate the cooperation with the relevant supplier. In case of such a termination, the supplier will not be entitled to compensation.

The due diligence process is part of the general risk management process under the auspices of the Risk Committee, and risks are continually monitored to ensure that risks of negative impacts and dependencies on workers in the value chain are mitigated, and benefits from opportunities that may arise are seized. This includes the ongoing development and improvement of the ESG screening processes for suppliers in tender processes, as well as ongoing risk assessments. Other elements in the process are handled through policies, internal guidelines, and management systems across the organisation.

In 2024, Topdanmark focused on primarily improving the processes for assessing impacts and risks. This work was performed by dedicated resources that are allocated to the management of material impacts in the value chain.

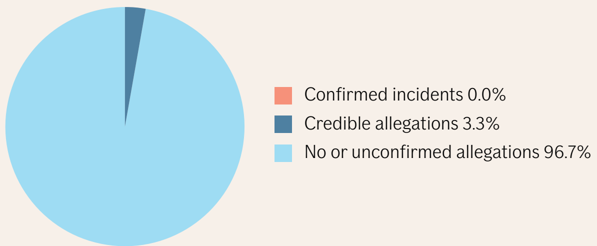
The due diligence processes are constantly being revised and updated as they are being rolled-out across different business units in If. As an example, questions in the self-assessment questionnaire may be updated if they are often misunderstood, to enable a better understanding of the conditions of value chain workers. If will provide remedy should If have caused any negative impact on workers in the value chain that require such actions. During 2025, If plans to review the processes of If and Topdanmark, to create a group-wide process.

No severe human rights issues or incidents connected to the upstream and downstream supply chain were reported in 2024.

Responsibility as an investor

In 2024, If continued to screen its investments for breaches of the UN Global Compact principles, which include respect for human rights and labour rights. If has also continued to screen its investments for sensitive sectors.

Norm-based research regarding investments – If



If engages with companies through pooled engagement with other investors, if it is believed that this could be an effective means of achieving a desired change within the investment company. As a measure of last resort, the investment might be sold, if the investment object that is the target of the engagement action does not respond to the engagement efforts and does not take measures to prevent the abuse or breaches within a reasonable time frame. In 2024, If reviewed seven potential engagements, and participated in four pooled engagements.

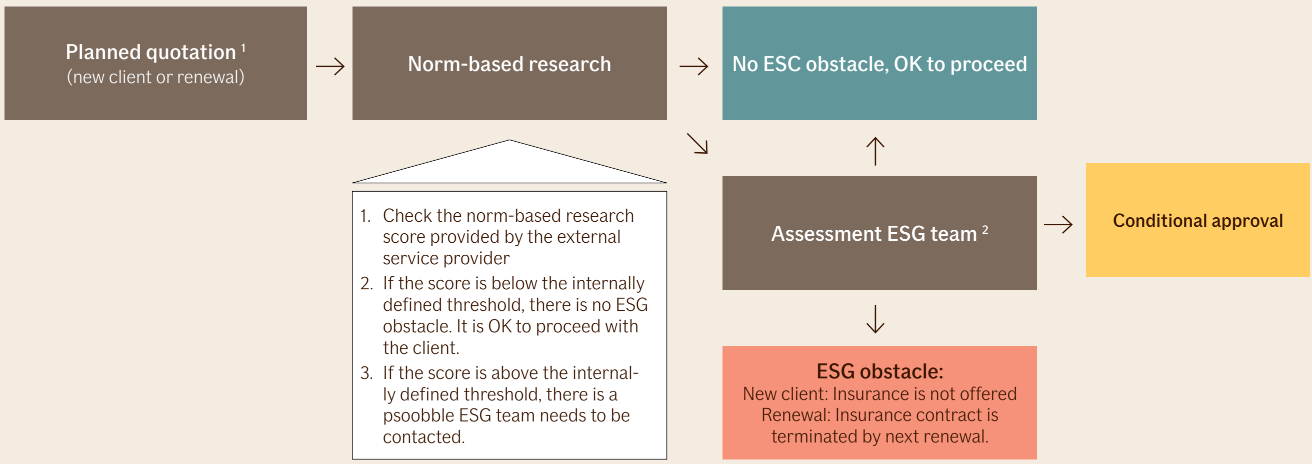
For more information about If's responsibility as an investor, see E1-3 – Actions and resources in relation to climate change policies.

Responsible underwriting

If expects its clients, including entities belonging to the same corporate group as the clients, to comply with the UN Global Compact, even if they are not participating in the initiative themselves.

To assess whether corporate clients are complying with the UN Global Compact, If uses research from an external service provider. If the research score is above the set threshold, a referral is made to If's internal ESG assessment team. The team will make an assessment and decision based on the norm-based research and other relevant material. The team can make one of the following decisions: i) permission to proceed, but the company is under observation, ii) conditional

The process for sustainability in underwriting



[1] Part of the "Customer Due Diligence" process
[2] Internal ESG team conduct assessment based on norm-based research and other relevant sources.

approval, but the company needs to take action, or iii) insurance is not offered or renewed.

All clients that have been assessed by the ESG assessment team have been contacted and informed that If has been notified of the alleged breaches and will therefore monitor the actions taken in response to the alleged breaches to ensure compliance in accordance with the UN Global Compact initiative. Relevant If employees have received training on the principles of the Global Compact, norm-based research and the company's ESG framework.

If has integrated sustainability considerations directly into its underwriting standards and into the existing customer due diligence process for corporate clients. The framework is based on the UN Global Compact, and covers human rights, labour, the environment and anti-corruption. In 2024, If assessed 533 corporate clients. In total, 15 cases were referred to the internal ESG assessment team for further assessment. During the year, one client improved its rating, and is therefore no longer a referral case. Two clients were asked to find another insurance company. Since the implementation of responsible underwriting in 2021, If has assessed a total of 859 corporate clients.

At Topdanmark, all commercial customers with at least two employees are screened for ESG criteria and there are regular meetings with the sustainability team and the underwriting team to assess potential breaches of the UN Global Compact. In the event of a breach, the customer is asked to provide a remedy and correct its business to ensure that no other breaches occur. This process takes place in dialogue between Topdanmark and the customer. The dialogue process is important as a major part of Topdanmark's customers are

ESG referral cases, If

	2024
Permission to proceed, but the company is under observation	15
Conditional approval, but the company needs to take action	0
Insurance is not offered or renewed	2
Clients with improved ratings (no longer referral cases)	1

ESG in underwriting screening results (number), Topdanmark

	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Severe breaches of UNGC	0	0	0	0
Watch list	9	4	2	0
Dialogues	1	2	1	2
Customers terminated	0	0	0	0

in the small and medium-sized enterprise segment, and because of their size, they do not have the resources to take action alone. If the customer is unwilling to remedy the breach, Topdanmark can choose to terminate the customer relationship. The specific demands for customers in terms of upholding human rights are explicitly stated on Topdanmark's website, in the Human Rights Policy and in the Code of Conduct for Suppliers. Topdanmark reports on the number of customers who are on a watchlist or engaged in dialogue, as well as severe breaches of the UN Global Compact and terminations annually in the sustainability statement, and quarterly in the Sampo ESG Fact Book.

In 2024, no severe human rights issues or incidents were reported in connection with If Group's value chain.

S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Currently, If Group has not set group-wide and time-bound targets for the metrics related to workers in the value chain. This is mainly because there are different challenges in each business area, and it is difficult to find a common measurement and level that fits all units. Instead, each business unit decides on an annual basis which internal targets shall apply with regard to workers in the value chain, and many of them include targets that are related to the inclusion of the Supplier Code of Conduct in contracts or the implementation of the due diligence process. If Group is looking into formalising a common target in the coming years.

In 2024, If Group started to track the inclusion of the Supplier Code of Conduct in supplier agreements. The performance is regularly monitored.

S2 – Supplier code of conduct included in existing supplier agreements

In order to evaluate the effectiveness of mitigating the risk of potential negative impacts on workers in the value chain and their labour and human rights, If Group measures the inclusion of the Code of Conduct in the supplier agreements. Tracking this also supports If Group in managing financial risks related to any negative impacts on workers in the value chain and the pursuit of opportunities from business relationships with responsible partners.

The proportion of suppliers that have signed the Supplier Code of Conduct is measured by dividing the number of suppliers that have signed the Code of Conduct by the number of supplier contracts signed. Although the Supplier Code of Conduct is being rolled out across most units in If, the structures are not in place for measuring the progress in all of them. Therefore, this metric applies to suppliers of office equipment, claims handling (repair shops, construction partners and health service providers, for example), and IT hardware and software. In the future, If Group aims to improve the data quality to include all contracts signed with any unit within the group.

The measurement of the inclusion of the Supplier Code of Conduct in existing supplier agreements is not validated by an external body other than the assurance provider.

Supplier code of conduct included in existing supplier agreements, 31 December 2024	If	Topdanmark
Proportion of suppliers	91%	57%

S4 Consumers and End-users

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In order to determine the material topics and to identify actual and potential, negative and positive impacts, risks and opportunities regarding the economy, the environment and people, including impacts on human rights across activities and in the value chain, If Group has conducted a double materiality assessment that is regularly updated. Material impacts, risks and opportunities, and the connection to the strategy and actions are described in the table below.

Topic	Impacts	Risks and opportunities	Strategy and actions
Customer health and safety	If Group has a positive impact on consumers and/or end-users by protecting them and their assets. Time horizon: Short to medium-term	To protect the health, safety and security of consumers and/or end-users and their assets is the core business of If Group. This is therefore considered to be the foremost opportunity. Time horizon: Short to medium-term	– The general strategy. – Internal policies and guidelines (e.g., Codes of Conduct, HR policies). – Effective governance structures. – Loss prevention and risk management services. – Training and competence development programmes. – Metrics and targets (e.g., NPS).
Data privacy and information access	If Group has a potential negative impact if customers perceive that they have received the wrong information. Time horizon: Short to medium-term	There is a potential risk of costly fines due to breaches of privacy legislation. The risk is considered to be low-likelihood–high-impact. Time horizon: Short to medium-term	– Internal policies and guidelines (e.g., Code of Conduct, Personal Data Policy). – Effective governance structures. – Training and competence development programmes.
Social inclusion	If Group has a potential negative impact on consumers and end-users if they are discriminated and do not receive access to products and services. Time horizon: Short to medium-term	There is a potential risk of breaches of legislation due to discrimination and a risk of reputational damage if sales and marketing practices are not followed. Time horizon: Short to medium-term	– Internal policies and guidelines. – Effective governance structures. – Training and competence development programmes.

For a full description of the process to identify and assess material impacts, risks and opportunities, see IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities.

If Group does not offer products or services that are inherently harmful to people and/or increase the risk for chronic disease; neither do If Group's products and services negatively impact the consumers' and end-users' rights to privacy, to have their personal data protected, to freedom of expression or to non-discrimination. Instead, If Group has an actual positive impact on consumers' and end-user's health and safety by providing insurance products and services, thereby helping customers in loss prevention, claims handling and risk management.

When offering insurance to consumers who might be more vulnerable to health, privacy or accessibility impacts (e.g., elderly people) and to beneficiaries who themselves are not customers (e.g., children), it is especially important that If Group provides correct and accessible information about the insurance policies and coverage.

If Group's stakeholder dialogue and customer feedback channels serve as a way to engage with affected consumers and end-users, and to understand potential risks.

Risks and risk management are essential and inherent elements of the insurance business activities and operating environment. The balance between risks, capital and earnings requires that the risks that affect profitability, as well as other material risks are identified, assessed and analysed. This means that underwriting risks are priced to reflect their inherent risk levels based on each individual customer's specific risk profile, which may, for instance, increase the potential negative impact on consumers and end-users through sales and marketing. As an insurance company, If Group is required to store and process large amounts of customers' personal data.

If Group has identified actual positive impact on the overall customer health and safety as protection against risks for consumers and end-users is provided. However, certain insurance products may not be available for customers with specific risk profiles, or may only be available at higher premiums.

S4-1 – Policies related to consumers and end-users

The Sampo Group Code of Conduct, which is based on the UN Global Compact, provides a framework for how employees should act when doing business with customers, and how products and services should meet customers' needs. If's Ethics Policy and Sustainability Policy are also based on these principles. Examples of other policies that target consumers and end-users include the Distribution Policy and the Personal Data Policy.

The requirements on If's suppliers, partners, corporate clients and investees ultimately benefit the consumers and end-users of If's products and services. Also, the direct end-users of the respective companies' products and services will benefit from these being provided according to said requirements.

Topdanmark has its own policies; however, they address the same principles even if they can be divided into different scopes (e.g., human rights are addressed within several policies in If, whilst Topdanmark has a separate Human Rights Policy). Going forward, If's policies will be updated and shall apply to all employees within all legal entities and all geographies in If Group.

If Group has not been made aware of any severe legal cases of non-adherence to global standards for direct consumers and end-users in its downstream value chain during the reporting period.

Sampo Group Code of Conduct

The Sampo Group Code of Conduct applies to all companies belonging to Sampo Group, and employees are offered regular training on the topics covered by the Code of Conduct.

The Sampo Group companies should always strive to act in the best interests of their customers, offering products and services that customers need and want. The products and services should be fair and comprehensible, and designed to help meet the evolving needs of all customers. Furthermore, the Sampo Group companies should ensure that all customers are treated fairly, and that no individual customer is given preferential treatment at the expense of other customers. The Sampo Group companies should only base their insurance premiums on relevant data and not on discriminating factors, such as sexual orientation, religious belief or ethnic background etc.

The Sampo Group companies must also take appropriate care to ensure that customers are given transparent and easily accessible and understandable information about the costs, risks and conditions that relate to the product or service in question, as well as the reasons that lead to a decision regarding an application, where applicable. The Sampo Group companies also need to ensure that suitable products are sold to each individual customer in line with their specific risk profile.

Sampo Group companies' sales, marketing, and product information must be professional, comprehensive, accurate and balanced, and never misleading. In addition, the Sampo Group companies must refrain from using small print and coercive tied selling.

Sampo Group companies are committed to fair and easy claims handling. It should also be easy for customers to provide feedback on the products and services, and to make a complaint if they are dissatisfied with the handling of their claim.

Ethics Policy

If has set up policies, systems and processes to ensure ethical behaviour in all parts of the company. If's basic principles are that a high ethical standard is vital in order to ensure the continued trust of the customers and thereby the success of the company.

Laws and regulations shall always be followed, and if laws and regulations are less strict than If's own standard, the If standard should be applied unless other instructions are given.

All employees should act in a helpful way towards the customers. Actions should be pragmatic and performed with respect for the individual customer's situation. There should also be a high level of accessibility in both external and internal situations, and communication should be in a simple, straightforward and clear manner.

Decisions and offerings should be transparent, and customers should be treated fairly. Premiums or other prices shall be stated clearly so that customers can assess the price level and make fair comparisons with other alternatives. Reasons for decisions shall be stated clearly so that customers understand them. All customers shall be informed of the possibilities for a resettlement of a claim decision. The customer is to be guided to the relevant authority – in most If countries, to the Customer Ombudsman.

Marketing activities shall be serious and professional. The market or individual customers may never be given an erroneous or exaggerated image of If or If's products. Information about, and comparison with, competitors shall be objective and may not contain elements of contempt. Competitor information may not be used improperly.

Complete confidentiality is observed regarding information about customers' medical, financial or other personal information. Confidential information may not be distributed to or discussed with unauthorised persons, not even with colleagues, unless such colleagues need to know the information to perform their duties, and it may not be stored so that it can be accessed by unauthorised persons.

As a leading insurance company, If is committed to promoting a society in which everyone can live securely. If works to prevent crime at the societal level, such as money laundering, and everyday crimes such as burglary and car theft, and to prevent offences against If and its customers, such as attempted insurance fraud and internal irregularities.

Conflicts of Interest Policy

The Conflicts of Interest Policy supplements the Ethics Policy by elaborating further on its core principle of professional ethics. The policy states that employees must not handle matters on behalf of If where they or a closely associated person or company may have an interest that conflicts with the interests of If or If's customers. Furthermore, the employee may not, for example, sell products that the customers do not need, in other ways treat the customers unfairly, favour a customer with whom an employee has a personal relationship, or accept gifts or services from a customer.

Sustainability Policy and Supplier Code of Conduct

If provides social and economic security to customers, and society at large, by providing high-quality insurance products. By providing guidance on how to prevent losses, If helps customers to reduce risks and economic costs, increase safety and protect the environment. The priority is to help customers to manage risks, including climate-related risks, and to provide support when accidents occur. When something happens, If helps customers to rebuild and recover, and ensures that claims are handled in a sustainable way.

If aims to excel in responsible business practices, and provides insurance products and services with a focus on quality, transparency and efficiency. If's aim is to encourage and support suppliers and partners in their efforts to use more sustainable methods in their operations. If expects corporate clients to respect international norms and conventions on human rights, labour, the environment and anti-corruption, as defined in the UN Global Compact. If aims to be a responsible and active owner and to incorporate ESG factors into the investment operations. Furthermore, as stated in the Supplier Code of Conduct, suppliers are expected to conduct business in accordance with If's sustainability standards.

Underwriting Policy

The business of insurance, both current and regarding new products and services, shall always be subject to and compliant with all current applicable laws, regulatory rules and instructions, issued licenses and concessions. The underwriting activities shall furthermore be based on a profitability focus, in line with targets, insurance expertise, the creation of customer value, operational excellence and sustainability.

If expects corporate clients to respect international norms and conventions on human rights, labour, the environment and anti-corruption, as defined in the UN Global Compact. If has integrated sustainability considerations directly into its underwriting standards and into the existing customer due diligence process for corporate clients. If uses norm-based research to assess whether corporate clients are complying with the UN Global Compact, and detailed ESG assessments are conducted if possible breaches are identified. In the event of breaches of the UN Global Compact, If will notify the company and request remediation. In the event that a client is not willing or able to improve its governance or practice in order to comply with the principles, they may be asked to find another insurer.

Distribution Policy

When distributing insurance products, If and its distributors shall always act honestly, fairly and professionally with due care, in accordance with the best interests of the customers. The distribution shall also comply with the local customary good insurance practice.

Prior to the conclusion of an insurance contract, If and its distributors shall specify the demands and the needs of the customer, based on the information obtained from the customer. Any proposed contract shall be consistent with the customer's insurance demands and needs. If and its distributors shall also dissuade consumers from entering into insurance contracts if the product is not considered appropriate for the consumer, as applicable under local law.

The customer shall be provided with objective information about the insurance product in a comprehensible form to allow the customer to make an informed decision. As applicable under local law, the customer shall be provided with an Insurance Product Information Document for the recommended insurance and other pre-contractual information regarding the distribution. If and the distributor shall also disclose the nature and the basis of remuneration in relation to insurance distribution, in accordance with the requirements under local law. All marketing communication to customers shall be fair and clear, and not misleading, and must always be clearly identifiable as marketing communication.

If's distributors shall not be remunerated, nor remunerate or assess the performance of their employees, in a way that conflicts with their duty to act in the best interests of the customers. In particular, the distributors shall not make any arrangement by way of remuneration, sales targets or otherwise that could provide an incentive for themselves or their employees to recommend a particular insurance product to a customer, when the insurance distributor could offer a different insurance product that would better meet the customer's demands and needs.

Personal Data Policy

If processes a large amount of personal information related to individuals. Personal data may be processed by If, provided that it is processed in accordance with the applicable legislation and the Personal Data Policy. The guiding principle for the processing of personal data is to always safeguard the personal integrity of the individuals (usually the customers or employees) and to protect their personal information.

If shall document and maintain records of all processing activities, and shall, upon request from the supervisory authorities, provide the requested records without undue delay. All processing of personal data must be lawful, fair and transparent. Personal data shall only be collected if there is a specified, explicit and legitimate purpose for collecting it. Once collected, personal data may not be further processed in a way that is incompatible with the originally defined purposes.

Personal data shall only be processed if the purpose of processing cannot reasonably be fulfilled by other means. Personal data must be adequate, relevant and limited to what is necessary for the purpose in question. Personal data must be accurate and kept up to date. If shall take every reasonable step to ensure that inaccurate personal data is erased or rectified without delay.

Personal data must be deleted when storage is no longer required by applicable legislation and when it is no longer necessary for the purposes for which the data was processed. Alternatively, the data may be anonymised and kept in a form that does not permit the identification of individuals.

Personal data shall be processed in a manner that ensures appropriate security and confidentiality, including protection against unauthorised or unlawful processing, and against accidental loss, destruction or damage, using appropriate technical or organisational measures that are appropriate to the relevant risk.

Personal data shall only be accessible to employees on a need-to-know basis, and access shall, to the extent feasible, be logged. Access rights shall be granted based on a documented process, and the granted access rights shall be reviewed regularly.

Sensitive personal data[12] shall only be processed if it is explicitly permitted in specific legislation, if the individual has given explicit consent thereto, or if the processing is necessary to establish, exercise or defend legal claims. The individual's consent shall always be documented. If shall always comply with any national legislation defining specific types of personal data as sensitive personal data.

When collecting personal data, If shall provide the individuals with access to sufficient information about If's data processing activities, and shall also ensure that the individuals are appropriately informed of their rights related to such processing. Should personal data be collected from a source other than directly from the individual concerned, information shall be provided to the individual at the latest when If communicates with the individual for the first time.

All information shall be given in a concise, transparent, intelligible and easily accessible form, using clear and plain language.

Individuals have the right to deletion/rectification, the right to information and access to personal data, and the right to object to profiling and direct marketing and automated decision-making. If shall, on its own initiative, or at the request of the individual, without undue delay, rectify, erase or supplement personal data contained in its personal data file. All individuals may in certain situations be entitled to have their personal data deleted (the right to be forgotten).

Individuals may contact If's Data Protection Office on all issues related to the processing of their data and the exercise of their rights under relevant legislation. If shall publish the contact details of its Data Protection Officer and communicate these to the relevant supervisory authorities.

Topdanmark has a set of internal policies on data privacy, data ethics, and information security and cybersecurity, as well as a contingency plan for IT security. These topics are part of Topdanmark's Code of Conduct and the bi-annual mandatory e-learning on the Code of Conduct. Furthermore, all employees are obliged to undertake and pass training on information security and data protection annually.

Topdanmark works closely with the Danish Data Protection Agency, which is responsible for examining complaints and provides support in identifying risks and creating awareness on the topic. Topdanmark's Data Protection Officer provides advice and recommendations to

[12] Defined as special categories of personal data in the General Data Protection Regulation 2016/679 ("GDPR")

ensure the continual improvement of personal data protection and the rights of the data subjects, and cooperates with Group Security. In addition, the Data Protection Officer carries out surveys on personal data protection procedures, and reports the findings of these surveys to the Board of Directors and Group Executive Management on a quarterly basis.

Complaints Handling Policy

Customers may communicate discontent with the sales process or request the re-handling of a claim. Customers' communication of discontent shall be met with high quality. The handling of complaints is of great importance to the customers' and the general public's confidence in If. Customers shall be treated with respect and the issue shall be investigated as far as is necessary to reach a fair and reasonable result.

A request for re-handling a claim or an issue in the sales/distribution process becomes a formal complaint when a specific statement of discontent is communicated to the Customer Ombudsman. The Customer Ombudsman holds an independent position in relation to the claims and insurance departments. The Customer Ombudsman shall ensure that the customer receives information about external complaint handling organisations, if applicable.

Whistleblowing Instruction

The whistleblowing service offers customers and end-users the opportunity to alert If about suspicions of misconduct, in confidence. It is an important tool for reducing risks and maintaining trust in the operations by enabling the early detection of possible misconduct and the taking of appropriate action.

S4-2 – Processes for engaging with consumers and end-users about impacts

If engages with consumers and end-users through customer meetings, customer satisfaction surveys and the Customer Ombudsman. The engagement takes place on a daily, weekly or monthly basis, depending on the situation. The most senior roles with responsibility for ensuring customer engagement are If's Business Management Group and the CEO.

When designing products and services in terms of insurance, there are clear legislative frameworks that dictate that the customer's needs and preferences must be in focus. Therefore, insurance companies are bound by law to design and sell products to customers of which they are in need.

When designing products and services, Topdanmark addresses credible proxies, actual or potential customers and end-users, to investigate the customers' needs for the product or service in question. It is the Chief Operations Officer at Topdanmark who is ultimately responsible for ensuring the correct approach to customers when gaining insights.

When addressing customers and end-users regarding claims, Topdanmark always engages with the customer directly. This also applies for end-users, as they have the same rights as customers when it comes to addressing claims.

In terms of opportunities related to customer health and safety, Topdanmark offers a health care app as a free addition for all customers with two or more insurance policies at Topdanmark. Moreover, Topdanmark has a programme that offers business customers' employees a safe and structured route to rehabilitation and recovery in the event of long-term illness.

If's Customer Experience (CX) programme ensures that customer feedback is not only collected but also followed up and handled appropriately, both in training in the quality assurance of customers' journeys and offerings, and in the following up of dissatisfied customers. Feedback can reduce the risk of the customer leaving, and it is also used to identify areas of improvement – for example, regarding service and products.

Net Promoter Score (NPS) is used to measure the customer experience and to rate If's performance across most of the business areas. NPS is continually monitored, with yearly targets, and reported to If's top management, and forms part of business follow-up meetings. NPS also forms part of a reward programme for the employees. No minors are included in the provision of customer feedback.

At Topdanmark, customer engagement and satisfaction are also measured by NPS. Furthermore, the number of complaints is measured regularly. Topdanmark's Customer Excellence team engages with the customers directly when measuring the NPS, and Topdanmark also evaluates satisfaction ratings on other digital platforms. The director for Customer Excellence is ultimately responsible for tracking customer satisfaction.

If also has an internal customer representative function (Customer Ombudsman) that the customers can contact to submit a complaint. The Customer Ombudsman may, based on the engagement, suggest changes – for example, to the customer handling process or the claims handling.

Other essential principles of customer focus in If include that premiums are only based on relevant data, not using discriminatory factors, and a central principle in claims handling is to ensure that all people are treated equally (with the exception of fraud handling). If also ensures that partners shall apply the same ethical standards as If, through the Supplier Code of Conduct.

Topdanmark has high availability by telephone, and also adheres to the Accessibility Requirements set by the EU when communicating on all digital platforms. In 2024, Topdanmark implemented the Sunflower programme for customers and employees. Topdanmark opened a specific telephone line directed at customers with invisible disabilities, such as mental health diagnosis or other neurodivergent conditions. This dedicated telephone line is only answered by employees who have received specific training to handle requests from customers with invisible disabilities.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

If has several processes for providing remedy, or contributing to remedy depending on the situation. If customers feel that they have not received the correct information, been misled or do not fully understand the insurance terms and conditions, they may contact the Customer Ombudsman. The primary aim is to find a mutually satisfactory solution through discussion with the customer. If a consensus cannot be achieved, the customer is entitled to appeal to external complaints boards (or similar).

If has processes for incident investigation and corrective actions regarding the personal data of consumers and end-users. If has appointed a Data Protection Officer, who has the overall responsibility for maintaining an effective compliance monitoring of the processing of personal data within If. The Data Protection Officer is involved in all issues relating to the protection of personal data and acts as the contact person for the relevant supervisory authorities. If a personal data breach is likely to result in a high risk to the rights and freedoms of individuals, If will communicate the breach to the affected individuals without undue delay.

If follows up on data breaches and information security incidents to assess how similar incidents can be avoided in the future to ensure the rights and freedom of data subjects.

If offers multiple channels for consumers and end-users to raise concerns or needs. The consumers and end-users can contact customer service directly or raise concerns through the Customer Ombudsman, the whistleblowing channel or an external complaints board. Reports can be made anonymously through If's whistleblowing system, which is provided by an external party. A link to the system is available on If's external website.

Topdanmark has specific channels for customer complaints, both digital and analogue. These channels are established by Topdanmark and are overseen by Corporate Legal and Corporate Compliance at Topdanmark. Information about these channels is available in the terms and conditions as well as on the website. In the event of a need to provide remedy for a customer, Topdanmark reopens the relevant case, informs the affected persons and performs a re-evaluation.

There is always a possibility for the private customers to take the complaint to the Insurance Complaints Board, which makes independent decisions in insurance matters. Any consumer can try their case for a small fee, which is reimbursed if the complaint is upheld. In general, the number of complaints compared to the number of decisions is very low, and is even lower when it comes to cases that have been invalidated by the Insurance Complaints Board.

If Group continually monitors and measures customer satisfaction. Both positive and negative feedback is carefully analysed and used to further develop products and services and to improve the experience for consumers and end-users.

If Group has several policies that are available on the external website and encourages individuals to come forward with concerns, ensuring that they can do so without fear of reprisal. If Group currently has no formal processes for evaluating whether the whistleblowing channel and other means of communication for consumers and end-users are used and trusted. If's whistleblowing channel has however been used for reporting both by employees and external stakeholders, which indicates that it is accessible and visible to those who need to report irregularities.

S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

Data privacy and information access

To manage the risk deriving from breaches of privacy legislation, several actions were taken during the year.

During 2024, If took several actions concerning data protection and to ensure compliance with privacy legislation. For example, If raised awareness within the organisation about the importance of data privacy, information security and cybersecurity, and provided regular training to employees on the latest data protection laws and regulations (e.g., DORA).

If also monitored the processing of personal data to ensure it was carried out transparently and with respect for individual privacy. The key actions were the Data Protection Impact Assessments and the documentation of Records of Processing Activities before new processing activities were initiated, as well as when changes to existing processing activities were planned. To ensure compliance with regulation, all new systems and applications were subject to a review from a privacy perspective. Also, the information to individuals about the processing of their personal data was updated for improved transparency.

All employees have been instructed that publicly available AI tools can only be used for public data. With regard to personal data and other confidential data only AI tools from providers with whom If has proper contractual arrangements may be used.

During 2024, If conducted a broad internal monitoring activity to ensure that If accommodates all data subject access requests according to the requirements of the GDPR. The implementation of technical measures to ensure the security of personal data in the context of electronic communication with customers continued in 2024. Several actions were initiated and are ongoing to enable better control for customers with regard to their personal data. The privacy notice concerning the processing of employees' personal data was updated.

Several actions are planned for 2025, of which some are already underway. Because of the merger with Topdanmark, one key activity will be to integrate data processing activities in the respective companies in a way that ensures continued compliance with privacy regulations and that mitigates the potential risks to consumers and end-users.

There are also several actions planned for 2025 to improve and strengthen the protection of personal data. These address, for example, unstructured data, access logging, and privacy by design and default, as well as data ownership structure and governance.

If's complaints handling processes ensure the resolution and correction of issues raised by customers, and feedback from customer satisfaction surveys and other forms of dialogue support the continual improvement of services. Governance frameworks, including product reviews and customer forums, facilitate the proactive identification of systemic risks.

If regularly assesses the products for appropriateness and compliance with regulatory obligations, supported by continual training programmes that enhance the conduct and competence of customer-facing teams. Customer feedback is actively solicited, and transparent complaint processes are in place, with options for external review through an external complaints board.

If participates in relevant networks, forums, and industry associations (e.g., Finance Finland, Insurance Sweden, Finance Norway, Insurance and Pension Denmark, and Insurance Europe). This participation provides a possibility to share knowledge and experiences regarding topics such as climate change adaptation, loss prevention, risk management, health and safety.

If ensures effective remediation processes for any material negative impacts on customers by closely monitoring customer feedback, satisfaction surveys, and cases raised with external customer protection institutions. When a negative impact originates from If's actions, appropriate remedies are taken based on the nature of the breach.

Loss prevention

As an insurance company, If Group works with risk, safety and protection every day and knows which solutions increase the safety of its customers. The aim is to provide state-of-the-art loss prevention services, which will reduce risk and economic cost, increase safety and reduce environmental impact.

Many of the most common types of claims cases could be prevented by basic loss prevention measures and knowledge about how to act if an accident occurs. If Group proactively communicates easy-to-understand tips and advice on loss prevention, using press releases, content marketing activities, social media and websites.

Together with an external partner, If offers house assessments to private customers who own their house and hold top-level coverage insurance policies. The house assessments provide the customer with a report that helps them to both plan the maintenance of the property and minimise the risk of unpleasant surprises, including climate-related damage. The maintenance plan is prioritised according to the degree of urgency. Customers can have a house assessment conducted every four years. The main purpose of the service is to prevent damage from occurring, but it also has a positive environmental impact, as a reduction in damage also reduces the need for repairs or rebuilding.

In 2022, If started offering the If Building Check for small and medium-sized clients that own residential buildings in Norway. Following a physical inspection, the clients receive valuable help to identify where maintenance and fire safety measures are most needed – a first and accessible step towards taking action. Through the If Building Check and the hands-on advice to larger customers within the small and medium-sized enterprise segment (whom If often meets face-to-face), customers are made aware of risks, including climate-related risks, and are provided with suggestions for mitigating actions. The If Building Check is offered once every five years. In 2024, If also started to offer the service in Finland. If also offers large corporate clients risk management services, for more information see E1-3 – Actions and resources in relation to climate change policies.

Usage Based Insurance (UBI)

As data from cars and car usage become more readily available, If is continually looking into ways to incentivise safer driving. UBI programmes utilise data from cars and smartphones to enable identification of improvement potential for each individual driver and may even offer incentives to improve the driving behaviour. Safer driving is more sustainable, as accidents may be avoided and safe driving habits reduce the fuel consumption.

Preventative health

Throughout the years, If has specialised in helping customers across the Nordics when they face health issues. Early intervention is crucial for the individual, the employer and society, and health insurance is an important supplement to meeting the increasing demand of healthcare. If is focusing on providing the customers with early interventions and preventive health services, for example, by supporting corporate clients in mapping the work environment requirements, measuring the wellbeing of their employees and taking preventive actions. If aims to provide support to private customers, not only when they face health challenges, but also when they are building and maintaining healthy habits, thereby paving the way for an improved overall wellbeing.

To raise awareness and increase knowledge about the topic, If launched the Nordic Health Report in 2024. The report gives insights on stress, mental health and work-related health among the population in the Nordics. The report is based on a survey and includes analyses on themes such as work-life balance, hybrid working life and employer responsibility.

To further enhance customer health and safety, data privacy and social inclusion, resources are allocated across product and service development, sales and marketing, IT and risk management. These initiatives focus on improving access to the offerings by digitalisation, reinforcing responsible sales and marketing practices, and strengthening loss prevention measures.

No severe human rights issues or incidents are connected to actions concerning material impacts on consumers and end-users.

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Customer satisfaction

If Group uses the Net Promotor Score (NPS) to measure customer satisfaction, which allows the company to advance positive impacts on consumers and end-users. It also supports the monitoring of potential negative impacts and risks, and acting on them.

In accordance with the Sampo Group Code of Conduct, If Group strives to act in the best interests of its customers, and aims to provide products and services that are fair, comprehensible and designed to help meet the evolving needs of customers.

If Group has set time-bound and outcome-oriented targets for customer satisfaction to reduce negative impacts and advance positive impacts on consumers and end-users. In 2024, If and Topdanmark set individual targets against which the achieved scores are measured. Scopes and targets are presented in the Customer satisfaction table, below. The scope of the activities measured differed between If and Topdanmark.

The NPS is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used to measure the customer's overall satisfaction with a company and the customer's loyalty to the brand. The Transactional NPS (tNPS) assesses a customer's perception of a certain transaction. The score shows whether customers are willing to recommend the company to others after they have been in contact with a customer centre or have had a claim handled. It is calculated as the net result of the proportion of the promoters (who provided ratings of 9–10) minus the proportion of the detractors (who provided ratings of 0–6) when answering the question of the extent to which they would recommend the company to others.

By continually measuring customer satisfaction, If Group receives input on both the factors that are valued by the customers and those that could be improved. The data collected and the results received are used to improve the customer experience. The insight gained is utilised in training and in the improvement of products, processes and the overall customer journey.

For If, NPS is measured within business area Private (Nordic score based on the combined results of customer service and claims).

At Topdanmark, both in bound calls and customers logging into their profile on www.topdanmark.dk are invited to answer a questionnaire that will lead to an NPS score.

The NPS methodology has its limitations, including oversimplification of customer sentiment and an inherent lack of detailed feedback on specific areas for improvement. However, respondent customers are encouraged to leave a comment to provide further explanations, and these are actively used in the improvement work.

External stakeholders have not been directly involved in target setting. However, consumers and end-users have been indirectly involved, as customers facing organisational units have been included in the setting of targets.

The tNPS is monitored and reported regularly to the top management and quarterly to the Sustainability Committee. Analyses of the tNPS progress and trends are conducted at the end of each year to assess performance.

The tNPS is an overall metric that captures the wide range of experiences such as price, product, billing, brand and marketing. In 2024, customer satisfaction remained high, but the tNPS result for business area Private was somewhat below last year's figure.

Targets for tNPS are set to ensure continual improvement. The targets and results are also publicly disclosed. Together with customer complaints and reviews, the tNPS provides a deeper insight into the customer experience, and concerns can be addressed proactively.

If Group is committed to actively addressing customer feedback across the organisation. Low tNPS scores prompt immediate engagement with customers to resolve their issues and inform service enhancements. Feedback is further analysed to refine services, products and processes. This process ensures the consistent elevation of service quality and customer satisfaction.

Customer satisfaction	Target	2024
If (business area Private)	2024:60	57
Topdanmark (call or logging in to My Topdanmark service)	2025:60 2027:70	57

The measurement of customer satisfaction is not validated by an external body other than the assurance provider.

S4 – Data privacy

Data privacy

The goal for the data privacy operations is to protect the personal data of employees, customers, and other stakeholders. In addition, information security and cybersecurity measures ensure protection of all types and forms of information, according to its sensitivity and importance to If Group, and in compliance with applicable rules and regulations.

If Group’s key metrics that are used to track the effectiveness of policies and actions related to data privacy are the number of complaints from data subjects and data protection authorities, data breaches reported to local data protection authorities, and information security and cybersecurity incidents reported to the authorities within the reporting year.

In 2024, If reported 26 data breaches to the Swedish Data Protection Authority. Topdanmark reported 21 data breaches to the Danish Data Protection Agency during November and December 2024.

Complaints from data subjects and data protection authorities, 2024	If	Topdanmark[1]
Complaints from data subjects	15	2
Complaints from data protection authorities	0	0

[1]November-December 2024

Data breaches reported to local data protection authorities, 2024	If	Topdanmark[1]
Data breaches reported to local data protection authorities	26	21

[1]November-December 2024

Information security and cybersecurity incidents reported to the authorities, 2024	If	Topdanmark[1]
Information security and cybersecurity incidents reported to the authorities	0	0

[1]November-December 2024

Complaints from data subjects and data protection authorities, as well as breaches reported to local data protection authorities, are based on regulatory reporting. Generally, Data Protection Officers are those who receive complaints from both customers and data protection authorities. Complaints can be received via different channels, such as email or telephone. If a data subject has reported directly to the local data protection authorities, they will forward the complaint to If Group.

Data Protection Officers assess whether internally reported data breaches require external reporting to local data protection authorities. The types of breaches that are deemed reportable are based on the GDPR. According to GDPR, a personal data breach is a breach of security that leads to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to personal data that is transmitted, stored or otherwise processed.

Information security and cybersecurity incidents reported to the authorities are first reported internally to the legal department by email or telephone. The legal department is responsible for reporting severe incidents to the Swedish Financial Supervisory Authority.

The measurement of the number of complaints from data subjects and data protection authorities, data breaches reported to local data protection authorities, and information security and cybersecurity incidents reported to the authorities is not validated by an external body other than the assurance provider.

Governance information

G1 Business conduct

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In order to determine the material topics and to identify actual and potential, negative and positive impacts, risks and opportunities regarding the economy, the environment and people, including impacts on human rights across activities and in the value chain, If Group has conducted a double materiality assessment that is regularly updated. Material impacts, risks and opportunities and the connection to the strategy and actions are described in the table below.

Topic	Impacts	Risks and opportunities	Strategy and actions
Corporate culture	If Group has a positive impact on the corporate culture by having a strategy that strives to put the customers, employees, and society in focus. There is a potential negative impact in the event of failure to act in accordance with the corporate culture. For example, through misconduct where employees impact other employees negatively or have a negative impact on society through corrupt practices. Time horizon: Short to medium-term	There is a potential risk of reputational damage if employees do not act in accordance with the corporate culture. Time horizon: Short to medium-term	– Internal policies and guidelines. – Effective governance structure measures. – Training and competence development programmes.
Protection of whistleblowers	If Group has a positive impact on potential whistleblowers by offering different protective measures, such as anonymous reporting and by ensuring that there will be no discriminatory or disciplinary actions taken against the whistleblower. If Group has a potential negative impact on whistleblowers, should they not be protected in the correct manner. Time horizon: Short to medium-term	There is a potential risk of reputational damage if whistleblowers are not protected. Time horizon: Short to medium-term	– Internal policies and guidelines. – Effective governance structure. – Training and competence development programmes.
Management of relationships with suppliers, including payment practices	If Group has many smaller suppliers that are dependent on payments from If Group. There is a potential negative impact on these suppliers in the event of any delays in the payments. Time horizon: Short to medium-term	There is a potential risk of reputational damage if there were to be shortcomings in the management of relationships with suppliers, including payment practices. However, the risk is not considered to be material. Time horizon: Short to medium-term	– Internal policies and guidelines. – Training and competence development programmes.
Corruption and bribery	Corruption and bribery can lead to potential negative impact on people and the environment. It could impact people negatively if corrupt practices exclude some people from services or contracts for example. In the event of corruption in certifications/ratings, this could lead to choices that are not environmentally friendly. Time horizon: Short to medium-term	There is a potential reputational risk in the event of failure to combat corruption and bribery. However, the risk is considered to be low. Time horizon: Short to medium-term	– Internal policies and guidelines. – Effective governance structure measures. – Training and competence development programmes.

For a full description of the process to identify and assess material impacts, risks and opportunities, see IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities.

G1-1 Business conduct policies and corporate culture

If Group is committed to the UN Global Compact principles on human rights, labour, environment and anti-corruption, and works to make the principles part of the strategy, culture and day-to-day operations. If also engages in collaborative projects that advance the UN Sustainable Development Goals. Respect for human rights, labour, environment and anti-corruption is an integral part of policies and processes that target all employees (e.g., Sampo Group Code of Conduct, HR Policy and Ethics Policy), customers (e.g., Underwriting Policy), investees (Responsible Investment Policy) and suppliers (i.e., Supplier Code of Conduct).

Topdanmark has its own policies; however, they address the same principles, even if they can be divided into different scopes (e.g., human rights are addressed within several policies in If, whilst Topdanmark has a separate Human Rights Policy). Going forward, If's policies will be updated and shall apply to all employees within all legal entities and all geographies in If Group.

The One If strategy framework contains four main strategic foundations (Customer, Risk, People & Culture and Sustainability), and clearly emphasises the people and culture-related topics in the company agenda. As People & Culture is one of the strategic foundations, this is reported on and discussed by the Board of Directors of If P&C Insurance Holding Ltd (publ) at least annually. Within the People & Culture strategic foundation, the following three building blocks are defined as focus areas: Strengthening the One If culture, Building great leadership, and Securing people and skills for the future. If invests heavily in culture, people engagement and talent acquisition in order to build a work environment that both enables strong performance and supports employees' well-being. Ensuring that great people want to join If, want to stay at If and want to give their best to help the company reach its goals is vitally important for the company's performance and value creation.

If provides structured training initiatives for certain groups of employees to meet specific business challenges, but each employee is also encouraged to take individual ownership of improving operational excellence within their area of responsibility.

If Group promotes regular feedback and development dialogues between employees and leaders. In 2024, If introduced new Growth Talks as a forward-looking conversation emphasising themes such as feedback, ambitions, skills, interests and growth goals. Besides formal training, much of the development takes place 'on the job'. If is an organisation that has ample job opportunities and offers employees the potential to develop both vertically and horizontally. This is done by posting job openings internally prior to any external advertisement, thereby securing growth opportunities for existing employees. If also promotes job shadowing and mentoring in order to increase awareness of potential growth opportunities.

The cultural aspect of One If aims to enable a clear direction and clarify responsibilities for key activities that support the culture-building journey. As One If, the aim is to work together across functions and business areas to utilise If's substantial workforce as a competitive advantage, where customers, partners, and employees experience If as one company. The company-wide Leadership Compass Program has been a major culture-building investment, starting with 1,000 participating leaders in 2023 and engaging new leaders during 2024. The One Responsible If learning programme is part of all new employees' onboarding and is an annual activity for all employees, including the CEO and the Board of Directors. The programme covers If's policies on ethics, social media, sustainability, information security, personal data, conflicts of interest, and AML and CTF. If's corporate culture ensures that If adheres to regulations, which is essential to maintain the trust of stakeholders.

Anti-corruption and anti-bribery

The Nordic countries, which are If Group's main area of business, generally have the lowest perceived levels of corruption in the world, according to Transparency International[13]. Although the level of corruption is low, it is not non-existent. If Group can be exposed to corruption and bribery, especially through functions related to claims handling and different forms of partner collaborations (e.g., within Claims unit, IT and Group Services). Customer support functions are also exposed to the risk of corruption and bribery – for example, due to financial transactions and the processing of personal data. Suppliers and business partners may face risks associated with the dependency on third-party partnerships and intricate procurement operations.

If's employees, as well as If's intermediaries and other business partners, shall be subject to adequate training on ethics and anti-corruption rules as needed. The One Responsible If learning programme includes lessons covering the Ethics Policy, AML/CTF Policy and Conflicts of Interest Policy. The programme is mandatory for all employees and is conducted annually. There are controls in place within these areas, and checks are also performed to determine whether customers are politically exposed persons or are included in relevant sanction lists.

To avoid and address possible adverse impacts on anti-corruption associated with the operations, supply chains and business partners, there is a due diligence process, in accordance with OECD Guidelines for Multinational Enterprises. Possible adverse impacts on anti-corruption shall be considered in all major business decisions.

Whistleblowing channel

If has a whistleblowing channel that employees and external stakeholders can use to report non-compliance with EU regulations and suspicions of serious misconduct or irregularities, such as fraudulent, inappropriate, dishonest, illegal or negligent activity or behaviour. The whistleblowing channel allows the whistleblower to report anonymously, and the designated recipients can follow up the message through dialogue with the anonymous reporter. The whistleblowing routine is available to employees in local languages on If's intranet pages. It is also possible for external parties, including customers and partners, to submit reports via If's external web pages.

For issues relating to dissatisfaction in the workplace or related matters, employees should contact their leader or their leader's leader, as these issues cannot be investigated within the scope of the whistleblowing channel. Neither should the whistleblowing channel be used for customer complaints or matters relating to individual disputes.

In addition to the whistleblowing channel, If has a separate reporting procedure for the handling of different types of harassment and bullying regarding personnel, customers or any other external partners. This procedure is administered by the HR unit.

Information about the whistleblowing channel and other internal reporting channels is communicated to employees through, for example, training and information on the intranet. All reporting channels, including the whistleblowing channel, can be easily accessed via one page on the intranet. An e-course on reporting is also included in the One Responsible If learning programme.

The Chief Compliance Officer has the overall responsibility for the whistleblowing service within If. The Chief Compliance Officer appoints whistleblowing teams and defines working routines for the

[13] Transparency International Corruption Perceptions Index 2023

teams in a separate instruction. There is one team that is responsible for all If companies, and one separate team for If P&C Insurance Ltd (publ).

In Topdanmark, the Head of Group Compliance and Head of Internal Audit are the recipients of the whistleblowing reports and are responsible for registration and investigation. If the incident concerns one of them, the other takes over. Internal Audit and Compliance are subject to confidentiality, and there are technical and organisational setups that ensure that others do not have access to the reports. The whistleblowing scheme is handled in accordance with applicable legislation.

Whistleblowing cases from If are reported quarterly to the Risk Committee and the Sustainability Committee, and in the Annual Compliance report to the Board of Directors. Whistleblowing cases from Topdanmark are reported quarterly to the Audit Committee.

It is stated in the Whistleblowing Instruction that a person expressing genuine suspicion or misgivings will not be at risk of losing their job or suffering any form of sanctions or personal disadvantages as a result. It does not matter whether the whistleblower or reporter is mistaken, provided that the person acted in good faith.

Access to messages received through the whistleblowing communication channel is restricted to designated individuals with the authority to handle whistleblowing cases. Their actions are logged, and handling is confidential. The personnel handling the reports maintain objectivity as an essential part of their job description. It is assured that those handling the reports ae separate from those whom the report concerns.

G1-2 – Management of relationships with suppliers

Payments are to be handled according to local legislation. Digital invoicing and the regular use of the same suppliers benefit an automated invoicing flow that helps to prevent late payments.

If Group is a major procurer of goods and services, especially in claims handling, and thereby has an impact on the economy, the environment and people. If Group therefore encourages and supports its suppliers and partners in their efforts to use more sustainable methods in their operations. The Supplier Code of Conduct specifies the minimum requirements related to sustainability that all suppliers and business partners are expected to comply with. This also serves as a risk mitigation process, helping If Group to identify and continue to cooperate with serious partners.

In order to identify, avoid and address possible adverse impacts on human rights, labour, the environment and anti-corruption commitments associated with the supply chains and business partners, there are due diligence processes in place for suppliers and business partners, in accordance with the OECD Guidelines for Multinational Enterprises. More detailed information of the due diligence processes can be found in S2-2 – Processes for engaging with value chain workers about impacts.

G1-3 – Prevention and detection of corruption and bribery

Incidents of corruption and bribery are generally detected through reporting channels (e.g. whistleblowing channels) and the screening of customers and investments, as well as supplier selection and risk assessment processes.

The risk of corruption is regarded as a compliance risk and, as such, is included in the Operational and Compliance Risk Assessment process. The internal control system encompasses a range of both proactive and reactive mitigating techniques to mitigate the compliance risks, for example, clear and implemented steering documents and instructions, employee training, access rights, segregation of duties, the four eyes principle, and other manual and automatic control activities. The effectiveness of the risk mitigation techniques is monitored through various kinds of quality follow-ups in the business.

Work to combat corruption and bribery is also carried out as part of the work to prevent money laundering and terrorist financing. There are controls in place related to these areas as well as related to whether customers are politically exposed persons or are included in relevant sanction lists.

The Board of Directors play a crucial role in ensuring that the ethics and anti-corruption work is successful. Through the system of governance with the Ethics Committee and Ethics Officers, the Board of Directors ensure that there are adequate resources and expertise for the preventive anti-corruption work. Topdanmark has a similar setup, with centralised and decentralised compliance functions and compliance officers.

Risks related to ethical issues are reported in accordance with internal routines, which ensures that the Board of Directors receives material information without undue delay. Incidents of corruption and bribery that are reported through the whistleblowing channel are reported to the Sustainability Committee, and are included in the quarterly Risk Committee report and the Annual Compliance report to the Board of Directors.

The programme One Responsible If is part of a mandatory introduction to If's responsible corporate culture and business practices. The learning programme is part of new employees' onboarding and is a mandatory annual activity, for all employees, including members of the administrative, management and supervisory bodies and functions-at-risk. Related and relevant policies are available in the latest updated form on the intranet. If's Supplier Code of Conduct, which all suppliers and business partners have to sign when entering into a contract with If, is available on the external webpage.

All new employees and consultants at Topdanmark must complete and pass an e-learning course on the Code of Conduct in connection with their employment. The courses are automatically assigned to new employees. Thereafter, the employee is automatically assigned to the course every two years for mandatory re-certification. The course applies to all employees, management, consultants and the Board of Directors.

The Sampo Group Code of Conduct sets the overall guiding principles for the work to combat corruption and bribery. If Group also has supplementary policies and guidelines that include rules related to gifts and participation in events and hospitality, and information about expectations regarding employees, and roles and responsibilities.

If's Ethics Policy, which is communicated to all employees, is also complemented by various practical ethics-related examples concerning corruption and bribery. As part of the One If conflicts of interest process, practical situations related to the risk of corruption in the daily work of the team are discussed. Work to combat corruption and bribery is also carried out as part of the work to prevent money laundering and terrorist financing.

During 2024, If Group reviewed its policies and training material related to corruption and bribery. If also initiated an internal company-wide project to work against organised crime.

G1-4 – Incidents of corruption or bribery

In 2024, If Group was not convicted for any incidents of corruption and bribery, and therefore did not pay any related fines.

Corruption and bribery are serious concerns, and any confirmed incidents would be reported as part of regular sustainability and compliance and/or risk reporting. Information is received though established reporting channels, such as the whistleblowing channel. Statistics related to corruption and bribery are not validated by an external body other than the assurance provider.

Number of incidents of corruption and bribery, 2024	If	Topdanmark[1]
Confirmed incidents of corruption or bribery	0	0
Confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0	0

[1]November-December 2024

In 2024, no public legal cases regarding corruption or bribery were brought against If Group.

G1-6 – Payment practices

Due to the complexity of the payment systems and the diversity of the supplier base, If Group is currently unable to provide information about standard payment terms or the average time for invoice payments on group level. However, with start in 2023, If P&C Insurance Ltd (publ) reports payment terms for its suppliers to the Swedish Companies Registration Office in accordance with the Act on reporting on payment terms. If Group's payment terms are influenced by various factors, including the nature of the supplier relationship, the country or geographical region of operation and market standards. If Group is unable to disclose its standard payment terms by the main category of suppliers due to confidentiality considerations and the competitive sensitivity of such information.

If Group is committed to fair and responsible payment practices and is actively working to improve reporting in accordance to ESRS. If Group recognises the importance of timely payments to its suppliers and is taking steps to ensure that its payment practices are transparent and equitable across the company's supply chain. Insurance companies tend to have a good liquidity situation as the insurance payments provide a cash flow that can be used for supplier payments without the company having to rely on a line of credit.

If Group is not party to any legal proceedings due to late payments.

Appendix 1

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Appendix 2

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		10
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		10
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				12
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245328 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/181829 , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	44
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book -Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article12.1 (d) to (g), and Article 12.2		44
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation(EU) 2020/1818, Article 6		48
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not material
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Not material

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		49
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		49
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU9 2021/1119, Article 2(1)	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Phased-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Phased-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Phased-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Phased-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				58
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				58
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				59
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		59
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				59
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				59

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				61
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		67
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				67
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		67
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		67
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				68
SRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		68
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				69
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				70
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				70
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		70
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		70
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				72
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				75
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		75
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				79
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				83
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				83
ESRS G1-4 Fines for violation of anticorruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		85
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				85

Consolidated income statement

MSEK	Note	2024	2023
Insurance revenue		68,045	61,158
Reinsurance premium expenses		-5,028	-3,832
Insurance service expenses			
Claims incurred	7	-46,177	-43,180
Operating expenses	8, 10, 11	-9,911	-8,916
		-56,089	**-52,096**
Reinsurers' share of claims incurred	7	3,765	4,434
Insurance service result		**10,694**	**9,664**
Investment result			
Direct investment income		5,221	4,982
Changes in value		2,697	5,248
Management costs		-334	-296
	12	7,584	9,934
Insurance finance income or expenses, net			
Insurance contracts		-2,415	-3,898
Reinsurance contracts held		227	97
		-2,188	-3,801
Net financial result		**5,396**	**6,133**
Other Income		1,675	1,647
Other expenses		-3,681	-1,765
Interest expenses, financing	13	-240	-106
Interest expense on net pension asset/liability		7	8
Income from associates	14	55	1
Result before income taxes		**13,905**	**15,582**
Taxes	15	-2,876	-3,273
Net profit for the year		**11,029**	**12,309**
Of which, attributable to owners of the parent		*11,029*	*12,309*

Consolidated statement of comprehensive income

MSEK	Note	2024	2023
Net profit for the year		**11,029**	**12,309**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the net pension asset/liability		-3	-70
Taxes related to items which will not be reclassified	15	1	14
		-2	**-56**
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Effects of changes in exchange rates, foreign operations		330	-663
Hedging of net investments in foreign operations	31	237	-
Taxes related to items which will be reclassified when specific conditions are met	15	-128	64
		440	**-599**
Total comprehensive income		**11,467**	**11,654**
Of which attributable to owners of the parent		*11,467*	*11,654*

Consolidated balance sheet

Assets, 31 December

MSEK	Note	2024	20223
Intangible assets			
Goodwill		13,707	1,858
Other intangible assets		5,839	261
	16	**19,546**	**2,119**
Investment assets			
Land and buildings		5	5
Investments in associates	17	46	49
Other financial investment assets	18, 19	146,982	120,251
Deposits with ceding undertakings		7	7
		147,040	**120,312**
Reinsurance assets			
Asset for remaining coverage		218	403
Asset for incurred claims		8,405	5,848
	24	**8,622**	**6,251**
Deferred tax assets	25	**66**	**40**
Debtors	20	**4,579**	**3,530**
Other assets			
Tangible assets	21	3,043	1,967
Cash and bank balances		3,433	2,182
Collateral and security settlement claims		222	537
Net pension assets	26	412	355
		7,111	**5,041**
Prepaid expenses and accrued income			
Accrued interest and rental income		1,497	1,083
Other prepaid expenses and accrued income	22	1,125	627
		2,622	**1,709**
Total assets		**189,585**	**139,001**

Shareholders' equity, provisions and liabilities, 31 December

MSEK	Note	2024	2023
Shareholders' equity			
Share capital		2,726	2,726
Statutory reserve		400	400
Profit brought forward		29,357	27,152
Net profit for the period		11,029	12,309
		43,512	**42,587**
Subordinated debt	23	**1,728**	**1,496**
Insurance liabilities			
Liability for remaining coverage and acquisition cash flow asset		13,486	10,224
Liability for incurred claims		88,766	68,938
	24	**102,253**	**79,162**
Provisions for other risks and charges			
Deferred tax liability	25	5,399	3,900
Other provisions	26, 27	2,231	301
		7,630	**4,201**
Creditors			
Loans from parent company	28	19,763	-
Derivatives	18, 19	717	643
Other creditors	29	11,571	8,523
		32,051	**9,166**
Accrued expenses and prepaid income	30	**2,411**	**2,390**
Total shareholders' equity, provisions and liabilities		**189,585**	**139,001**

Consolidated cash flow statement

MSEK	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Cash flow from insurance operations			
Premium flows, direct insurance		68,226	61,569
Claims payments, direct insurance		-48,213	-42,036
Reinsurance flows		-3,473	-3,110
Costs of operations		-9,527	-8,503
		7,014	**7,920**
Cash flow from asset management			
Interest received		4,208	4,114
Interest paid		-31	-49
Dividends received, shares		436	441
Cash flows from properties		-16	-2
Net investments in financial investment assets		340	-2,297
		4,937	**2,208**
Interest paid, financing	34	-103	-102
Realized foreign exchange transactions		-197	1,098
Paid income tax		-2,655	-2,977
		8,997	**8,147**
CASH FLOW FROM INVESTING ACTIVITIES			
Sale of subsidiaries, net of cash delivered		-	7
Acquisition of subsidiaries through business combination, net of cash acquired [1)]		-53,685	-
Dividends received and sale of shares, associates		164	-
		-53,521	**7**
CASH FLOW FROM FINANCING ACTIVITIES			
Shareholder contribution		34,029	-
Loans from Parent company		20,000	-
Dividend paid		-8,000	-8,000
Repayments of lease liabilities	34	-307	-274
Repayments of loans	34	-22	-1,000
		45,700	**-9,274**
Cash flow for the year		**1,176**	**-1,120**
Cash and bank balances			
Cash and bank balances on 1 January		2,182	3,295
Effect of exchange rate changes		75	8
Cash flow for the year		1,176	-1,120
Cash and bank balances on 31 December		**3,433**	**2,182**

[1)] Acquisition price reduced by acquired cash and bank.

Parent Company

Income statement

MSEK	Not	2024	2023
Other operating income		0	30
Other operating expenses	2	-1	-29
Operating result		**-1**	**1**
Result from financial investments			
Dividends from group companies		67,253	8,211
Interest income and similar income items	3	276	226
Interest expense and similar expense items	4	-574	-224
Write down, shares in subsidiaries	6	-56,199	-
Result after financial items		**10,755**	**8,214**
Group contributions, net		-9	76
Result before income taxes		**10,746**	**8,290**
Taxes	5	-26	-18
Net profit for the year		**10,720**	**8,272**

Statement of comprehensive income

MSEK	Not	2024	2023
Net profit for the year		**10,720**	**8,272**
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Effects of changes in exchange rates, foreign operations		0	0
Taxes related to items which will be reclassified when specific conditions are met		0	0
		0	**0**
Total comprehensive income		**10,721**	**8,272**

Balance sheet, 31 December

MSEK Assets	Note	2024	2023
Financial fixed assets			
Shares in group companies	6	76,057	18,309
Shares in associates	7	20	20
		76,077	**18,329**
Deferred tax asset	10	**3**	**6**
Debtors			
Debtors, group companies		81	200
Other debtors		0	0
Accrued interest income		8	14
		89	**214**
Short-term investments	8	**1,132**	**1,965**
Cash and bank balances		**1,856**	**1,049**
Total assets		**79,156**	**21,563**
Shareholders' equity, provisions and liabilities			
Shareholders' equity			
Share capital		2,726	2,726
Statutory reserve		400	400
Profit brought forward		42,092	7,791
Net profit for the year		10,720	8,272
		55,938	**19,189**
Subordinated debt	9	**1,498**	**1,496**
Provisions			
Other provisions		10	9
		10	**9**
Non-current creditor			
Loans from Parent company	11	19,763	-
Current creditors			
Creditors, group companies		1,732	848
Provision for taxes		31	10
Accounts payable		0	-
Other creditors		45	7
Other accrued expenses and prepaid income		140	4
		1,948	**869**
Total shareholders' equity, provisions and liabilities		**79,156**	**21,563**

Cash flow statement

MSEK	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES		
Operating result	-1	1
Non-cash flow items	-85	26
Interest received	209	208
Interest paid	-199	-205
Dividends received, shares	11,296	8,211
Paid income tax	-13	-7
Change in current debtors	119	-58
Change in current creditors	882	-516
Net investments in short-term investments	885	1,030
	13,093	**8,689**
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in subsidiaries	-2,382	-10
Sale of subsidiaries	-	15
Acquisition of subsidiaries through business combination	-111,666	-
Dividend in connection with group restructuring	55,957	-
	-58,092	**5**
CASH FLOW FROM FINANCING ACTIVITIES		
Loans from Parent company	20,000	-
Shareholder contribution	34,029	-
Dividend paid	-8,000	-8,000
Repayment of subordinated debt	-	-1,000
Interest paid, financing	-224	-
	45,805	**-9,000**
Cash flow for the year	**806**	**-306**
Cash and bank balances		
Cash and bank balances on 1 January	1,049	1,354
Effect of exchange rate changes	1	0
Cash flow for the year	806	-306
Cash and bank balances on 31 December	**1,856**	**1,049**

Changes in shareholders' equity

Group

MSEK	Restricted equity: Share capital	Restricted equity: Statutory reserves	Unrestricted equity: Fair value reserve [3]	Unrestricted equity: Profit brought forward	Unrestricted equity: Net profit for the year	Total equity
Equity at beginning of 2023	**2,726**	**400**	**1,083**	**34,729**	**-**	**38,937**
Effect of changes in accounting policies (IFRS 9)	-	-	-1,083	1,078	-	-5
Adjusted equity at beginning of 2023	**2,726**	**400**	**-**	**35,807**	**-**	**38,933**
Total comprehensive income	-	-	-	-655	12,309	11,654
Dividend paid [1]	-	-	-	-8,000	-	-8,000
Equity at end of 2023	**2,726**	**400**	**-**	**27,152**	**12,309**	**42,587**
Equity at beginning of 2024	**2,726**	**400**	**-**	**39 461**	**-**	**42,587**
Total comprehensive income	-	-	-	438	11,029	11,467
Dividend paid [2]	-	-	-	-8,000	-	-8,000
Acquisition of subsidiaries [4]	-	-	-	-36,570	-	-36,570
Shareholder contribution	-	-	-	34,029	-	34,029
Equity at end of 2024	**2,726**	**400**	**-**	**29,357**	**11,029**	**43,512**

Parent Company

MSEK	Restricted equity: Share capital	Restricted equity: Statutory reserves	Unrestricted equity: Fair value reserve [3]	Unrestricted equity: Profit brought forward	Unrestricted equity: Net profit for the year	Total equity
Equity at beginning of 2023	**2,726**	**400**	**-21**	**15,812**	**-**	**18,917**
Effect of changes in accounting policies (IFRS 9)	-	-	21	-21	-	0
Adjusted equity at beginning of 2023	**2,726**	**400**	**-**	**15,791**	**-**	**18,917**
Total comprehensive income	-	-	-	0	8,272	8,272
Dividend paid [1]	-	-	-	-8,000	-	-8,000
Equity at end of 2023	**2,726**	**400**	**-**	**7,791**	**8,272**	**19,189**
Equity at beginning of 2024	**2,726**	**400**	**-**	**16,063**	**-**	**19,189**
Total comprehensive income	-	-	-	0	10 720	10 721
Dividend paid [2]	-	-	-	-8 000	-	-8 000
Shareholder contribution	-	-	-	34 029	-	34 029
Equity at end of 2024	**2 726**	**400**	**-**	**42 092**	**10 720**	**55 938**

[1] During 2023, dividends paid totalled approximately SEK 58.67 per share, of which dividends resolved by the Extraordinary General Meeting accounted for about SEK 58.67 per share.

[2] During 2024, dividends paid totalled approximately SEK 58.67 per share, of which dividends resolved by the Annual General Meeting accounted for about SEK 58.67 per share.

[3] The fair value reserve prior to the change in accounting policies (IFRS 9) corresponded in full to value changes in financial assets available for sale less deferred tax.

[4] Difference between the total purchase consideration and group carrying values of assets and liabilities in the acquisition of Topdanmark A/S.

There are a total of 136,350,000 shares with a quotient value of SEK 19.99 each, including 103,525,000 Series A shares carrying one vote and 32,825,000 Series B shares carrying one tenth of a vote. The number of shares was unchanged during the year.

The accumulated translation difference amounted to MSEK 1,831 (1,501).

Notes to the consolidated financial statements

Note 1 – Accounting policies

Company information

This annual report and the consolidated financial statements for If P&C Insurance Holding Ltd (publ) were prepared and authorized for publication by the Board of Directors and CEO on 11 March 2025 and will be presented to the 2025 Annual Meeting for approval. The company is a Swedish limited liability company with its registered office in Stockholm and its headquarters in Solna, Sweden.

The Group's primary operations are described in the Board of Directors' Report.

Statement of compliance with regulations applied and information about new accounting standards

If Group has prepared the consolidated accounts in accordance with international accounting standards (IFRS Standards, IAS Standards, SIC Interpretations and IFRIC Interpretations), as adopted by the European Union. In addition, If applies the supplementary provisions ensuing from the Annual Accounts Act for Insurance Companies (ÅRFL), the Swedish Financial Supervisory Authority's regulations and general recommendations on annual accounts in insurance companies (FFFS 2019:23) and, in appropriate parts, the Swedish Financial Reporting Board's recommendation RFR 1 (Supplementary Accounting rules for Groups).

The financial reports and notes are presented in SEK millions (MSEK), unless otherwise stated. The totals in tables and statements in the annual report may not always reconcile due to rounding. The aim is for each line item to correspond to the source and therefore rounding differences may arise in totals.

Issued, but not yet effective, international accounting standards are currently assessed as not likely to have any significant impact on the Group's financial statements when first applied, except for IFRS 18 Presentation and Disclosure in Financial Statements.

IFRS 18 was published in April 2024 and will take effect on 1 January 2027. IFRS 18 replaces IAS 1 Presentation of Financial Statements and includes changes primarily related to presentation of revenue and expenses in the statement of profit and loss; new requirements regarding disclosure of management-defined performance measures; and new requirements regarding aggregation and disaggregation. If Group has started to analyze the effect of the new standard on the Group financial statement and follows the development of how the standard will be incorporated into Swedish and European law.

Changes in accounting policies

During the year, the presentation of change in discounting effect attributable to risk adjustment has been updated. The change in the discount effect is now allocated between the insurance service expenses and insurance finance income or expenses.

Issued, but not yet effective, international accounting standards are currently assessed as not likely to have any significant impact on the Group's financial statements.

Basis for consolidation

The consolidated accounts include the Parent Company, If P&C Insurance Holding Ltd (publ), and all companies in which the Parent Company directly or indirectly holds more than 50% of the votes for all shares or in some other manner has a controlling interest.

The consolidated accounts have been prepared for all Group external acquisitions in accordance with IFRS 10 and IFRS 3. Acquired companies are reported in accordance with the acquisition method, which means that assets and liabilities are reported in the acquiring company's accounts at the acquisition values determined in accordance with an established acquisition analysis. The identified assets and liabilities in the acquired company are measured at fair value in the acquisition analysis. If the acquisition value of shares in a subsidiary exceeds the established fair value of the acquired assets and liabilities, the difference is reported as goodwill.

Topdanmark A/S and its subsidiaries were acquired from If P&C Insurance Holding's parent company Samp plc on 1 November 2024. IFRS 3 does not apply to this transaction since the acquisition is defined as a business combination under common control. If applies the method of measuring assets and liabilities based on the carrying values identified when Sampo plc obtained control of Topdanmark A/S. Differences between the purchase consideration and the group carrying value of net assets is reported against equity. Revenue and expenses are included in the Group income statement from the acquisition date. For more information, see Note 35.

In consolidating other subsidiaries, locally prepared income statements and balance sheets are recompiled to eliminate differences between local accounting policies and the accounting policies applied in the consolidated accounts. These recompilations mainly comprise adjustments relating to the measurement of insurance and reinsurance contracts, as well as the presentation of related income statement and balance sheet items.

Outside Sweden, any equalization or catastrophe reserves governed by tax or business laws are treated in the consolidation in the same manner as Swedish untaxed reserves.

Transactions, receivables and liabilities in foreign currency and translation of the accounts of foreign subsidiaries and branches

Individual companies and branches in the If Group report in their respective functional currencies, determined as the local currency in the country in which the company or branch is active. Income statement items in another currency than the functional currency (foreign currency) are translated to their respective presentation currency using the average exchange rate for the month during which they were reported, while assets and liabilities in foreign currency are translated at the closing date exchange rates. Any unrealized translation gains or losses arising are reported net in the income statement as changes in value under Investment result. Currency forward contracts used to economically hedge currency exposure in the balance sheet are measured at fair value and these effects are also reported in their entirety in the income statement as changes in value.

In the preparation of the consolidated accounts, translation from the presentation currencies of the companies and branches into SEK is performed in line with IAS 21. Items in the balance sheet are translated using the exchange rate on the balance sheet date and items in the income statement are translated using the average exchange rate for the period during which the item arose. Translation differences are reported in other comprehensive income when arising from the use of different exchange rates for items in the balance sheet and income statement, the fact that capital contributions and dividends are translated at different exchange rates than those prevailing on the transaction date and that shareholders' equity is translated at a different exchange rate at year-end than at the beginning of the year. If Group applies hedge accounting for part of its currency exposure related to net investments in foreign operations. See the section Hedge accounting for more information.

For If Group's most significant currencies, the following exchange rates were used as of 31 December to translate balance sheet items in foreign currency to SEK:

	2024	2023
Danish kroner	1.54	1.49
Euro	11.46	11.10
Norwegian kroner	0,97	0.99
US dollars	11.03	10.04

Policies applied to items in the consolidated balance sheet

Goodwill

Goodwill is measured at acquisition value, adjusted for any impairments. Goodwill arises in connection with the acquisition of operations. In conjunction with acquisitions, an acquisition balance sheet is compiled in which all identified assets and liabilities are measured at fair value on the acquisition date. When the acquisition price cannot be attributed to identifiable assets and liabilities, this portion is recognized as goodwill.

Goodwill is an asset with an indefinite useful life and thus it is not subject to amortization. To ensure that goodwill is not overvalued in the balance sheet, an annual analysis is conducted of individual goodwill items to identify impairment requirements. The analysis determines the recoverable amount, defined as the higher of the value in use and the net realizable value. The value in use is calculated as the discounted value of expected future cash flows attributable to the acquired net assets. When the recoverable amount measured on the valuation date is less than the carrying amount in the Group, the carrying amount is reduced to the recoverable amount. If, subsequently, a higher recoverable amount can be set, this does not result in revaluation or reversing of previous impairments.

Other intangible assets

Other intangible assets consist of externally acquired rights, customer relationships, trademarks etc. and internally developed intangible assets. Intangible assets are measured at their acquisition value less deductions for accumulated amortization.

Internally developed intangible assets are measured at acquisition value, determined as the direct and indirect expenses for the development (programming and testing) of computer systems that are expected to provide financial benefits in the future. Only expenses linked to new development and mainly limited to major system changes are capitalized.

Rights, customer relationships and similar assets are amortized from the acquisition day or the day they become valid.

Customer relationships consist of the calculated value of current customer contracts and the calculated value of renewal of the contracts. The estimated useful life for customer relationships is 2-7 years and they are amortized using the straight-line method.

Capitalized development expenses are amortized from the date the asset is put into production. Amortization is applied over the asset's estimated useful life using the straight-line method. The useful life is determined individually per asset and for capitalized developments does not exceed 10 years.

The useful life of acquired trademarks is determined individually per asset. the expected useful life for trademarks that are amortized is 10 years and amortization starts from the time of acquisition on a straight-line basis during the useful life. Trademarks that are deemed to have an unlimited useful life are not amortized but are instead tested at least annually for any impairment needs.

If there is any indication on the closing date that the carrying amount of an intangible asset is higher than its recoverable amount, a calculation is made of the asset's recoverable amount. Recoverable amount refers to the higher of the asset's net realizable value and its value in use. If the determined recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. If, subsequently, a higher recoverable amount can be set, a previous impairment may be reversed.

Investments in associates

Associates refer to companies in which If P&C Insurance Holding Ltd (publ) directly or indirectly has significant influence, which is normally the case when the shareholding amounts to a minimum of 20% of the voting rights for all shares in the company. Associates are reported in the consolidated accounts using the equity method. The equity method means that the carrying amount of an associate is continually adjusted for changes in the holding company's share of the associate's net assets. If there is any indication that an associate's carrying amount is higher than its recoverable amount, a calculation is made of the associate's recoverable amount. Recoverable amount refers to the higher of the associate's net realizable value and its value in use. If the determined recoverable amount is less than the carrying amount, the carrying amount of the associate is reduced to its recoverable amount. If, subsequently, a higher recoverable amount can be set, a previous impairment may be reversed.

Minor holdings are accounted for in a simplified way. The carrying amount is normally only adjusted by If Group's share of the respective company's result after tax and subject to a delay of one quarter. Additional information is provided in Notes 14 and 17.

Other financial investment assets

A financial asset or a financial liability is recognized in the balance sheet when the Group becomes a party to the contractual terms of the financial instrument. A financial asset is derecognized from the balance sheet when the rights in the contract are realized or expire or as a result of a transfer of the asset whereby the Group no longer retains significant risks and rewards from the asset, and it loses control over it. A financial liability is derecognized from the balance sheet when the obligation in the agreement has been fulfilled, cancelled, or otherwise terminated. Furthermore, a contract is derecognized if a significant modification has been made to the contractual terms of a financial asset or liability.

The purchase and sale of money market and capital market instruments on the spot market, as well as derivative transactions, are reported in the balance sheet on the transaction date. Between the transaction date and payment date, the collateral for the counterparty's liability/receivable is reported at the gross amount under the item Collateral and security settlement claims or Other creditors.

Equity instruments are classified as measured at fair value through profit or loss.

Debt instruments (Bonds and other interest-bearing securities and Other loans) are classified as measured at either fair value through profit or loss (mandatorily) or at amortized cost, based on the business model for managing the assets and the asset's contractual terms. The business model reflects how the Group manages a portfolio of financial assets to achieve business objectives and to generate cash flows. The factors considered when determining a portfolio's business model include how the financial assets' performance is evaluated and reported to management, how risks are assessed and managed, past experience of how the cash flows have been collected and how compensation is linked to performance.

Debt instruments are classified as measured at fair value through profit or loss (mandatorily) when the business model reflects the assets being managed and evaluated on a fair value basis or being held for trading, alternatively if the contractual cash flows do not consist of solely payments of principal and interest, i.e. not consistent with a basic lending arrangement.

Debt instruments are classified as measured at amortized cost if they are part of a portfolio where the business model is to collect contractual cash flows, and if the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding, i.e. consistent with a basic lending arrangement.

Other financial investment assets consist of Shares and participations, Bonds and other interest-bearing securities, Other loans and Derivatives. In addition to the description below for measurement of each type of asset; refer to Note 18 for further details regarding fair value measurement and the method for expected credit losses.

Shares and participations

Shares and participations are classified as measured at fair value through profit or loss. For shares listed on a regulated stock exchange or marketplace, the sales value normally refers to the latest trade price on the closing date. Unlisted securities included in private equity investments are measured using established valuation models.

Bonds and other interest-bearing securities

Bonds and other interest-bearing securities are classified as measured at fair value through profit or loss (mandatorily) since the portfolio is managed and evaluated on a fair value basis. The instruments are initially recognized and subsequently measured at fair value. Transaction costs that are directly attributable to the acquisition of the assets are recognized as expenses in profit or loss.

The return on bonds and interest-bearing securities is divided into interest income and changes in value. The change in value is calculated as the difference between the fair value (market value) of the instruments and their amortized cost.

Other loans

Other loans are primarily classified as measured at amortized cost since the portfolio's business model is hold to collect, and the contractual cash flows consist of solely payments of principal and interest. Other loans, including directly attributable transaction costs for the acquisition, are initially recognized at fair value. In subsequent reporting periods, other loans are measured at amortized cost, calculated using the effective interest rate method and adjusted for a loss allowance based on expected credit losses (ECL).

In case the contractual cash flows of individual instruments are inconsistent with a basic lending arrangement, these loans are reported at fair value through profit or loss (mandatorily). These loans are presented in the disclosures together with bonds and other interest-bearing securities.

Derivatives

Derivatives are classified as measured at fair value through profit or loss (mandatory). All derivative instruments are individually measured at fair value both at initial recognition and in subsequent periods. Derivative transactions with a positive fair value on the closing date are reported as Other financial investment assets and derivative positions with a negative fair value are reported on the liabilities side of the balance sheet under the item Derivatives.

Hedge accounting

If Group applies Hedge Accounting according to IFRS 9. To apply hedge accounting, hedge relationships must be formally identified and documented. In addition, there needs to be an economic relationship between the hedged item and the hedging instrument, the effect of credit risk does not dominate the value changes resulting from that relationship, and the hedge ratio is the same as that resulting from the quantity of both the hedged item and the hedging instrument actually used. If Group tests the hedge effectiveness on designation and on an ongoing basis. Any ineffectiveness is recognized in profit or loss.

Hedge accounting for net investments in foreign operations is applied by If Group. The strategy is to partly hedge the currency fx exposure, spot risk, through loans in foreign currency. Any inefficiency in the hedge related to the hedging instrument in comparison to the hedged item is recognized in the income statement. Inefficiency in the hedge occurs if the notional amount exceeds the currency fx exposure or if the pegged exchange rate for EUR/DKK spot rate changes post initial recognition. Gains or losses related to the hedging instrument's efficient part of the change in value due to currency spot rates are reported in Other Comprehensive Income, OCI, in Equity. If the hedge item is sold accumulated changes in value are reported in the income statement.

Debtors

Receivables are reported in the amounts expected to be received.

Tangible assets

Tangible assets consist of land and buildings as well as machinery and equipment and are initially measured at acquisition value. The acquisition value includes not only the purchase price but also expenses directly attributable to the acquisition. Tangible assets are reported at historical acquisition value, less accumulated straight-line depreciation. These deductions are based on historical acquisition values and the estimated useful life.

Depreciation period	
Buildings and building components	15-50 years
Office equipment	3–10 years
Computer equipment	3–5 years
Vehicles	5 years
Other fixed assets	4–10 years

If Group recognizes right-of-use assets for material leases that are within the scope of IFRS 16 Leases. If applies a company-specific materiality assessment that includes, but is not limited to, the two exemptions specified in the standard. The acquisition cost corresponds to the amount equivalent to lease liabilities and any lease prepayments made before the commencement date.

Subsequently, the right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the estimated useful life that is set at the end of the expected lease term. The carrying amount of the right-of-use asset is adjusted for certain remeasurements of the lease liability.

If there is any indication on the closing date that the carrying amount of a tangible asset owned or held through a right of use is higher than its recoverable amount, a calculation is made of the asset's recoverable amount. Recoverable amount refers to the higher of the asset's net realizable value and its value in use. If the determined recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. If, subsequently, a higher recoverable amount can be set, a previous impairment may be reversed.

Cash and bank balances

Cash and bank consists mainly of bank balances in the insurance operations and funds transferred to asset management that have not been invested in investment assets. No expected credit losses have been recognized since cash and bank balances have very short durations or are payable on demand, and are invested in institutions with investment grade rating. Any loss amount would thus be insignificant.

Subordinated debt, Loans from credit institutes and Loans from Parent company

Issued subordinated debt, loans from credit institutes and Parent company loans are initially measured at fair value, including external transaction costs directly attributable to the acquisition or issue of the borrowing. Subsequent measurement is at amortized cost, using the effective interest rate method, whereby premiums/discounts and capitalized, borrowing expenses are distributed over the term of the borrowing; however, no later than at the interest-adjustment date in the case of loans with floating interest rates. Interest expenses and gains or losses on derecognition are recognized in the income statement. Loans from credit institutes are included in the balance sheet item Other creditors.

Insurance liabilities and reinsurance assets

Insurance liabilities for insurance contracts issued consist of Liability for remaining coverage and acquisition cash flow asset, and also Liability for incurred claims. Correspondingly, the item Reinsurance assets for reinsurance contracts held consists of Asset for remaining coverage and Asset for incurred claims.

The liability for remaining coverage relates to the obligation to investigate and pay valid claims that have not yet occurred. The liability consists of the part of premium payments received relating to insurance services that are to be provided after the closing date (i.e. relating to the unexpired portion of the insurance coverage), adjusted for acquisition cash flows.

The liability for incurred claims relates to the obligation to investigate and pay valid claims that have occurred. The liability is designed to cover anticipated future payments for all claims incurred, including claims not yet reported to If, referred to as IBNR. See also Note 24 for further details regarding measurement methods and assumptions.

Measurement model

The premium allocation approach (PAA) is applied to all insurance business in If, since the coverage period for the main part of the insurance and reinsurance contracts is one year or less, and longer-term contracts fulfil the eligibility criteria.

Level of aggregation

Portfolios of insurance contracts comprise contracts subject to similar risks and managed together. If has determined the portfolios based on a combination of business area, country and product. The portfolios are then divided into two groups: onerous contracts or all remaining contracts (profitable contracts). Since the premium allocation approach is applied, it is assumed that the groups of contracts are not onerous unless facts and circumstances indicate otherwise. Internal management information regarding the insurance service result per the plan process has been used to identify any onerous groups of contracts.

The carrying amount of the portfolios of insurance and reinsurance contracts determines if they are presented as assets or as liabilities on the balance sheet.

Liability for remaining coverage and acquisition cash flow asset

On initial recognition of a group of insurance contracts, the carrying amount of the liability for remaining coverage (LRC) is measured at premiums received less insurance acquisition cash flows paid. Subsequent of initial recognition, the carrying amount is decreased by the value of the insurance revenue for services provided in the period. For most products this is based on the passage of time; i.e. calculated on a pro rata temporis basis. Consequently, any premium receipts pertaining to insurance services to be provided after the closing date remains in this liability. The carrying amount is also increased subsequent of initial recognition for any additional premiums received less insurance acquisition cash flows paid.

The insurance acquisition cash flows reducing the carrying amount of LRC relate to commission expenses as well as personnel expenses for internal sales units. The acquisition cash flows are deferred over the coverage period of the contracts, generally one year. The option to recognize these cash flows as an expense when they are incurred is applied, when possible, to portfolios relating to Business Area Private. Any acquisition cash flows paid relating to a group of insurance contracts not yet recognized are presented as a separate acquisition cash flow asset included in the portfolio's total carrying amount within the insurance liabilities.

For groups of onerous contracts, a loss component is part of the liability for remaining coverage, where the loss component is calculated as the difference in the liability measured with the general measurement model compared with the premium allocation approach.

The carrying amount of the liability for remaining coverage is not discounted since the time between providing services and the related premium due date is generally not more than a year.

Liability for incurred claims

The liability for incurred claims (LIC) is intended to cover the estimated future payments of all claims incurred, including claims not yet reported to If (IBNR) and all claims handling expenses. The estimated future cash flows (best estimate) in direct property and casualty insurance and reinsurance are calculated by means of statistical methods or through assessments of individual claims. Often a combination of the two methods is used, meaning that large claims are assessed individually while small claims and claims incurred but not reported (IBNR) are calculated using statistical methods.

In addition to the best estimate, the liability for incurred claims includes an explicit risk adjustment for non-financial risk (risk adjustment), which reflects the uncertainty in the amount and timing of cash flows arising from non-financial risk.

Both the best estimate and risk adjustment are discounted to present value using standard actuarial methods, and applying market-based yield curves, which are constructed based on a risk-free rate and an illiquidity premium for each of the main currencies.

Reinsurance assets

The corresponding accounting policies as for measuring the insurance contracts issued are applied when measuring the reinsurance contracts held. The asset for incurred claims also takes into consideration the effect of the risk of non-performance by the issuer of the reinsurance contract (the reinsurer). Identified non-distinct investment components in reinsurance contracts held reduce the asset for remaining coverage with a corresponding increase in the asset for incurred claims and has no effect on the income statement.

Pension costs and pension commitments and other employee benefits

The Group's pension obligations comprise pension plans in several national systems that are regulated through local collective bargaining agreements and social insurance laws. The obligations consist of both defined-contribution and defined-benefit plans.

For defined-contribution plans, the pension cost comprises the premiums paid for securing the pension obligations in life insurance companies.

The reporting of funded and unfunded defined-benefit pension plans complies with the regulations contained in IAS 19 Employee benefits. According to these rules, the present value of future pension obligations less the market value of the plan assets covered by the plan is to be recognized as a pension liability in the balance sheet.

What is to be recognized as a pension cost during the financial year is the sum of (i) the actuarially calculated earnings of old-age pensions during the year, calculated straight-line based on pensionable income at the time of retirement, and (ii) calculated interest expense for indexing the preceding year's established net pension obligation. The calculation of pension costs during the financial year primarily occurs at the beginning of the year and is based on assumptions about factors such as salary growth and price inflation throughout the duration of the obligation and on current market interest rates adjusted to take into account the duration of the company's pension obligations. If includes the first amount in the insurance service result while the interest expense is recognized separately in the income statement. The insurance service result also includes past service income and expense, e.g. effects of plan amendments.

Remeasurements of the pension obligation due to actuarial gains and losses, and because the return on plan assets deviates from the calculated interest rate, are recognized in other comprehensive income.

If has certain pension obligations that have been classified as defined-benefit plans but recognized as defined-contribution plans, either because If lacks the information necessary to recognize them as defined-benefit plans or because they have been deemed as insignificant.

Provision is also made for the calculated value of other earned remuneration of employees, the final amount of which is determined and paid after the end of the financial year, such as one-year variable remuneration and multi-year incentive programmes.

If Group's cash-settled share-based payments give rise to an obligation to the employees, which is measured at fair value and is reported as an expense with a corresponding increase in liabilities. Fair value is initially calculated at the time of granting and at every reporting date thereafter. The fair value of the cash-settled units is calculated using the Black-Scholes model and/or the Monte-Carlo model and the terms and conditions of the allocated units are taken into account. The provision recognized in the balance sheet is the earned part of the value on the balance sheet date and any changes in the provision are reported in profit for the year as a personnel cost.

Lease liabilities

Lease liabilities are initially measured at the present value of the fixed lease payments and certain variable lease payments to be made under the lease that are not paid at the commencement date, discounted using the incremental borrowing rate. The lease liabilities are subsequently measured at amortized cost using the effective interest method. They are remeasured to reflect any lease modifications or reassessments. Lease liabilities are recognized in the line item Other creditors.

The lease term is determined as the expected lease term. This includes the non-cancellable period of lease contracts, adjusted for any optional extension or termination periods that If is reasonably certain to exercise.

Policies applied to items in the consolidated income statement

The income statement is split between a result from the insurance operations – the Insurance service result – and the Net financial result, which is attributable to asset management and changes in discounting effects relating to insurance contracts issued and reinsurance contracts held.

Items included in the insurance service result pertain to the Group's operations as an insurer; that is, the transfer of insurance risk pursuant to the definition in IFRS 17, Insurance Contracts. Income or expenses from reinsurance contracts held are presented separately from income or expenses from the insurance contracts issued.

Contracts that do not transfer a significant insurance risk are attributable to other operations and are reported in accordance with IFRS 15 Revenue from Contracts with Customers within Result from other services. This also includes any distinct non-insurance services separated from the insurance contract.

Insurance revenue

Insurance revenue reflects the compensation that If receives from the policyholder in return for assuming the transfer of insurance risk (insurance contract services) on an earned basis. The insurance revenue recognized in the period is based on premium receipts and expected premium receipts allocated linearly over the underlying terms of the insurance contracts, i.e. based on the passage of time. The liability for remaining coverage is reduced by an amount corresponding to what has been reported as insurance revenue.

Reinsurance premium expenses

Reinsurance premium expenses relating to reinsurance contracts held are recognized similarly to insurance revenue and reflect the premium payments by If that are attributable to the reporting period for the reinsurance contract services received. Any commissions received reduce the reinsurance premium expenses. Identified non-distinct investment components in reinsurance contracts held are excluded from the reinsurance premium expenses.

Insurance service expenses

The insurance service expenses comprise both claims incurred and operating expenses.

Claims incurred in the reporting period include claims payments during the period and changes in the liability for incurred claims. The change in liability for incurred claims includes changes in the undiscounted best estimate, undiscounted risk adjustment and the change in discounting effect due to changes in underlying best estimate or changes in payment patterns. The claims incurred also include claims handling expenses and changes in the loss component.

Operating expenses reported in the insurance service result relate to administration expenses arising from the handling of insurance contracts as well as acquisition cash flows and other expenses allocated to the sales function. Acquisition cash flows for portfolios relating to Business Area Private are recognized in operating expenses when incurred, when the criteria are met, while acquisition cash flows relating to other portfolios are deferred via the liability for remaining coverage and recognized in the income statement over the coverage period of the contracts.

Total operating expenses refer to all direct and indirect costs which, in addition to the operating expenses in the insurance service result, are also allocated to the income statement line items Claims incurred, Other expenses and Investment result.

Reinsurers' share of claims incurred
The reinsurers' share of claims incurred is reported in the same manner as Insurance service expenses, claims incurred and also includes changes in the risk of non-performance. Additional premiums for reinstatement of the reinsurance cover are also reported as reinsurers' share of claims incurred, since these payments are contingent on claims. Moreover, identified non-distinct investment components in reinsurance contracts held are excluded from the reinsurers' share of claims incurred.

Investment result
The investment result comprises Direct investment income, Changes in value and Management costs. Direct investment income primarily includes dividends on shareholdings and interest income from bonds and other interest-bearing securities as well as other loans. The interest income also includes the premiums/discounts resulting from acquisitions that are distributed across the remaining contractual term. Changes in value mainly include unrealized and realized value changes on investment assets, but also changes in the credit loss allowance. The Group's currency result is included in Changes in value.

The administrative expenses relating to asset management are reported as management costs.

Insurance finance income or expenses
Insurance/Reinsurance finance income or expenses comprise changes in the liability/asset for incurred claims relating to the change in discounting effect due to changes in interest rates and interest expense/income (unwinding). The decomposition of the change in discounting effect is calculated relative to the quarterly opening balance and interest rates at the start of each quarter. Correspondingly, the entire change in the discounting effect relating to risk adjustment is allocated between insurance service expense and insurance finance income or expense.

Since the future indexation of annuities is tied to a statutory index such as CPI, the effect of changes in indexation is also regarded as a financial risk and presented within insurance finance income or expenses. The option to present changes in discounting effect in other comprehensive income is not applied.

Other income
Other income consists of revenue from services provided that does not involve transfer of significant insurance risk. Such revenue is primarily attributable to sales commission and services for administration, claims settlement, etc. in insurance contracts on behalf of other parties. Furthermore, the subsidiary Viking Assistance Group AS provides roadside assistance. Revenue from these services is recognized when roadside assistance has been provided. Viking also has prepaid assistance agreements towards various customer groups, and for these agreements the share of income associated with future services is recognized in the balance sheet as prepaid assistance at the time of sale and subsequently recognized in the income statement according to actual deliveries of roadside services.

Taxes
The Group's tax expense is calculated in accordance with IAS 12 Income taxes. This entails calculation and recognition of both current and deferred tax.

Current tax is calculated individually for every unit in accordance with the tax rules in each country. Current tax also includes non-deductible coupon taxes in respect of dividends received.

If Group's foreign branch offices are taxed on their results in the country concerned. In Sweden, the company is in principle liable for taxation on all income, including the reported results from the foreign branch offices.

In Sweden, taxable income is also impacted by translation differences pertaining to the net assets of branches, which are recognized in other comprehensive income in accordance with IAS 21.

Insofar as the company pays tax in Sweden for its foreign income, with the aim of avoiding double taxation, a credit for the taxes paid abroad is normally allowed.

Income taxes abroad are attributable to taxes on foreign branch office income and withholding taxes on the return on foreign investment assets.

In Sweden, the tax rate during the year was 20.6% of taxable income. In the Danish P&C insurance branch, the tax rate was 26%, in Finland 20% and in the Norwegian P&C insurance branch 25%.

Deferred tax attributable to temporary differences between the amounts reported and the equivalent actual taxation is reported in the company's accounts. For income reported in the income statement for the period but which is not taxed until a later period, a deferred tax cost is charged, which results in a corresponding liability item, Deferred tax liabilities. Similarly, costs that will not result in tax deductions until a later period give rise to a deferred tax revenue and a corresponding deferred tax asset. Deferred tax assets and liabilities are reported net when they pertain to the same tax authority and can be offset against each other. The tax effect of tax loss carry-forwards is reported as deferred tax assets if it is considered likely that they can be used to offset taxable profits in the future.

If Group has applied a temporary mandatory relief from deferred tax accounting for any potential impacts of Pillar Two income taxes and accounts for this as a current tax should it occur.

Policies applied to items in the consolidated cash flow statement
If Group defines cash and cash equivalents as the balance in transaction accounts in banks. The cash flow for the year thus consists of the net of inflows and outflows of cash and cash equivalents during the year, and, at the same time, the reconciliation of the balance-sheet item Cash and bank balances is a reconciliation of the Group's cash and cash equivalents.

In the Group's income statement, insurance revenue is earned over the contractual period. A liability for incurred claims is continuously generated using statistical models for anticipated claims, and the actual case reserves or annuities are accounted for when the claims occur. The claim is finally settled through payment to the policyholder. The cash flows arising from an insurance contract and a claim thus differs considerably from how the result is accounted for. The link between the income statement and cash flow is recognized in the Group's balance sheet, where accrual items are recognized primarily in the insurance liabilities and reinsurance assets. Due to extensive insurance operations, the law of large numbers means that the effects of the underlying differences between accounting and real cash flow are reduced considerably.

The cash flow statement shows separate items of the Group's cash flow. It has its foundation in the income statement items that are directly connected with external payment flows. These items are adjusted to reflect changes in the balance sheet during the period that are directly linked to the income statement items in question. The balance sheet items reported in the Group comprise significant assets and liabilities in foreign currency and are thus subject to continuous revaluation at the exchange rate prevailing at each closing date. In the cash flow statement, the effect of this recalculation is eliminated, and the individual cash flows shown in the analysis are therefore not directly evident as differences in the balance sheet and notes presented in other parts of the annual report.

Policies applied for alternative performance measures

Key figures are financial measurements of the historical earnings trend and financial position. If Group presents a number of key figures, some of which are referred to as alternative performance measures and are not defined in applicable accounting standards, e.g. IFRS, ÅRFL, FFFS 2019:23 and the Swedish Insurance Business Act (FRL). Definitions of a number of key figures are provided in the Glossary and definitions, including some that are marked as alternative performance measures.

Alternative performance measures are used by If Group when deemed relevant to monitor and describe the Group's financial situation and to provide additional useful information to the users of its financial statements. In order to facilitate increased comparability, certain changes in amounts and percentages between the current year and the preceding year are adjusted for the impact of changes in exchange rates, whereby amounts in foreign currency have been recalculated using the same exchange rates for the respective years.

Since these measures have been developed and adapted for If Group, they are not fully comparable with similar performance measures presented by other companies.

Accounting policies in the Parent Company

The annual report for the Parent Company If P&C Insurance Holding Ltd (publ) was prepared in accordance with the Annual Accounts Act (ÅRL) and the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for legal entities).

Other operating income

Revenue accounted for in the Parent Company refers to sales of management services to If P&C Insurance Ltd (publ).

Accounting for group contributions

Paid and received group contributions are recognized as an appropriation in the income statement.

Accounting for holdings in subsidiaries and associates

Shares in subsidiaries and associates are reported at cost with deductions for any impairments. In certain cases, the acquisition value includes external transaction costs attributable to the acquisition. Dividends from group companies and associates are normally accounted for when received.

Accounting for short-term investments

Short-term investments are initially recognized at fair value and subsequently measured at fair value with changes in value recognized in interest income and similar income items or alternatively in interest expense and similar expense items. Transaction costs that are directly attributable to the acquisition of the assets are recognized as expenses in profit or loss. Refer also to the policies applying to valuation of Other financial investment assets above.

Hedge accounting

The Parent Company applies Fair Value Hedging in accordance with IFRS 9 in respect of part of the shares acquired during the year in Topdanmark A/S. For more information, see Note 12 for the Parent company.

Cash flow statement

The Parent Company's cash flow statement has been prepared in accordance with the indirect method, which means that the operating profit is adjusted for non-cash transactions such as depreciation and impairment losses.

Note 2 – Significant estimates and judgments affecting the financial statements

Preparing financial statements in accordance with IFRS requires that the Board and executive management make judgments and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The judgments and assumptions are based on experience and insight into the insurance business. The actual outcome may deviate from these judgments and estimates.

Judgments made by the Board and executive management that have a significant effect on the financial statements for 2024 and estimates that may cause material adjustments in the financial statements in subsequent years are commented on below.

Goodwill

If Group reports goodwill attributable to the acquisition of Sampo's Finnish property and casualty operations and the acquisitions of Vertikal Helseassistanse AS, Viking Assistance Group AS and Topdanmark A/S. In accordance with IFRS 3, goodwill is not amortized. To ensure that the carrying amount for this item is not reported at an excessively high value, a calculation of its recoverable amount has been performed. Additional comments on the parameters used, conducted assessments and so forth are made in Note 16.

Investment assets

Classification and related business model assessment for investment assets is considered a significant judgment. Almost all investment assets are classified as measured at fair value through profit or loss. Refer to Note 1 for judgments made in relation to the classification of investment assets. Since the valuation of the assets is essentially based on observable market data, this accounting method is assessed to offer a good presentation of the company's holdings of investment assets. The measurement criteria are presented in Note 18.

Insurance liabilities

The liability for incurred claims relates to the obligation to investigate and pay valid claims that have occurred. The liability is designed to cover anticipated future payments for all claims incurred, including claims not yet reported to If, referred to as IBNR. The liability is measured by means of statistical methods or individual assessments of claims. These liabilities are significant in an assessment of the company's reported results and financial position, since any deviation from actual future payments gives rise to a prior-year claims result reported in future years.

The liability for remaining coverage relates to the obligation to investigate and pay valid claims that have not yet occurred. If applies the simplified measurement model, premium allocation approach, where the use of judgement is limited. A loss component is to be reported for any groups of onerous contracts. The assessment of which groups are onerous and calculation of the loss component includes estimates of such factors as future claims expenses.

Additional comments on reserve risk are provided in Note 5. See Note 24 for further details regarding measurement methods and assumptions, as well as an account of the company's prior-year claims results in recent years.

Provisions for pensions

If applies IAS 19 Employee benefits for reporting pensions expenses and outstanding pension commitments. According to this standard, the company should determine which pension plans that are to be seen as defined-benefit plans, as well as a number of parameters that are significant in the calculation of, for example, the company's net obligations and the amounts that are to be reported in the income statement, other comprehensive income and balance sheet. Discount rates for the pension obligations are set in Sweden and Norway with reference to AAA and AA corporate bonds, including mortgage-backed bonds, issued in local currency. Significant parameters are further presented in Note 26.

Provision for restructuring

In connection with the business combination and the integration of Topdanmark into the If Group, the If Group has made a provision for restructuring costs in accordance with IAS 37 Provisions, contingent liabilities and contingent assets. Provision for restructuring is reported as it is likely that restructuring costs will arise when the integration is implemented and it is accounted for when If has approved a detailed and formal restructuring plan that has been initiated or made public. The costs relate mainly to redundancy, decommissioning of IT systems and rebranding. See further Note 27.

Note 3 – Recognition of the effects of changed exchange rates

In addition to the Nordic currencies, If Group underwrites insurance in the most frequently used international currencies. Moreover, asset management is characterized by a large degree of international diversification. Accordingly, assets and liabilities in currencies other than SEK account for considerable sums. According to If's Currency Policy, exchange-rate risks are to be limited by conducting specific hedging transactions when required. The Currency Policy sets limits for currency exposure.

MSEK **Exchange-rate effects in the insurance service result**	**2024**	**2023**	**Change**	***Of which exchange-rate effect***
Insurance revenue	-68,045	61,158	6,887	*493*
Reinsurance premium expenses	-5,028	-3,832	-1,196	*-23*
Insurance service expenses, claims incurred	-46,177	-43,180	-2,997	*-357*
Insurance service expenses, operating expenses	-9,911	-8,916	-996	*-71*
Reinsurers' share of claims incurred	3,765	4,434	-669	*23*
Insurance service result	**10,694**	**9,664**	**1,030**	***64***

As a result of the large amount of foreign currency in business operations, financial reports in SEK are continuously impacted by effects attributable to exchange-rate changes. In the income statement, transactions in foreign currency are translated into SEK using the average exchange rate during the month when the transaction was incurred or reported. Normally, the accounting of insurance contracts matches the contracted currency. Accordingly, exchange-rate effects that could have an impact on a specific reporting line in the income statement do not have a material impact on the insurance service result.

Insurance service result, distributed by currency 2024	**Insurance revenue, net of reinsurance premium expenses**	**Total expenses**	***Of which claims incurred, net***	***Of which operating expenses***
SEK	25%	26%	*21%*	*5%*
NOK	30%	29%	*24%*	*5%*
DKK	9%	10%	*9%*	*2%*
EUR	27%	27%	*22%*	*5%*
USD	2%	2%	*2%*	*0%*
Other	7%	6%	*4%*	*1%*
Total	**100%**	**100%**	***81%***	***19%***

Balance sheet items established in foreign currency are translated into SEK using the exchange rate on the balance sheet date. Currency exposure in the balance sheet is mainly managed by the continuous allocations of If Group's investment assets in foreign currency. The remaining exposure that arises, excluding exposure that is part of hedge relationship, is managed through the use of currency forward contracts.

For 2024, a net currency result of negative MSEK 21 (positive 5) was recognized in the income statement. The currency result arose as a result of the translation of income statement and balance sheet items and from currency derivatives. Accordingly, the currency result may be divided into:

MSEK **Currency result**	**2024**	**2023**
Conversion of items in the income statement and balance sheet	-181	-166
Realized effects of currency derivatives	-126	1,098
Unrealized effects of currency derivatives	286	-927
Total	**-21**	**5**

Note 4 – Information about related companies

Relations with associates

The Parent Company If P&C Insurance Holding owns a 33% share of Sørvest Forsikring AS, which is an insurance agency that sells insurance products on behalf of If P&C Insurance Ltd (publ).

The Parent Company If P&C Insurance Holding owns a 22% share of CAB Group AB, which provides systems and services for calculations of costs of repairing vehicles.

Relations with Sampo

Relations with Sampo refer to Sampo plc and all companies in this group with the exception of If P&C Insurance Holding and its subsidiaries.

As a consequence of Sampo plc's partial demerger of Mandatum Holding Ltd and its subsidiaries in 2023, Mandatum Life Insurance Ltd and If Livförsäkring AB concluded an agreement on the transfer of parts of Mandatum's life portfolio to If Livförsäkring AB , which was completed on 1 October 2024.

In Finland Sampo has also concluded P&C insurance agreements with If P&C insurance Ltd (publ).

Sampo's purchase of data-processing services and data production is conducted through If IT Services A/S, which has monitoring and administrative responsibility for IT operations with the suppliers.

If P&C Insurance Ltd (publ) has an asset management agreement with Sampo plc. If P&C Insurance Ltd (publ) pays a fixed price for the services. If P&C Insurance Ltd (publ) also has an agreement with Sampo plc under which If P&C Insurance Ltd (publ) is allowed access to certain IT applications used by the investment department.

Sampo plc purchases internal audit services, HR services, as well as other office services and investigation services from If P&C insurance Ltd (publ). Sampo pays a fee for the services. Office premises and services are partly used together with Sampo.

From 1 January 2024 If P&C Insurance Ltd (publ) has entered into an agreement with the Hastings Group, where If P&C Insurance Ltd (publ) assumes reinsurance from the Hastings Group.

On 24 October 2024 Topdanmark A/S became a wholly-owned subsidiary of Sampo plc. On 1 November 2024, if P&C Insurance Holding acquired all the shares in Topdanmark A/S from Sampo plc. After this date, Topdanmark is consequently part of the If Group. The income statement items for 2024 have been handled as related companies for the period January – October and for November – December as part of If Group. Assets and liabilities between If and Topdanmark are included in related companies in 2023 but are part of If Group in 2024.

Topdanmark Forsikring A/S owned a 27% share of Bornholms Brandforsikring A/S which was thus an associated company for If Group. The shares were sold on 29 November 2024.

As part of the acquisition through business combination, If P&C Insurance Holding and Sampo plc have entered into a 10-year loan agreement.

If P&C Insurance Ltd (publ) holds subordinated loans issued by Topdanmark Forsikring A/S. Topdanmark Forsikring A/S purchases roadside assistance from Viking Group.

Transactions with related companies

	Income [1]		Expenses [2]		Assets		Liabilities	
MSEK	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Associates	0	0	-27	-28	-	-	-	-
Owner								
Sampo plc	23	17	-145	0	0	1	-20,137	0
Other related parties								
Subsidiaries of Sampo plc	444	193	-230	-14	-	1,412	-383	-2

[1] Including interest income.

[2] Including interest expense.

Note 5 – Risks and risk management

In the annual report, the term "If Group" is used to describe the operations of all consolidated companies, including Topdanmark. The term If is used to describe the operations excluding the companies that were part of the acquisition of Topdanmark, and Topdanmark is used to describe the operations of companies that were part of the acquisition for the period 1 November to 31 December 2024.

The merger of Topdanmark Forsikring A/S (Topdanmark) into If P&C Insurance Ltd (publ) is planned for July 2025. Up until that date, If P&C Insurance Ltd (publ) and Topdanmark will continue to operate as separately governed entities, and maintain current risk management systems and policies. Further information specific to Topdanmark is found in the respective sections, where relevant.

Risk Management Framework

If has a risk management framework to manage risks in line with the overall risk management objectives and strategy. If bases its risk management framework on regulation and industry best practices and applies a three-lines model in the day-to-day management of risk.

The objectives of the risk management are to provide the Boards of Directors and other stakeholders with assurance that risks and capital are being well managed while minimizing the effect of adverse events and their risk of reoccurring. Additional objectives are to provide the best possible information to support risk-based decisions and promote a strong risk culture, where all employees understand the importance of risk and contribute to the management of risk.

The four main components of the risk management framework are the risk management strategy, risk culture, risk appetite statement and capital management.

Risk management strategy

The Risk Management Policy defines the overall risk strategy and the risk appetite for the main risks. As part of its risk strategy, If shall:

- Ensure a strong governance structure.
- Optimize business objectives and minimize the effect of adverse events.
- Ensure a sound and well-established internal control and risk culture within If.
- Ensure capital adequacy in relation to risks, risk appetite and risk tolerances.
- Ensure strong data management, especially financial and underwriting data as well as personal data.
- Ensure that risks that If is currently exposed to, financial and non-financial, are identified, assessed, responded to, monitored and reported.
- Ensure that the risk associated with the insurance business is reflected in pricing.
- Ensure adequate long-term investment returns within set risk limits.
- Ensure efficient and effective risk reporting processes compliant with external and internal requirements.
- Safeguard If 's reputation and ensure that customers and other stakeholders have confidence in If.

Risk culture

If promotes a sound risk culture that encompasses all employees, implemented through a clear governance structure, and enforced by a risk driven and ethics focused tone-from-the-top, encouraging initiative and sense of responsibility in relation to the management of risks, and that risk is a key consideration in all decisions. The remuneration structure within If shall not promote excessive risk taking. The risk culture shall reward transparency and the escalation of any excessive risk taking, wrong-doing, near-misses and incidents.

Risk appetite statement

The risk appetite statement sets out the risk appetite, risk preferences, and tolerance limits for the risks that If is willing to accept in the pursuit of its objectives. The Sampo Group internal model is used to set and monitor the capital tolerance limits used within the risk appetite statement.

The link between the risk appetite statement, in particular the risk tolerance limits, the risk profile and the capital position is analyzed and reported on a quarterly basis. The process also includes analysis of the capital adequacy and regulatory capital requirements under various risk scenarios. Consequently, the process influences If's capital management and business planning, including product development and design.

Capital management

If shall at all times maintain adequate capitalization, ensuring that available capital exceeds the regulatory solvency capital requirements, the target limits for those set by the Boards of Directors and the internal economic capital requirements.

If uses a Sampo Group internal model as a tool for risk management and decision-making. All major quantifiable risks, including the risk categories underwriting risk, market risk and their diversified aggregation are included in the Sampo Group internal model to ensure that any changes in the risk profile are appropriately captured.

Risk management process

If has implemented an effective process, in accordance with internal and external requirements, for identifying, assessing, responding to, monitoring, and reporting all risks affecting If.

Internal control is embedded in If's risk management process and is essential to ensure that the risks are effectively managed and stay within agreed risk tolerance limits.

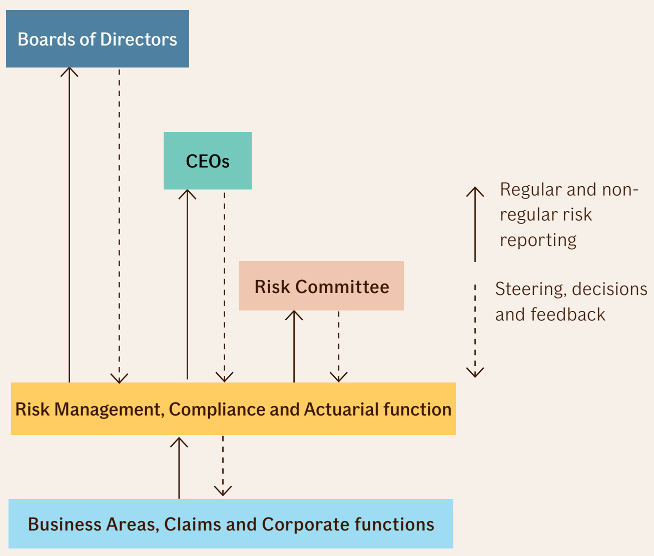
In addition to the risk management process, If regularly assesses the risk and solvency position and reports the risks If is exposed to as part of an overall assessment of risk and solvency needs.

Risk reporting

If's risk reporting provides assurance that risks and capital are well managed, and also supports risk-based decisions. Furthermore, risk reporting enables the risk management framework to develop through feedback and active steering from If's management and the Boards of Directors. To meet these needs, If has formalized a set of reporting routines to meet internal and external regulatory requirements as well as Sampo's risk reporting requirements.

The Risk Management function reports quarterly to the Risk Committee and the Boards of Directors on the status of the risk management framework. Besides regular risk reporting, there are processes for non-regular risk reporting, such as reporting on a particular subject upon request from the Boards of Directors, the CRO or if a risk event should arise. Figure 1 illustrates the risk reporting structure.

Figure 1 – Risk reporting structure



Roles in the risk management framework

The main responsibilities within the risk management framework are defined below.

Boards of Directors

The Boards of Directors are accountable for the following:
- the design and oversight of a risk management framework;
- establishing a Risk Committee;
- the approval of the Risk Management Policy and the instruction for the Risk Committee;
- ensuring that the management of risks and follow-up of the risks are satisfactory; and
- taking an active part in, and directing the ORSA process, challenging the result and approving the stress tests and scenario analyses used in the ORSA.

CEOs

The Chief Executive Officers (CEOs) are accountable for the implementation and monitoring of the effectiveness of the risk management framework.

Risk Committee

The Risk Committee is an advisory and preparatory body to the CEO, with the main purpose to support the monitoring of the effectiveness of the risk management framework. The instruction for the committee, detailing the composition, responsibilities, tasks, and mandate, is decided by the Boards of Directors.

Risk Management function

The Risk Management function facilitates the implementation and development of the risk management framework. The main responsibilities of the Risk Management function are to:
- Assist the Boards of Directors and CEOs in the implementation and operation of the risk management framework.
- Support and monitor the business and the risk owners in their responsibility and accountability to manage risks and internal control.
- Have an active role in the monitoring of internal control, and evaluating the implementation and overall status of internal control.
- Secure a holistic view of the risks that If is exposed to, also considering their inter-dependencies.
- Regularly measure If's capital and solvency position in accordance with both internal and external requirements.
- Manage If's capital models.
- Manage the Sampo Group internal model and validation of the Sampo Group internal model in cooperation with Sampo.
- Forecast risk and capital under normal and stressed circumstances.
- Provide information to If's management and Boards of Directors in strategic decisions, including the effect of such decisions on risk and capital.

The Risk Management function is headed by the Chief Risk Officer (CRO) and is operationally independent. This means that the function is not involved in any business decisions. It also means that the Risk Management function should operate in an un-biased way when performing the monitoring of risk and internal control.

Compliance function and the Actuarial function

For more information about the Compliance and the Actuarial function, see section Corporate Governance in the Board of Directors' report.

Business Areas, Claims and Corporate functions

The Business Areas, Claims and Corporate functions have the day-to-day responsibility for managing risks within limits and restrictions set by the policies, instructions, and guidelines.

The risk owners in the Business Areas, Claims and Corporate functions, are ultimately responsible and accountable for managing risks within their respective unit, and for ensuring that proper controls are in place to mitigate the risks within accepted tolerance levels.

Topdanmark

There are many similarities between Topdanmark's risk management system and the risk management framework within If.
- Topdanmark's risks and risk profile are clarified and managed through established strategies, policies, and other steering documents, including risk tolerance limits, set by the Board of Directors.
- The risk management process is comparable, for which the main responsibility lies within the line organization, in which the Risk Management function has a consolidating role.
- The reporting structure is similar to that of If with a well-established Risk Committee providing overall assessments, suggestions and recommendations on policies to the Board of Directors via an Executive Board.
- Topdanmark conducts its ORSA as an integrated part of its business planning and strategy, and considers ORSA a continuous process.
- Topdanmark has been operating a partial internal model for insurance risk since 2014.
- Topdanmark's Risk Management function has the responsibility of consolidating the overall risk picture, preparing the ORSA, calculating solvency capital requirements, and managing the internal capital model, among other tasks.

The main difference between the risk management of If and Topdanmark, is the general stance regarding the hedging of risks.

Topdanmark's risk policy is to actively hedge against risks arising from company activities, or to limit such risks to a level that allows Topdanmark to maintain normal operations and implement its planned measures, even in the case of highly unfavourable events in the operating environment. Topdanmark's hedging is substantial in relation to its gross exposure. Within If, hedging in the form of reinsurance is primarily a capital management tool and, as a main rule, should not be used in the underwriting process.

Further information specific for Topdanmark is found, where relevant, under the respective risks in section Risks.

Capital position

The capital position is the relationship between available capital and required capital. To fulfil requirements from various stakeholders, regulatory and internal economic measures are used. If considers these measures on both a one-year and a multi-year perspective.

Regulatory measures

All insurance companies within If fulfilled the regulatory solvency capital requirements (SCR) during 2024.

As a subsidiary of Sampo plc, If P&C Insurance Holding Ltd (publ), as a holding company, is not subject to a formal requirement to report its sub-group solvency position.

Internal economic measures

Economic capital is an internal measure showing the deviation from the expected result, calculated at a confidence level corresponding to 99.5% on a one-year horizon. The major quantifiable risks are included in the calculation of economic capital, which combines the insurance risk from the Sampo Group partial internal model with market risks modelled internally and risks calculated using the Solvency II standard formula. The calculations are based on an economic and market-consistent valuation.

Risks

Underwriting risk

Underwriting risk is the risk of loss, or of adverse change, in the value of insurance liabilities, due to uncertainty in pricing and valuation assumptions.

Underwriting risk is divided into premium risk, catastrophe risk and reserve risk.

Premium risk and catastrophe risk

Premium risk is the risk of loss, or of adverse change, in the value of insurance liabilities, resulting from fluctuations in the timing, frequency and severity of insured events that have not occurred at the balance date.

Catastrophe risk is the risk of loss, or of adverse change, in the value of insurance liabilities, resulting from significant uncertainty in pricing and valuation assumptions related to extreme or exceptional events.

Risk exposure

Given the inherent uncertainty in insurance operations, there is a risk of losses due to unexpectedly high claim costs. Examples include large fires, natural catastrophes or an unforeseen increase in the frequency or the average size of small and medium-sized claims. Another example is claims inflation, which is a factor taken into account in the pricing process, which in turn can affect competitiveness when claim costs increase.

If underwrites insurance policies in the Nordic and Baltic countries. In addition, If underwrites policies for Nordic clients with operations outside the Nordic region. The If Group distribution of gross written premium per business area and geographical area is shown in Figure 2.

Topdanmark is exposed to premium and catastrophe risk.

Risk management and control

If applies a best-in-risk underwriting philosophy. The principal methods for mitigating premium risk are by reinsurance and risk sharing, portfolio diversification, prudent underwriting and detailed and frequent follow-ups linked to the strategy and financial planning process.

The Underwriting Policy sets general principles, restrictions and directions for underwriting. The Underwriting Policy is supplemented by guidelines outlining in greater detail how to conduct underwriting within each business area.

The Reinsurance Policy stipulates guidelines for the purchase of reinsurance. The optimal choice of reinsurance programme is evaluated by comparing the expected cost with the benefit of the reinsurance, as well as the impact on result volatility and capital requirements.

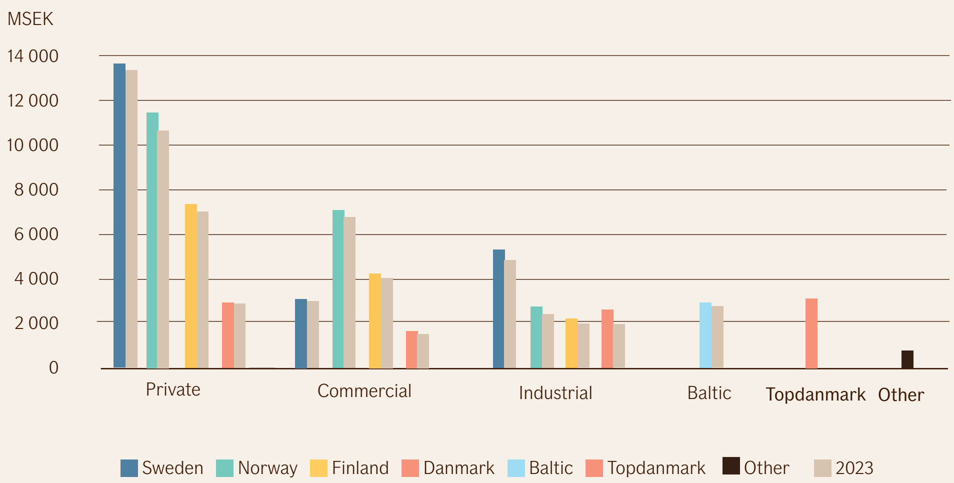
The main tool for this evaluation is the Sampo Group internal model in which small claims, large claims and natural catastrophes are modelled. The Reinsurance Policy includes limitations on permitted reinsurers and their rating for each line of business. Limits relating to concentration risk and exposure to reinsurance risk are included. The reinsurers are continuously assessed and evaluated through in-house financial and qualitative analyses.

A group-wide reinsurance programme has been in place in If since 2003. In 2024, retention levels were between MSEK 100 and MSEK 300 per risk and MSEK 300 per event.

Topdanmark manages and controls its premium and catastrophe risk through a strong focus on profitability, diversification over several insurance and customer groups, and actively reinsuring excessive risk. Moreover, advanced risk-based pricing models using high data quality, clear rules for new business, and systematic follow-up of profitability, further reduce the risk.

In order to limit underwriting risk, Topdanmark has a comprehensive reinsurance programme where the retention levels, depending on business line, can not exceed MDKK 150 per storm, MDKK 125 per cloudburst and MDKK 30 per fire event. On other events, the retention level can not exceedMDKK 50 per event.

Figure 2 – Gross written premium per business area and geographical area



An analysis of how changes in the combined ratio, insurance revenue and claims incurred affect the If Group result before tax is presented in Table 1.

Table 1 – Sensitivity analysis, premium risk

MSEK Parameter	Level, 2024 (gross)	Level, 2024 (net)	Change	Effect on result before tax (gross) 2024	2023	Effect on result before tax (net) 2024	2023
Combined ratio, Business Area Private	81.9%	82.2%	+/- 1 percentage point	+/- 344	+/- 329	+/- 340	+/- 326
Combined ratio, Business Area Commercial	89.4%	83.6%	+/- 1 percentage point	+/- 157	+/- 152	+/- 155	+/- 150
Combined ratio, Business Area Industrial	76.9%	88.7%	+/- 1 percentage point	+/- 118	+/- 105	+/- 75	+/- 72
Combined ratio, Business Area Baltic	85.6%	86.0%	+/- 1 percentage point	+/- 28	+/- 26	+/- 28	+/- 25
Combined ratio, Business Area Topdanmark [1)]	80.8%	82.0%	+/- 1 percentage point	+/- 31	-	+/- 29	-
Insurance revenue	68,045	63,017	+/- 1%	+/- 680	+/- 612	+/- 630	+/- 573
Claims incurred	46,177	42,412	+/- 1%	+/- 462	+/- 432	+/- 424	+/- 387

[1)] November - December 2024.

Reserve risk

Reserve risk is the risk of loss, or of adverse change in the value of insurance liabilities, resulting from fluctuations in the timing and amount of claim settlements for events that have occurred at, or prior to, the balance sheet date.

Reserve risk includes revision risk, which is defined as the risk of loss, or of adverse change in the value of insurance and reinsurance liabilities, resulting from fluctuations in the level, trend, or volatility of revision rates applied to annuities, due to changes in the legal environment or in the state of health of the person insured.

The value of the net liability for incurred claims is, in addition to risk factors relating to reserve risk, also impacted by changes in discount rates and exchange rates. These market risks are described in the sections Interest rate risk and Currency risk. The reserve risk differs from the interest rate risk as it relates to the size of future cash flows, while the interest rate risk only impacts the present value of future cash flows.

Risk exposure

Valuation of the liability for incurred claims always includes a degree of uncertainty as it is based on estimates of the size and the frequency of future claim payments.

The If Group's net liability for incurred claims as per 31 December 2024 amounted to MSEK 80,362 (63,091). The exposure by product and geographical area is shown in Table 2.

The net liability for incurred claims is sensitive to changes in inflation, discount rates, retirement age and mortality assumptions. For long tailed business, assumptions about future claims inflation will affect the value of the liability.

The uncertainty in the valuation is normally greater for new portfolios for which complete run-off statistics are not yet available, and for portfolios including claims that take a long time to settle. Workers' Compensation, Motor Third Party Liability (MTPL), Personal Accident and Liability insurance are products with the latter characteristics.

The present value of discounted reserves is sensitive to decreasing interest rates, especially in Sweden and Finland, due to the longer duration of liabilities, but is considered an interest rate risk.

Retirement age and life expectancy are two factors affecting the annuity reserves.

Topdanmark underwrites both short- and long-tailed business and is exposed to the same type of reserve risk as If.

Risk management and control

The Boards of Directors decide on the guidelines governing the calculation of insurance liabilities. The Chief Actuary is responsible for developing and presenting guidelines on how the insurance liabilities are to be calculated and for assessing whether the level of total liability is sufficient.

The actuarial estimates are based on historical claims data and exposures that are available at the closing date. Considered factors include loss development trends, level of unpaid claims, changes in legislation, case law and economic conditions. When estimating the liability, established actuarial methods are used, combined with projections of the number of claims and average claim costs. See Note 24 Insurance liabilities and reinsurance assets for further details regarding measurement methods and assumptions.

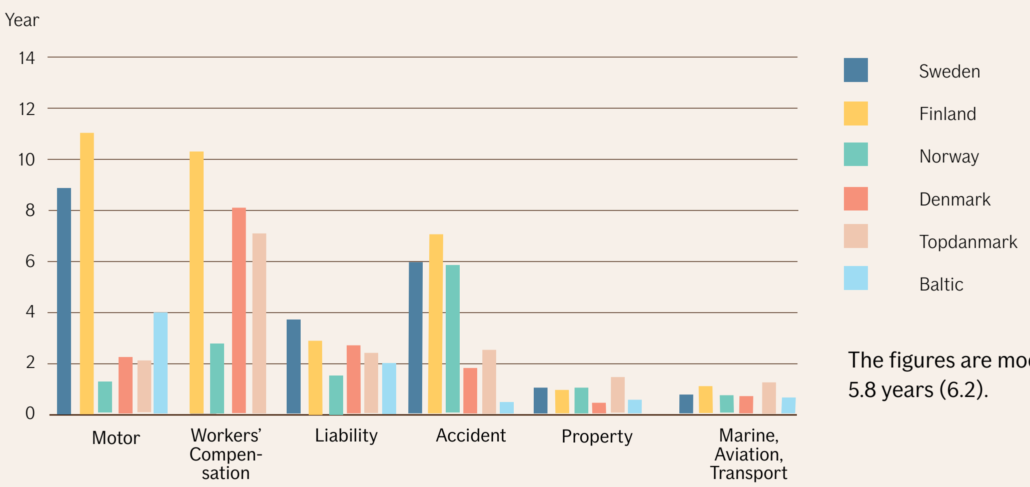
Topdanmark manages and controls reserve risk in a similar manner to If. The evaluation of the insurance liabilities is tested in key lines by calculating the insurance liabilities using alternative models and then comparing the compensation with information from external sources, primarily statistical material from the Danish Labour Market Insurance and the Danish Road Sector/Road Directorate. The actuarial team maintains a continuous dialogue with the claim departments on any changes in the practices stemming from new legislation, case law or compensation awards as well as the impact of such changes on the procedures used to calculate individual insurance liabilities.

Table 2 – Net liability for incurred claims per product and geographical area

							Denmark							
	Sweden		Finland		Norway		If		Topdanmark		Baltic		Total	
MSEK	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Motor	9,162	9,628	7,507	7,422	1,864	2,513	1,174	1,137	1,820	-	1,269	1,185	22,796	21,886
of which, Motor Third Party Liability	*8,013*	*8,586*	*7,257*	*7,177*	*1,038*	*1,766*	*1,106*	*985*	*1,666*	-	*1,127*	*1,036*	*20,207*	*19,551*
Workers' Compensation	-	-	8,863	8,928	1,113	1,287	3,656	3,324	9,334	-	-	-	22,967	13,538
Liability	2,626	2,763	1,289	1,302	1,145	1,333	959	816	1,358	-	258	224	7,636	6,439
Accident	2,899	3,142	2,181	1,804	3,870	3,535	901	882	2,658	-	34	30	12,543	9,393
Property	4,001	3,664	1,828	1,945	3,825	4,042	1,437	1,117	2,264	-	384	289	13,739	11,056
Marine, Aviation, Transport	199	189	101	97	210	181	136	284	12	-	23	29	681	779
Total	**18,887**	**19,386**	**21,770**	**21,499**	**12,028**	**12,890**	**8,262**	**7,559**	**17,446**	**-**	**1,969**	**1,757**	**80,362**	**63,091**

The duration of the If Group's net liability for incurred claims for different products is shown in Figure 3. The duration has decreased by 0.4 years compared to the previous year.

Figure 3 – Duration net liability for incurred claims 2024



The figures are modified durations and the total was 5.8 years (6.2).

A sensitivity analysis of the If Group's reserve risk and the interest rate risk relating to insurance contracts is presented in Table 3. The effects represent the immediate impact on the liability's value as a result of changes in the various risk factors as per 31 December each year.

The sensitivity analysis is calculated before tax. A change in liability for incurred claims, net will result in a corresponding change in result before income taxes, with the effect presented in either insurance service result or net financial result.

Table 3 – Sensitivity analysis, reserve risk before and after reinsurance

MSEK **Insurance liabilities item**	**Risk factor**	**Change in risk factor**	**Country**	**Effect on result before tax (gross) 2024**	**Effect on result before tax (gross) 2023**	**Effect on result before tax (net) 2024**	**Effect on result before tax (net) 2023**
Discounted estimated future cash flows	Inflation	Increase by 1 percentage point	Sweden	1,265	1,382	1,220	1,332
			Finland	332	283	320	280
			Norway	198	239	186	224
			Denmark				
			- If	409	373	387	366
			- Topdanmark	571	-	571	-
Discounted liability for incurred claims	Discount rate	Decrease by 1 percentage point to liquid part of the yield curve	Sweden	905	965	861	917
			Finland	1,942	1,904	1,930	1,901
			Norway	328	348	315	334
			Denmark				
			- If	404	372	383	365
			- Topdanmark	678	-	670	-
Annuities and related IBNR	Longevity	Life expectancy increase by 1 year	Sweden	169	168	169	168
			Finland	562	546	562	546
			Norway	2	2	2	2
			Denmark				
			- If	13	11	13	11
			- Topdanmark	10	-	10	-

Financial assets and liabilities

The measurement and recognition of financial assets and liabilities depend on their classification.

Table 4 – Categories of financial assets and financial liabilities

MSEK	**2024**	**2023**
Financial assets at fair value through profit or loss (mandatorily)	145,170	118,268
Financial assets at amortized cost [1)]	9,127	7,075
Total financial assets	**154,298**	**125,343**
Financial liabilities, at fair value through profit or loss (mandatorily)	717	643
Financial liabilities at amortized cost [2)]	29,121	7,104
Total financial liabilities	**29,838**	**7,747**

[1)] Financial assets at amortized cost consist of the following balance sheet items: loan deposits, other loans, deposits with ceding undertakings, debtors (financial), cash and bank, collateral and security settlement claims and accrued income.

[2)] Financial liabilities at amortized cost consist of the following balance sheet items: loans from Parent company, subordinated debt, lease liabilities, security settlement liabilities, other creditors (financial) and accrued expenses.

Table 5 – Investment assets categorized from an asset management perspective

MSEK	Investment assets and derivative liabilities		Assets under active management		Of which assets under active management categorized from an asset management perspective					
					Fixed income		Equity		Properties	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Land and buildings	**5**	**5**	**5**	**5**					**5**	**5**
Investments in associated companies	**46**	**49**								
Financial assets at fair value through profit or loss (mandatorily)										
Derivatives [1]	295	231	295	231	171	17	-	-	-	-
Shares and participations	15,666	13,804	15,666	13,804			15,666	13,804		
Bonds and other interest-bearing securities	129,209	104,233	129,209	104,233	129,209	104,233				
Financial assets at amortized cost										
Deposits with credit institutions	930		930		930					
Other loans	881	1,983	881	1,983	881	1,983				
Total other financial investment assets	**146,981**	**120,251**								
Deposits with ceding undertakings	**7**	**7**								
Total investment assets	**147,039**	**120,312**								
Other assets										
Cash and bank			3,433	2,182	3,433	2,182				
Collateral and security settlement claims			222	537	172	487	50	50		
Accrued income			1,497	1,083	1,497	1,083				
Assets under active management			**152,138**	**124,058**	**136,293**	**109,985**	**15,716**	**13,854**	**5**	**5**
Financial liabilities mandatory at fair value through profit or loss										
Derivatives [2]	717	643	717	643	492	-	-	-	-	-
Total derivative liabilities	**717**	**643**	**717**	**643**	**492**	**-**	**-**	**-**	**-**	**-**
Other liabilities										
Collateral and security settlement liabilities			1,067	59	1,067	59				
Accrued costs										
Liabilities under active management			**1,784**	**702**	**1,559**	**59**				
Assets under active management net			**150,354**	**123,356**	**134,733**	**109,926**	**15,716**	**13,854**	**5**	**5**

[1] Only fixed income and equity derivatives are included in the assets categorized from an asset management perspective. Excluded currency derivatives amounted to MSEK 124 (213).

[2] Only fixed income and equity derivatives are included in the liabilities categorized from an asset management perspective. Excluded currency derivatives amounted to MSEK 225 (643).

Market risk

Market risk is the risk of loss, or of adverse change, in the financial situation resulting, directly or indirectly, from fluctuations in the level or in the volatility of market prices of assets, liabilities and financial instruments.

Risk exposure

The exposure mainly relates to financial instruments and insurance contracts, where insurance contracts are also analyzed in the section Reserve risk. If Group assets under active management amounted to MSEK 150,354 (123,356) at 31 December 2024, as presented in Table 5. The main market risks are interest rate risk, equity risk and currency risk. The exposure towards market risk can be described through the allocation of investment assets and through the sensitivity of their values to changes in underlying market variables.

During the year, the allocation of investment assets remained stable, and the proportion of equity investments was 10% (11). The proportion of fixed income investments was 90% (89). Other investment assets amounted to 0% (0) at 31 December 2024.

Table 6 shows the If Group's sensitivity analysis of the fair values of the financial investment assets and liabilities under active management in different market scenarios as per 31 December each year. The sensitivity analysis includes the effects of derivative positions and is calculated before tax.

Topdanmark is exposed to similar market risks as If through its investment operations and liabilities as a result of changes in market conditions.

Risk management and control

If's investment management strategy is conservative, with a low equity share and low fixed-income duration.

The Investment Policy is the principal document for managing market risk. It sets guiding principles for the prudent person principle, specific risk restrictions and a decision-making structure for asset management, for example.

When deciding on limits and setting targets, the overall risk appetite, risk tolerance, regulatory requirements as well as the structure and nature of the insurance liabilities are considered. Market risk is actively monitored and controlled by the Investment Control Committee.

In Topdanmark, the limits for financial risks are set by Topdanmark's Board of Directors. In practice, Topdanmark's investment department handles the investment, finance and risk alignment processes. Compliance with the limits set by the Board of Directors is controlled daily. The result is reported to the Board of Directors.

Table 6 – Sensitivity analysis of the fair value of financial assets and liabilities under active management

	2024				2023			
	Interest rate [1]		Equities	Properties	Interest rate [1]		Equities	Properties
MSEK	1 percentage point parallel shift down	1 percentage point parallel shift up	20% fall in prices	20% fall in prices	1 percentage point parallel shift down	1 percentage point parallel shift up	20% fall in prices	20% fall in prices
Assets								
Short-term fixed income	1	-1			-	-		
Long-term fixed income	3,500	-3,274			2,916	-2,779		
Shares and participations			-3,149				-2,771	
Derivatives, net	77	-67			-2	2		
Land and buildings				-1				-1
Liabilities								
Derivatives, net	31	-20			-	-	-	
Total change in fair value	**3,608**	**-3,361**	**-3,149**	**-1**	**2,914**	**-2,777**	**-2,771**	**-1**
Effect recognized in equity (after tax)	**3,608**	**-3,361**	**-3,149**	**-1**	**2,914**	**-2,777**	**-2,771**	**-1**

[1] Insurance liabilities, net are also exposed to interest rate risk. The sensitivity analysis is presented in Table 3. The effect of a 1 percentage point downward shift impacts the value of the insurance liabilities, net by a total of MSEK 4,340 (3,608). The net impact on total comprehensive income from investment assets and liabilities as well as insurance liabilities amounts to MSEK -732 (-694).

Interest rate risk

Interest rate risk refers to the sensitivity of the value of assets, liabilities, and financial instruments to changes in the term structure, or in the volatility of interest rates.

Risk exposure

The exposure to interest rate risk from issued insurance contracts and held reinsurance contracts arises from the net liability for incurred claims, where future claim payments are discounted to present value and therefore impacted by changes in discount rates. The duration and sensitivity to changes in interest rates in the net liability for incurred claims are analyzed in Figure 3 and Table 3 in the section Reserve risk.

If's exposure to interest rate risk from financial instruments arises primarily from fixed income investments. The duration of If Group's fixed income investments at year-end 2024 was 2.6 (2.4) years. The duration of If Group's fixed income investments is shown in Table 7.

Topdanmark is exposed to interest rate risk in insurance liabilities for outstanding claims in property and casualty insurance.

Risk management and control

In accordance with the Investment Policy, interest rate risk relating to insurance liabilities is considered in the composition of investment assets. The interest rate risk is managed by applying sensitivity limits for financial instruments sensitive to interest rate changes.

For Topdanmark, the interest rate risk is limited and hedged by investing in interest-bearing assets in order to reduce the overall interest rate exposure of the assets and liabilities to the desired level. To cover interest-bearing assets, supplementary hedging by interest rate swaps will be purchased as required.

Table 7 – Fixed income investments under active management per instrument type

MSEK Instrument type	2024 Carrying amount	2024 %	2024 Duration	2023 Carrying amount	2023 %	2023 Duration
Short-term fixed income	4,810	3.6	0.0	2,662	2.4	0.0
Scandinavia, long-term government and corporate securities	95,541	70.9	2.1	78,360	71.3	2.0
Scandinavia, index-linked bonds	5,729	4.3	2.9	4,666	4.2	3.9
Europe, long-term government and corporate securities	20,762	15.4	3.0	17,293	15.7	3.0
USA, long-term government and corporate securities	5,439	4.0	4.4	4,346	4.0	3.9
Global, long-term government and corporate securities	2,773	2.1	4.5	2,582	2.3	4.5
Scandinavia, long-term derivatives	-61	-0.2	0.1	18	0.0	0.0
Europe, long-term derivatives	-260	-1.0	6.4	0	0.0	0.0
Total	**134,733**	**100**	**2.6**	**109,926**	**100**	**2.4**

Equity risk

Equity risk refers to the sensitivity of the value of investment assets to changes in the level, or in the volatility, of market prices of equities.

Risk exposure

The equity portfolio consists of Nordic listed shares and a diversified global fund portfolio. At year-end, the If Group's exposure amounted to MSEK 15,716 (13,854) and the proportion of equities in the investment portfolio was 10.4% (11.2).

Topdanmark is mainly exposed to equity risk stemming from investments in exchange traded funds (ETF).

Risk management and control

The equity portfolio is actively managed with a long-term investment horizon. The equity risk is reduced by diversifying the investments across industry sectors and geographical areas. According to the Investment Policy, equity investments may not exceed 15% of the total investment portfolio and the exposure towards an individual issuer is to be limited.

In Topdanmark, equity risk is mitigated by investing in a wide variety of equities across different sectors and geographical areas, providing significant diversification benefits. Additionally, risk can be lowered using derivatives.

Table 8 – Breakdown of equity investments by industry sector

MSEK	2024 Carrying amount	2024 %	2023 Carrying amount	2023 %
Industrials	5,994	65.9	5,858	64.8
Consumer Discretionary	1,522	16.7	1,695	18.8
Materials	745	8.2	773	8.6
Telecommunication services	496	5.5	416	4.6
Energy	157	1.7	205	2.3
Financials and Real estate	67	0.7	4	0.0
Consumer staples	58	0.6	50	0.6
Information technology	35	0.4	23	0.3
Health care	23	0.3	16	0.2
Total	**9,096**	**100**	**9,040**	**100**

The sector allocation of equity excludes investments made through ETF's, mutual and private equity funds of MSEK 6,620 (4,814).

Table 9 – Breakdown of equity investments by geographical area

MSEK	2024 Carrying amount	2024 %	2023 Carrying amount	2023 %
Sweden	6,724	43.7	6,860	49.6
Europe	3,284	21.4	2,776	20.1
North America	2,104	13.7	1,311	9.5
Asia	1,984	12.9	1,555	11.2
Norway	1,099	7.1	1,117	8.1
Denmark	177	1.1	2	0.0
Latin America	0	0.0	217	1.6
Total	**15,372**	**100**	**13,838**	**100**

The geographical allocation of equity excludes investments made through private equity funds of MSEK 343 (16).

Currency risk

Currency risk refers to the sensitivity of the value of assets, liabilities, and financial instruments to changes in the level, or in the volatility, of currency exchange rates.

Currency risk can be divided into transaction and translation risk. Transaction risk refers to contractual cash flows in foreign currencies related to insurance activities, investment operations and foreign exchange transactions. Translation risk refers to the risk that arises when consolidating the financial statements of foreign operations that have a different functional currency than the presentation currency of the group.

Risk exposure

If is mainly exposed to transaction currency risk due to its insurance operations in foreign currencies. In addition, the company's investment decisions result in currency exposure.

The If Group's currency positions and the sensitivity of the valuation to changes in exchange rates are shown in Table 10. If is also exposed to translation risk, which is described in more detail in the group-specific risk section.

In Topdanmark, the vast majority of currency risk relates to investment activities.

Risk management and control

The transaction currency risk is reduced by matching insurance liabilities with investment assets in corresponding currencies or by using currency derivatives. The currency exposure in insurance operations is hedged to the functional currency on a regular basis. The currency exposure in investment assets is monitored weekly and is hedged when the exposure reaches a specified level, which is set with respect to cost efficiency and minimum transaction size.

The translation risk is only hedged in specific circumstances see Note 31 Hedge Accounting.

In Topdanmark, the currency risk is mitigated by derivatives.

Table 10 – Currency risk (transaction risk)

MSEK Currency 2024	EUR	NOK	DKK	GBP	USD	JPY	Other
Investments	38,937	22,115	34,947	812	5,584	57	22
Derivatives	-1,606	4,052	11,263	233	-3,785	82	80
Insurance operations	-37,237	-26,497	-40,988	-1,020	-1,785	-2	-371
Open position (SEK)	94	-330	5,222	25	14	137	-270
10% depreciation of foreign currency against SEK	-9	33	-522	-2	-1	-14	27
Effect recognized in result before income taxes	**-9**	**33**	**-522**	**-2**	**-1**	**-14**	**27**

Excluding currency positions in Business Area Baltic.

MSEK Currency 2023	EUR	NOK	DKK	GBP	USD	JPY	Other
Investments	34,303	20,742	2,073	262	3,535	1	5
Derivatives	1,297	3,888	10,165	243	-1,367	54	240
Insurance operations	-35,961	-24,634	-12,314	-681	-2,000	-3	-323
Open position (SEK)	-360	-5	-76	-176	169	52	-78
10% depreciation of foreign currency against SEK	36	0	8	18	-17	-5	8
Effect recognized in result before income taxes	**36**	**0**	**8**	**18**	**-17**	**-5**	**8**

Excluding currency positions in Business Area Baltic.

Credit risk

Credit risk is the risk of loss, or of adverse change, in the financial situation, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which If is exposed in the form of counterparty default risk, spread risk or market risk concentrations. The credit risk relating to market risk concentrations is described in the section Concentration risk.

Spread risk refers to the sensitivity of the values of assets and liabilities to changes in the level, or in the volatility, of credit spreads over the risk-free interest rate.

Counterparty default risk is the risk of loss due to unexpected default, or deterioration in the credit standing, of counterparties and debtors. In the case of default, the final loss depends on the value of the asset less any collateral and recoveries at the time of default.

Risk exposure

The most significant credit risk exposures arise from fixed income investments. A large part of the fixed income investments is concentrated to financial institutions, with the main part of the investments being made in the Nordic market. The If Group's exposures are shown by sector, asset class and rating category in Table 11.

In most cases, part of the credit risk is already reflected through a higher spread. The asset therefore has a lower market value, even in the case of no default. Accordingly, the spread is essentially the market price of credit risk. For financial assets measured at amortized cost and where market prices do not exist, credit risk is measured using models for expected credit losses.

In addition to the credit risk associated with investment assets, credit risk also arises from insurance operations, mainly through ceded reinsurance in the form of reinsurance receivables and through the reinsurers' portion of incurred claims. The credit risk exposure towards policyholders from insurance operations is limited, since non-payment of premiums generally results in the cancellation of insurance policies.

The If Group's distribution of reinsurance recoverables is presented in Table 12. In addition there are MSEK 2,662 (2,282) of reinsurance recoverables, mainly relating to captives and statutory pool solutions, that also contribute to the credit risk exposure.

Topdanmark is exposed to spread risk from bonds and other investments where prices depend on counterparty creditworthiness. Topdanmark is also exposed to a level of reinsurance counterparty default risk, which is required to obtain efficient, price competitive and secure reinsurance cover.

Risk management and control

Credit risk in asset management is managed by specific limits stipulated in the Investment Policy. In the policy, limits are set for maximum exposures towards single issuers, type of debt category and per rating class. The spread risk is further limited by sensitivity limits for instruments sensitive to spread changes.

Before investing, potential investments are analyzed thoroughly. The creditworthiness and outlook of the issuer are assessed together with any collateral as well as structural details of the potential investment. Internal risk indicators are important factors in the assessment. The macroeconomic environment, market trends, external opinions of analysts and credit ratings by rating agencies are also taken into account. In addition, the portfolio performance and the counterparties' credit standings are monitored continuously.

The development of the portfolios with respect to credit risk is monitored at both a company and group level and reported to the Investment Control Committee.

Additional disclosures about the management of credit risk relating to expected credit losses, and the expected credit loss reserve can be found in Note 1 Accounting policies, Note 18 Other financial investment assets and derivative liabilities, and Note 20 Other debtors.

To limit and control credit risk associated with ceded reinsurance, the Reinsurance Policy sets requirements for reinsurers' minimum ratings and the maximum exposure to individual reinsurers. Financial strength ratings from rating agencies are used to determine the creditworthiness of reinsurance companies.

Topdanmark's spread risk is mitigated by investing predominantly in bonds with very high creditworthiness and by diversification of counterparties.

Topdanmark's counterparty default risk is mainly limited by buying hedging from reinsurance companies which, as a minimum, have a rating of A-. Counterparty risk is also limited by diversification both geographically and in terms of debtor type. Counterparty risk in financial contracts is limited by the required security when the overall risk on any given counterparty reaches a relatively low threshold value.

The If Group's reinsurance recoverables are exposed to counterparty risk as reinsurance recoverables are typically not covered by collateral.

Table 11 – Exposure by sector, asset class and rating 2024

	Fixed income [1]												
MSEK	**AAA**	**AA+ - AA-**	**A+ - A-**	**BBB+ - BBB-**	**BB+ - C**	**D**	**Not rated**	**Total [1]**	**Equities**	**Proper-ties**	**Deriva-tives**	**Total[2]**	**Change compared with 31 Dec, 2023**
Basic Industry	-	-	408	1,702	321	-	360	**2,791**	363	-	-	**3,154**	-57
Capital Goods	-	-	572	2,611	297	-	358	**3,837**	5,930	-	-	**9,767**	-451
Consumer Products	-	11	1,211	2,687	177	-	941	**5,027**	1,991	-	-	**7,019**	-1,043
Energy	-	-	215	-	-	-	500	**714**	157	-	-	**871**	-235
Financial Institutions	384	7,604	17,417	8,103	307	-	940	**34,755**	20	-	27	**34,803**	1,367
Governments	5,778	1,396	-	-	-	-	-	**7,174**	-	-	-	**7,174**	1,805
Government Guaranteed	408	292	-	-	-	-	168	**867**	-	-	-	**867**	591
Health Care	-	-	189	1,618	266	-	512	**2,586**	23	-	-	**2,609**	421
Insurance	-	-	308	1,436	92	-	47	**1,883**	4	-	-	**1,887**	-1,178
Media	-	-	-	55	59	-	284	**399**	-	-	-	**399**	232
Packaging	-	-	-	68	135	-	108	**311**	-	-	-	**311**	35
Public Sector, Other	5,479	203	-	-	-	-	-	**5,682**	-	-	-	**5,682**	-120
Real Estate	-	402	1,507	1,300	312	35	1,711	**5,266**	-	5	-	**5,271**	-1,082
Services	-	-	482	2,127	1,543	-	672	**4,824**	-	-	-	**4,824**	852
Technology and Electronics	-	135	319	703	-	-	740	**1,897**	11	-	-	**1,908**	332
Telecommunications	-	-	97	1,816	-	-	-	**1,914**	496	-	-	**2,410**	-331
Transportation	-	400	614	260	59	-	715	**2,047**	-	-	-	**2,047**	89
Utilities	-	-	1,064	2,178	685	-	943	**4,870**	-	-	-	**4,870**	1,192
Covered Bonds	41,051	-	1,251	-	-	-	3,463	**45,765**	-	-	-	**46,765**	21,570
Funds	-	-	-	-	-	-	846	**846**	6,619	-	-	**7,465**	2,533
Other	-	-	352	227	-	-	481	**1,061**	101	-	-	**1,162**	396
Clearing House	-	-	-	-	-	-	-	**-**	-	-	103	**103**	85
Total	**53,100**	**10,442**	**26,004**	**26,892**	**4,252**	**35**	**13,790**	**134,515**	**15,716**	**5**	**130**	**150,366**	**27,003**
of which, Other loans [3]	*-*	*-*	*-*	*232*	*658*	*-*	*-*	*890*	*-*	*-*	*-*	*-*	
Change compared with 31 Dec, 2023	18,077	484	2,399	1,067	237	35	2,786	**25,086**	1,862	0	55	**27,003**	

[1] Total fixed income exposure differs by MSEK 219 from the amount shown in Table 5 as other derivatives and collateral are excluded from Table 11.
[2] Total exposure differs by MSEK -11 from Table 5 because of the explanation in footnote 1 as well as the inclusion of counterparty risk for OTC derivatives in Table 11.
[3] Other loans are not externally rated. The information presents the distribution based on internal credit ratings for other loans as information to the allowance for expected credit losses in Note 18.
[4] If applies the second best credit rating from S&P Global, Moody's and Fitch. Topdanmark applies the credit rating from S&P Global.

Table 12 – Reinsurance recoverables

MSEK Rating	2024	%	2023	%
AA	3,882	48.8	2,526	50.6
A	4,067	51.1	2,467	49.4
BBB	2	0.0	-	-
Not rated	4	0.1	0	0.0
Total	**7,955**	**100**	**4,993**	**100**

The distribution of If Group's ceded written premiums for treaty and facultative reinsurance per rating category is presented in Table 13.

Table 13 – Ceded written premium for treaty and facultative reinsurance per rating category

MSEK Rating	2024	%	2023	%
AA	667	52.5	567	55.3
A	603	47.5	459	44.7
Total	**1,270**	**100**	**1,026**	**100**

Asset and Liability Management risk

Asset and Liability Management (ALM) risk means the risk of loss, or of adverse change, in the financial position resulting from a mismatch between the assets' and the liabilities' sensitivity to fluctuations in the level, or in the volatility, of market rates.

Risk exposure

The exposure to ALM risk arises mainly from interest rate, inflation and currency risk. The risk exposure is further described in the sections Reserve risk and Market risk and shown in Figure 3, Table 7 and Table 10.

Risk management and control

ALM risk is considered through the risk appetite framework and is governed by investment policies.

To maintain the ALM risk within the overall risk appetite, the insurance liabilities may be matched by investing in fixed income instruments and by using currency and interest rate derivatives.

Liquidity risk

Liquidity risk is the risk of not having the possibility to realize investments and other assets in order to settle financial obligations when they fall due.

Risk exposure

In property and casualty insurance, premiums are collected in advance and large claim payments are usually known long before they fall due, thus limiting the liquidity risk.

Large claims, either new or adverse reserve developments, might temporarily create the need to free up liquidity.

The maturities of cash flows from financial instruments and insurance contracts within the If Group are presented in Table 14, in which financial assets and liabilities are divided into contracts with a contractual maturity profile, and other contracts. The table also shows expected future cash flows relating to the liability and asset for incurred claims, which are inherently associated with a degree of uncertainty. Since If has a relatively low amount of financial liabilities, the refinancing risk is small.

In Topdanmark, the liquidity risk is very limited as premiums are paid prior to the risk period.

Risk management and control

The Investment Policy, together with the prudent person principle and the instruction for the Investment Control Committee, establishes strategies, objectives, processes, reporting and procedures for the management of liquidity risk.

The Cash Management unit is responsible for liquidity planning. To identify liquidity risk, expected cash flows from investment assets and insurance liabilities are analyzed regularly, taking both normal and stressed market conditions into consideration.

Liquidity risk is reduced by investing in assets that are readily marketable in liquid markets. The available liquidity of financial assets, meaning the part of the assets that can be converted into cash at a specific point in time, is analyzed and reported continuously to the Risk Committee.

Topdanmark performs ongoing monitoring of the liquidity risk based on scenario-based stress reporting.

Table 14 – Maturities of cash flow for financial instruments and insurance contracts

2024 MSEK	Carrying amount	*of which without maturity*	*of which with contractual maturity*	Cash flows for contractual maturity 2025	2026	2027	2028	2029	2030-2039	2040-
Financial assets	154,298	*-19,241*	*135,057*	24,085	26,831	32,904	21,671	15,352	26,619	1,735
Asset for incurred claims	8,405	-	*8,405*	5,318	1,697	663	302	155	254	15
Loan from parent company	-19,900	-	*-19,900*	-391	-418	-472	-526	-602	-23,569	-
Derivative liabilities	-717	-	*-717*	-246	-35	-34	-28	-28	-360	-94
Other financial liabilities	-7,749	*-37*	*-7,712*	-5,704	-1,555	-562	-	-	-	-
Lease liabilities	-1,473	-	*-1,473*	-325	-288	-234	-207	-191	-506	-
Liability for incurred claims and other insurance related payables [1]	-92,146	-	*-92,146*	-34,214	-13,050	-7,728	-5,495	-4,191	-17,412	-10,056

[1] Other insurance and reinsurance related payables are included in the line item Other creditors and amounted to MSEK 3,380.

2023 MSEK	Carrying amount	*of which without maturity*	*of which with contractual maturity*	Cash flows for contractual maturity 2024	2025	2026	2027	2028	2029-2038	2039-
Financial assets	125,343	*16,473*	*108,870*	17,812	20,362	23,765	28,413	15,532	16,496	-
Asset for incurred claims	5,848	-	*5,848*	3,636	1,200	483	209	117	196	7
Derivative liabilities	-643	-	*-643*	-647	-	-	-	-	-	-
Other financial liabilities	-5,457	-	*-5,457*	-3,814	-346	-1,524	-	-	-	-
Lease liabilities	-1,647	-	*-1,647*	-301	-286	-257	-218	-159	-524	-
Liability for incurred claims and other insurance related payables [1]	-71,495	-	*-71,495*	-27,550	-8,806	-5,221	-3,756	-2,911	-14,434	-8,817

[1] Other insurance and reinsurance related payables are included in the line item Other creditors and amouned to MSEK 2,557.

Concentration risk

Concentration risk is all risk concentrations towards a single counterparty, industry sector or geographical region with a material loss potential that is not captured by any other risk type.

Risk exposure

Investments are mainly concentrated to the financial sector in the Nordic countries. If Group's largest market and credit risk concentrations related to a single issuer of securities, or a group of related issuers, and asset classes are shown in Table 15. The ten largest exposures amount to MSEK 66,748 (45,972), representing 44% (37) of the investment assets under active management. If Group's concentrations by industry, sector or geographical area are shown in Tables 8, 9 and 11.

If Group's reinsurance assets for incurred claims for the ten largest reinsurer counterparties amounted to MSEK 3,745 (3,015), representing 45% (52) of the total reinsurance assets for incurred claims. Out of the reinsurance assets for incurred claims for the ten largest reinsurer counterparties, 76% (59) had an A rating or higher, while the remainder were non-rated captives.

Topdanmark's concentration risk arises when investments are consolidated with individual issuers, whereby dependence on these issuers' solvency grows. A high proportion of Topdanmark's investment portfolio is invested in Danish mortgage bonds. There are relatively few mortgage institutions in Denmark, resulting in a relatively high concentration for each. However, the credit quality of the bonds, and the solidity of the mortgage institutions, ensure that it does not materialize into a very high risk.

Risk management and control

In the Underwriting Policy, Reinsurance Policy and Investment Policy, limits are set for maximum exposures towards single issuers, or groups of related issuers, and per rating class. Risk concentrations are actively monitored and controlled by the respective committees.

For Topdanmark, the concentration risk is limited by ensuring that investment size reconciles with counterparty creditworthiness.

Table 15 – Concentration of market and credit risk per individual counterparty and asset class 2024

MSEK Fair value	Equities	Covered bonds	Other long-term fixed income	Short-term fixed income	Positive fair values of derivatives [1]	Total
Nordea Bank Oyj	-	9,541	2,317	2,163	15	**14,036**
Nykredit Bank A/S	-	9,725	937	-	-	**10,662**
Danske Bank A/S	-	6,564	1,756	465	9	**8,794**
Swedbank AB (publ)	-	6,261	1,205	1	-	**7,467**
Svenska Handelsbanken AB (publ)	-	5,166	1,048	0	-	**6,214**
Konungariket Sverige	-	-	5,858	-	-	**5,858**
Konungariket Norge	-	-	5,406	-	-	**5,406**
Jyske Bank A/S	-	2,589	840	-	-	**3,429**
DnB ASA	-	583	1,861	-	-	**2,444**
AB Volvo	1,697	-	740	-	-	**2,437**
De 10 största exponeringarna, totalt	**1,697**	**40,430**	**21,968**	**2,629**	**24**	**66,748**

[1] After deduction of received cash collateral and financial instruments subject to master netting agreements.

Operational risk

Operational risk is the risk of loss arising from inadequate or failed processes or systems, from personnel, or from external events.

Risk exposure

Operational risk occurs in all parts of the organization and is a natural part of doing business. A continuous assessment of the risk is performed to balance the level of risk mitigation, as it is not cost-effective to eliminate all operational risks. Business area, Claims and Corporate function managers are risk owners and responsible for continuously managing significant risks within their operations.

Some of the more material operational risks are associated with cyber events, outdated technology solutions, business continuity management, low employee engagement and third-party management.

Topdanmark's main operational risks are related to technical solutions and cyber risk, errors in internal processes, human errors, insurance fraud and deceit, pandemic risk and model risk.

Risk management and control

If generally adopts a conservative approach to operational risk and strives to reduce the risk as much as possible within appropriate risk tolerance levels, considering the effort and resources required to mitigate the risk.

If has issued several steering documents that are relevant for the management of operational risk. These include, but are not limited to, the Risk Management Policy, the Business Continuity and Security Policy and the Information Security Policy.

Self-assessments to identify, assess, respond to and monitor operational risk are performed and reported regularly by the business areas, Claims and Corporate functions. Identified operational risks are assessed and evaluated from a likelihood and impact perspective.

An operational risk coordinator network in the business areas, Claims and Corporate functions supports the risk owners. The results are challenged and aggregated by the Risk Management function. There is also a system for incident reporting and follow-up. Incident data is used to analyze operational risk and severe incidents are tracked to ensure that proper actions are taken.

To manage IT related operational risk, the focus is on digital resilience and continued investment in technology transformation and development.

Other examples of key risk mitigating techniques are clear and well implemented steering documents, set mandates, four-eyes and grandfather principles, clear roles and division of responsibilities, and employee training as well as other automated and manual controls in key business processes.

In Topdanmark, operational risk is reduced to an acceptable level. Several factors contribute to the mitigation of operational risk, such as the risk and information security framework including the Information Security Policy, standards, procedures, guidelines, risk assessments, prioritisation of risks and incident reporting.

Topdanmark regularly develops and improves IT systems, routines and procedures including risk management. To ensure effective information and cyber security preparedness, Topdanmark has an information security management system, IT contingency plans, IT Security Committee and a Cyber Security Board. Contingency plans have been developed in Topdanmark for many scenarios, such as a new pandemic.

Other risks

Strategic risk

Strategic risk is defined as the risk of losses due to changes in the competitive environment, changes in the overall economic climate or internal inflexibility.

Risk exposure

Strategic risk is associated with the core elements of the business strategy and the business model, which are maintained competitiveness, being best at pricing risk, the ability to attract and retain key competences and reaching sustainability goals.

In Topdanmark, strategic risk is related to the company's business model, political conditions, reputation, the conduct of collaboration partners and competitors as well as macroeconomic conditions, but it is considered low due to the strong business model.

Risk management and control

The development of identified material strategic risk is controlled and mitigated through the continuous monitoring of competitors, the market and regulatory changes. These risks are assessed and proactively managed in the yearly strategy and financial planning process, as well as on an ongoing basis whenever larger events occur.

To be able to set accurate prices and grow profitably, If closely monitors and evaluates the economic and geopolitical conditions, and their implications for market conditions.

Compliance risk

Compliance risk is the risk of legal or regulatory sanctions, material financial losses or loss of reputation as a result of not complying with applicable rules.

Risk exposure

The main compliance risks are identified as the risk of breaching the General Data Protection Regulation (GDPR) and the risk of breaching the Anti-Money Laundering and Counter Terrorist Financing (AML/CTF) legislation.

In Topdanmark, compliance risk is the risk of not having sufficient knowledge of current or future rules. Additionally, compliance risk is the risk of not complying with rules and the losses this might cause for Topdanmark and Topdanmark's customers. Such losses can be direct financial losses or indirect losses in the form of sanctions or bad publicity as a consequence of not acting in compliance with the rules. Rules comprise all rules, internal rules of Topdanmark's policies and the relevant guidelines as well as all relevant legislation and its sub-rules. Furthermore, rules comprise fixed business practices for the performance of Topdanmark.

Risk management and control

The Compliance function is responsible for ensuring that there are effective processes for identifying, assessing, monitoring and reporting compliance risk exposure.

Relevant steering documents for the management of compliance risk include the Governance Policy, the Compliance Policy, the Personal Data Policy, the Conflicts of Interest Policy, the Risk Management Policy, the Ethics Policy, the Distribution Policy and the AML/CTF Policy. Internal training in important rules and guidelines is provided to employees on a regular basis. Policies and other internal steering documents are reviewed and updated at least annually.

The internal control system encompasses a range of both proactive and reactive mitigating techniques to mitigate compliance risk, e.g. employee training, access rights, segregation of duties, four-eyes principle and other manual and automatic control activities.

In Topdanmark, the Compliance function is responsible for issuing rules for identification, management and control of compliance risks, exercising control and advising on compliance with legislation and internal rules. The Compliance function's work is part of Topdanmark's overall control environment, which covers the procedures, control and an organization for ensuring observance of rules. The work comprises control of compliance, consolidating annual status with all divisions and service departments, and reporting on compliance risks to the Executive Board and the Board of Directors.

Reputational risk

Reputational risk is often a consequence of a materialized operational or compliance risk and is defined as potential damage to the company through the deterioration of its reputation among customers and other stakeholders.

Risk exposure

Some processes are especially sensitive to reputational risk, such as marketing and claims handling.

Risk management and control

Examples of mitigating techniques are clear and implemented steering documents, e.g. the Ethics Policy and the Social media Instruction, incident handling procedures and the whistleblowing process.

Professional handling and communication, correct and clear insurance terms and conditions, as well as transparent and fair claims handling are key to managing reputational risk. There are established procedures for customer complaints and incident reporting. If provides training for employees in ethical guidelines and continuously monitors what is written about the company in media.

Emerging risk

Emerging risks are newly developing or changing risks that are difficult to quantify, and which may have a major impact on the business.

Risk exposure

Closely monitored risks are Artificial Intelligence (AI), regulatory development and changing landscape in mobility.

In Topdanmark, there is also a focus on cyber risk. In Denmark there is a shortage of labour within specific work areas, e.g. information technology. If this continues, the negative effect could be that business activities are delayed, which could worsen Topdanmark's competitiveness.

Risk management and control

A process to identify and assess emerging risk has been established, consisting of key people from the business areas. This group follows and analyzes important emerging risk factors and suggests actions. The most serious risks are reported to the Risk Committee.

The awareness of new risks from internal and external sources, in combination with constant reviewal of insurance terms, is a necessary means of managing and mitigating new risks. Identified emerging risks can furthermore be excluded from future insurance policies or an appropriate premium can be added to the policies for insurable risks. Reinsurance is also used as a mitigating technique.

Group-specific risk

Group-specific risks are risks that are present at company level but whose impact is significantly different at group level, or risks that are only present at group level. Examples of group-specific risks are contagion risk due to intra-group transactions as well as currency risk and translation risk due to the group structure. Intra-group transactions consist of internal reinsurance, internal outsourcing and other services provided under service agreements.

Risk exposure
If's main material group-specific risk is translation risk. Translation risk refers to the risk that arises when consolidating the financial statements of foreign operations that have a different functional currency than the presentation currency of the group.

Risk management and control
If has processes in place for handling group-specific risks and inter-dependencies through the risk management framework. Translation risk has traditionally not been hedged as the operations and investments involved are regarded as long-term and their currency effects do not affect the income statement, although the Topdanmark transaction has introduced hedging of some translation risk effects.

Sustainability risk
Sustainability risks are uncertain environmental, social or governance events or conditions that, if they occur, could have a potential material negative impact on the business model, strategy, capability to achieve goals and targets and to create value. This may, in turn influence decisions and business relationships.

The most significant sustainability risk for If is climate related risk. Climate related risk includes the impact from increasing physical manifestations of global warming (physical risk), as well as from measures taken by societies to transition to low-emission economies (transition risk).

Risk exposure
Regarding underwriting, climate related physical risk is relevant in the short-term and is likely to grow in the mid-to-long- term. In the short-term, risk arises in the form of changes in claims frequency and/or the severity related to the climate related physical risk that are relevant in the Nordic region, such as windstorms, floods, heavy rainfall, landslides, erosion and heatwaves. In the short-term, windstorms constitute the main physical risk in If's claim portfolio.

If's investment portfolio is exposed to physical risk and transition risk that could affect the value of If's investments.

To identify weak spots, four climate change risk scenarios have been developed. The climate change scenarios show that both If's investment and underwriting results are resilient to climate changes.

In Topdanmark, climate change risk includes both underwriting and market risk. Storms and cloudbursts are the main risks within underwriting.

Risk management and control
Daily risk management processes include prudent underwriting and price analysis. Increasing natural catastrophe claim costs can be mitigated through pricing. The economic impact of unexpectedly high levels of natural disasters is managed through a combination of reinsurance and diversification. Transition risk in the supply chain is identified through If's due diligence process, which identifies and assesses risks based on If's Supplier Code of Conduct, as well as sector-specific environmental requirements.

In the investment operations, transition risk is identified and managed using ESG risk ratings, sensitive sector screenings, norm-based ratings and active ownership. If's underwriting focus, the ability to re-price quickly due to having primarily one year contracts, strong financial control, and detailed and frequent follow-ups, all serve as mitigating factors of transition risk in the underwriting operations.

In Topdanmark, climate risks are included in underwriting and hedged. Investment policies include an exclusion list of companies that, for example, conduct activities involving the production of fuel from tar sands and thermal coal. Investment in equities takes place through ETFs where, for example, ESG screening is carried out.

Notes to the income statement

Note 6 – Result per business area

The Group's operations are controlled and reported primarily in accordance with If Group's customer groups and operations, which consist of private individuals in Business Area Private, small and medium-sized corporate customers in Business Area Commercial and large-sized corporates in Business Area Industrial, as well as asset management.

The Private, Commercial and Industrial business areas conduct operations in Sweden, Norway, Denmark and Finland with a pan-Nordic business model.

The operations in the Baltic countries constitute a separate business area. The business area consists of insurance operations conducted in Estonia, Latvia and Lithuania.

The operations conducted during the period November to December 2024 in the entities included in the acquisition of Topdanmark constitute a separate business area.

The asset management unit provides centralized management of If's investment assets and bank balances. The asset management unit has earnings responsibility for its operations within the investment restrictions regulated in the If investment policy.

Within segment reporting, a separate account is provided of the group-wide operations that the If Group has chosen not to allocate to the Group's established business areas. Within Other, If reports roadside assistance, travel assistance, the effect from changes in net insurance liabilities presented in Insurance finance income and expenses, run-off operations, assumed reinsurance from the Hastings Group and other group-wide operations.

Business area consolidation is implemented in accordance with the same policies as those applied by the Group. The income statement items, assets and liabilities that are attributed to the various business areas are of an insurance-related nature and constitute the principal operating items.

Income statement and balance sheet per business area

MSEK	Private	Com-mercial	Industrial	Baltic	Topdanmark	Asset manage-ment	Other [1]	Eliminations and adjustments to consolidated policies [2]	2024 Total	2023 Total
Insurance revenue	34,357	15,748	11,776	2,801	3,093		271		68,045	61,158
Reinsurance premium expenses	-324	-224	-4,264	-21	-194		-		-5,028	-3,832
Insurance service expenses, claims incurred	-23,201	-11,489	-7,837	-1,756	-1,892		-192	189	-46,177	-43,180
Insurance service expenses, operating expenses	-4,930	-2,587	-1,214	-640	-607		134	-67	-9,911	-8,916
Reinsurers' share of claims incurred	154	1,097	2,386	7	121		-	-,	3,765	4,434
Insurance service result	**6,055**	**2,545**	**846**	**390**	**521**	**-**	**214**	**122**	**10,694**	**9,664**
Investment result					204	7,380			7,584	9,934
Insurance finance income or expenses, net					-40		-2,148		-2,188	-3,801
Net financial result					**164**	**7,380**	**-2,148**		**5,396**	**6,133**
Other income	260	108	28	2	31		1,869	-624	1,675	1,647
Other expense	-906	-219	-31	-	-966		-2,054	496	-3,681	-1,765
Interest expenses, financing					-16		-224		-240	-106
Interest expense on net pension asset/liability					-		7		7	8
Income from associates					58		-3		55	1
Result before income taxes	**5,409**	**2,434**	**843**	**392**	**-209**	**7,380**	**-2,340**	**-5**	**13,905**	**15,582**
Assets on 31 December										
Intangible assets	-	254	-	-	1 7,432	-	1,860		19,546	2,119
Investment assets	-	-	-	-	28,641	119,859	-	-1,460	147,040	120,312
Reinsurance assets	306	1,817	5,611	48	840	-	-		8,622	6,251
Deferred tax assets	-	-	3	-	15	-	48		66	40
Other assets [3]	-	-	-	-	2,655	2,059	9,597		14,311	10,280
Total assets	**306**	**2,072**	**5,614**	**48**	**49,583**	**121,918**	**11,505**	**-1,460**	**189,585**	**139,001**
Shareholders' equity, provisions and liabilities on 31 December										
Shareholders' equity	-	-	-	-	-	-	43,512		43,512	42,587
Subordinated debt	-	-	-	-	1,690	-	1,498	-1,460	1,728	1,496
Insurance liabilities	33,974	22,525	21,322	2,566	21,483	-	383		102,253	79,162
Provisions for other risk and changes	601	128	18	327	2,351	-	4,205		7,630	4,201
Other liabilities [3]	-	-	-	-	2,763	562	31,137		34,462	11,556
Total shareholders' equity, provisions and liabilities	**34,574**	**22,653**	**21,340**	**2,893**	**29,748**	**562**	**80,735**	**-1 460**	**189,585**	**139,001**

[1] Including insurance finance income or expenses, road assistance, run-off and other operations not allocated to the business areas.

[2] Relating to elimination of transactions between business areas.

[3] Other assets and liabilities are not divided on the basis of business areas except for those related to Topdanmark and asset management.

Operations per geographical area and product

Insurance revenue by geographical area is distributed among the countries in which If has companies or branches and corresponds in all material respects to the customers' geographical domicile.

Long-term investments have been distributed directly to the countries where they belong in terms of physical or business domicile.

MSEK	Sweden		Norway		Denmark		Finland		Baltic		Total	
Geographical area segment information	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Insurance revenue	22,077	20,666	19,999	18,974	9,573	6,060	13,595	12,898	2,801	2,561	68,045	61,158
Non-current assets [1]	639	720	2,047	2,098	18,784	60	1,098	1,180	72	81	22,641	4,140

[1] Non-current assets refer to goodwill, customer relations, other intangible assets, land and buildings, investments in associates and tangible assets.

Insurance revenue divided by product is shown in the table below.

MSEK **Insurance revenue per product**	**2024**	**2023**
Motor	24,127	22,598
of which MTPL	*6,432*	*5,956*
Workers' Compensation	2,433	2,173
Liability	4,530	4,236
Accident	10,258	8,652
Property	25,231	21,969
Marine, Aviation, Transport	1,467	1,529
Total	**68,045**	**61,158**

Business Area Private

Development during the year

The insurance service result increased during the year and amounted to MSEK 6,055 (5,501), corresponding to a combined ratio of 82.2% (83.1).

Gross written premium growth was 6.5% with positive development in all countries, especially Norway. Growth was mainly driven by price increases covering claims inflation and stable retention at 89%. Primarily, personal and property insurance drove growth. Growth in motor insurance was limited by new car sales, which remained low throughout the year.

Claims incurred, excluding claims handling expenses, increased compared with the preceding year affected by weather-related claims. The cost of insurance operations increased by 3.9% excluding currency effects.

The development of digital services and digital engagement in the Private business area remained strong in 2024, following consistent investments in this area over many years. Digital sales increased by 10% during the year, and online claims continued to increase and the share stood at 64% at the end of the year.

MSEK **Insurance service result, Other services and insurance-related balance sheet items**	**2024**	**2023**
Insurance revenue	34,357	32,880
Reinsurance premium expenses	-324	-315
Insurance service expenses, claims incurred	-23,201	-22,765
Insurance service expenses, operating expenses	-4,930	-4,696
Reinsurers' share of claims incurred	154	398
Insurance service result	**6,055**	**5,501**
Intangible assets	-	-
Insurance liabilities	33,974	34,360
Reinsurance assets	306	396
Insurance liabilities, net	**33,668**	**33,965**
Combined ratio	82,2%	83.1%
Risk ratio	61,5%	62.1%
Cost ratio	20,7%	21.0%

Business Area Commercial

Development during the year

The insurance service result decreased during the year and amounted to MSEK 2,545 (2,716), corresponding to a combined ratio of 83.6% (81.9).

Gross written premium growth was 5.6%. All countries contributed to growth with the Norwegian business being particularly strong. The positive development was supported by successful renewals and continuous rate increases in line with claims inflation.

The current year claims incurred, excluding claims handling expenses, increased compared with the preceding year following an adverse large claims outcome. The cost of insurance operations increased by 3.3% excluding currency effects.

In 2024, digital sales in Commercial increased by 24% year-on-year. Strong momentum in online sales and accelerated expansion of the digital offering with increased usage of self-service solutions contributed to the positive development.

MSEK **Insurance service result, Other services and insurance-related balance sheet items**	**2024**	**2023**
Insurance revenue	15,748	15,232
Reinsurance premium expenses	-224	-196
Insurance service expenses, claims incurred	-11,489	-9,937
Insurance service expenses, operating expenses	-2,587	-2,562
Reinsurers' share of claims incurred	1,097	180
Insurance service result	**2,545**	**2,716**
Intangible assets	254	259
Insurance liabilities	22,525	21,498
Reinsurance assets	1,817	264
Insurance liabilities, net	**20,707**	**21,234**
Combined ratio	83,6%	81.9%
Risk ratio	61,9%	60.0%
Cost ratio	21,7%	21.9%

Business Area Industrial

Development during the year

The insurance service result decreased during the year and amounted to MSEK 846 (917), corresponding to a combined ratio of 88.7% (87.3). The result was affected by an adverse large claims outcome and unfavourable development of weather-related claims.

Gross written premium growth was 9.5% primarily driven by rate actions, increased values, and a good renewals outcome. Geographically, Industrial saw increased gross written premiums in all Nordic countries.

Claims incurred, excluding claims handling expenses, decreased during the year. The cost of insurance operations increased by 8.6%, excluding currency effects.

MSEK **Insurance service result, Other services and insurance-related balance sheet items**	**2024**	**2023**
Insurance revenue	11,776	10,486
Reinsurance premium expenses	-4,264	-3,295
Insurance service expenses, claims incurred	-7,837	-9,014
Insurance service expenses, operating expenses	-1,214	-1,103
Reinsurers' share of claims incurred	2,386	3,843
Insurance service result	**846**	**917**
Intangible assets	-	-
Insurance liabilities	21,322	20,985
Reinsurance assets	5,611	5,542
Insurance liabilities, net	**15,711**	**15,443**
Combined ratio	88,7%	87.3%
Risk ratio	69,2%	68.3%
Cost ratio	19,5%	18.9%

Business Area Baltic

Development during the year

The insurance service result increased during the year and amounted to MSEK 390 (356), corresponding to a combined ratio of 86.0% (85.9).

Gross written premium growth was 4.8%, with the strongest growth in Estonia and Latvia. The development was driven by repricing initiatives but was impacted by rising competition in the second half of the year.

Claims incurred, excluding claims handling expenses, increased compared with the preceding year and the cost of insurance operations increased by 8.4% excluding currency effects.

MSEK **Insurance service result, Other services and insurance-related balance sheet items**	**2024**	**2023**
Insurance revenue	2,801	2,561
Reinsurance premium expenses	-21	-26
Insurance service expenses, claims incurred	-1,756	1,598
Insurance service expenses, operating expenses	-640	-594
Reinsurers' share of claims incurred	7	13
Insurance service result	**390**	**356**
Intangible assets	-	-
Insurance liabilities	2,566	2,318
Reinsurance assets	48	49
Insurance liabilities, net	**2,518**	**2,269**
Combined ratio	86,0%	85.9%
Risk ratio	60,2%	59.8%
Cost ratio	25,8%	26.2%

Business Area Topdanmark

Development during the year

The insurance service result for the period November-December amounted to MSEK 521, corresponding to a combined ratio of 82.0%.

MSEK **Insurance service result, Other services and insurance-related balance sheet items**	**2024**	**2023**
Insurance revenue	3,093	-
Reinsurance premium expenses	-194	-
Insurance service expenses, claims incurred	-1,892	-
Insurance service expenses, operating expenses	-607	-
Reinsurers' share of claims incurred	121	-
Insurance service result	**521**	**-**
Investment result	204	-
Insurance finance income or expenses, net	-40	-
Net financial results	**164**	**-**
Intangible assets	17,432	-
Insurance liabilities	21,483	-
Reinsurance assets	840	-
Insurance liabilities, net	**20,643**	**-**
Combined ratio	82,0%	-
Risk ratio	50,4%	-
Cost ratio	31,6%	-

Asset management

The investment result for If was MSEK 7,380 (9,934), corresponding to a total investment return of 6.0% (8.3). The result was mainly due to a strong performance for both the fixed-income portfolio and the equity portfolio.

Fixed income gave a total return of 5.2% (7.0). During the year, the fixed-income portfolio was reinvested at a higher average interest rate compared with the preceding year. All interest-bearing assets generated positive results. Real estate bonds and high-yield corporate bonds generated particularly high returns.

Total return on equities was 13.8% (20.6). The Stockholm Stock Exchange was outperformed by global equity markets and posted a comparatively modest gain for the year. Of If's equity positions, the strongest contributor to the positive result were the Scandinavian small cap companies.

Asset allocation remained fairly stable. Fixed income comprises 88% (89) and equities 12% (11) of the total investment assets. The duration of the fixed income assets was 2.5 (2.4) at the end of the year.

Return on investment assets under active management [1]	Fair value 31 Dec 2024 MSEK	%	Fair value 31 Dec 2023 MSEK	%	Return 2024 MSEK	%	Return 2023 MSEK	%
Interest-bearing securities	107,793	88	109,926	89	5,650	5,2	7,651	7.0
Shares	14,853	12	13,854	11	1,884	13,8	2,543	20.6
Currency (active positions)	3	-	14	-	12	-	6	-
Currency (other) [2]	-103	-	-444	-	4	-	0	-
Properties	5	-	5	-	-2	-	-6	-
Other	-	-	-	-	-168	-	-259	-
Investment assets under active management [1]	**122,551**	**100**	**123,356**	**100**	**7,380**	**6,0**	**9,934**	**8.3**

[1] The table above has the same format and is based on the same calculation methods as those used internally by If for the valuation of investment operations. The valuation does not include associates. Accrued interest and the investment operations' bank balances are reported above as part of interest-bearing securities. Derivatives and securities settlement claims/liabilities have been reported under the relevant asset category. The return on active investments has been calculated using a daily time-weighted calculation method. Properties and Other have been calculated using a monthly time-weighted calculation method.

[2] The market value of currency derivatives (excluding active positions) is presented in the asset category Currency (other). The reported return on the same line also includes, in addition to the return from currency derivatives, currency exchange effects recognized in the income statement from the revaluation of items in the income statement and balance sheet.

Other operations

If's subsidiary Viking Assistance Group AS is the Parent Company of the Viking Group (Viking). Viking offers nationwide 24/7 roadside assistance and travel assistance in all Nordic countries.

Viking experienced strong growth in all geographical areas and within the different service areas compared with preceding year. Revenue during the year increased to MSEK 1,788 (1,582) and operating profit was MSEK 84 (62).

The effect of changes in net insurance liabilities presented in Insurance finance income and expenses, net is also included within Other operations, and amounted to MSEK -2,148 (-3,801). This includes the effect of changes in discount rates of negative MSEK 169 (negative 1,562) and interest expense (unwinding) of negative MSEK 1,934 (negative 2,063).

Other operations also comprise group-wide operations that If Group has chosen not to allocate to the Group's established business areas and include certain parent company expenses, adjustments due to reporting of defined-benefit pension plans, interest expenses for the Group's subordinated debt and loans from Parent company, run-off operations and assumed reinsurance from the Hastings Group. The insurance service result and other income and expenses for these parts of the operations amounted to negative MSEK 56 (positive 91).

Note 7 – Claims incurred

	2024			2023		
MSEK	**Gross**	**Ceded**	**Net**	**Gross**	**Ceded**	**Net**
Paid insurance claims						
Claims paid	-43,439	2,474	-40,965	-36,966	1,242	-35,725
Annuities paid	-1,431	-	-1,431	-1,412	-	-1,412
Claims handling expenses	-3,592	-	-3,592	-3,253	-	-3,253
Operating expenses for claims paid	-22	-	-22	-19	-	-19
	-48,484	**2,474**	**-46,010**	**-41,651**	**1,242**	**-40,409**
Change in liability/asset for incurred claims						
Present value of estimated future cash flows						
Incurred and reported losses	-46	1,100	1,054	-3,995	2,981	-1,014
Incurred but not reported losses (IBNR)	1,643	114	1,757	1,745	133	1,878
Annuities	850	0	850	984	0	984
Claims handling	91	0	91	13	-	13
Risk of non-performance by reinsurer	-	1	1	-	1	1
Risk adjustment (discounted)	-361	76	-284	-166	78	-88
	2,178	**1,291**	**3,469**	**-1,419**	**3,193**	**1,774**
Change in loss component	**128**	**-**	**128**	**-110**	**-**	**-110**
Total claims incurred	**-46,177**	**3,765**	**-42, 412**	**-43,180**	**4,434**	**-38,746**

	2024			2023		
MSEK	**Gross**	**Ceded**	**Net**	**Gross**	**Ceded**	**Net**
Claims expenses attributable to current-year operations						
Paid insurance claims [1]	-27,913	-226	-28,139	-24,689	-157	-24,846
Change in liability/asset for incurred claims						
Present value of estimated future cash flows	-20,430	3,541	-16,888	-20,331	4,039	-16,292
Risk adjustment (discounted)	-727	123	-604	-664	111	-552
Change in loss component	128	-	128	-110	-	-110
	-48,941	**3,438**	**-45,503**	**-45,794**	**3,993**	**-41,801**
Claims expenses attributable to prior-year operations						
Paid insurance claims	-20,570	2,700	-17,870	-16,961	1,399	-15,563
Change in liability/asset for incurred claims						
Present value of estimated future cash flows	22,968	-2,326	20,641	19,078	-924	18,154
Risk adjustment (discounted)	366	-47	320	498	-33	464
	2,764	**327**	**3,091**	**2,614**	**441**	**3,055**
Total claims incurred	**-46,177**	**3,765**	**-42,412**	**-43,180**	**4,434**	**-38,746**

[1] Additional premiums for reinstatement of the reinsurance cover are reported as ceded paid claims in the income statement, since these payments are contingent on claims. As a consequence, the net paid insurance claims attributable to current year operations in 2024 and 2023 exceed the gross paid insurance claims.

Note 8 – Operating expenses

MSEK	2024	2023
Specification of income statement item Insurance service expenses, operating expenses		
Acquisition cash flow expenses deferred via the liability for remaining coverage and acquisition cash flow asset		
External and internal acquisition cash flows	-1,482	-1,257
Changes from deferral and amortization of external and internal acquisition cash flows	161	108
	-1,321	**-1,149**
Administrative expenses and other sales function expenses	-8,590	-7,767
Total	**-9,911**	**-8,916**

MSEK	2024	2023
Summary of total operating expenses (by nature)		
Salaries and remuneration	-6,467	-5,702
Social fees	-1,358	-1,215
Pension costs	-826	-721
Other personnel costs	-321	-336
Total personnel costs	**-8,972**	**-7,975**
Premises costs	-252	-215
Depreciation, amortization and impairments	-605	-450
Roadside assistance	-1,194	-1,060
External acquisition cash flows	-2,204	-1,695
Other administrative expenses	-4,356	-2,868
Total expenses split by nature	**-17,584**	**-14,263**
Change from deferral and amortization of external and internal acquisition cash flows (not divided by nature)	161	108
Total	**-17,423**	**-14,154**

MSEK	2024	2023
Allocation of total operating expenses in the income statement (by function)		
Insurance service expenses, operating expenses	-9,911	-8,916
Claims handling expenses, included in Claims incurred	-3,592	-3,253
Claims expenses, included in Claims incurred	-22	-19
Other expenses	-3,681	-1,765
Asset management expenses, included in Investment result	-218	-201
Total	**-17,423**	**-14,154**

Note 9 – Average number of employees

Average number of employees	2024 Average number of employees	2024 Of whom, women %	2023 Average number of employees	2023 Of whom, women %
Denmark [1]	958	*44*	596	*46*
Estonia	470	*81*	441	*80*
Finland	1,919	*60*	1,888	*60*
France	7	*27*	7	*30*
Latvia	536	*44*	512	*43*
Lithuania	179	*72*	171	*73*
Netherlands	6	*48*	5	*49*
Norway	1,680	*46*	1,627	*46*
Spain	223	*49*	174	*48*
United Kingdom	6	*35*	6	*33*
Sweden	2,472	*51*	2,438	*51*
Germany	6	*24*	6	*22*
Total	**8,462**	***53***	**7,871**	***53***

[1] Topdanmark included from November 2024.

Percentage of women in executive management	2024	2023
Boards of Directors	29 %	28%
Other senior executives	24 %	24%

Note 10 – Salaries and other remuneration for senior executives and other employees

MSEK	2024	2023
Salaries and remuneration	-6,467	-5,702
Pension costs	-826	-721
Social fees	-1,358	-1,215
Total	**-8,651**	**-7,638**

MSEK Of which salaries and other remuneration for senior executives [1]	2024	2023
Fixed salaries and remuneration	-61	-56
Variable compensation and incentive schemes	-85	-50
Total	**-146**	**-106**

[1] Senior executives are defined as the Group Management team, board members, CEO in the Parent Company and subsidiaries and the Deputy CEO in the Parent Company.

Principles for determining remuneration of senior executives

Remuneration of the Group CEO and other members of Group Management consists of fixed salary, short-term variable compensation, pension and other benefits. The majority of Group Management is also covered by Sampo Group's long-term incentive schemes. Director fees are not paid to Board members employed in If Group or other companies within the Sampo Group.

The maximum annual variable compensation payable to the Group CEO is 100% of the annual fixed salary. For deputy CEO and members of Group Management employed in Topdanmark the maximum annual variable compensation is 40% of the annual fixed salary including pension. The maximum annual variable compensation payable to other members of Group Management entitled to variable compensation is 75-100% of the annual fixed salary.

The annual variable compensation is based on If Group results, business unit results and individual results. For senior executives who are members of the Sampo Group Executive Committee, the annual variable compensation is also based on the Sampo Group results.

A substantial part of payments from variable compensation programmes is deferred for at least three years. Thereafter, the Board will evaluate and, if needed, risk adjust the deferred compensation before any payment is made.

For the Deputy CEO and members of Group Management employed in Topdanmark, annual variable compensation is based on Topdanmark's results and individual performance. The historic payouts have been in cash with a proportion being deferred in Topdanmark A/S shares. In connection with the public exchange offer, share entitlements were transformed into phantom share units (PSU), with each share entitlement being converted into 1.25 PSUs, following the exchange offer conversion ratio. The PSUs track the Sampo A share price and have the same equivalent transfer and holding periods as the original scheme. Upon expiry of the applicable period the PSUs are settled as a cash payment to participants.

kSEK **Salaries and other remuneration for If Group senior executives 2024**	**Basic salary/ Directors' fee**	**Variable compensation**	**Incentive schemes [1]**	**Other benefits**	**Pension costs**	**Total**
Chairman of the Board Torbjörn Magnusson	-	-	-	-	-	-
Other Board members	-	-	-	-	-	-
Group CEO Morten Thorsrud	7,200	4,535	8,590	36	2,922	23,283
Deputy CEO Peter Hermann [2]	2,085	737	2,651	54	284	5,811
Other members of Group Management, 12 individuals	35,342	18,239	44,882	1,077	13,033	112,573
Total	**44,627**	**23,511**	**56,123**	**1,167**	**16,239**	**141,667**

[1] For more information, refer to Long-term incentive schemes (LTI) below.

[1] From 1 November 2024

kSEK **Salaries and other remuneration for If Group senior executives 2023**	**Basic salary/ Directors' fee**	**Variable compensation**	**Incentive schemes [1]**	**Other benefits**	**Pension costs**	**Total**
Chairman of the Board Torbjörn Magnusson	-	-	-	-	-	-
Other Board members	-	-	-	-	-	-
Group CEO Morten Thorsrud	6,824	4,638	4,656	35	2,356	18,509
Other members of Group Management, 11 individuals	32,523	12,793	23,595	1,037	11,542	81,490
Total	**39,347**	**17,431**	**28,251**	**1,072**	**13,898**	**99,999**

[1] For more information, refer to Long-term incentive schemes (LTI) below.

Pensions

In addition to statutory occupational pension benefits, Swedish, Norwegian and Danish members of Group Management are covered by local occupational retirement pension plans. A description of the pension plans can be found below. For more information on pensions, see Note 26.

Sweden

Senior executives are covered by individually agreed defined contribution pension plans or collectively agreed pension according to FTP 1. The annual premium for individual occupational pension is 38% of the fixed salary and 25% of paid short-term variable pay. The annual premium for the occupational pension FTP 1 corresponds to:
- 5.5% of pensionable salary up to 7.5 income base amounts and
- 31.3% of pensionable salary in excess of 7.5 income base amounts.

The retirement age is flexible. Pension contributions are made until the age of 65 at the most.

Norway

Senior executives are covered by defined-contribution pension plans, with an annual contribution corresponding to:
– 7% of pensionable salary up to 7.1 G (G = National Insurance basic amount) and
– 25.1% between 7.1 and 12 G.

For pensionable salary exceeding 12 G, the Norwegian members are covered by a temporary pension between 67 and 82 years of age and the contribution corresponds to 24% of the annual pensionable salary. The retirement age is flexible.

Denmark

Senior executives are covered by defined-contribution pension plans. The contribution corresponds to 15-33 % of annual salary. In addition, one senior executive is eligible to pension contribution of 25% of paid short-term variable contribution. The retirement age is flexible. Pension contributions are made until the age of 65 at the most.

Severance pay

If employment is terminated by the company, the Group CEO and deputy CEO are entitled to compensation during a 12-month period of notice and severance pay amounting to 12 months' fixed salary.

If employment is terminated by the company, other members of Group Management are entitled to compensation during a period of notice of 6 to 12 months and, in most cases, severance pay amounting to a minimum of 9 months' and a maximum of 18 months' fixed salary. In addition to fixed salary, the Deputy CEO and one member of Group Management also have pension, the value of a company car and the cash value of LTI included in severance pay.

Long-term incentive schemes (LTI)

The Board of Directors of Sampo plc has decided on the following long-term incentive schemes for key employees of Sampo Group. The objective of the schemes is to align the key employees' interests with those of the shareholders and commit key employees to the development of Sampo Group.

LTI 2024

On 6 March 2024, the Board of Directors of Sampo plc decided to adopt a performance based long-term incentive scheme (LTI 2024) for key employees of Sampo Group.

The LTI 2024 participants were granted performance incentive units in 2024. The performance incentive units have a performance period covering financial years 2024-2026, with subsequent deferral periods according to the rules and regulations applicable to Sampo Group.

The reward is a cash-based compensation. According to the terms and conditions of the scheme, Identified staff must buy Sampo A shares with 50% of the net reward after taxes and other comparable charges. The shares are subject to a formal disposal restriction of three years from the date of the payment. The Board of Directors of Sampo plc will perform a risk and compliance assessment before any shares are released to participants.

Long-term incentive schemes LTI 2024	2024
Approvement date	6 March 2024
Initial number of granted units	231,696
Paid out during the year	-
Total	**231,696**

To achieve a maximum reward from the LTI 2024, excellent financial and operational performance is required. The performance assessment will be based on the following performance criteria:

Relative total shareholder return: 25% of the reward is subject to the performance of the Sampo A share's relative TSR (Total Shareholder return) over the performance period against a peer group of companies.

Adjusted absolute total shareholder return: 25% of the reward is subject to the performance of the Sampo A share's growth and combined dividends over the performance period.

Underwriting profit growth: 40% of the of the reward is subject to the performance of Sampo Group's underwriting profit growth over the performance period.

Sustainability charter: 10% of the reward is subject to the performance of Sampo Group's sustainability work.

In addition, the performance incentive units are subject to Sampo A share price movements over the performance period. Share price growth is capped at a maximum increase to avoid excessive pay-outs and minimize risk.

At the end of the period 62 persons were included in the scheme.

The scheme has been measured at fair value at the grant date and at every reporting date thereafter. The fair value of the scheme has been estimated using the Monte Carlo pricing model. The provision recognized in the balance sheet is the vested value on the balance sheet date and any changes in the fair value are recognized in profit or loss.

Long-term incentive schemes LTI 2024		2024	
kSEK **Outstanding units and values 31 December**	**Number of units**	**Maximum amount [1]**	**Reserved amount**
Group CEO Morten Thorsrud	23,247	15,472	933
Other members of Group Management, 11 individuals	82,593	54,969	3,315
Others covered by the incentive schemes	125,856	83,762	5,052
Total	**231,696**	**154,203**	**9,300**

[1] Estimated maximum value is based on full vesting and share price increase of 50%.

The expensed cost of the incentive programme during the year amounted to MSEK 9.3.

LTI 2020:1

The long-term incentive scheme (LTI 2020:1) is cash-based with a main allocation of incentive units in year one (90–95% of all units under the scheme) and minor allocations in years two and three to new recruits or current employees with materially changed circumstances (5–10% of the units).

The scheme is divided into three instalments with the corresponding performance period, i.e. 30% of the allocated units vest after a 3-year performance period, 35% of the allocated units vest after a 4-year performance period, and 35% of the allocated units vest after a 5-year performance period. The vesting of the scheme is determined on the basis of Sampo's share price performance and dividends paid over each instalment's performance period, starting from the issue of the scheme, and performance criteria related to the return on capital at risk (RoCaR) applicable for each instalment.

According to the terms and conditions of the scheme, Identified staff must buy Sampo A shares with 50% of the net reward after taxes and other comparable charges. The shares are subject to a formal disposal restriction (holding period) of three years from the date of payment. The Board of Directors of Sampo plc will decide on possible release after the three-year holding period.

The second instalment of the allocation made in 2020 (2020:1) and the first instalment of the allocation made in 2021 (2020:1/2) of the long-term incentive scheme 2020:1 was due in September 2024. Performance conditions related to capital at risk were fulfilled to 100%. In addition, the combined trade-weighted average price of the Sampo A share on Nasdaq Helsinki Ltd calculated for the period 8 August to 11 September 2024 and Mandatum plc share price calculated for the period 14 August to 17 September 2024 was EUR 44.88, which was lower than the maximum values of EUR 56.94 and EUR 67.49, respectively, but exceeding the starting prices of EUR

22.41 and EUR 34.66, thereby resulting in a value of EUR 22.47 and EUR 10.22, respectively, per incentive unit. Also, the maximum value and the starting price for the instalments to be paid from September 2025 onwards will be reduced by the value of the trade-weighted average price of the Mandatum share on Nasdaq Helsinki Ltd for twenty-five (25) trading days commencing the day after Mandatum plc's publication of its Half-Year Financial Report in 2024 and the dividend per share of Mandatum plc decided up until Mandatum plc's publication of its Half-Year Financial Report in 2024.

At the end of the period 75 (77) persons were included in the schemes.

For further information on the long-term incentive schemes, see: https://www.sampo.com/governance/remuneration/forms-of-remuneration/long-term-incentives/

Long-term incentive scheme LTI 2020:1	2020:1	2020:1/2	2020:1/3
Allocation year	2020	2021	2022
Initial number of granted units	2,106,500	170,000	128,000
End of performance period I 30%	Q2 2023	Q2 2024	Q2 2025
End of performance period II 35%	Q2 2024	Q2 2025	Q2 2026
End of performance period III 35%	Q2 2025	Q2 2026	Q2 2027
Payment I 30%	Sept 2023	Sept 2024	Sept 2025
Payment II 35%	Sept 2024	Sept 2025	Sept 2026
Payment III 35%	Sept 2025	Sept 2026	Sept 2027
Trade weighted share price at scheme launch [1] EUR	32.94	43.49	44.74
Maximum price EUR	52.31	62.86	64.11
Starting price on 31 December 2024 EUR	22.41	34.66	35.71
Sampo A closing price on 30 December 2024, EUR 39.38			

[1] For 2020:1 the starting price is calculated as the trade-weighted average for 25 trading days.

The schemes have been measured at fair value at the grant date and at every reporting date thereafter. The fair value of the schemes has been estimated using the Black-Scholes pricing model. The terms regarding Sampo Group's return on capital at risk and the number of units that are expected to vest are monitored on an ongoing basis. The provision recognized in the balance sheet is the vested value on the balance sheet date and any changes are recognized in profit or loss.

Reconciliation of outstanding cash-settled units	2024	2023
Outstanding on 1 January	**1,643,150**	**2,342,450**
Granted during the year	-	-
Forfeited during the year	-17,500	-75,000
Paid out during the year	-722,575	-624,300
Lapsed during the year	-	-
Outstanding on 31 December	**903,075**	**1,643,150**

kSEK Outstanding units and values 31 December	2024 Number of units	 Maximum amount	 Reserved amount	2023 Number of units	 Maximum amount	 Reserved amount
Group CEO Morten Thorsrud	52,500	17,988	11,078	105,000	37,836	16,820
Other members of Group Management, 11 (11) individuals	318,500	107,899	59,132	601,000	214,867	87,116
Others covered by the incentive schemes	532,075	179,420	83,656	937,150	327,148	127,599
Total	**903,075**	**305,307**	**153,866**	**1,643,150**	**579,851**	**231,535**

The expense of the incentive programme during the year amounted to MSEK 92.8 (53.5).

The deputy CEO and members of Group Management employed in Topdanmark are covered by Topdanmark's long-term incentive schemes. In connection with the public exchange offer the share option schemes were transformed into a phantom share unit (PSU) scheme following a Black-Scholes valuation. The PSUs track the Sampo A share price and have the same equivalent deferral and holding periods as the original share option schemes. Upon expiry of the applicable period, the PSU's are settled as a cash payment to participants. After the completion of the public exchange offer the options not under deferral or holding period were settled as cash compensation following the Black-Scholes valuation and considering lost time value.

Reconciliation of outstanding cash-settled units Topdanmark	**2024**
Outstanding on 1 November	**497,029**
Granted during the year	-
Transferred during the year	-
Forfeited during the year	-
Paid out during the year	-403,671
Outstanding on 31 December [1]	**93,358**

[1] Outstanding units have been converted to 26,845 PSUs.

kSEK **Outstanding units and values 31 December Topdanmark**	**2024** **Number of units**	 **Reserved amount**
Deputy CEO Peter Hermann	5,545	2,651
Other members of Group Management, 1 individual	2,531	1,210
Others covered by the incentives schemes	18,769	12,833
Total	**26,845**	**16,694**

The expense of the incentive programme during the year amounted to MSEK 16.7.

Note 11 – Auditors' fees

MSEK	2024	2023
Deloitte		
Audit fees	-24	-25
Audit fees outside the audit assignment	-1	0
Tax consultancy fees	0	-
Other consultancy fees	0	0
Total fees to Deloitte	**-25**	**-25**

MSEK	2024	2023
Other		
Audit fees	-4	-
Audit fees outside the audit assignment	-	-
Tax consultancy fees	-	-
Other consultancy fees	-	-
Total fees to Other	**-4**	**-**

Note 12 – Investment result

	2024			2023		
MSEK	**Direct income**	**Value change**	**Total**	**Direct income**	**Value change**	**Total**
Financial assets and liabilities at fair value through profit or loss (mandatorily)						
Derivatives	5	-9	-4	-13	-27	-40
Interest-bearing securities						
Interest income	4 ,375		4,375	4,128		4,128
Realized and unrealized result		1,252	1,252		3,175	3,175
Shares						
Dividends	434		434	435		435
Realized and unrealized result		1,486	1,486		2,111	2,111
Total from financial assets at fair value	**4,815**	**2,729**	**7,544**	**4,550**	**5,260**	**9,810**
Financial assets at amortized cost						
Interest income	133		133	146		146
Realized gains and losses		-	-		-	-
Expected credit losses		-11	-11		-12	-12
Total from Other financial investment assets	**4,948**	**2,718**	**7,666**	**4,697**	**5,248**	**9,945**
Properties and Other assets						
Result from properties	-2		-2	-2	-5	-6
Interest income	275		275	287		287
Currency result		-21	-21		5	5
Total from Properties and Other assets	**273**	**-21**	**252**	**286**	**1**	**286**
Total Investment income	**5,221**	**2,697**	**7,918**	**4,982**	**5,248**	**10,231**
Investment costs						
Allocated operating expenses			-218			-201
Interest expense on lease liabilities			-19			-19
Other financial expenses			-97			-76
Investment result			**7,584**			**9,934**

Note 13 – Interest expenses, financing

MSEK	Interest rate	2024	2023
Subordinated loan, issued 2018	3-month STIBOR + 2.75%	-	-12
Subordinated loan, issued in 2021	3-month STIBOR + 1.30%	-78	-74
Subordinated loan, issued in 2022	3-month CIBOR + 4.75%	-3	-
Loan, issued in 2020	3-month NIBOR + 1.90%	-21	-19
Loan, issued in 2024 (EUR)	3-month EURIBOR + 1.06%	-68	-
Loan, issued in 2024 (DKK)	3-month CIBOR + 1.20%	-70	-
Total		**-240**	**-106**

Note 14 – Income from associates

MSEK	2024	2023
Share of result	-3	1
Gain/loss on sale [1]	58	-
Total	**55**	**1**

[1] Sale of Bornholms Brandforsikring included in acquisition through business combination of Topdanmark, MSEK 58.

Note 15 – Taxes

MSEK	2024	2023
Current tax	-2,843	-2,642
Deferred tax	-33	-631
Total tax in the income statement	**-2,876**	**-3,273**
Current tax		
Swedish entities	-768	-907
Non-Swedish entities	-2,080	-1,752
Current tax pertaining to prior years	5	17
Total current tax	**-2,843**	**-2,642**

For a specification of deferred tax, see Note 25.

MSEK	2024	2023
Tax related to Other comprehensive income		
Related to remeasurements of net pension liability	1	14
Other	-128	64
Total current and deferred tax	**-126**	**79**

MSEK	2024	2023
Difference between reported tax and tax based on current Swedish tax rate		
Profit before taxes	13,905	15,582
Tax according to current tax rate, 20.6%	-2,864	-3,210
Currency related tax effects	-3	2
Other permanent differences, net	-78	-60
Share of associates' result	14	0
Capital gains, capital losses and impairment loss, associates and subsidiaries	-	0
Adjustment of prior-year taxes	12	19
Reassessments of deferred tax assets/liabilities	-2	4
Different tax rates in foreign units	51	12
Non-creditable foreign taxes	0	0
Changes in tax rates	-5	-40
Reported tax in the income statement	**-2,876**	**-3,273**

Notes to the balance sheet

Note 16 – Intangible assets

MSEK	2024					
	Goodwill	Customer relations	Trademark	Work in progress	Other intangible assets	Total intangible assets
Accumulated acquisition value						
Opening balance	**1,858**	**105**	**148**	**-**	**282**	**2,393**
Additions	-	-	-	106	56	162
Acquisitions through business combinations	12,009	7,234	652	1,448	2,535	23,878
Disposals	-	-7	-	-	-	-7
Translation differences	-159	-87	-10	-17	-34	-307
Closing balance	**13,707**	**7,245**	**790**	**1,537**	**2,840**	**26,119**
Accumulated amortization and impairment						
Opening balance	**-**	**-78**	**-**	**-**	**-196**	**-274**
Amortization and impairments during the year	-	-123	-1	-	-58	-183
Acquisitions through business combinations	-	-4,584	-7	-	-1,589	-6,180
Disposals	-	7	-	-20	-	-13
Translation differences	-	55	-	-	21	76
Closing balance	**-**	**-4,722**	**-8**	**-20**	**-1,822**	**-6,573**
Carrying amount, closing balance	**13,707**	**2,522**	**782**	**1,517**	**1,018**	**19,546**

MSEK	2023					
	Goodwill	Customer relations	Trademark	Work in progress	Other intangible assets	Total intangible assets
Accumulated acquisition value						
Opening balance	**1,940**	**120**	**159**	**-**	**283**	**2,501**
Additions	-	-	-	-	44	44
Acquisitions through business combinations	-	-	-	-	-	-
Disposals	-	-8	-	-	-27	-34
Translation differences	-82	-8	-11	-	-18	-118
Closing balance	**1,858**	**105**	**148**	**-**	**282**	**2,393**
Accumulated amortization and impairment						
Opening balance	**-**	**-59**	**-**	-	**-209**	**-268**
Amortization and impairments during the year	-	-23	-	-	-26	-49
Acquisitions through business combinations	-	-	-	-	-	-
Disposals	-	-	-	-	26	26
Translation differences	-	4	-	-	13	17
Closing balance	**-**	**-78**	**-**	-	**-196**	**-274**
Carrying amount, closing balance	**1,858**	**27**	**148**	**-**	**86**	**2,119**

Consolidated goodwill consists of different items that arose from the acquisition of Sampo's Finnish property and casualty insurance operations in January 2002, acquisition of Vertikal Helseassistanse AS in December 2019, acquisition of Viking Assistance Group AS in January 2020 and acquisition through business combination of Topdanmark A/S in November 2024. As of 31 December 2024, the items amount to MSEK 715, MSEK 254, MSEK 870 and MSEK 12,009 respectively excluding translation differences.

To ensure that these items are not booked at an excessive carrying amount, an impairment test was conducted to determine each item's recoverable amount calculated as the value in use in December 2024, except for goodwill related to Topdanmark where fair value less costs of disposals is used. It is assessed as possible to derive the fair value of Topdanmark from the market capitalization of Topdanmark at the date of Sampo's public offer. Since this value exceeded the carrying amount of the net assets as of 31 December by a wide margin, there is no need for impairment.

In the calculations for the other three items, a cash flow model was used whereby the recoverable amount was set at the present value of future projected cash flows from the operations. As the investments are of a long-term nature, indefinite cash flows were used in the calculations. Weighted average cost of capital (WACC) for all items is calculated in accordance with the Capital Asset Pricing Model (CAPM).

The future cash flows for the Finnish property and casualty insurance operations are based primarily on the financial plans for the years 2025-2027, including volumes, premiums and cost development as well as margins. The cash flows for the following years are based on successively normalized results with a combined ratio of 84.0% (85.0). Valuations are based on long-term premium growth of 2.0% (2.0), return on investment assets of 3.75% (3.25) and weighted average cost of capital 8.1% (8.1).

The future cash flows for Vertikal are based primarily on the financial plans for Health Norway for the years 2025-2027, including volumes, premiums and cost development as well as margins. The cash flows for the following years are based on successively normalized results with a combined ratio of 85.5% (85.0). Valuations are also based on long-term premium growth of 2.0% (2.0), return on investment assets of 3.75% (3.25) and weighted average cost of capital 9.6% (9.1).

The future cash flows for Viking are based on the financial plans for the years 2025-2027, including volumes, sales and cost development as well as margins. The cash flows for the following years are based on a gradually normalized margin of 8-10% based on comparable operations. Valuations are also based on long-term sales growth of 2.0% (2.0) and a weighted average cost of capital of 8.8% (8.7).

Note 17 – Investments in associates

		Number of		Carrying amount	
MSEK	**Country**	**shares**	**Holding %** [1]	**2024**	**2023**
CAB Group AB	Sweden	1,209	22.0	31	35
Sørvest Forsikring AS[2]	Norway	6,530	33.0	15	14
Total				**46**	**49**

[1] All of the associates have only one share class; the participating share and voting rights are therefore the same.

[2] Former Rogaland Forsikring AS

Changes in investments in associates

MSEK	2024	2023
Opening balance	**49**	**48**
Share of associates' result	-3	1
Acquisitions through business combinations [1]	109	-
Effects of exchange rates, foreign associates	0	-
Disposals [1]	-108	-
Closing balance	**46**	**49**

[1] Acquisition MSEK 109 and disposal MSEK 108 of Bornholms Brandforsikring, obtained through the business combination of Topdanmark.

Note 18 – Other financial investment assets and derivative liabilities

Classification of other financial investment assets and derivative liabilities

The measurement and reporting of financial assets and liabilities depends on their classification.

Classification of other financial investment assets and derivative liabilities

	Acquisition value		Fair value		Carrying amount	
MSEK	2024	2023	2024	2023	2024	2023
Financial assets at fair value through profit or loss (mandatorily)						
Shares and participations	9,645	8,835	15,666	13,804	15,666	13,804
Bonds and other interest-bearing securities	128,650	104,848	129,209	104,233	129,209	104,233
Derivatives	6	13	295	231	295	231
Total financial assets, at fair value profit or loss	**138,302**	**113,695**	**145,170**	**118,268**	**145,170**	**118,268**
Financial assets measured at amortized cost						
Other loans [1]	900	2,000	881	1 983	881	1,983
Deposits	930	-	930	-	930	-
Total other financial investment assets	**140,132**	**115,695**	**146,981**	**120,251**	**146,981**	**120,251**
Financial liabilities at fair value through profit or loss (mandatorily)						
Derivatives	2	15	717	643	717	643
Total financial liabilities at fair value through profit or loss	**2**	**15**	**717**	**643**	**717**	**643**

[1] In accordance with If's application of IFRS 9, Other loans are reported at amortized cost. The fair value is only shown for disclosure purposes. Financial instruments with fair value information are classified in three different hierarchy levels depending on their liquidity and valuation methods. All Other loans are classified in level 3 and the fair value of these loans is based on cash-flow valuations.

Specification of other financial investment assets and derivative liabilities

Bonds and other interest-bearing securities

If Group's bonds and other interest-bearing securities by type of issuer at 31 December 2024 are shown below.

MSEK	2024				2023			
Type of issuer	**Nominal amount**	**%**	**Carrying amount**	**%**	**Nominal amount**	**%**	**Carrying amount**	**%**
Swedish government	3,749	3	4,751	4	3,749	4	4,662	4
Swedish public sector	1,070	1	1,088	1	1,433	1	1,450	1
Swedish mortgage companies	4,230	3	4,083	3	6,079	6	5,767	6
Swedish financial companies	20,335	16	20,179	16	22,560	21	21,846	21
Other Swedish companies	14,577	11	14,545	11	17,758	17	17,271	17
Foreign governments	3,221	3	3,237	3	988	1	968	1
Foreign public sector	4,713	4	4,607	4	4,550	4	4,576	4
Foreign financial companies	26,501	21	27,066	21	27,118	26	26,967	26
Other foreign companies	49,265	39	49,653	38	21,073	20	20,726	20
Total	**127,661**	**100**	**129,209**	**100**	**105,309**	**100**	**104,233**	**100**

Years to maturity [1]	**<1**	**1-2**	**2-3**	**3-4**	**4-5**	**5-6**	**6-7**	**7-8**	**8-9**	**9-30**	**Total**
Fair value %, 2024	13	17	23	15	11	5	7	1	2	5	**100**
Fair value %, 2023	11	16	20	24	14	6	4	2	0	2	**100**

[1] The maturity period is not adjusted for the possibility of early redemption of bonds.

Derivatives

	2024			2023		
MSEK **Derivative assets**	**Fair value**	**Carrying amount**	**Nominal amount**	**Fair value**	**Carrying amount**	**Nominal amount**
Fixed income derivatives	**171**	**171**	**2 408**	**17**	**17**	**1,000**
Currency derivatives						
Options	7	7	138	14	14	294
Futures	118	118	15,706	199	199	16,295
Total	**124**	**124**	**15,844**	**213**	**213**	**16,588**
Total derivative assets	**295**	**295**	**17,892**	**231**	**231**	**17,588**
of which, cleared by clearing house	*23*	*23*	*665*	*17*	*17*	*1,000*
Derivative liabilities						
Fixed income derivatives	**492**	**492**	**4,621**	**-**	**-**	**-**
Currency derivatives						
Options	2	2	136	7	7	294
Futures	223	223	15,924	636	636	17,129
Total	**717**	**717**	**20,681**	**643**	**643**	**17,423**
Total derivative liabilities	**717**	**717**	**20,681**	**643**	**643**	**17,423**
of which, cleared by clearing house	*283*	*283*	*3,585*	*-*	*-*	*-*

Financial investment assets and derivative liabilities measured at fair value

Within If Group, a thorough process is followed and controls are performed in order to determine fair values of financial assets and liabilities in accordance with applicable regulations. For example, controls are made against several different external sources and assessments of abnormal price changes are performed when necessary.

Different valuation methods are used to determine the fair value depending on the type of financial instruments and to what extent they are traded on active markets. In order to evaluate the activity in a market with respect to frequency and volume, If Group mainly uses information compiled by Bloomberg. Quoted shares are measured on the basis of latest trade prices on stock markets and are obtained from Bloomberg. The valuation of bonds is also usually based on prices from Bloomberg, where the last bid prices are used for quoted bonds. For model-valued interest-bearing instruments, yield curves based on last mid prices are used.

If Group's financial instruments, which are measured at fair value, are categorized in three different hierarchy levels depending on their valuation methods as well as how active the market is and available observable or unobservable inputs. The classification in hierarchy levels is reviewed quarterly. If conditions have changed for the existing level, the holding in question is moved to the correct hierarchy level.

Level 1 – Financial assets and liabilities with valuation based on quoted prices in active markets for identical assets or liabilities.

Quoted prices in active markets are considered the best estimate of an asset/liability's fair value. An active market is typically characterized by quoted prices that are easily available and that represent actual and regularly occurring transactions at arm's length.

Assets and liabilities in the category include shares, listed funds (ETF), equity and interest rate funds and interest-bearing assets that have quoted prices in an active market at the time of valuation.

Level 2 – Financial assets and liabilities with valuation based on quoted prices or valuation based on directly or indirectly observable market data.

In the level 2 hierarchy, all essential inputs are observable either directly or indirectly. The large majority of the instruments in level 2 are traded in a market with daily quoted prices and regularly occurring market transactions but where the market is not considered to be active enough regarding frequency and volume and/or when the standard deviation of the prices is high. A very limited part of the instruments is model-valued with the help of market data that is indirectly observable, meaning that prices can be derived from observable markets where market interest rates and underlying prices are normally updated daily or, in exceptional cases, at least on a monthly basis.

Instruments that are measured at level 2 include interest-bearing assets where the market is not active enough. Most OTC derivatives, standardized derivatives and currency derivatives are also included in this level.

Level 3 – Financial assets and liabilities with valuation based on unobservable inputs for the asset or liability.

When neither quoted prices in active markets nor observable market data is available, the fair value of financial instruments is calculated with valuation techniques that are based on non-observable market data.

Level 3 comprises private equity, unlisted shares and distressed assets encountering financial difficulties where trading has essentially ceased to exist.

The types of financial instruments classified as level 3 in the valuation hierarchy are discussed below with reference to type of securities and valuation method:

- Private equity is classified as level 3. The majority of If Group's investments in private equity is made in mutual funds. The fair values are based on prices and share values obtained from the funds' administrators. These quotations are based on the value of the underlying assets in accordance with market practice. The last obtained value is used.
- For some unlisted shares, external evaluations are obtained and used for valuation. The external valuations are based on models that contain non-observable assumptions.
- Other assets in level 3 are normally measured at least yearly and the valuation is based either on external estimates, cash flow analyses or latest market transactions.

Financial investment assets and derivative liabilities in fair value hierarchy

	2024				2023			
MSEK	Level 1	Level 2	Level 3	Total fair value	Level 1	Level 2	Level 3	Total fair value
Financial assets at fair value through profit or loss (mandatorily)								
Shares and participations [1]	15,215	350	101	15,666	13,740	17	47	13,804
Bonds and other interest-bearing securities	95,584	33,428	197	129,209	74,167	29,903	163	104,233
Derivatives								
Fixed income derivatives	-	171	-	171	-	17	-	17
Currency derivatives	-	124	-	124	-	213	-	213
Total financial investment assets, at fair value	**110,799**	**34,073**	**298**	**145,170**	**87,907**	**30,151**	**210**	**118,267**
Financial liabilities at fair value through profit or loss (mandatorily)								
Derivatives								
Fixed income derivatives	-	492	-	492	-	-	-	-
Currency derivatives	-	225	-	225	-	643	-	643
Total derivative liabilities, at fair value	-	**717**	-	**717**	-	**643**	-	**643**

[1] Mutual equity funds totaled MSEK 5,772 (4,810), of which MSEK 5,625 (4.794) was allocated to level 1, MSEK 132 to level 2 and MSEK 15 (16) to level 3

Transfers from level 1 to level 2 amounted to MSEK 2,537 (3,709) corresponding to 2.1% (3.1) of the outstanding balance for financial investment assets measured at fair value. Transfers from level 2 to level 1 amounted to MSEK 2,404 (4,196) corresponding to 2.0 % (3.5) of the outstanding balance for financial investment assets measured at fair value.

Financial investment assets in level 3

All financial assets in level 3 are categorized as financial assets at fair value through profit or loss (mandatorily). At 31 December the assets presented in level 3 amounted to MSEK 298 (210).

MSEK 2024	Carrying amount 1 Jan	Net gains/losses recorded in income statement	Purchases	Sales/ maturities	Transfers into/out of level 3	Exchange rate differences	Carrying amount 31 Dec	Net gains/ losses in income statement that are attributable to assets held at end of period
Financial assets at fair value through profit or loss (mandatorily)								
Shares and participations	48	0	53	-	-	1	101	0
Bonds and other interest-bearing securities	163	-	55	-32	-	11	197	-
Total	**210**	**0**	**108**	**-32**	**-**	**12**	**298**	**0**

MSEK 2023	Carrying amount 1 Jan	Net gains/losses recorded in income statement	Purchases	Sales/ maturities	Transfers into/out of level 3	Exchange rate differences	Carrying amount 31 Dec	Net gains/ losses in income statement that are attributable to assets held at end of period
Financial assets at fair value through profit or loss (mandatorily)								
Shares and participations	47	-18	29	-9	-	-1	48	-18
Bonds and other interest-bearing securities	30	10	125	-	-	-2	163	38
Total	**78**	**-8**	**153**	**-9**	**-**	**-3**	**210**	**20**

Sensitivity analysis of the fair values of financial investment assets in level 3

The sensitivity of the fair value of level 3 instruments to changes in key assumptions, by category and financial instrument, is shown below.

The following changes in key assumptions have been used:

– 1% increase in the yield curve for bonds and other interest-bearing securities.
– 20% decrease in prices for equity related securities.

	2024		2023	
MSEK	Carrying amount	Effect of reasonably possible alternative assumptions	Carrying amount	Effect of reasonably possible alternative assumptions
Financial assets, at fair value through profit or loss (mandatorily)				
Shares and participations [1]	101	-20	48	-10
Bonds and other interest-bearing securities	197	-12	163	-1
Total	**298**	**-32**	**210**	**-10**

[1] Includes holding in equity funds.

Impairment

The financial assets subject to impairment are those measured at amortized cost, which includes Other loans and related accrued interest. The impairment provision is based on a forward-looking expected credit loss model (ECL).

The expected credit losses are calculated as the present value of expected future losses based on a function of probability of default (PD), loss given default (LGD) and exposure at default (EAD). The PD is determined based on each investment's individual rating and thereto related default rate tables. The LGD is the estimated portion of the total receivable that may not be recovered in the event of default.

The ECL model has a three-stage approach based on changes in credit risk. A 12-month ECL (Stage 1) applies to all items, unless there is a significant increase in credit risk since initial recognition. For items where there is a significant increase in credit risk (Stage 2), or in default (Stage 3), lifetime ECL applies.

Loans are classified as Stage 1 at initial recognition and thereafter assessed if the credit risk has increased significantly, using both historic and forward-looking information in the assessment. For financial assets that have low credit risk (defined as investment grade) the assumption is that the credit risk has not increased significantly since initial recognition. A loan is considered to have a significant increase in credit risk and is transitioned to Stage 2 when a payment is more than 30 days past due. A loan is transitioned to Stage 3 when it is in default, which is when a payment is more than 90 days past due. All financial assets in Stage 3 are credit-impaired.

The table below shows the movement in the loss allowance for expected credit losses for the financial assets in scope of impairment. The gross exposure to expected credit losses for Other loans per stage amounts to MSEK 890 for stage 1. Refer to Note 5, table 11 for exposure by internal credit rating.

Movement in the allowance for expected credit losses for Other loans

	2024				2023			
MSEK **Movement in the allowance for expected credit losses for Other loans**	**12-month ECL Stage 1**	**Lifetime ECL - not credit-impaired Stage 2**	**Lifetime ECL-credit-impaired Stage 3**	**Total**	**12-month ECL Stage 1**	**Lifetime ECL - not credit-impaired Stage 2**	**Lifetime ECL-credit-impaired Stage 3**	**Total**
Opening balance	**7**	**-**	**10**	**17**	6	-	-	6
Net remeasurement of loss allowance	12	-	-	12	4	-	8	12
Transfer to lifetime ECL - credit-impaired	-	-	-	-	-1	-	1	0
Financial assets repaid	-	-	-10	-10	**-1**	**-**	**-**	**-1**
New financial assets acquired	-	-	-	-	-	-	-	-
Closing balance	**19**	**-**	**-**	**19**	**7**	**-**	**10**	**17**

Note 19 – Financial instruments set off in the balance sheet or subject to netting agreements

MSEK **Assets**	**2024**	**2023**
Derivatives		
Gross amount of recognized assets	295	231
Gross amounts of recognized liabilities offset against assets	-	-
Net amount presented in the balance sheet	**295**	**231**
Amounts not set off but subject to master netting agreements and similar agreements [1]		
Financial instruments	-97	-213
Cash collateral received	-65	-
Net amount	**134**	**17**

MSEK **Liabilities**	**2024**	**2023**
Derivatives		
Gross amount of recognized liabilities	717	643
Gross amounts of recognized assets offset against liabilities	-	-
Net amount presented in the balance sheet	**717**	**643**
Amounts not set off but subject to master netting agreements and similar agreements [1]		
Financial instruments	-97	-213
Cash collateral pledged	-605	-479
Net amount	**15**	**-50**

[1] Subject to a legally binding offsetting agreement, enforceable master netting arrangement or similar agreements. If has ISDA agreements with all derivative counterparties. Offsetting takes place in case of the counterparty's bankruptcy but not in running business.

Note 20 – Other debtors

MSEK	2024	2023
Receivables from policyholders, premium tax and other fees	1,030	1,177
Receivables patient-insurance pool for the public sector	643	703
Other insurance and reinsurance related receivables	2,324	1,470
Other debtors	624	215
Expected credit losses [1]	-43	-36
Total [2]	**4,579**	**3,530**

[1] Any expected credit losses are calculated according to the simplified approach. The amount is not significant for the If Group.

[2] Of which, MSEK 612 (682) is expected to be received later than 12 months after the closing date.

Note 21 – Tangible assets

MSEK	2024 Right-of-Use: Buildings	2024 Right-of-Use: Vehicles	2024 Buildings	2024 Other Tangible assets	2024 Total	2023 Right-of-Use: Buildings	2023 Right-of-Use: Vehicles	2023 Buildings	2023 Other Tangible assets	2023 Total
Accumulated acquisition value										
Opening balance	**2,646**	**67**	**-**	**918**	**3,631**	**2,551**	**50**	**-**	**887**	**3,488**
Additions	123	28	14	111	277	157	28	-	136	321
Acquisitions through business combinations	12	0	1,043	531	1,586	-	-	-	0	-
Disposals	-50	-16	0	-83	-149	-1	-7	-	-87	-95
Translation differences	16	-1	34	26	75	-61	-4	-	-17	-82
Closing balance	**2,747**	**78**	**1,090**	**1,504**	**5,420**	**2,646**	**67**	**-**	**918**	**3,631**
Accumulated depreciation and impairment										
Opening balance	**-1,048**	**-25**	**-**	**-591**	**-1,664**	**-803**	**-21**	**-**	**-549**	**-1,374**
Depreciation and impairments during the year	-283	-14	0	-129	-426	-265	-10	-	-122	-397
Acquisitions through business combinations	-7	-	-2	-352	-360	-	-	-	1	1
Disposals	14	16	-	69	99	1	5	-	70	76
Translation differences	-8	0	0	-18	-26	19	1		9	30
Closing balance	**-1,332**	**-23**	**-2**	**-1,021**	**-2,378**	**-1,048**	**-25**	**-**	**-591**	**-1,664**
Carrying amount, closing balance	**1,415**	**55**	**1,088**	**484**	**3,044**	**1,598**	**42**	**-**	**326**	**1,966**

Lease contracts where If acts as lessee mainly pertain to premises, vehicles and office equipment. Right-of-use assets relate to lease contracts for large office premises and vehicles.

If leases premises and vehicles for its own use and the expected lease term varies from 1 to 11 years for premises and 2 to 6 years for vehicles. Most contracts include an option to extend the contract at the term end and some lease contracts have an option to terminate the contract before the term end.

Variable lease payments are linked to consumer price indexes.

Expenses relating to lease contracts not recognized in the balance sheet amount to MSEK 36 (47) and the total cash outflow for leases amounts to MSEK 358 (341).

For more information on leases, refer to Note 1 Accounting policies, Note 12 Investment result and Note 29 Other creditors.

Note 22 – Other prepaid expenses and accrued income

MSEK	2024	2023
Accrued income	934	402
Prepaid expenses	191	225
Total	**1,125**	**627**

Note 23 – Subordinated debt

MSEK	2024 Fair value [1]	2024 Carrying amount	2023 Fair value [1]	2023 Carrying amount
Subordinated debt	1,728	1,728	1,548	1,496

[1] According to If Group's application of IFRS 9, the subordinated debt is carried at amortized cost. Fair value is only presented for disclosure purposes. Financial instruments with fair value information are classified in three different hierarchy levels depending on their liquidity and valuation methods. The subordinated loans included are classified in level 2 and the fair value is based on prices in inactive markets.

MSEK Issuer	Issuance year	Original nominal value	Maturity	Interest rate	2024 Carrying amount	2023 Carrying amount
If P&C Insurance Holding Ltd (publ)	2021	MSEK 1,500	30 years	3-month STIBOR + 1.30%	1,498	1,496
Topdanmark Forsikring A/S	2021	MDKK 700 [1]	10 years	3-month CIBOR + 1.25 %	1,076	-
Topdanmark Forsikring A/S	2022	MDKK 400	Perpetual	3-month CIBOR + 4.75 %	615	-
Elimination of internally held subordinated loans					-1,460	**-**
Total					**1,728**	**1,496**

[1] After partial redemption in 2022.

The loan of MSEK 1,500 was issued in March 2021 with floating interest rate terms. The loan includes terms stating the right of redemption after five years, at any date for a three-month period after the first five years and thereafter at any interest payment date. The loan is listed on the Luxembourg Stock Exchange (BdL Market).

The loan of MDKK 700 was issued in December 2021 with floating interest rate terms. The loan includes terms stating the right of redemption after five years and at any interest payment date thereafter. The loan is fully subscribed by If P&C Insurance Ltd (publ).

The loan of MDKK 400 was issued in December 2022 with floating interest rate terms. The loan includes terms stating the right of redemption after five years, at any date for a three-month period after the first five years and thereafter at any interest payment date. MDKK 250 of the loan is subscribed by If P&C Insurance Ltd (publ).

Note 24 – Insurance liabilities and reinsurance assets

Table 1
Insurance liabilities, net

	2024			2023		
MSEK	Gross	Ceded	Net	Gross	Ceded	Net
Liability/asset for remaining coverage						
Premiums received/paid	14,378	218	14,160	10,595	403	10,191
Acquisition cash flows	-735	-	-735	-490	-	-490
Loss component	69	-	69	192	-	192
	13,711	**218**	**13,494**	**10,297**	**403**	**9,893**
Acquisition cash flow asset	**-225**	**-**	**-225**	**-73**	**-**	**-73**
	13,486	**218**	**13,269**	**10,224**	**403**	**9,820**
Liability/asset for incurred claims						
Present value of estimated future cash flows						
Incurred and reported claims	38,969	7,312	31,657	23,728	5,038	18,690
Incurred but not reported claims (IBNR)	21,389	813	20,576	22,003	635	21,368
Annuities	23,094	2	23,093	18,805	2	18,804
Claims handling expenses	2,459	-	2,459	2,457	-	2,457
Risk of non-performance by reinsurer	-	-14	14	-	-14	14
Risk adjustment (discounted)	2,856	292	2,564	1,945	186	1,759
	88,766	**8,405**	**80,362**	**68,938**	**5,848**	**63,091**
Total	**102,253**	**8,622**	**93,631**	**79,162**	**6,251**	**72,911**

Valuation of insurance liabilities

The insurance liabilities reflect the liability If Group has for its insurance undertakings, meaning the insurance contracts underwritten. The liability consists of two parts, the liability for remaining coverage and acquisition cash flow assets as well as the liability for incurred claims.

The liability for remaining coverage relates to the obligation to investigate and pay valid claims that have not yet occurred. The liability consists of the part of premium payments received relating to insurance services that are to be provided after the closing date (i.e. relating to the unexpired portion of the insurance coverage), adjusted for acquisition cash flows.

The liability for incurred claims relates to the obligation to investigate and pay valid claims that have occurred. The liability is designed to cover anticipated future payments for all claims incurred, including claims not yet reported to If Group, referred to as IBNR.

Liability for remaining coverage and acquisition cash flow asset

Premiums received net of acquisition cash flows

The liability for remaining coverage is measured using the Premium Allocation Approach (PAA) for all portfolios. For groups of insurance contracts with a significant share of multi-year policies, an assessment is performed to ascertain that the resulting value of the liability does not differ materially from the value had the General Measurement Model (GMM) been applied.

When applying the PAA, the liability for remaining coverage is measured on initial recognition based on premiums received less insurance acquisition cash flows paid. The premiums received are determined by using an indirect method whereby the unearned premium reserve, corresponding to the portion of total gross written premiums that relates to the remaining part of the coverage period, is offset by any outstanding premium receivables at the closing date.

Loss component

A loss component is to be reported for any groups of onerous contracts. Since the premium allocation approach is applied, the groups of contracts are assumed to not be onerous unless facts and circumstances indicate otherwise. Internal management information regarding the insurance service result per the financial planning process has been used to identify any onerous groups of contracts.

If performs a comprehensive check on a yearly basis to identify any onerous groups of contracts. A group that is onerous or has a significant risk of becoming onerous is then monitored during the year and a loss component is reported in the liability for remaining coverage if necessary. The loss component is calculated as the difference in the liability measured using the general measurement model compared with the premium allocation approach. A very limited number of onerous groups of contracts have been identified.

Acquisition cash flow asset

Any acquisition cash flows paid relating to a group of insurance contracts not yet recognized are presented as a separate acquisition cash flow asset included in the portfolio's total carrying amount of the insurance liability.

Liability for incurred claims

The liability for incurred claims (claims reserve) is intended to cover the estimated future payments of all claims incurred, including claims not yet reported to If Group (IBNR) and all claims handling expenses. The estimated future cash flows (best estimate) in direct property and casualty insurance and reinsurance are calculated with the aid of statistical methods or through assessments of individual claims. Often a combination of the two methods is used, meaning large claims are assessed individually while small claims that occur more frequently (frequency claims) and claims incurred but not reported (IBNR) are calculated using statistical methods. The best estimate of incurred claims is divided into reported claims incurred (case reserves and annuities) and unreported claims incurred (IBNR) as well as a liability for claims handling expenses.

In addition to the best estimate, the liability for incurred claims includes an explicit risk adjustment for non-financial risk (risk adjustment), which reflects the uncertainty in the amount and timing of cash flows arising from non-financial risk. Both the best estimate and risk adjustment are discounted to present value.

The corresponding methods as for measuring the insurance contracts issued are applied when measuring the reinsurance contracts held. The asset for incurred claims also takes into consideration the effect of the risk of non-performance by the reinsurer (credit risk adjustment).

Description of methods

Estimated future cash flows (Best estimate)

If Group uses a number of statistical methods to determine the final claims expense that If Group is obliged to pay. Reported claims (case reserves) are either individually assessed or determined by statistical methods depending on claims size.

The most common methods for estimating IBNR amounts are Chain-ladder and Bornhuetter-Ferguson. The Chain-ladder method may be based on various types of data such as outgoing payments, claims expense or the number of claims. Historical claims trend factors and a selection of estimates of future development factors are analyzed. The selection of development factors is subsequently applied to the known expense to date for claims for each accident year (which are not yet fully developed) that is to be estimated. This provides an estimate of the anticipated claims expenses for each accident year. The Chain-ladder methodology is most suitable for insurance portfolios that have a relatively stable progression. The method is less applicable in cases that lack sufficient historical data, e.g. for new insurance products or portfolios with a long lag in claims reporting. For these portfolios, the Bornhuetter-Ferguson method is most frequently used. It is based partly on a combination of claims history and partly on exposure data, such as the numbers of insured parties or premiums written. The actual claims history is given greater weight for older developed accident years while, for more recent years, the known exposure is weighted to a greater degree towards experience from similar portfolios and product areas.

The liability relating to claims handling expenses is estimated based on allocated claims handling expenses for each portfolio in relation to the best estimate incurred claims (case reserves, annuities and IBNR).

The best estimate relating to annuities is determined by life insurance techniques, using the Lee-Miller mortality model based on population data in each country in order to model longevity trends.

For liability amounts, other than annuities, the estimated future cash flows are derived from the undiscounted best estimate incurred claims by using standard actuarial methods, i.e. applying development patterns from reserve modelling. For amounts relating to annuities, cash flows follow from the use of life insurance techniques.

Risk adjustment for non-financial risk

The risk adjustment reflects the uncertainty in the amount and timing of cash flows arising from non-financial risk. The risk adjustment is derived through a confidence level technique whereby management has determined the appropriate quantile reflecting the compensation required for bearing non-financial risk and the degree of risk aversion. The confidence level applied in calculating the risk adjustment has been set to 85% at entity level. The risk adjustment at group level is the sum of the contributions from each legal entity. Diversification between legal entities is immaterial and therefore the confidence level for If Group is also 85%.

The risks considered in estimating the risk adjustment are reserve risk, longevity risk for annuities and inflation risk. The reserve risk is determined by triangular techniques, while the longevity risk for annuities is determined from the Lee Miller model. The inflation risk is determined using inflation scenarios. Since the effect of changes in indexation of annuities is considered to be a financial risk, it is excluded when measuring the risk adjustment for inflation risk.

Discounting

The discount rates are market-based yield curves, constructed by deriving a risk-free rate from swap rates and an illiquidity premium that is added to the risk-free rate. Discount rates are constructed separately for the main currencies.

In the income statement, the change in discounting effect is divided into the effect presented in insurance service result and insurance finance income or expenses. The change in discounting effect due to changes in underlying best estimate or changes in payment patterns is presented in the insurance service result. The change in discounting effect due to changes in interest rates and interest expense/income (unwinding) is presented in insurance finance income or expenses. The decomposition is calculated relative to the quarterly opening balance and interest rates at the start of each quarter. The method for decomposition in the income statement was updated during 2023, whereby the reference point for opening balance and interest rates was changed from beginning of the year to beginning of each quarter.

Risk of non-performance by reinsurer

The risk of non-performance is a credit risk adjustment to the asset for incurred claims based on the loss given default as a function of the rating of each reinsurer. Given the structure of If's reinsurance and the composition of the reinsurance panel, this is a minor adjustment.

Assumptions and sensitivity

The assumptions and parameters used in measuring the liability for incurred claims are adjusted each quarter, except for the discount rates which are determined monthly.

If Group is exposed to personal claims arising primarily from obligatory Motor Third Party Liability and Workers' Compensation policies. Of the liability for incurred claims, more than half is attributable to these two insurance categories. If Group issues Motor Third Party Liability insurance in the Nordic region and in the Baltic countries. Workers' Compensation is issued in Norway, Denmark, and Finland. From a customer perspective, the scope of the obligatory insurance provided is essentially similar. However, the portion covered by personal insurance and the portion financed through the state social security system differs among the various countries.

There are a number of factors affecting liabilities and their uncertainty. The most important assumptions for portfolios dominated by personal claims are:

– inflation;
– discount rate;
– mortality and
– effect of legislative amendments and court practices.

Inflation

The anticipated inflation trend is observed in all estimated future cash flows but is primarily important in claims settled over a long period of time. For long-tailed business, such as Motor Third Party

Liability and Workers' Compensation, assessments are made in-house regarding the future cost trend. This is based on external assessments of the future inflation trend in various areas, such as the consumer price index and payroll index, combined with If Group's own evaluation of cost increases for various types of compensation. For example, compensation costs can rise due to new or amended legislation or practices. Various national rules mean that the sensitivity implications of the assumptions underlying inflation differ quite substantially between countries.

A large share of the claims expense in mandatory insurance consists of compensation for loss of income, which in terms of legislation is usually associated with a pre-defined index for the value adjustments of compensation.

In Finland, compensation is paid out in the form of annuities and future value adjustments are dealt with off the balance sheet in a non-funded pool system. This limits the inflation risk. In Sweden, compensation is also paid out in the form of annuities over a long period and the liabilities must cover future value adjustments. The same also applies to Danish Workers Compensation insurance. This entails substantial sensitivity to changes in inflation.

In Norway and in Danish Motor Third Party Liability insurance, compensation is paid as a lump sum. Since the duration in this case is relatively short, the inflation risk is reduced. Refer to Note 5, Risks and risk management, for a sensitivity analysis of inflation.

Discount rate

Market-based yield curves are constructed based on a risk-free rate and an illiquidity premium for each of the main currencies. The risk-free rate is derived based on swap rates deducted with a credit risk adjustment, currently aligned with the methodology to derive EIOPA's risk-free interest rates applied for Solvency II-reporting. This also comprises the last liquid point and the extrapolation method and assumptions, which includes the ultimate forward rate. The risk-free interest rate is adjusted with an illiquidity premium, which is derived from the spread between bond yields after credit risk premium adjustment and risk-free rates. An illiquidity premium is added to the risk-free rate up to the last liquid point and thereafter extrapolated with the same assumptions as the risk-free rate.

The table below shows the present value of the estimated future cash flows and the weighted average discount rates for the significant currencies in the group. Refer to Note 5, Risks and risk management, for a sensitivity analysis of the discount interest rate.

Mortality

The reserve risk for mortality is related to annuities, since actual mortality may be lower than the mortality assumptions made when assessing the liability. If Group employs the Lee-Miller mortality model with parameters based on population data in each country.

Table 2
Discount rate

	SEK		EUR		NOK		DKK		Other including Topdanmark		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net liability for incurred claims (MSEK)	15,985	16,717	24,462	23,796	12,221	13,102	7,405	7,117	20,290	2,360	80,362	63,091
Discount rate, weighted average (%)	3.3%	3.1%	2.5%	2.7%	4.4%	4.0%	2.3%	2.5%	-	-	-	-

These models are If Group-specific, with the exception of Finland where If Group has applied the K2021 reference mortality model (also based on Lee-Miller). The main advantage of using more modern mortality models like Lee-Miller is that they allow for modelling of trends in population mortality rather than being static. The assumptions for mortality are generally differentiated in terms of age, gender and year of birth. Refer to Note 5, Risks and risk management, for a sensitivity analysis of mortality.

Effects of legislative amendments and court practices

When determining the liability, it is virtually impossible to take into account amendments to legislation and practices that may affect future expenses. However, there are methods for managing this uncertainty. Firstly, as described above, the inflation assumptions are adjusted somewhat to take into account historical experience of the various insurance categories. In cases where individual claims issues are subject to legal examination and for which there is a risk of a negative and prejudicial decision that will affect other claims, the liabilities for similar claims are adjusted.

Changes in 2024

During the year, the reported increase in gross liabilities for incurred claims amounted to MSEK 19,828, of which MSEK 18,294 is due to the consolidation of Topdanmark including Oona Health A/S. Excluding this transaction, the gross liabilities increased by MSEK 1,534. Effects of exchange rate changes amounted to a decrease of MSEK 1,181. Consequently the real changes in the liability for incurred claims adjusted for currency effects amounted to an increase of MSEK 354. The best estimate decreased by MSEK 694 and MSEK 940 of the reserve increase is due to a lower discounting of the best estimate mostly stemming from euro rates. In addition, the discounted risk adjustment increased the claims reserve by MSEK 108. By geographical area, the major changes in gross undiscounted best estimate were as follows:

- Undiscounted best estimate in the Swedish operation, including branches of Business Area Industrial, decreased by MSEK 1,862. The largest change was seen in Motor Third Party Liability Insurance with a decrease of over MSEK 900. Reserves for Property Insurance, Accident Insurance and Liability insurance all decreased over MSEK 300. Other lines showed only limited changes.
- Undiscounted best estimate in the Norwegian operation decreased by MSEK 752. Here the largest changes were a decrease in reserves for Motor Third Party Liability Insurance by close to MSEK 800, and a decrease in reserves for Property insurance by almost MSEK 500 while reserves for Accident insurance increased by over MSEK 700 to a large degree driven by increased annuity reserves.
- Undiscounted best estimate in the Danish operation increased by MSEK 2,027 of which over MSEK 1,800 in reserves for Property insurance due to a single claim. Reserves for Workers' Compensation insurance increased by over MSEK 200, primarily driven by increases in annuity reserves.
- Undiscounted best estimate in the Finnish operation decreased by MSEK 476 in total. Here reserves for Workers' Compensation Insurance and Motor Third Party Liability Insurance decreased by more than MSEK 800 and more than MSEK 400 respectively, while reserves for Property Insurance increased by over MSEK 700 primarily due to a single claim.

– Undiscounted best estimate in the Baltic operations increased by MSEK 123, including an increase of close to MSEK 100 in reserves for Property insurance mostly in Estonia.

The asset for incurred claims (reinsurers' share of liability for incurred claims) increased by MSEK 2,557 of which MSEK 848 is due to the consolidation of Topdanmark and MSEK 108 is the investment component part of the structured reinsurance solution. Effects of changes in exchange rates amounted to an increase of MSEK 164, consequently the real change adjusted for currency effects was an increase of MSEK 1,545 including investment components. The best estimate of asset for incurred claims increased by MSEK 1,493 including investment components. The increase is mainly due to ceded reserves in Property insurance which is attributable to two very large claims in Denmark and Finland. The change in discounting effect of ceded best estimate amounted to a decrease of MSEK 15 while the discounted ceded risk adjustment increased by MSEK 66 and the risk of non-performance by the reinsurers increased by MSEK 1.

Movements in insurance liabilities and reinsurance assets

The following reconciliations from opening to closing balances show how the carrying amounts of the liability for remaining coverage and the liability for incurred claims changed during the year as a result of amounts recognized in the statement of total comprehensive income and cash flows.

Table 3a
Changes in insurance liabilities, Group

	2024					2023				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
MSEK	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment		Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment	
Opening balance	**10,104**	**192**	**66,993**	**1,945**	**79,235**	**9,649**	**82**	**62,894**	**1,807**	**74,433**
Changes in Total comprehensive income										
Insurance revenue	-68,045				**-68,045**	-61,158				**-61,158**
Insurance service expenses										
Incurred claims, current year			48,342	727	**49,069**			45,020	664	**45,684**
Acquisition cash flow expenses	1,321				**1,321**	1,149				**1,149**
Change in liability for incurred claims, prior year (past services)			-2,397	-367	**-2,764**			-2,116	-498	**-2,614**
Change in loss component (future services)		-128			**-128**		110			**110**
Insurance finance income or expenses, insurance contracts			2,353	63	**2,415**			3,898	-	**3,898**
Translation differences	91	0	894	28	**1,013**	-159	-	-1,052	-28	**-1,240**
Total changes in Total comprehensive income	**-66,633**	**-128**	**49,193**	**451**	**-17,118**	**-60,168**	**110**	**45,750**	**138**	**-14,170**
Cash flows during the period										
Received premiums [1]	67,294				**67,294**	61,825				**61,825**
Paid insurance claims [1]			-48,484		**-48,484**			-41,651		**-41,651**
Paid acquisition cash flows	-1,431				**-1,431**	-1,202				**-1,202**
Total cash flows during the period	**65,863**	**-**	**-48,484**	**-**	**17,379**	**60,623**	**-**	**-41,651**	**-**	**18,972**
Business combinations	**4,290**	**5**	**18,165**	**456**	**22,917**	**-**	**-**	**-**	**-**	**-**
Other	**18**	**-**	**43**	**4**	**65**	**-**	**-**	**-**	**-**	**-**
Closing balance	**13,642**	**69**	**85,911**	**2,856**	**102,478**	**10,104**	**192**	**66,993**	**1,945**	**79,235**

[1] Not fully aligned with the cash flow statement which also includes effects of assets or liabilities reported within Debtors and Other creditors which are not part of the insurance liabilities e.g. premium tax receivables, prepaid premiums, claim recourse receivables and settlement accounts.

Table 3b
Changes in insurance liabilities, Business Area Private

	2024					2023				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
MSEK	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment		Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment	
Opening balance	**5,087**	**192**	**28,298**	**782**	**34,360**	**5,115**	**82**	**27,616**	**739**	**33,553**
Changes in Total comprehensive income										
Insurance revenue	-34,357				**-34,357**	-32,880				**-32,880**
Insurance service expenses										
Incurred claims, current year			24,522	242	**24,765**			23,864	228	**24,093**
Acquisition cash flow expenses	1				**1**	-				**-**
Change in liability for incurred claims, prior year (past services)			-1,201	-239	**-1,439**			-1,261	-177	**-1,438**
Change in loss component (future services)		-124			**-124**		110			**110**
Insurance finance income or expenses, insurance contracts			841	23	**863**			1,861	-	**1,861**
Translation differences	16	-	222	7	**245**	-86	-	-473	-8	**-567**
Total changes in Total comprehensive income	**-34,340**	**-124**	**24,385**	**33**	**-10,046**	**-32,966**	**110**	**23,992**	**43**	**-8,820**
Cash flows during the period										
Received premiums	34,498				**34,498**	32,937				**32,937**
Paid insurance claims			-24,774		**-24,774**			-23,309		**-23,309**
Paid acquisition cash flows	-88				**-88**	-				**-**
Total cash flows during the period	**34,410**	**-**	**-24,774**	**-**	**9,636**	**32,937**	**-**	**-23,309**	**-**	**9,628**
Other	**8**	**-**	**15**	**1**	**24**	**-**	**-**	**-**	**-**	**-**
Closing balance	**5,165**	**68**	**27,924**	**817**	**33,974**	**5,087**	**192**	**28,298**	**782**	**34,360**

Table 3c
Changes in insurance liabilities, Business Area Commercial

MSEK	2024					2023				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment		Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment	
Opening balance	**1,803**	**-**	**19,328**	**441**	**21,571**	**1,868**	**-**	**18,959**	**426**	**21,254**
Changes in Total comprehensive income										
Insurance revenue	-15,748				**-15,748**	-15,232				**-15,232**
Insurance service expenses										
Incurred claims, current year			12,404	195	**12,599**			10,722	142	**10,864**
Acquisition cash flow expenses	747				**747**	682				**682**
Change in liability for incurred claims, prior year (past services)			-965	-146	**-1,111**			-808	-119	**-927**
Change in loss component (future services)		-					-			**-**
Insurance finance income or expenses, insurance contracts		-	738	16	**753**		-	1,100	-	**1,100**
Translation differences	17	-	277	5	**299**	-59	-	-367	-9	**-435**
Total changes in Total comprehensive income	**-14,984**	**-**	**12,454**	**70**	**-2,459**	**-14,609**	**-**	**10,647**	**14**	**-3,947**
Cash flows during the period										
Received premiums	15,844				**15,844**	15,251				**15,251**
Paid insurance claims			-11,550		**-11,550**			-10,279		**-10,279**
Paid acquisition cash flows	-809				**-809**	-708				**-708**
Total cash flows during the period	**15,034**	**-**	**-11,550**	**-**	**3,485**	**14,543**	**-**	**-10,279**	**-**	**4,264**
Other	**29**	**-**	**12**	**2**	**42**	**-**	**-**	**-**	**-**	**-**
Closing balance	**1,882**	**-**	**20,244**	**513**	**22,639**	**1,803**	**-**	**19,328**	**441**	**21,571**

Table 3d
Changes in insurance liabilities, Business Area Industrial

	2024					2023				
	Liability for remaining coverage		**Liability for incurred claims**		**Total**	**Liability for remaining coverage**		**Liability for incurred claims**		**Total**
MSEK	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment		Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment	
Opening balance	**2,702**	**-**	**17,660**	**623**	**20,985**	**2,206**	**-**	**14,766**	**551**	**17,523**
Changes in Total comprehensive income										
Insurance revenue	-11,776				**-11,776**	-10,486				**-10,486**
Insurance service expenses										
Incurred claims, current year			7,655	223	**7,879**			8,875	261	**9,136**
Acquisition cash flow expenses	305				**305**	282				**282**
Change in liability for incurred claims, prior year (past services)			166	-207	**-42**			57	-179	**-122**
Change in loss component (future services)		-			**-**		-			**-**
Insurance finance income or expenses, insurance contracts		-	665	21	**686**		-	882	-	**882**
Translation differences	78	-	543	17	**639**	-11	-	-205	-10	**-227**
Total changes in Total comprehensive income	**-11,393**	**-**	**9,029**	**54**	**-2,310**	**-10,215**	**-**	**9,608**	**72**	**-534**
Cash flows during the period										
Received premiums	11,635				**11,635**	11,007				**11,007**
Paid insurance claims			-8,660		**-8,660**			-6,714		**-6,714**
Paid acquisition cash flows	-325				**-325**	-296				**-296**
Total cash flows during the period	**11,310**	**-**	**-8,660**	**-**	**2,650**	**10,711**	**-**	**-6,714**	**-**	**3,997**
Other	**23**	**-**	**16**	**1**	**40**	**-**	**-**	**-**	**-**	**-**
Closing balance	**2,643**	**-**	**18,046**	**678**	**21,366**	**2,702**	**-**	**17,660**	**623**	**20,985**

Table 3e
Changes in insurance liabilities, Business Area Baltic

	2024					2023				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
MSEK	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment		Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment	
Opening balance	**512**	**-**	**1,708**	**99**	**2,318**	**459**	**-**	**1,553**	**91**	**2,103**
Changes in Total comprehensive income										
Insurance revenue	-2,801				**-2,801**	-2,561				**-2,561**
Insurance service expenses										
Incurred claims, current year			1,882	40	**1,922**			1,693	32	**1,725**
Acquisition cash flow expenses	204				**204**	185				**185**
Change in liability for incurred claims, prior year (past services)			-135	-31	**-166**			-105	-23	**-127**
Change in loss component (future services)		-					-			**-**
Insurance finance income or expenses, insurance contracts		-	67	4	**71**		-	55	-	**55**
Translation differences	17	-	56	3	**76**	-3	-	-8	0	**-11**
Total changes in Total comprehensive income	**-2,580**	**-**	**1,871**	**16**	**-693**	**-2,379**	**-**	**1,636**	**9**	**-734**
Cash flows during the period										
Received premiums	2,824				**2,824**	2,629				**2,629**
Paid insurance claims			-1,674		**-1,674**			-1,482		**-1,482**
Paid insurance acquisition cash flows	-209				**-209**	-198				**-198**
Total cash flows during the period	**2,615**	**-**	**-1,674**	**-**	**941**	**2,431**	**-**	**-1,482**	**-**	**949**
Closing balance	**547**	**-**	**1,904**	**115**	**2,566**	**512**	**-**	**1,708**	**99**	**2,318**

Table 3f
Changes in insurance liabilities, Business Area Topdanmark

	2024					2023				
	Liability for remaining coverage		**Liability for incurred claims**		**Total**	**Liability for remaining coverage**		**Liability for incurred claims**		**Total**
MSEK	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment		Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment	
Opening balance	-	-	-	-	-	-	-	-	-	-
Changes in Total comprehensive income										
Insurance revenue	-3,093				**-3,093**	-				-
Insurance service expenses										
Incurred claims, current year			1,906	-4	**1,902**			-	-	-
Acquisition cash flow expenses	64				**64**	-				-
Change in liability for incurred claims, prior year (past services)			-262	256	**-6**			-	-	-
Change in loss component (future services)		-4			**-4**		-			-
Insurance finance income or expenses, insurance contracts			41	-	**41**			-	-	-
Translation differences	-41	0	-208	-5	**-253**	-	-	-	-	-
Total changes in Total comprehensive income	**-3,069**	**-4**	**1,478**	**247**	**-1,349**	-	-	-	-	-
Cash flows during the period										
Received premiums	2,075				**2,075**	-				-
Paid insurance claims			-2,052		**-2,052**			-		-
Paid insurance acquisition cash flows	0				**0**	-				-
Total cash flows during the period	**2,075**	**-**	**-2,052**	**-**	**23**	-	-	-	-	-
Business combinations	**4,290**	**5**	**18,165**	**456**	**22,917**	-	-	-	-	-
Other	**-41**	**-**	**-**	**-**	**-41**	-	-	-	-	-
Closing balance	**3,255**	**1**	**17,591**	**703**	**21,550**	-	-	-	-	-

The following reconciliations from opening to closing balances show how the carrying amounts of the asset for remaining coverage and the asset for incurred claims changed during the year as a result of amounts recognized in the statement of total comprehensive income and cash flows.

Table 4

Changes in reinsurance assets

	2024				2023			
	Asset for remaining coverage	Asset for incurred claims		Total	Asset for remaining coverage	Asset for incurred claims		Total
MSEK		Present value of future cash flows	Risk adjustment			Present value of future cash flows	Risk adjustment	
Opening balance	**403**	**5,661**	**186**	**6,251**	**312**	**2,510**	**112**	**2,934**
Changes in Total comprehensive income								
Reinsurance premium expenses	-5,028			**-5,028**	-3,832			**-3,832**
Reinsurers' share of claims incurred								
Incurred claims, current year		3,319	123	**3,442**		3,887	111	**3,998**
Change in asset for incurred claims, prior year (past service)		369	-47	**322**		469	-33	**435**
Change in risk of non-performance by reinsurer		1		**1**		1		**1**
Insurance finance income or expenses, reinsurance contracts held		220	7	**227**		97	-	**97**
Translation differences	17	101	4	**122**	-8	-60	-4	**-71**
Total changes in Total comprehensive income	**-5,011**	**4,009**	**88**	**-913**	**-3,840**	**4,393**	**74**	**628**
Investment components	**-284**	**284**		**-**	**-**	**-**		**-**
Cash flows during the period								
Paid premiums	4,971			**4,971**	3,931			**3,931**
Received insurance claims		-2,673		**-2,673**		-1,242		**-1,242**
Total cash flows during the period	**4,971**	**-2,673**	**-**	**2,299**	**3,931**	**-1,242**	**-**	**2,689**
Business combinations	**137**	**832**	**18**	**986**	**-**	**-**	**-**	**-**
Closing balance	**218**	**8,113**	**292**	**8,622**	**403**	**5,661**	**186**	**6,251**

The following reconciliation from opening to closing balance shows how the carrying amount of the acquisition cash flow asset changed during the year.

Table 5

Changes in acquisition cash flow asset

MSEK	2024	2023
Opening balance	**73**	**-**
Cash flows recognised as an asset	134	73
Business combinations	65	-
Amounts transferred to liability for remaining coverage	-45	-
Translation differences	-2	0
Closing balance	**225**	**73**

The following table shows the expected timing of when the acquisition cash flow asset will be derecognized and instead included in the liability for remaining coverage of the group of insurance contracts to which they are allocated.

Table 6

Expected timing of derecognition

MSEK					
2024	**2025**	**2026-2027**	**2028-2029**	**2030-**	**Total**
Acquisition cash flow asset	84	71	16	**53**	**225**
		-			
2023	**2024**	**2025-2026**	**2027-2028**	**2029-**	**Total**
Acquisition cash flow asset	4	41	27	-	**73**

Claims development

In addition to the sensitivity analysis, the development of prior-year estimates of the claims expense for individual accident years also represents a measure of If Group's ability to forecast final claims expenses. The tables below show the expense development for the accident years 2015-2024, before and after reinsurance.

The upper part of the table shows how the estimate of the total claims expense per accident year has developed annually in terms of the undiscounted fulfilment cash flows (i.e. consisting of both best estimate and risk adjustment). The lower section shows how large a share of this is presented in the balance sheet. All claim years are excluding discounting effects to the extent possible.

Since If Group has operations in various countries, the portfolio is exposed to a number of currencies. To adjust for currency effects, the local reporting currency has been translated to SEK at the closing rate on 31 December 2024. Consequently, the table is not directly comparable with the corresponding tables reported in previous years, since all accident years include translated information and closing rates are used throughout. The table is also not directly comparable with the income statement where average rates throughout the year are applied, and since the effect is partially presented in claims incurred and partially within insurance finance income or expenses when relating to changes in indexation of annuities.

Additional premiums for reinstatement of the reinsurance cover are reported as ceded paid claims in the income statement since these payments are contingent on claims. Consequently, the net paid amount exceeds gross paid amounts for accident year 2024 in the table.

Table 7a MSEK **Claims costs, gross** **Accident year**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
Estimated claims expense:											
at the close of the accident year	38,284	37,519	37,501	39,696	41,093	42,922	43,083	46,287	54,438	57,379	
one year later	38,550	37,867	38,106	40,861	41,800	43,120	44,694	47,530	55,440		
two years later	38,195	37,639	37,850	41,272	42,018	43,370	44,599	46,864			
three years later	37,880	37,011	37,989	41,551	42,534	43,207	44,028				
four years later	37,454	36,667	37,586	41,733	42,419	42,711					
five years later	37,161	36,801	37,655	41,423	41,948						
six years later	36,923	36,806	37,449	41,283							
seven years later	37,121	36,480	37,145								
eight years later	36,830	36,304									
nine years later	36,661										
Current estimate of total claims expense	36,661	36,304	37,145	41,283	41,948	42,711	44,028	46,864	55,440	57,379	
Total disbursed	34,736	34,296	34,888	38,291	38,602	39,138	38,744	39,731	41,822	29,954	
Liability (gross) reported in the balance sheet	1,925	2,008	2,258	2,992	3,346	3,573	5,284	7,132	13,618	27,425	69,561
of which annuities	*987*	*876*	*956*	*1,402*	*1,027*	*938*	*1,049*	*922*	*580*	*114*	*8,852*
Liability (gross) relating to 2014 and prior years											30,560
of which annuities											*23,892*
Risk adjustment											3,281
Liability for claims handling expenses											2,779
Discounting effect, gross											-17,415
Total liability for incurred claims											**88,766**

Table 7b MSEK **Claims cost, net of reinsurance** **Accident year**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
Estimated claims expense:	37,300	36,260	36,600	38,535	40,049	40,547	41,043	44,811	49,834	53,495	
at the close of the accident year	37,507	36,423	37,218	39,505	40,612	40,541	42,295	45,757	50,470		
one year later	37,139	36,174	36,919	39,905	40,793	40,807	41,980	45,130			
two years later	36,911	35,633	37,058	40,199	41,328	40,660	41,360				
three years later	36,398	35,283	36,668	40,331	41,228	40,150					
four years later	36,215	35,320	36,856	40,033	40,719						
five years later	35,996	35,354	36,646	39,882							
six years later	36,215	35,038	36,337								
seven years later	35,926	34,878									
eight years later	35,732										
nine years later											
Current estimate of total claims expense	35,732	34,878	36,337	39,882	40,719	40,150	41,360	45,130	50,470	53,495	
Total disbursed	33,862	33,037	34,141	36,969	37,507	36,690	36,462	38,308	39,592	30,206	
Liability (net) reported in the balance sheet	1,869	1,840	2,196	2,913	3,212	3,460	4,898	6,822	10,878	23,289	61,378
of which annuities	*987*	*876*	*956*	*1,402*	*1,027*	*938*	*1,049*	*922*	*580*	*114*	*8,852*
Liability (net) relating to 2014 and prior years											30,386
of which annuities											*23,892*
Risk adjustment											2,975
Investment component											-108
Liability for claims handling expenses											2,779
Risk of non-performance by reinsurer											16
Discounting effect, net											-17,065
Total net liability for incurred claims											**80,362**

Comments

In 2024, If had reinsurance coverage with retention levels of MSEK 300 per event and between MSEK 100 and MSEK 300 per risk depending on the line of business. This is divided into traditional XL covers from MSEK 500 and a structured solution between MSEK 300 and MSEK 500.

Liabilities for annuities and related payments are included in the distribution by accident year above. Of the total liability relating to annuities of MSEK 32,744, MSEK 23,892 applies to 2014 and previous years.

Note 25 – Deferred tax

MSEK **Changes in deferred tax 2024**	**Opening balance**	**Recognized in income statement**	**Translation difference**	**Recognized in other comprehensive income**	**Changes due to acquisition through business combination/ disposal**	**Closing balance**
Deferred tax assets						
Other provisions	70	308	-1	3	51	432
Goodwill[1]	86	6	0	0	-	92
Valuation of investment assets at fair value	4	-4	-	-	-	1
Tax losses carried forward	9	2	1	-	-	11
Asset for remaining coverage	5	-3	0	-	-	2
Asset for incurred claims	64	9	0	-	-	73
Liability for remaining coverage and acquisition cash flow asset	216	-1	1	-	-	216
Liability for incurred claims	-	-	-	-	-	-
Leasing liabilities	313	-48	0	4	-	269
Other temporary differences	7	-1	0	0	28	34
Total deferred tax asset	**775**	**269**	**1**	**7**	**79**	**1,130**
Deferred tax asset netted against deferred tax liability	**-735**					**-1,064**
Deferred tax asset according to balance sheet	**40**					**66**
Deferred tax liability						
Equalization reserve and other similar provisions	1,702	-11	-13	-	564	2,242
Valuation of investment assets at fair value	1,012	471	2	-	-	1,485
Trademark and customer relationships	30	-32	-13	-	859	844
Net pension assets	73	9	-	3	-	85
Asset for remaining coverage	-	-	-	-	-	-
Asset for incurred claims	-	-	-	-	-	-
Liability for remaining coverage and acquisition cash flow asset	0	-2	-1	-	39	37
Liability for incurred claims	1,209	-110	7	-	13	1,119
Leasing assets	304	-48	-	4	-	261
Other temporary differences	306	22	9	-	54	391
Total deferred tax liability	**4,635**	**301**	**-9**	**6**	**1,530**	**6,463**
Deferred tax liability netted against deferred tax asset	**-735**					**-1,064**
Deferred tax liability according to balance sheet	**3,900**					**5,399**
Deferred tax expense according to income statement		**-33**				

[1] Goodwill pertains to the possibility of tax deductions for acquired goodwill in If P&C Insurance Ltd (publ).

MSEK **Tax losses carried forward 2024**	**Country**	**Tax losses carried forward in local currency**	**Tax losses carried forward**	***Of which no deferred tax asset has been recognized***	***Of which deferred tax asset has been recognized***	**Recognized deferred tax asset**
If P&C Insurance Holding Ltd (publ)	Norway	MNOK 83	81	*81*	-	-
If P&C Insurance Ltd (publ)	Germany	-	-	-	-	-
If P&C Insurance Ltd (publ)	France	MEUR 15	172	*172*	-	-
If P&C Insurance Ltd (publ)	UK	MGBP 9	125	*125*	-	-
Insrt AB	Sweden	MSEK 6	6	-	*6*	1
Viking Sverige AB	Sweden	MSEK 61	61	*18*	*42*	9
Viking Assistance A/S	Denmark	MDKK 27	41	*41*	*1*	0
Viking Membership AB	Sweden	MSEK 3	3	*3*	-	-
Viking Guard AS	Norway	MNOK 6	6	-	*6*	1
Viking Assistance A/S	Estonia	MEUR 0	1	*1*	-	-
Total						**11**

MSEK Changes in deferred tax 2023	Opening balance	IFRS 9 transition effect	Recognized in income statement	Translation difference	Recognized in other comprehensive income	Changes due to acquisition through business combination/ disposal	Closing balance
Deferred tax assets							
Other provisions	80	-	-6	0	-4	-	70
Goodwill[1]	86	-	-	0	-	-	86
Valuation of investment assets at fair value	59	-	-59	5	-	-	4
Tax losses carried forward	5	-	4	0	-	-	9
Asset for remaining coverage	1	-	4	0	-	-	5
Asset for incurred claims	23	-	23	19	0	-	64
Liability for remaining coverage and acquisition cash flow asset	215	-	7	-6	-	-	216
Liability for incurred claims	3	-	-3	0	-	-	-
Leasing liabilities	347	-	-27	0	-6	-	313
Other temporary differences	9	-	-2	0	1	-	7
Total deferred tax asset	**827**	**-**	**-59**	**17**	**-10**	**-**	**775**
Deferred tax asset netted against deferred tax liability	**-729**						**-735**
Deferred tax asset according to balance sheet	**98**						**40**
Deferred tax liability							
Equalization reserve and other similar provisions	1,756	-	-9	-46	-	-	1,702
Valuation of investment assets at fair value	164	-1	850	0	-	-	1,012
Trademark and customer relationships	40	-	-6	-3	-	-2	30
Net pension assets	79	-	9	-	-15	-	73
Asset for remaining coverage	0	-	0	0	-	-	-
Asset for incurred claims	1	-	-1	0	-	-	-
Liability for remaining coverage and acquisition cash flow asset	5	-	24	-28	-1	-	0
Liability for incurred claims	1,415	-	-236	29	0	-	1,209
Leasing assets	338	-	-27	-	-6	-	304
Other temporary differences	337	-	-33	1	-	0	306
Total deferred tax liability	**4,134**	**-1**	**572**	**-46**	**-22**	**-2**	**4,635**
Deferred tax liability netted against deferred tax asset	**-729**						**-735**
Deferred tax liability according to balance sheet	**3,405**						**3,900**
Deferred tax expense according to income statement			**-631**				

[1] Goodwill pertains to the possibility of tax deductions for acquired goodwill in If P&C Insurance Ltd (publ).

MSEK Tax losses carried forward 2023	Country	Tax losses carried forward in local currency	Tax losses carried forward	*Of which no deferred tax asset has been recognized*	*Of which deferred tax asset has been recognized*	Recognized deferred tax asset
If P&C Insurance Holding Ltd (publ)	Norway	MNOK 83	82	*82*	-	-
If P&C Insurance Ltd (publ)	Germany	MEUR 2	17	*17*	-	-
If P&C Insurance Ltd (publ)	France	MEUR 16	177	*177*	-	-
If P&C Insurance Ltd (publ)	UK	MGBP 20	254	*254*	-	-
Insrt AB	Sweden	MSEK 6	6	*6*	-	-
Viking Sverige AB	Sweden	MSEK 42	42	-	*42*	9
Viking Assistance A/S	Denmark	MDKK 33	50	*50*	-	-
Total						**9**

Note 26 – Provision for pensions and similar obligations

MSEK	2024	2023
Defined benefit pension obligations, including social costs etc.	2,484	2,315
Fair value of plan assets	2,657	2,437
Net liability (asset) recognized in balance sheet	**-173**	**-122**
of which, recognized as Net pension assets	*412*	*355*
of which, included in the item Other provisions	*239*	*232*

If Group applies IAS 19 Employee Benefits and recognizes defined-benefit pension plans in Sweden and Norway. Other pension plans existing in the Group have been classified either as defined-contribution plans or as defined-benefit plans but recognized as defined-contribution plans, either because If Group lacks the information necessary to recognize them as defined-benefit plans or because they have been deemed as insignificant.

For the defined-contribution pension plans, If Group pays fixed contributions and has no further payment obligations once the contributions have been paid. The pension expense for the defined-contribution plans is equal to the premiums paid by If Group for the financial year.

The Swedish defined-benefit pension plan, FTP2, is a multiemployer plan and is closed to new employees born in 1972 or later. In Norway, there are a few smaller pension plans, mainly unfunded pension plans for which If Group is responsible for ongoing payments. These includes a small number of pension obligations on salary above 12 G (G = National Insurance basic amount) or individual pension agreements.

A common feature of the defined-benefit plans is that the employees and survivors encompassed by the plans are entitled to a guaranteed pension that depends on the employees' service period and pensionable salary at the time of retirement. The dominating benefit is the old-age pension, referring to a life-long pension after anticipated retirement age.

The anticipated retirement age for Sweden in connection with life-long pension is 65 years. Life-long old-age pension following a complete service period is payable at a rate of 10% of the pensionable salary between 0 and 7.5 income base amounts, 65% of salary between 7.5 and 20 income base amounts and 32.5% between 20 and 30 income base amounts. Paid-up policies and pension payments from the Swedish plans are normally indexed annually with an amount corresponding to the change in the consumer price index. However, there is no agreement guaranteeing the value and future supplements, in addition to the contractual pension benefit, could either rise or fall.

The pensions in Sweden are funded through insurance whereby the insurer establishes the premiums and disburse the benefits. If Group's obligation is primarily fulfilled through payment of the premiums. Should the assets that are attributable to the pension benefits not be sufficient to enable the insurer to cover the guaranteed pension benefits, If Group could be forced to pay supplementary insurance premiums or secure the pension obligations in some other way. However, given the insurer's high consolidation ratio, the risk that If Group will be forced to take any such action is low.

To cover the insured pension benefits in Sweden, as well as for a small plan in Norway, the related capital is managed as part of the insurers' management portfolios. New and existing asset categories are evaluated on an ongoing basis in order to diversify the asset portfolios with a view to optimizing the anticipated risk-adjusted return. Any surplus that arises from management of the assets normally accrues to If Group and/or the insured and there is no form of transfer of the asset value to other members of the insurance collective.

The insurers and If Group are jointly responsible for monitoring the pension plans, including investment decisions and contributions. The pension plans are essentially exposed to similar material risks regarding the final amount of the benefits, longevity, the investment risk associated with the plan assets and the fact that the choice of discount interest rate affects the valuation in the financial statements.

When applying IAS 19, the pension obligation and the pension cost attributed to the financial period are calculated annually using the Projected Unit Credit method. The calculation of the defined benefit obligation is based on future expected pension payments and includes yearly updated actuarial assumptions such as salary growth, inflation, mortality and employee turnover. The expected pension payments are then discounted to a present value using a discount rate set with reference to AAA and AA corporate bonds issued in local currency, including mortgage-backed bonds, as at mid- December. The discount rates chosen in Sweden and Norway take into account the duration of the company's pension obligations in each respective country. After a deduction for the plan assets, a net asset or a net liability is recognized in the balance sheet.

The following tables contain a number of material assumptions, specifications of pension costs, assets and liabilities and a sensitivity analysis showing the potential effect on the obligations of reasonable changes in those assumptions as at the end of the financial year. The carrying amounts have, where applicable, been stated including special payroll tax in Sweden (24.26%) and a corresponding fee in Norway (14.1%-19.1%).

MSEK Distribution by country	2024 Sweden	 Norway	 Total	2023 Sweden	 Norway	 Total
Income statement and other comprehensive income						
Current service cost	28	1	29	29	1	31
Past service cost and settlements	-	-	-	-	-	-
Total cost, defined benefit pensions in insurance service result	**28**	**1**	**29**	**29**	**1**	**31**
Interest expense (income) on net pension liability	-14	7	-7	-14	7	-8
Remeasurements of the net pension liability in other comprehensive income	-12	16	3	73	-2	70
Net cost (income), defined benefit pensions in comprehensive income	**2**	**24**	**25**	**88**	**6**	**93**
In addition, defined contribution pension cost excl. social costs			**797**			**690**
Balance sheet						
Defined benefit pension obligations, including social costs etc.	2,228	256	2,484	2,063	251	2,315
Fair value of plan assets	2,641	16	2,657	2,418	19	2,437
Net liability (net asset) recognized in balance sheet	**-412**	**239**	**-173**	**-355**	**232**	**-122**
Distribution by asset class[1]						
Bonds	41 %	-		42%	-	
Equities	22 %	-		20%	-	
Properties	9 %	-		10%	-	
Other	28 %	-		28%	-	
Significant actuarial assumptions, etc. [1]						
Discount rate	3.25 %	4.00 %		3.50%	3.75%	
Future salary increases	3.00 %	3.25 %		3.00%	3.25%	
Price inflation	2.00 %	2.25 %		2.00%	2.25%	
Mortality table	DUS23	K2013		DUS23	K2013	
Average duration of pension liabilities	17 years	11 years		17 years	11 years	
Expected contributions to the defined benefit plans during 2025 and 2024	60	-		64	-	
Sensitivity analysis[1]						
Discount rate, +0.50%	-176	-10	-186	-162	-10	-171
Discount rate, -0.50%	196	11	207	180	11	190
Future salary increases, +0.25%	40	1	41	39	1	39
Future salary increases, -0.25%	-38	-1	-38	-37	-1	-37
Expected longevity, +1 year	76	6	82	64	6	70

[1] The information regarding Distribution by asset class, Significant actuarial assumptions etc. and Sensitivity analysis does not include defined-benefit plans in the Norwegian subsidiary Viking Assistance Group AS amounting to a net liability of MSEK 5 (5).

MSEK Distribution of obligations on funded and unfunded plans	Funded plans 2024	 2023	Unfunded plans 2024	 2023
Defined benefit pension obligations, including social costs etc.	2,249	2 087	235	227
Fair value of plan assets	2,657	2 437	-	-
Net liability (net asset) recognized in balance sheet	**-408**	**-349**	**235**	**227**

MSEK **Specification of change in pension obligations**	**2024**	**2023**
Defined benefit pension obligations on 1 Jan, excl. social security costs etc.	2,247	2,270
Current service cost	28	30
Past service cost	-	-
Interest expense	78	77
Actuarial gains (-)/losses (+) on financial assumptions	86	0
Actuarial gains (-)/losses (+) on demographic assumptions	-	-2
Actuarial gains (-)/losses (+), experience adjustments	43	-35
Translation differences on foreign plans	-3	-14
Benefits paid	-70	-79
Settlements	-	-
Defined benefit pension obligations on 31 Dec, excl. social security costs etc.	**2,409**	**2,247**
Social security costs etc.	75	68
Defined benefit pension obligations on 31 Dec, incl. social security costs etc.	**2,484**	**2,315**

MSEK **Specification of change in plan assets**	**2024**	**2023**
Fair value of plan assets on 1 Jan	2,437	2,446
Interest income	85	86
Difference between actual return and calculated interest income [1]	128	-108
Contributions paid	61	63
Translation differences on foreign plans	0	-1
Benefits paid	-54	-48
Settlements	-	-
Fair value of plan assets on 31 Dec	**2,657**	**2,437**

[1] For year 2023 the amount includes an effect of MSEK -125 from a change in estimate for the part of the management portfolio that is related to the defined benefit pension plan.

Note 27 – Other provisions

MSEK **Change in other provisions**	**2024**	**2023**
Opening balance	**68**	**69**
Acquisition through business combination	306	-
Provisions utilized during the financial year	-103	-29
Unutilized provisions reversed during the financial year	-	-8
Provisions added during the financial year	1,723	37
Translation difference	-2	-1
Closing balance [1]	**1,992**	**68**

[1] Of which MSEK 839 (45) is expected to be settled later than 12 months after the closing date.

In connection with the acquisition through business combination of Topdanmark A/S, If Group recognized a restructuring reserve amounting to MSEK 1,719 (-). The costs relate mainly to redundancies, decommissioning and sunsetting of systems as well as rebranding. Other restructuring provisions consist of funds reserved for future expenses attributable to previously implemented or planned future organizational changes including expenses related to the separation of Topdanmark Liv Holding Group (now Nordea Pension Holding Danmark A/S) to Nordea. In addition to the provisions attributable to restructuring measures, the item also includes provisions for employer contributions reserved for commitments attributable to endowment policies and other uncertain liabilities.

Note 28 –Loans from Parent Company

				2024		**2023**	
MSEK	**Notional amount in currency**	**Duration**	**Interest rates [2]**	**Fair value**	**Carrying amount**	**Fair value**	**Carrying amount**
Loan in foreign currency, MEUR [1]	862	> 5 years	3 m Euribor + 106 bp	9,952	9,881	-	-
Loan in foreign currency, MDKK [1]	6,432	> 5 years	3 m Cibor+ 120 bp	9,955	9,882	-	-
Total				**19,907**	**19,763**	**-**	**-**

[1] The loans were issued on 1 November 2024 to partly finance the acquisition through business combination of Topdanmark A/S from Sampo plc.
[2] Interest rates on the loans were set to market rate on the issuance date.

Note 29 – Other creditors

MSEK	2024	2023
Taxes		
Premium tax	1,700	1,820
Current tax liabilities	740	465
Employee withholding taxes	156	148
Other tax	199	161
Total taxes	**2,796**	**2,594**
Other insurance and reinsurance related payables	3,380	2,557
Lease liabilities	1,473	1,647
Liability patient-insurance pool for public sector	622	706
Collateral and security settlement liabilities	1,067	59
Loan from credit institutions	319	295
Accounts payable	187	143
Other creditors	1,728	522
Total [1)]	**11,571**	**8,523**

[1)] Of which MSEK 2,269 (2,256) is due for payment later than 12 months after the closing date.

For more information on leases, refer to Note 1 Accounting policies, Note 12 Investment result and Note 21 Tangible assets.

Note 30 – Accrued expenses and prepaid income

MSEK	2024	2023
Accrued interest expenses, financing	143	8
Other accrued expenses	2,092	2,228
Prepaid income	176	154
Total	**2,411**	**2,390**

Other accrued expenses consist mainly of personnel-related provisions, such as vacation-pay liability, social security fees, commission and other variable compensation as well as reserves for uninvoiced other operating expenses.

Note 31 – Hedge Accounting

If Group applies hedge of Net investments in foreign operations. The strategy is to partly hedge the currency exposure using currency borrowings. If Group has net investments in EUR, NOK and DKK, but only applies hedge accounting for part of the net investments in EUR and DKK starting 1 November 2024. If Group only hedges the currency risk related to the current exchange rate.

Hedge ineffectiveness only arises to the extent the hedging instruments exceed the currency risk exposure from the foreign operations. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income. Any gains or losses relating to the ineffective portion are recognised in profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the income statement.

The following table shows the maturity of the hedging instruments and currency rates fixed by the hedging instrument:

MSEK	Less than 1 month	1 to 3 months	>3 to 12 months	>1 to 5 years	Over 5 years	Total
Loan in foreign currency, EUR	-	-	-	-	9,881	9,881
Loan in foreign currency, DKK	-	-	-	-	9,882	9,882
Exchange rate EUR/SEK	-	-	-	-	11.5977	11.5977
Exchange rate DKK/SEK	-	-	-	-	1.5548	1.5548

The impact of Hedge Accounting on the Consolidated balance sheet and hedge ineffectiveness as at 31 December 2024 is, as follows:

MSEK **Hedging instruments**	**Notional amount in currency**	**Carrying amount**	**Change in value used for measuring ineffectiveness**		**Hedge ineffectiveness recognized in the income statement**
			Hedging instrument	**Hedged item**	
Loan in foreign currency, MEUR	862	9,881	119	-119	0
Loan in foreign currency, MDKK	6,432	9,882	118	-118	0
Total		**19,763**	**237**	**-237**	**0**

The hedging instrument impacted the foreign currency translation reserve by MSEK 237, which is the only effect in other comprehensive income and equity related to hedge accounting during 2024. Any ineffectiveness is recognized in the income statement item Changes in value. The hedging instruments are recognized in the balance sheet item Loans from parent company.

Note 32 – Pledged assets

MSEK **Pledged assets and equivalent securities for own liabilities and for commitments reported as provisions**	**2024**	**2023**
Other financial investment assets		
Collateral for insurance undertakings	4,616	4,427
Collateral for derivatives trading	-	95
Total	**4,616**	**4,522**
Shares in subsidiaries		
Collateral for loans	1,037	1,005
Cash and bank balances		
Collateral for derivatives trading	0	28
Other collateral	4	4
Total	**4**	**32**
Total	**5,657**	**5,560**

The following assets are registered as assets covering technical provisions. In the event of an insolvency situation, policyholders have a beneficiary right to assets registered for coverage of technical provisions. In normal operating circumstances, If has the right to transfer assets in and out of the register as long as all insurance commitments are covered in accordance with the Insurance Business Act.

MSEK **Policyholders' beneficiary rights**	**2024**	**2023**
Assets covered by policyholders' beneficiary rights	111,702	111,338
Technical provisions, net [1]	-68,992	-68,469
Surplus of registered securities	**42,710**	**42,869**

[1] Measured in accordance with the Solvency II-regulation.

Other disclosures

Note 33 – Contingent liabilities and other commitments

MSEK	2024	2023
Surety and guarantee undertakings	16	20
Other commitments	487	56
Total	**503**	**76**

The subsidiary If P&C Insurance Ltd (publ) provides insurance with mutual undertakings within several pools, such as the Nordic Nuclear Insurers Pool, the Norwegian Natural Perils Pool and the Dutch Terror Pool.

In connection with the transfer of property and casualty insurance business from the Skandia Group to the If, as of 1 March 1999, If P&C Insurance Holding and If P&C Insurance Ltd (publ) issued a guarantee for the benefit of Försäkringsaktiebolaget Skandia (publ), whereby, the aforementioned companies in If mutually guarantee that companies in the Skandia Group will be indemnified against any claims or actions due to guarantees or similar commitments made by companies in the Skandia Group within the property and casualty insurance business transferred to If.

If P&C Insurance Holding and If P&C Insurance Ltd (publ) have separately entered into agreements with Försäkringsaktiebolaget Skandia (publ) and Tryg-Baltica Forsikring AS, whereby, Skandia and Tryg-Baltica will be indemnified against any claims attributable to guarantees issued by Skandia and Vesta Forsikring AS, on behalf of Skandia Marine Insurance Company (UK) Ltd (renamed Marlon Insurance Company Ltd, company dissolved in July 2017), in favour of the Institute of London Underwriters. Marlon was sold during 2007, and the purchaser issued a guarantee in favour of the aforementioned If companies for the full amount that they may be required to pay under these guarantees.

With respect to certain IT systems that If and the Sampo Group use jointly, If P&C Insurance Holding has undertaken to indemnify Sampo plc for any costs caused by If that Sampo plc may incur, in relation to the owners of the IT systems.

Under the Danish Corporate Income Tax Act, If and Topdanmark are subject to mandatory joint taxation in Denmark. Topdanmark A/S is the administration company for the Danish joint taxation, but the companies have a joint liability for payment.

If P&C Insurance Ltd (publ) has outstanding commitments to private equity funds totalling MSEK 459, which is the maximum amount that the company has committed to invest in the funds. Capital may be called to these funds over several years as the funds make investments.

In connection with the implementation of a customer and core system, Topdanmark Forsikring A/S has undertaken to provide support to specific suppliers to fulfil Topdanmark EDB IV ApS' obligations in accordance with the contracts.

The Nordea group has reserved the right to raise claims against Topdanmark Forsikring A/S for certain potential losses relating to the purchase of Topdanmark Liv Holding A/S, today Nordea Pension Holding Danmark A/S. Topdanmark Forsikring A/S may have to compensate the Nordea group as a result of these claims.

Note 34 – Specifications to Cash Flow Statements

	Subordinated debt [1]		Loans from credit institutions [1]		Lease liabilities		Loans from Parent company [1]	
MSEK	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	**1,499**	**2,497**	**300**	**319**	**1,647**	**1,783**	**-**	**-**
Cash flows - Acquisition through business combination	232	-	51	-	10	-	-	-
Cash flows - Issuance	-	-	-	-	-	-	20,000	-
Cash flows - Repayment	-	-1,000	-22	-	-307	-274	-	-
Cash flows - Interest expenses	-82	-85	-21	-17	-15	-19	-	-
Non-cash changes - Translation difference	1	0	-10	-21	9	-41	-237	-
Non-cash changes - New leases and reassessments	-	-	-	-	109	180	-	-
Non-cash changes - Interest expense	81	87	21	19	19	19	137	-
Closing balance	**1,731**	**1,499**	**319**	**300**	**1,473**	**1,647**	**19,900**	**-**

[1] Accrued interest, which is reported in Accrued expenses and prepaid income, is included in opening and closing balances.

Note 35 – Acquisition through business combination of Topdanmark A/S

On 1 November 2024, If P&C Insurance Holding acquired all shares in Topdanmark A/S from the parent company Sampo plc, which in October 2024 had completed a public offering to purchase all remaining shares in Topdanmark A/S. Topdanmark has been under Sampo plc's control since 2017 which makes the purchase an acquisition of entities under common control. If Group applies a method based on group carrying values of assets and liabilites.

If P&C Insurance Holding's acquisition price amounted to MSEK 54,029 and was based on a market price per share in the public offering Sampo plc completed in October 2024. The acquisition through business combination was financed through loans and shareholder contributions from Sampo plc.

The purpose of the acquisition through business combination is to strengthen the leading position in the Nordic non-life insurance market through an increased size in Denmark. With the acquisition through business combination, the If Group will gain a market share of approximately 20% of the Nordic non-life insurance market, with operations in all non-life insurance business areas and customer segments in the Nordic region.

The acquisition through business combination also leads to the creation of a leading non-life insurance company in Denmark, with a combined market share of approximately 21% of the Danish non-life insurance market for If Group.

If intends to integrate Topdanmark's non-life insurance business into the Group's pan-Nordic business organization, with pan-Nordic customer groups and support functions, while retaining Topdanmark's existing head office in Ballerup.

As part of the integration, Topdanmark's group structure has been restructured following the acquisition to prepare for a merger between If P&C Insurance Ltd (publ) and Topdanmark Forsikring A/S planned for 1 July 2025.

MSEK **Financing**	
Loans from parent company	20,000
Capital contribution	34,029
Total purchase consideration	**54,029**
Acquisition related costs within If Group	16

MSEK **Group carrying values of acquired assets and liabilities**	
Assets	
Intangible assets	17,698
Investment assets	25,218
Cash and bank	344
Other assets	3,425
Total assets	**46,685**
Provisions and liabilities	
Insurance liabilities	22,852
Other liabilities	6,374
Total provisions and liabilities	**29,226**
Group carrying value of net assets	**17,459**
Difference between total purchase consideration and group carrying values reported against equity	36,570
Purchase consideration	**54,029**

Note 36 – Events after the balance sheet date

In February 2025, Peter Hermann announced that he will leave his position as Deputy CEO as of 1 July 2025.

No other significant events have occurred after the balance sheet date.

Revenues reported in If Group from 1 November 2024

During the holding period until 31 December 2024, income and expenses amount to:

MSEK **Income statement in summary**	
Insurance revenue	3,093
Reinsurance premium expenses	-194
Insurance services expense, claims incurred	-1,892
Insurance services expense, operating expenses	-607
Reinsurer's share of claims incurred	121
Insurance service result	**521**
Investment results	204
Insurance finance income or expenses, net	-40
Net financial result	**164**
Other income	31
Other expenses	-966
Other items	41
Profit before tax	**-209**
Tax	**-17**
Profit for the period (2 months)	**-226**

Notes to the Parent Company

Note 1 – Average number of employees

Average number of employees	2024	*Of whom women %*	2023 [1]	*Of whom women %*
Norway	-	-	2	*0*
Sweden	-	-	2	*0*
Total	**-**	**-**	**4**	***0***

[1] The employment for the CEO and for other members of Group Management was transferred on July 1 2023 from If P&C Holding Ltd (publ) to If P&C Insurance Ltd (publ).

Percentage of women in executive management	2024	2023
Board of Directors	-	0%
Other senior executives	-	0%

Note 2 – Salaries and other remuneration for senior executives and other employees

MSEK	2024	2023
Salaries and remuneration	-	-16
Pension costs	-	-5
Social fees	-	-4
Total	**-**	**-25**

MSEK **Of which salaries and other remuneration for senior executives [1]**	2024	2023
Fixed salaries and remuneration	-	-10
Variable compensation and incentive schemes	-	-6
Total	**-**	**-16**

[1] Senior executives are defined as the board members, CEO and members of the Group Management team employed in If P&C Insurance Holding Ltd (publ). As of July 1 2023, all senior executives were transferred to If P&C Insurance Ltd (publ).

kSEK **Salaries and other remuneration for senior executives 2023**	Basic salary/ Directors' fee	Variable compensation	Incentive schemes [1]	Other benefits	Pension-costs	Total
Chairman of the Board Torbjörn Magnusson	-	-	-	-	-	-
Other Board members	-	-	-	-	-	-
CEO Morten Thorsrud [2]	3,281	2,510	-	11	496	6,298
Other members of Group Management, 5 individuals [2]	6,949	3,131	-	283	4,544	14,907
Total	**10,230**	**5,641**	**-**	**294**	**5,040**	**21,205**

[1] For more information, refer to Long-term incentive schemes in Note 10 for the Group.

[2] The employment for the CEO and for other members of Group Management was transferred on July 1, 2023 from If P&C Holding Ltd (publ) to If P&C Insurance Ltd (publ).

Long-term incentive schemes

Reconciliation of outstanding units	2024	2023
Outstanding on 1 January	-	667,000
Transferred during the year	-	-667,000
Outstanding on 31 December	-	-

Note 3 – Interest income and similar income items

MSEK	2024	2023
Interest income, group companies	54	34
Other interest income [1]	173	184
Realized and unrealized gains [2]	49	9
Total	**276**	**226**

[1] Of which MSEK 95 (78) pertains to interest income from financial assets measured at fair value through profit or loss.

[2] Of which MSEK 33 (9) pertains to net gains on financial instruments measured at fair value through profit or loss.

Note 4 – Interest expenses and similar expense items

MSEK	2024	2023
Interest expenses, group companies	-346	-118
Other interest expenses [1]	-220	-87
Realized and unrealized losses [2]	0	-8
Other	-8	-11
Total	**-574**	**-224**

[1] Of which MSEK 4 (1) pertains to interest expenses from financial assets measured at fair value through profit or loss.

[2] Of which MSEK 0 (8) pertains to net losses on financial instruments measured at fair value through profit or loss.

Note 5 – Taxes

MSEK	2024	2023
Current tax	-22	-11
Deferred tax	-4	-7
Total tax in the income statement	**-26**	**-18**

MSEK	2024	2023
Difference between reported tax and tax based on current Swedish tax rate		
Profit before taxes	10,746	8,290
Tax according to current tax rate, 20.6%	-2,214	-1,708
Non-taxable dividend from group companies, associates and other holdings	13,854	1,691
Non-taxable/non-deductible capital gain/loss and impairment loss	-11,598	-2
Permanent differences, net	-70	0
Non-creditable foreign taxes	-	0
Adjustment of prior-year taxes	1	0
Reported tax in the income statement	**-26**	**-18**

Note 6 – Shares in group companies

	Country	Number of shares	Holding %	Carrying amount MSEK 2024	2023
If P&C Insurance Ltd (publ), corp. reg. no. 516401-8102	Sweden	1,044,306	100	16,515	16,515
If Livförsäkring AB, corp. reg. no. 516406-0252	Sweden	10,000	100	73	73
If Services AB, corp. reg. no. 559058-0824	Sweden	50,000	100	7	7
Insrt AB, org.nr 556691-1094	Sweden	1,000	100	16	11
If IT Services A/S	Denmark	501	100	1	1
Vertikal Helseassistanse AS	Norway	957,731	100	100	342
Viking Assistance Group AS	Norway	820,528	100	918	918
If P&C Insurance AS	Estonia	6 391 165	100	442	442
Topdanmark Forsikring A/S	Denmark	1 012	100	52,873	-
Topdanmark A/S	Denmark	90 000 000	100	449	-
Topdanmark BidCo A/S (Oona)	Denmark	100 000 000	98	2,996	-
Topdanmark Invest A/S	Denmark	34 600	100	88	-
Topdanmark EDB A/S	Denmark	169 677	100	472	-
Topdanmark EDB IV ApS	Denmark	50	100	31	-
Topdanmark EDB V ApS	Denmark	50	100	0	-
TDP.0007 A/S	Denmark	25 380	100	1 177	-
EG Business Holding A/S	Denmark	600	100	1	-
Hedging of fair value				-102	-
Total				**76,057**	**18,309**

MSEK **Changes in shares in group companies**	**2024**	**2023**
Opening balance	**18,309**	**18,322**
Acquisition of Topdanmark A/S	54,029	-
Acquisition of subsidiaries [1]	57,638	-
Shareholder contributions [1]	2,382	10
Impairment [1]	-56,199	-
Sales	-	-23
Hedging of fair value	-102	-
Closing balance	**76,057**	**18,309**

[1] Subsequent to the acquisition of Topdanmark A/S a group internal restructuring has been carried out where If P&C Insurance Holding Ltd (publ) acquired the directly owned subsidiaries of Topdanmark A/S and Topdanmark Forsikring A/S. The restructuring also entailed a shareholder contribution to and an extra dividend from Topdanmark A/S. The extra dividend from Topdanmark A/S resulted in a corresponding impairment of the shares in Topdanmark A/S by MSEK 55,957.

Note 7 – Shares in associates

	Country	Number of shares	Holding %	Carrying amount MSEK 2024	2023
CAB Group AB, corp.reg.no. 556131-2223	Sweden	1,209	22.0	7	7
Sørvest Forsikring AS	Norway	6,530	33.0	13	13
Total				**20**	**20**

Note 8 – Short-term investments

Classification of short-term investments

The measurement and reporting of financial assets and liabilities depends on their classification.

	Acquisition value		Fair value		Carrying amount	
MSEK	2024	2023	2024	2023	2024	2023
Financial assets at fair value through profit or loss (mandatorily)						
Shares and participations	77	23	77	23	77	23
Bonds	1,057	1,962	1,054	1,941	1,054	1,941
Derivatives	-	-	-	-	-	-
Total financial assets at fair value	**1,135**	**1,985**	**1,132**	**1,965**	**1,132**	**1,965**
Financial liabilities at fair value through profit or loss (mandatorily)						
Derivatives	–	–	44	5	44	5
Total financial liabilities at fair value	**-**	**-**	**44**	**5**	**44**	**5**

Bonds and other interest-bearing securities

Bonds and other interest-bearing securities by type of issuer, are shown below.

MSEK	Nominal value		Fair value		Carrying amount	
Type of issuer	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Swedish mortgage companies	80	-	79	-	79	-
Swedish financial companies	320	235	320	230	320	230
Other Swedish companies	181	703	182	706	182	706
Foreign financial companies	380	350	381	349	381	349
Other foreign companies	100	714	92	656	92	656
Total	**1,061**	**2,002**	**1,054**	**1,941**	**1,054**	**1,941**

The sensitivity to changes in interest rates, calculated as the effect on the unrealized result of a 1-percentage-point shift up of the interest rate, amounted to MSEK -7 (-8) as of 31 December 2024. The duration of the portfolio was 0.24 (0.25) at year-end 2024.

Short-term investments measured at fair value

Within If P&C Insurance Holding, a thorough process is followed and controls are performed in order to determine fair values of financial assets and liabilities in accordance with applicable regulations. For example, controls are made against several different external sources and assessments of abnormal price changes are performed when necessary.

Different valuation methods are used to determine the fair value depending on the type of financial instruments and to what extent they are traded on active markets. In order to evaluate the activity in a market with respect to frequency and volume, If P&C Insurance Holding mainly uses information compiled by Bloomberg. The valuation of bonds is also usually based on prices from Bloomberg, where the last bid prices are used for quoted bonds.

The Parent Company's financial instruments, which are measured at fair value, are categorized in three different hierarchy levels depending on their valuation methods as well as how active the market for the instrument is and available observable or unobservable inputs. The classification in hierarchy levels is reviewed quarterly. If conditions have changed for the existing level, the holding in question is moved to the correct hierarchy level in consent with the Risk Management function.

Level 1 – Financial assets and liabilities with valuation based on quoted prices in active markets for identical assets or liabilities.

Quoted prices in active markets are considered the best estimate of an asset/liability's fair value. An active market is typically characterized by quoted prices that are easily and regularly available and that represent actual and regularly occurring transactions at arm's length.

Assets and liabilities in the category include interest-bearing assets that have quoted prices in an active market at the time of valuation.

Level 2 – Financial assets and liabilities with valuation based on quoted prices or valuation based on directly or indirectly observable market data.

In the level 2 hierarchy, all essential inputs are observable either directly or indirectly. The large majority of the instruments in level 2 are traded in a market with daily quoted prices and regularly occurring market transactions but where the market is not considered to be active enough regarding frequency and volume and/or when the standard deviation of the prices is high.

Instruments that are measured at level 2 include interest-bearing assets where the market is not considered active enough.

Level 3 - Financial assets and liabilities with valuation based on unobservable inputs for the asset or liability.

When neither quoted prices in active markets nor observable market data is available, the fair value of financial instruments is based on valuation techniques that are based on non-observable market data.

Instruments that are measured at level 3 include unlisted shares.

Short-term investments in fair value hierarchy

MSEK	2024 Level 1	2024 Level 2	2024 Level 3	2024 Total fair value	2023 Level 1	2023 Level 2	2023 Level 3	2023 Total fair value
Financial assets at fair value through profit or loss (mandatorily)								
Derivatives	-	-	-	-	-	1	-	1
Shares and participations	-	-	77	77	-	-	23	23
Bonds and other interest-bearing securities	851	203	-	1,054	1,689	252	-	1,941
Total financial assets at fair value	**851**	**203**	**77**	**1,132**	**1,689**	**253**	**23**	**1,965**
Financial liabilities at fair value through profit or loss (mandatorily)								
Derivatives	-	44	-	44	-	5	-	5
Total financial liabilities at fair value	**-**	**44**	**-**	**44**	**-**	**5**	**-**	**5**

Transfers from level 1 to level 2 amounted to MSEK 91 (-) corresponding to 8.3% (0) of the outstanding balance for financial investment assets measured at fair value. Transfers from level 2 to level 1 amounted to MSEK 203 (294) corresponding to 18% (15) of the outstanding balance for financial investment assets measured at fair value.

Note 9 – Subordinated debt

MSEK	Original nominal value	Maturity	Interest rate	2024 Fair value [1]	2024 Carrying amount	2023 Fair value [1]	2023 Carrying amount
Subordinated loan, issued in 2021	MSEK 1,500	30 years	3-month STIBOR + 1.30%	1,504	1,498	1,548	1,496

[1] According to If Group's application of IFRS 9, subordinated debt is carried at amortised cost. Fair value is only presented for disclosure purposes. Financial instruments with fair value information are classified in three different hierarchy levels depending on their liquidity and valuation methods. The subordinated loan issued in March 2021 is classified in level 2 and fair value is based on quoted prices in inactive markets.

The loan of MSEK 1,500 was issued in March 2021 with floating interest rate terms. The loan includes terms stating the right of redemption after five years, at any date for a three-month period after the first five years and thereafter at any interest payment date. The loan is listed on the Luxembourg Stock Exchange (BdL Market).

Note 10 – Deferred tax

MSEK **Changes in deferred tax 2024**	Opening balance	Recognized in income statement	Recognized in other comprehensive income	Closing balance
Deferred tax assets				
Other temporary differences	2	0	-	2
Short term investment at fair value	4	-4	-	1
Total deferred tax asset [1]	**6**	**-4**	**-**	**3**
Deferred tax asset netted against deferred tax liability	**-**			**-**
Deferred tax asset according to balance sheet	**6**			**3**

[1] At the end of 2024, the company's Norwegian branch had tax loss carry forwards of MSEK 81 (MNOK 83). No deferred tax asset has been recognized relating to the tax loss.

MSEK **Changes in deferred tax 2023**	Opening balance	Recognized in income statement	Recognized in other comprehensive income	Closing balance
Deferred tax assets				
Other temporary differences	9	-6	0	2
Short term investment at fair value	5	-1	-	4
Total deferred tax asset [1]	**14**	**-7**	**0**	**6**
Deferred tax asset netted against deferred tax liability	**-**			**-**
Deferred tax asset according to balance sheet	**14**			**6**

[1] At the end of 2023, the company's Norwegian branch had tax loss carryforwards of MSEK 82 (MNOK 83). No deferred tax asset has been recognized relating to the tax loss.

Note 11 –Loans from Parent Company

MSEK	Notional amount in currency	Duration	Interest rates [2]	2024 Fair value	2024 Carrying amount	2023 Fair value	2023 Carrying amount
Loan in foreign currency, MEUR [1]	862	> 5 years	3 m Euribor + 106 bp	9,952	9,881	-	-
Loan in foreign currency, MDKK [1]	6,432	> 5 years	3 m Cibor+ 120 bp	9,955	9,882	-	-
Total				**19,907**	**19,763**	**-**	**-**

[1] The loans were issued on 1 November 2024 to partly finance the acquisition of Topdanmark A/S which was acquired from Sampo plc.

[2] Interest rates on the loans were set to market rate on the issuance date.

Note 12 – Hedge Accounting

If Holding applies Fair value hedges of currency exchange rate risks. The strategy is to partly hedge the currency risk connected to holdings of shares denominated in DKK with external loans in EUR and DKK. DKK is pegged to EUR and therefore EUR is a suitable hedging instrument of currency to use in a hedging instrument for DKK currency exposure.

Hedge ineffectiveness arises to the extent the hedging instruments exceed in nominal terms the value of the shares but also to the extent the exchange rate of EUR/DKK changes. All gains or losses on the hedging instrument compared with the revaluation of the currency exposure in the shares to SEK are recognized in profit or loss. Any in-effectiveness in the hedges are thereby recognized in profit and loss. The following table shows the maturity of the hedging instruments:

MSEK	Less than 1 month	1 to 3 months	2 to 12 months	1 to 5 years	Over 5 years	Total
Loan in foreign currency, EUR	-	-	-	-	1,621	1,621
Loan in foreign currency, DKK	-	-	-	-	6,962	6,962
Average EUR/SEK exchange rate	-	-	-	-	11.5977	11.5977
Average DKK/SEK exchange rate	-	-	-	-	1.5548	1.5548

The impact of Hedge Accounting on the statement of financial position and hedge ineffectiveness as at 31 December 2024 is as follows:

MSEK **Hedging instruments**	Nominal amount in currency	Carrying amount	Change in value used for measuring ineffectiveness for the period: Hedging instrument	Change in value used for measuring ineffectiveness for the period: Hedged item	Hedge ineffectiveness recognized in the income statement
Loan in foreign currency, MEUR	141	1,621	19	-19	0
Loan in foreign currency, MDKK	4,511	6,962	83	-83	0
Totalt		**8,583**	**102**	**-102**	**0**

The hedged item, shares in subsidiaries, impacted the profit and loss by MSEK -102 together with the revaluation of the hedging instrument. Any ineffectiveness is thereby recognized in the financial result. The hedging instruments are recognized on the line Loans from Parent company.

Note 13 – Contingent liabilities and other commitments

In connection with the transfer of property and casualty insurance business from the Skandia Group to the If Group as of March 1, 1999, If P&C Insurance Holding and If P&C Insurance Ltd (publ) issued a guarantee for the benefit of Försäkringsaktiebolaget Skandia (publ) whereby the aforementioned companies in the If Group mutually guarantee that companies in the Skandia Group will be indemnified against any claims or actions due to guarantees or similar commitments made by companies in the Skandia Group within the property and casualty insurance business transferred to the If Group.

If P&C Insurance Holding and If P&C Insurance Ltd (publ) have separately entered into agreements with Försäkringsaktiebolaget Skandia (publ) and Tryg-Baltica Forsikring AS whereby Skandia and Tryg-Baltica will be indemnified against any claims attributable to guarantees issued by Skandia and Vesta Forsikring AS, on behalf of Skandia Marine Insurance Company (UK) Ltd (renamed Marlon Insurance Company Ltd, company dissolved in July 2017) in favour of the Institute of London Underwriters. Marlon was sold during 2007, and the purchaser issued a guarantee in favour of the aforementioned companies in the If Group for the full amount that they may be required to pay under these guarantees.

With respect to certain IT systems that If and the Sampo Group use jointly, If P&C Insurance Holding has undertaken to indemnify Sampo plc for any costs caused by If that Sampo plc may incur in relation to the owners of the IT systems.

Note 14 – Appropriation of earnings

Unrestricted funds in the company that are available for appropriation by the Annual General Meeting in accordance with the balance sheet amount to:

SEK	
Net profit for the year	10,720,235,494
Profit brought forward	42,092,389,656
	52,812,625,150

The Board of Directors proposes appropriation of earnings as follows:

SEK	
Paid as dividend	11,000,000,000
Profit to be carried forward	41,812,625,150
	52,812,625,150

Signatures

We hereby certify that the consolidated financial statements have been prepared in accordance with international accounting principles as adopted by the European Union and provide a true and fair view of the Group's financial position and results. The Annual Report has been prepared in accordance with generally accepted accounting principles and provides a true and fair view of the Parent Company's financial position and results. The Board of Directors' Report for the Group and the Parent Company provides a true and fair overview of the development of the Group and Parent Company's operations, financial position and result and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, 11 March 2025

Torbjörn Magnusson
Chairman of the Board

Knut Arne Alsaker
Board member

Ville Talasmäki
Board member

Ricard Wennerklint
Board member

Morten Thorsrud
CEO

Our audit report was issued on 11 March 2025

Deloitte AB

Henrik Nilsson
Authorized Public Accountant

Auditor's Report

To the general meeting of the shareholders of If P&C Insurance Holding Ltd (publ), corporate identity number 556241-7559

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of If P&C Insurance Holding Ltd (publ) for the financial year 2024-01-01 - 2024-12-31 except for the corporate governance report and the sustainability statement on pages 6-7 and 10-92. The annual accounts and consolidated accounts of the company are included on pages 4-9 and 93-178 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2024, and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act for Insurance Companies and present fairly, in all material respects, the financial position of the group as of December 31, 2024, and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act for Insurance Companies. Our opinion does not cover the corporate governance report and the sustainability statement on pages 6-7 and 10-92.

The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Liability for incurred claims

The liability for incurred claims (gross of reinsurance) amounts to 88 766 MSEK as of December 31, 2024, in the consolidated accounts.

The Group's liability for incurred claims represents a material balance sheet item and is based on complex actuarial calculations and assumptions about future outcomes, primarily regarding the timing and size of claims incurred. The result of management's assessments regarding the calculation of the liability for incurred claims depends on inputs, the choice of actuarial methods and the precision of management judgment in determining actuarial assumptions. The key areas with the greatest impact on the recorded amount of the provision are assessments of claims frequencies and severity, where severity is impacted by settlement time, inflation and discount rate.

Note 1 and Note 2 to the Consolidated Accounts give a description of the accounting policies applied and significant estimations and judgments affecting the valuation of the Group´s Liability for incurred claims and Note 5 deals with the Group's exposure to and management of the insurance risks associated with the Liability for incurred claims. Note 24 further describes the methods applied by the Group in the valuation of the balance sheet item and the development of the liability for incurred claims over time.

As the calculation of the liability for incurred claims is significantly dependent on estimations and judgments this is an area of particular importance in our audit.

We have involved actuary specialists and IT specialists in our audit procedures which included but were not limited to:

– Evaluated whether actuarial valuation methods and models for calculating liability for incurred claims comply with generally accepted standards and practices.
– Evaluated the key controls deemed most relevant to the assessment of the choice of actuarial methods, assessment of assumptions and evaluation and analysis of historical claims development. We have also evaluated and examined a selection of general IT controls linked to relevant systems and applications assessed as critical to the data that forms the basis for the calculation of the liability for incurred claims.
– On a sample basis, examined input data used in the calculations of the liability for incurred claims.
– Performed independent calculations based on actuarial methods for a substantial part of the liability for incurred claims.
– Evaluated management's significant estimations and judgments.
– Evaluated whether the disclosures, for example regarding methods and assumptions applied, insurance risks and claims development, linked to the liability for incurred claims are fair and complete based on applicable accounting policies.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-3 and 10-92. The Board of Directors and the President are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the President

The Board of Directors and the President are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU and the Annual Accounts Act for Insurance Companies. The Board of Directors and the President are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the President are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the President intends to liquidate the company, to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the President.
- Conclude on the appropriateness of the Board of Directors' and the President's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the President of If P&C Insurance Holding Ltd (publ) for the financial year 2024-01-01 - 2024-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the President be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the President

The Board of Directors is responsible for the proposal for appropriations of the company’s profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company’s and the group’s type of operations, size and risks place on the size of the parent company’s and the group’s equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company’s organization and the administration of the company’s affairs. This includes among other things continuous assessment of the company’s and the group’s financial situation and ensuring that the company’s organization is designed so that the accounting, management of assets and the company’s financial affairs otherwise are controlled in a reassuring manner. The President shall manage the ongoing administration according to the Board of Directors’ guidelines and instructions and among other matters take measures that are necessary to fulfill the company’s accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor’s responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the President in any material respect:

– has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
– in any other way has acted in contravention of the Companies Act, the Annual Accounts Act and the Annual Accounts Act for Insurance Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company’s profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company’s profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company’s profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company’s situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors’ proposed appropriations of the company’s profit or loss we examined the Board of Directors’ reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor’s examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 6-7 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard Rev 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.
A corporate governance statement has been prepared.

Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act for Insurance Companies.

The auditor´s opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 10–92, and that it is prepared in accordance with the Annual Accounts Act according to the previous version applied before 1 July 2024.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Deloitte AB, was appointed auditor of If P&C Insurance Holding Ltd (publ) by the general meeting of the shareholders on the 2024-04-12 and has been the company’s auditor since 2021-04-06.

Stockholm, 11 March 2025

Deloitte AB

Signature on Swedish original

Henrik Nilsson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Auditor's limited assurance report of If P&C Insurance Holding Ltd (publ)s voluntarily prepared sustainability statement

To the general meeting of the shareholders of If P&C Insurance Holding Ltd (publ), corporate identity number 556241-7559

Conclusion

We have been appointed by the Board of Directors to conduct a limited assurance engagement of the sustainability statement for If P&C Insurance Holding Ltd (publ) for the financial year 2024. The sustainability statement is included on page 10 - 92 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability statement meets the requirements of European Sustainability Reporting Standards (ESRS),
- whether the process the company has carried out to identify reported sustainability information has been conducted as described on page 18 - 20 of the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8 (EU Taxonomy)

Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The prior year's sustainability report has not been in scope for limited assurance procedures in accordance with RevR 19 and consequently the prior years' information in the sustainability statement 2024 have not been in scope for limited assurance procedures in accordance with RevR 19.

Other information than the sustainability statement

This document also contains other information than the sustainability statement and is found on pages 1-9 and 93-178. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of sustainability statement in accordance with Chapter 6, paragraphs 12-12f of the Swedish Annual Accounts Act, and for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on whether the sustainability statement has been prepared in accordance with Chapter 6, Sections 12- 12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of If P&C Insurance Holding Ltd (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Chief Executive Officer prepare the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures with respect to the process the company has undertaken to identify reported sustainability information included but were not limited to the following:

- Obtained an understanding of the process by:
- Performing inquiries to understand the sources of the information used by management, and
- Reviewing the Company's internal documentation of its process
- Evaluated whether the evidence obtained from our procedures about the process implemented by the Company is consistent with the description of the process set out on page 18 - 20 in the sustainability statement.

The review procedures with respect to the sustainability statement included but were not limited to the following:

- Obtained an understanding of the Company's control environment, reporting processes, and information systems relevant to the preparation of its sustainability statement

- Evaluated whether material information identified by the process to identify the information reported in the sustainability statement is included
- Evaluated whether the structure and the presentation of the sustainability statement is in accordance with the requirements in ESRS
- Performed inquires of relevant personnel and analytical procedures on selected disclosures in the sustainability statement
- Performed substantive assurance procedures on a sample basis on selected disclosures in the sustainability statement
- Performed inquires and analytical procedures to evaluate the methods for developing material estimates and forward-looking information and on how these methods were applied

The review procedures with respect to the EU Taxonomy included but were not limited to the following:

- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability statement
- Evaluated whether the EU Taxonomy reporting is consistent to the financial statements and related notes
- Evaluate processes, documentation and assessment of eligibility and alignment with the economic activities and technical screening criteria within the EU Taxonomy
- Evaluated whether the reporting is in accordance with the requirements in the EU Taxonomy

Inherent limitations

In reporting forward-looking information in accordance with ESRS, If P&C Insurance Holding Ltd (publ) is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Stockholm March 11, 2025

Deloitte AB

Signature on Swedish original

Henrik Nilsson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Group Management

Morten Thorsrud
Born 1971
Group CEO
Employed 2002
Resident in Nesbru

Odd Magnus Barstad
Born 1979
Head of Claims
Employed 2011
Resident in Oslo

Johan Börjesson
Born 1967
Head of Human Resources
Employed 2005
Resident in Lidingö

Måns Edsman
Born 1974
Chief Financial Officer
Employed 2002
Resident in Stockholm

Anna-Kitty Ekstam
Born 1969
Chief Risk Officer
Employed 2002
Resident in Grankulla

Peter Hermann
Born 1973
Deputy CEO
Employed 2024 [1)]
Resident in Rudersdal

Ingrid Janbu Holthe
Born 1982
Head of Business Area Private
Employed 2014
Resident in Oslo

Lars Kufall Beck
Born 1974
Chief Operating Officer
Employed 2024 [2)]
Resident in Lyngby-Taarbæk

Sumit Malhotra
Born 1976
Head of Corporate Communications
Employed 2020
Resident in Stockholm

Andris Morozovs
Born 1977
Head of Business Area Baltic
Employed 1999
Resident in Ozolnieki

Dag Rehme
Born 1970
Chief Legal Counsel
Employed 2006
Resident in Stockholm

Poul Steffensen
Born 1964
Head of Business Area Industrial
Employed 1999
Resident in Frederiksberg

Klas Svensson
Born 1985
Head of Business Area Commercial
Employed 2012
Resident in Danderyd

Kjell Rune Tveita
Born 1963
Head of IT and Group Services
Employed 1999
Resident in Lørenskog

1) Employed at Topdanmark Group 2016
2) Employed at Topdanmark Group 2021

Glossary and definitions

Captive
An insurance company, owned by a non-insurance company, whose principal function is to insure and reinsure part of the parent's risk, or risks of other units within the same group.

Ceded written premium
Total premiums, net of commissions, for reinsurance contracts held entered into during the financial year.

Claims frequency
The observed relationship during a specific period between the number of claims and the insurance exposure in a certain category of insurance (a certain insurance portfolio). The number of claims excludes large claims.

Claims handling expenses
Expenses related to the processing and administration of insurance claims.

Claims ratio
Total sum of insurance service expenses, claims incurred including claims handling expenses and reinsurers' share of incurred claims in relation to the sum of insurance revenue and reinsurance premium expenses, expressed as a percentage.

Combined ratio
Total sum of insurance service expenses (claims incurred and operating expenses) and reinsurers' share of claims incurred in relation to the sum of insurance revenue and reinsurance premium expenses, expressed as a percentage.

Consolidation capital
Shareholders' equity less deferred tax assets plus untaxed reserves, subordinated debt and deferred tax liability.

Consolidation margin
Key ratio representing the relative size of consolidation capital. The consolidation margin is calculated as consolidation capital in relation to premiums written, net of reinsurance, excluding portfolio premiums.

Cost of insurance operations
Total sum of insurance service expenses, operating expenses and claims handling expenses.

Cost ratio [1)]
Total sum of insurance service expenses, operating expenses and claims handling expenses in relation to the sum of insurance revenue and reinsurance premium expenses, expressed as a percentage.

Direct insurance
Insurance business that relates to insurance contracts concluded between insurers and policyholders. The insurance company is directly responsible in relation to the policyholder.

Direct investment income
Total sum of interest income, dividends on shares and participations and operating surplus from land and buildings.

Duration
For both asset management and insurance operations modified duration is applied. Modified duration is a sensitivity measure telling how much the present value of investment assets or insurance liabilities changes as a result of a small change in the underlying rate(s). In the disclosures, however, modified duration has been expressed as number of years instead of a percentage change in the present value.

Economic capital
If uses Economic capital in the internal management. It is an internal measure describing the amount of capital required in order to bear different kinds of risk. Economic capital is defined as the amount of capital required to protect the economic solvency over a one-year time horizon with a probability of 99.5%.

Expense ratio
Insurance service expenses, operating expenses in relation to the sum of insurance revenue and reinsurance premium expenses, expressed as a percentage.

Gross written premium [1)]
Gross written premium refers to the compensation that If receives from the policyholder in return for the transfer of risk. Gross written premium is the contractually determined premium (for the entire coverage period) for insurance contracts where risk coverage began during the period, subsequently adjusted for any expected losses and write-offs.

Gross written premium growth [1)]
Change in gross written premium adjusted for currency effects and excluding any adjustments for the expected losses and write-offs, expressed as a percentage.

IBNR (Incurred But Not Reported)
Included in the liability for incurred claims and represents the estimated value of the liability for claims that have occurred but are unknown or where the extent of the claim is insufficiently known.

Insurance finance income or expenses, net
Changes in the liability/asset for incurred claims relating to changes in discounting effect due to changed interest rates and interest expense/income (unwinding).

Insurance liabilities
The total of the liability for remaining coverage and acquisition cash flow asset and the liability for incurred claims.

Insurance margin [1)]
Insurance service result in relation to the sum of insurance revenue and reinsurance premium expenses, expressed as a percentage.

Insurance revenue
The compensation received from policyholders, for the transfer of insurance risk and to provide insurance services, which has been earned during the financial year.

Insurance service expenses, claims incurred
The sum of claims payments during the period and changes in the liability for incurred claims, including claims handling expenses.

Insurance service expenses, operating expenses
Expenses related to the acquisition or renewal of insurance contracts plus administration expenses.

Insurance service result
The sum of insurance revenue, reinsurance premium expenses, insurance service expenses (claims incurred and operating expenses) and reinsurers' share of claims incurred.

Investment assets
Assets that resemble a capital investment. This includes real estate and securities, such as shares and participations, bonds and other interest-bearing securities, loans and derivatives as well as all investments in group companies and associates.

[1)] Refers to alternative performance measurements.

Investment result
Result from asset management activities recognized in profit or loss, which includes direct investment income, changes in value and management costs.

Liability for incurred claims
Liability item in the balance sheet consisting of the net present value of future payments of claims incurred and the expected claims handling expenses as well as a risk adjustment that reflects uncertainty in amount and timing of the payments.

Liability for remaining coverage and acquisition cash flow asset
Liability item in the balance sheet corresponding to the net of premiums received and acquisition cash flows paid that, in the financial accounts, pertains to forthcoming periods. It also includes a loss component for onerous groups of insurance contracts.

Net financial result
The sum of investment result and insurance finance income or expenses, net.

Own funds (capital base) (Solvency II)
Solvency II stipulates that the solvency capital requirements should be covered by "own funds," which consist of capital items and financial resources of a certain quality in terms of ability to absorb losses. An undertaking's available own funds may consist of basic own funds and ancillary own funds. The part of the undertaking's capital that is eligible to cover the solvency and minimum capital requirements is called eligible own funds. An insurance undertaking must have eligible own funds at least equal to the solvency capital requirement (SCR).

Premiums written, net of reinsurance
Gross written premium less ceded written premium.

Prior-year claims result
Profit or loss that arises when claims originating from a prior year are either finally settled or revalued.

Property and casualty insurance
Collective term for property insurance, liability insurance and reinsurance. Property insurance involves the type of insurance that covers the economic value of one or several objects (such as movable property in a home, car, boat, horse, factory building or warehouse). Other types of property and casualty insurance mainly cover various interests (such as, business interruption insurance or liability insurance), where only a specific economic interest is covered, not the economic value of one or several objects.

Reinsurance
A method of distributing risks whereby an insurance company purchases coverage for a part of its liability based on insurance or reinsurance contracts, so-called ceded reinsurance. Assumed reinsurance pertains to the business one insurance company accepts from other insurance companies in the form of reinsurance.

Reinsurance assets
The total of the reinsurance asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage corresponds to premiums, net of commissions, paid to reinsurers pertaining to forthcoming periods and the asset for incurred claims consists of the reinsurers' share of claims incurred that has not yet been received.

Reinsurance premium expenses
Premiums, net of commissions, to reinsurers that are attributable to the reporting period for reinsurance contract services received.

Retention
The highest insured or claims amount relating to the same risk that an insurer retains for its own account, meaning without reinsurance.

Return on equity [1)]
Net profit for the year in relation to average shareholders' equity.

Risk ratio [1)]
Total sum of insurance service expenses, claims incurred excluding claims handling expenses and reinsurers' share of incurred claims, in relation to the sum of insurance revenue and reinsurance premium expenses, expressed as a percentage.

Run-off business
The liquidation of an insurance company or portfolio of insurance business that has been transferred to a separate administrative unit.

Solvency Capital Requirement (SCR)
The Solvency Capital Requirement corresponds to a level of eligible own funds that enables an undertaking to absorb significant losses and that provides policyholders and beneficiaries with reasonable certainty to receive their benefits when they fall due. The Solvency Capital Requirement is calculated on the basis of all the quantifiable risks to which the insurance company is exposed. As a minimum, the Solvency Capital Requirement is to cover: insurance risk, market risk, counterparty default risk, and operational risk.

Total investment return
Total return in relation to other financial investment assets, land and buildings, cash and bank balances, accrued financial income, securities settlement claims/liabilities and derivative liabilities, expressed as a percentage. The return has been calculated using a daily time-weighted return calculation method.

Total return
Net of the following income and expenses: interest income/expense, dividend on shares and participations, surplus/deficits from own properties, management costs, realized and unrealized changes in fair value of real estate, shares and participations and interest-bearing securities, and currency gains/losses. Return pertaining to associates is not included.

[1)] Refers to alternative performance measurements.

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