

# ESG Report

## 2020





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# 1.1 Preface

Welcome to Topdanmark's second ESG report which covers the financial year 2020. The report is primarily aimed at investors.

Since 2010, we have published an annual CSR report which is also a progress report for the UN Global Compact. The CSR report provides a detailed description of our CSR strategy as well as the efforts and results of the year within customer relations, products and services, investments, corporate governance, corporate culture and society.

The ESG report provides a quick overview of our central objectives and results for 2020 e.g. our goal of becoming CO2 neutral in 2030, to reduce the use of disposable plastic, the objective of a minimum of 40% women in management, and absence due to illness below industry level. Furthermore,

the report also contains a number of indicators such as method description, and an overview of relevant policies. The report applies to all subsidiaries of Topdanmark.

We find that investors attach increasingly more importance to the environment, social factors and corporate governance (ESG) as important elements in their assessment of us as a company. We expect this to continue. In addition to ESG data, we have included a number of financial key figures.

With this new ESG report 2020, we want to meet the requirements of investors and ESG rating agencies to get a quick overview of

Topdanmark's work and progress on climate, environment, social conditions and corporate governance.

2020 has featured numerous good results which we are very proud of.

I hope you enjoy reading the ESG report!

Peter Hermann, CEO



Photo: Stine Blåstrup



# 1.2. About Topdanmark

Topdanmark is both a non-life and life insurance company, and we offer a wide range of products and services within insurance and pension to both private, commercial and agricultural customers. The foundation stone of Topdanmark was laid in 1899, and today we are 2,450 employees across the country. Topdanmark is a limited company listed on Nasdaq Copenhagen A/S. The head office is situated in Ballerup.

### Objectives

- To carry out nation-wide, Danish non-life and life insurance and pension fund business
- To be attractive to customers by being a competitive independent and pre-eminent insurance group
- To ensure that our shareholders achieve a long-term, competitive and stable return.

### Main stakeholders

Topdanmark has three mutually dependent main stakeholders: customers, employees and shareholders. Our starting point is that

satisfied customers and qualified employees are key to ensuring satisfied shareholders by achieving a long-term, competitive and stable return.

### The Top Promise: We are here to help

Topdanmark's primary task is to help our customers. Therefore, we have defined a Top promise in 2020: We are here to help. The Top promise is the foundation of our daily work in which we want to make a difference for our customers. It is also the foundation of our customer aspiration:

### Key figures 2020

DKK	12,893	million paid out to insurance customers
DKK	20,713	million in premiums earned
DKK	1,124	million profit
DKK	104	billion in investment activities
	86.5	in combined ratio

*As a Topdanmark customer, you need not worry about insurance and pension. We will take care of this for you. Based upon your requirements, we make provisions for your security. Making sure that being a Topdanmark customer is easy and simple. We are proactive and available when you need our assistance.*

The customer aspiration reflects that we want to help our customers with our products and services regardless of the situation. We not only want to protect our customers' financial assets but also their health.

We want to be proactive and help with prevention, thus damages and injuries do not occur, and we want to promote well-being and health. When the damage is done or the customer has fallen ill, we help limit the consequences in the best possible way and we pay out compensation. We also help our customers with advice and pension payments when working life ends. We take responsibility for our customers - and we want to be the best at it.





## 1. INTRODUCTION

### Topdanmark's business strategy

Based on the customer aspiration, we have defined seven strategic corridors aimed at ensuring direction, goals and priorities. Four corridors support Topdanmark's differentiation from its competitors: long-term customer relations; strong distribution power; expert in risk management; non-life insurance and life insurance within the same group. Three corridors support the execution: commitment and leadership; future technology and best at execution.

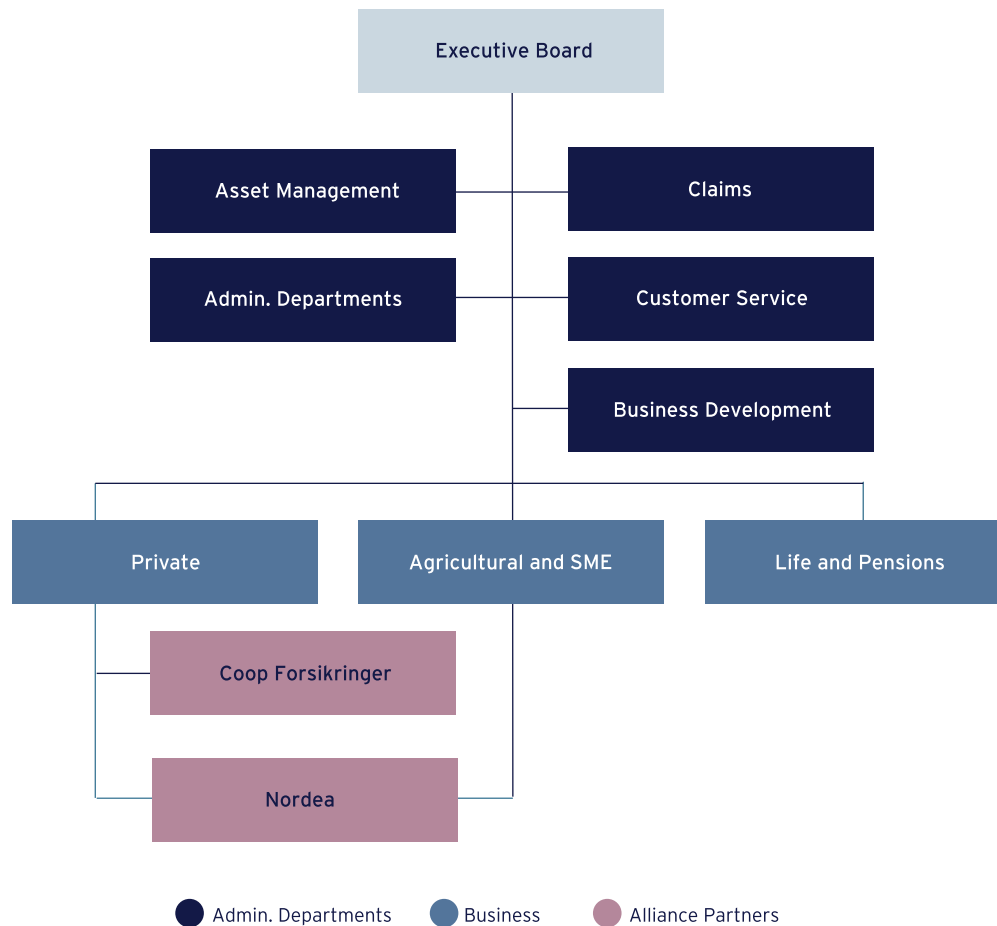




## 1. INTRODUCTION

### Our business structure

Our distribution structure is to combine our own sales channels such as online sales via the website, insurance agents and tele-sales, and sales and referrals through a number of partners.





## 1. INTRODUCTION

# 1.3. Our commitment and policies

Topdanmark has been part of the UN Global Compact since 2010, and we are an active part of the UN Global Compact Nordic Network.

**Of the 17 Sustainable Development Goals, we are working with:**



**Goal 3:** Good Health and Well-being



**Goal 5:** Gender Equality



**Goal 8:** Decent Work and Economic Growth



**Goal 12:** Responsible Consumption and Production



**Goal 13:** Climate Action

> TOPDANMARK HAS REPORTED TO CDP SINCE 2010.  
READ THE LATEST CDP REPORT WITH SCORE C

> WE ALSO PUBLISH AN ANNUAL CSR REPORT  
- READ THE CSR REPORT FOR 2020

> ALL PUBLIC POLICIES CAN BE FOUND HERE

### Policies - overview

Anti-Corruption Policy (gifts and entertainment)	non-public
Climate and Environmental Policy	public
CSR Policy	public
Data Protection Policy	non-public
Disclosure Policy	non-public
Diversity Policy - Board of Directors	public
Diversity Policy - Executive Functions in Topdanmark Group	public
Engagement Policy (active ownership)	public
Ethical Principles for Artificial Intelligence	public
HR Policies	non-public
Information Security Policy	non-public, but summary is public
Loss Prevention and Loss Limitation Policy	public
Operational Risk, Compliance and Internal Control Policy	non-public
Policy for Human Rights	public
Procedures to Prevent Money Laundering and Terrorist Financing	non-public, but summary is public
Remuneration Policy	public
Responsible Investment Policy	public
Risk Management Policy	non-public



# 1.4. About the report

In this report, you will find the complete set of Topdanmark's environmental, social and governance (ESG) performance indicators. In addition, we have added a set of key financial indicators.

We use the ESG data to various investor and ESG rating schemes and as the foundation for our answers to questions from investors and other stakeholders. A selection of the data in this report is also presented in our CSR report.

The report covers the financial year 2020, and it applies to all subsidiaries of Topdanmark.

### **ESG data collection and data quality**

We continuously seek to develop our ESG data set in order to support our business and to provide our stakeholders with relevant and transparent reporting of our ESG performance.

To ensure consistency in data over time, the data calculation method is clearly defined and stated in the report.











## 2. ENVIRONMENT

# 2. Environment

## 2.1 Objectives and results

Climate	Unit	Objectives for 2030	Baseline	Results in 2020	Comments on the annual result	UN Sustainable Development Goals
CO2e emissions - total (scope 1, 2 and partly 3)	Tonnes CO2e	CO2e neutral in terms of operation of buildings, company car travel and air travel	2019	Reduction of 1,058 tonnes CO2e-emissions equal to 15 %	Reduction has primarily been achieved through a reduction in car and air travel due to COVID-19 restrictions. In 2021, the CO2e emissions are expected to be almost at the same level as in 2020.	Goal 7: Affordable and Clean Energy Goal 13: Climate action
Investment	%	Approx. 20% of pension investments will be in green transformation	2019	N/A	Reporting will be initiated in 2021, when EU directives on green investments are issued.	The same

Waste and paper consumption	Unit	Objectives for 2021	Baseline	Results in 2020	Comments on the annual result	UN Sustainable Development Goals
Percentage of waste recycled	% of all waste	Increase	2017	Increase of 9.7pp equal to 25%	The result is satisfactory and has been achieved through an increased focus on correct waste sorting.	Goal 12, Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse
Paper consumption	Tonnes	Reduction	2017	Reduction of 23 tonnes paper equal to 61%	The result is satisfactory and has been achieved through digitalisation and less printing throughout the company.	The same
Consumption of plastic disposables	No. of units	Reduction	2018	Reduction of 420,658 units equal to 52%	The result is satisfactory and has been achieved through a change from plastic cups and cutlery to more sustainable products.	The same

Reuse and repair	Unit	Objectives for 2021	Baseline	Results in 2020	Comments on the annual result	UN Sustainable Development Goals
Percentage of car windows repaired	%	Increase	2017	Increase of 3.3 pp equal to 9%	Objective has been met.	Goal 12, Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse
Percentage of telephones, computers and tablets repaired	%	Increase	2017	Increase of 12.3 pp equal to 22%	Objective has been met.	The same
Furniture and items donated to reuse	No. of units	Increase	2018	Increase of 9 units	The result is not satisfactory and the initiative will be closed down.	The same



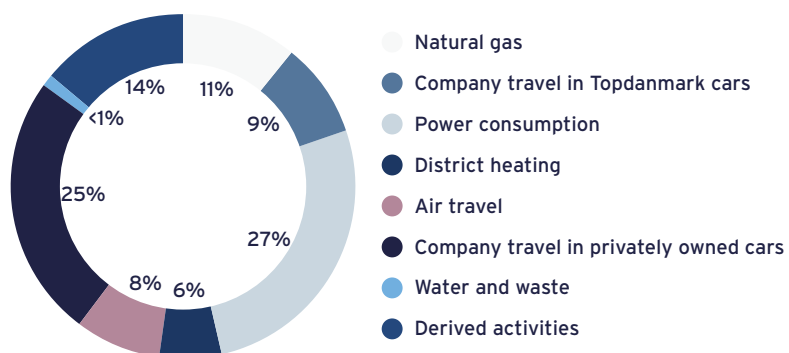
## 2. ENVIRONMENT

### All Indicators

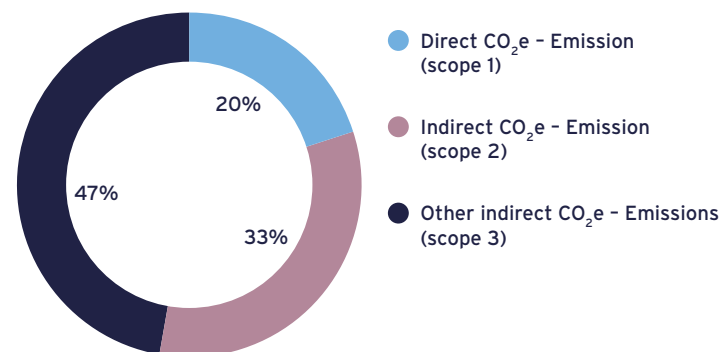
#### 2.2 CO<sub>2</sub>e emissions

CO <sub>2</sub> e emissions - absolute	Unit	2020	2019	2018	2017	
CO <sub>2</sub> e emissions - total	Tonnes CO <sub>2</sub> e	6,024	7,082	7,165	4,752	Total of CO <sub>2</sub> e emissions covering scope 1, 2 and partly 3
Scope 1	Tonnes CO <sub>2</sub> e	1,352	1,383	1,449	1,669	CO <sub>2</sub> e emissions include Topdanmark's cars, both owned and leased, and consumption of natural gas. Company travel is calculated based on the consumption of petrol and diesel, converted to the number of kilometres travelled. Data includes both private and business travel.
Scope 2	Tonnes CO <sub>2</sub> e	2,123	2,322	2,391	1,317	CO <sub>2</sub> e emissions include consumption of district heating and power consumption.
Scope 3	Tonnes CO <sub>2</sub> e	2,549	3,377	3,325	1,767	CO <sub>2</sub> e emissions include company travel in own cars and air travel. Company travel by car: CO <sub>2</sub> e emissions are calculated based on the number of kilometres travelled, which in turn is calculated on the basis of the mileage allowance paid to employees divided by the national mileage rate. Air travel: CO <sub>2</sub> e is calculated based on the number of kilometres flown based on a report from the group travel agency and from internal registrations of other flights. Data for 2018 does not include internal registration of other flights.

Percentage of total CO<sub>2</sub> emission



Percentage of total CO<sub>2</sub> emission







## 2. ENVIRONMENT

CO <sub>2</sub> e emissions per employee	Unit	2020	2019	2018	2017	
CO <sub>2</sub> e emissions per employee - total (scope 1, 2 and 3)	Tonnes CO <sub>2</sub> e	2.45	3.01	3.13	1.97	Total CO <sub>2</sub> e emissions per FTE as at 31 December
Scope 1	Tonnes CO <sub>2</sub> e	0.55	0.59	0.63	0.69	CO <sub>2</sub> e emissions from scope 1 elements per FTE as at 31 December
Scope 2	Tonnes CO <sub>2</sub> e	0.86	0.99	1.04	0.55	CO <sub>2</sub> e emissions from scope 2 elements per FTE as at 31 December
Scope 3	Tonnes CO <sub>2</sub> e	1.04	1.43	1.5	0.73	CO <sub>2</sub> e emissions from scope 3 elements per FTE as at 31 December
CO <sub>2</sub> emissions from investment activities	Unit	2020	2019	2018	2017	
CO <sub>2</sub> emissions from investments	Tonnes/USDm revenue	125.8	-	-	-	Internal calculation based on data from Sustainalitics



## 2. ENVIRONMENT

### 2.3 Energy consumption

	Unit	2020	2019	2018	2017	
Use of company car - petrol	1,000 litres of petrol	14	32	35	32	Data are obtained from leasing supplier, which reports on fuel consumption (diesel, Octan 95 and Octan 98). Data are calculated from Q4 in the preceding year and Q1 to Q3 in the year in review. Data also include private driving as there is no distinction between driving for personal and business purposes, respectively.
Use of company car - diesel	1,000 litres of diesel	191	214	228	244	Data are obtained from leasing supplier, which reports on fuel consumption (diesel, Octan 95 and Octan 98). Data are calculated from Q4 in the preceding year and Q1 to Q3 in the year in review. Data also include private driving as there is no distinction between driving for personal and business purposes, respectively.
Use of non-company cars for business purposes	Million kilometres	6.3	7.7	8.4	9.1	The figure is calculated from mileage allowance paid to the employee. Based on mileage allowance, the number of kilometres driven is calculated based on the government rates for mileage allowance.
Heating - district heating	MWh	1,205	1,102	458	468	Report from utility company on annual consumption. As from 2019, it includes all locations in which an FTE-based average of both Ballerup (head office) and Viby (second largest office) has been used to calculate consumption at other locations.
Consumption of natural gas	1000 m <sup>3</sup>	413	366	378	392	Report from utility company on annual consumption. Data only cover Topdanmark's property in Ballerup as no other locations utilise natural gas.
Consumption of natural gas	MWh	4,169	3,701	3,818	3,959	Consumption of natural gas converted from m <sup>3</sup> to kWh by multiplying with 10.1
Own electricity production	MWh	1,517	1,478	1,531	1,094	Electricity production from solar cells at Topdanmark's property in Ballerup (head office) and Viby. Reports from eviShine.
Electricity purchased	MWh	4,327	4,404	4,295	4,347	Report from utility company on annual consumption. As from 2019, it includes all locations in which an FTE-based average of both Ballerup and Viby has been used to convert consumption at other locations
Energy consumption - total	MWh	5,844	5,882	5,826	5,441	Electricity purchased and own electricity production
Energy consumption - total	GJ	47,741	47,198	45,511	43,294	Energy consumption = sum (used fuel type (t) * energy factor per fuel type) for each fuel type + (used) electricity (incl. sustainable energy) (MWh) * 3.6) + (used district heating incl. sustainable sources (GJ))
Renewable energy	GJ	5,461	5,320	5,512	3,935	The amount of energy from Topdanmark's solar cell system
Renewable energy percentage	%	11.4	11.3	12.1	9.1	The share of sustainable energy produced compared with the total energy consumption



## 2. ENVIRONMENT

### 2.4 Air travel

	Unit	2020	2019	2018	2017	Data calculation method
<463 km flight one-way	Km	6,636	15,845	-	-	N/A
463-3700 km flight one-way	Km	270,669	917,890	-	-	N/A
>3700 km flight one-way	Km	1,021,459	2,235,317	-	-	N/A

### 2.5 Waste, water, paper and plastic

	Unit	2020	2019	2018	2017	Data calculation method
Percentage waste recycled	%	48.2	43.8	52.7	38.5	Reports from suppliers. Up to and including 2018, only consumption at the head office was included. As from 2019, all locations are included by a calculation using an FTE-based average from the head office and another office's consumption
Total waste	Tonnes	243	342	354	257	Reports from suppliers. Data are from the period of December last year to the end of November in the year in review. Up to and including 2018, only consumption at the head office was included. As from 2019, all locations are included through a calculation using an FTE-based average from the head office and another office's consumption.
Hazardous waste - Head office	%	0.1	0.1	0.1	0.1	Report from supplier
Water consumption	m <sup>3</sup>	10,651	15,235	12,309	11,884	Report from supplier. Up to and including 2018, only consumption at the head office was included. As from 2019, all locations are included through a calculation using an FTE-based average from the head office and another location's consumption.
Paper consumption	Tonnes	14.5	26.5	31.8	37.5	Internal calculation of paper and paper articles purchased in the financial year in review.
Consumption of plastic disposables	No. of units	395,161	519,565	815,819	-	Internal calculation based on purchase of plastic disposables for all locations and the staff canteen at the head office. This includes: cups, glasses, buckets, cutlery, plates, disposable gloves, bags and plastic bags of various kinds.





## 2. ENVIRONMENT

### 2.6 Reuse and repair

	Unit	2020	2019	2018	2017	Data calculation method
Secondhand parts purchased for car repairs	%	1.9	1.8	1.7	2.0	Internal calculation based on the number of purchased parts for repair of private and commercial vehicles - compared with the number of new parts.
Written-off cars sold for reconstruction	%	13.7	14.0	13.6	14.5	Internal calculation based on the number of written-off private and commercial vehicles sold for reconstruction in comparison to the total number of written-off vehicles.
Percentage of car windows repaired	%	41.3	41.7	38.3	38.0	Internal calculation of the percentage of car window repair in relation to the total number of damaged car windows. The figure is an annual average. These are exclusively car windows which are covered by Topdanmark's glass cover under the motor insurance. This does not apply to glass damage in connection with dent/combination damage.
Percentage of telephones, computers and tablets repaired	%	69.0	70.0	66.2	56.7	Internal calculation of the percentage of repair of telephones, computers and tablets compared with the total number of damaged items. The figure is an annual average.
Furniture and items donated for reuse	No. of units	24	22	15	-	Internal registration
Bicycles donated for reuse	No. of units	56	110	-	-	Internal registration of bicycles donated
IT equipment sold for repair/scrap	Kg	4,075	2,747	10,911	-	Internal calculation of IT equipment sold





### 3. SOCIAL

## 3. Social

### 3.1 Objectives and results

Employees	Unit	Objective for 2020	Baseline	Result in 2020	Comments on the annual result	UN Sustainable Development Goals
Full-time employees (FTE) - average	No. of people	2,455	Ongoing	2,460	The objective has been met.	Goal 8: Decent work and economic growth

Human Capital	Unit	Objectives for 2020	Baseline	Results in 2020	Comments on the annual result	UN Sustainable Development Goals
Employee turnover	%	On industry average (Finance industry Denmark), i.e. 12.4%	Ongoing	11.1%	The objective for 2020 has been achieved as the employee turnover in 2020 is lower than the industry average. There has been a decrease in employee turnover compared with 2019, and we see this as a result of the recent years' increased focus on job satisfaction, and as a sign that our efforts are working.	Goal 8: Decent work and economic growth
Job satisfaction survey	Points	Increase by 2 points	2019	Increase from 76 points to 78	The result is satisfactory and a sign that our employees are generally doing well and thriving. The goal for 2021 is to maintain the 78 points.	The same
Absence due to illness	%	Below industry average (Finance industry Denmark), i.e. 3.1%	Ongoing	2.4%	The result for 2020 is satisfactory as the absence due to illness is well below the industry average (finance industry).	Goal 3: Good health and well-being





### 3. SOCIAL

#### 3.1 Objectives and results

Gender diversity	Unit	Objectives for 2020	Baseline	Results in 2020	Comments on the annual result	UN Sustainable Development Goals
Female managers - all levels	%	Minimum 40% of each gender	Ongoing	41%	The objective has been met.	Goal 5. Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life
Percentage of employment interviews for posted managerial positions with at least one female candidate	%	Minimum one female candidate for employment interviews for posted managerial positions	Ongoing	52%	The objective has not been met, which is primarily due to no female applicants, or that the female applicants have not been professionally qualified on the same level as the male applicants.	The same
Gender distribution in succession planning	%	Min. 40% of each gender	Ongoing	29%	From year to year, there will always be fluctuations in the gender distribution on the succession list. Therefore, also in 2020. However, the result is not nearly satisfactory, and therefore, our goal for 2021 will be to get more women on the list.	The same

General customer data	Unit	Objectives for 2020	Baseline	Results in 2020	Comments on the annual result	UN Sustainable Development Goals
Transactional Net Promoter Score - telephone	Points	Increase	Ongoing	Increase of 11 pp	The result is satisfactory and we see it as a sign that we have become even better at helping our customers in a satisfactory way before, during and after a claim.	N/A
Transactional Net Promoter Score - digital self-service	Points	Increase	Ongoing	Increase of 1 pp	The same	N/A



### 3. SOCIAL

#### 3.1 Objectives and results

Customer satisfaction Topdanmark non-life insurance	Unit	Objective for 2020	Baseline	Result in 2020	Comments on the annual result	UN Sustainable Development Goals
EPSI rating for private customers	Points	Increase	Ongoing	Decrease of 1.6pp compared with 2019	The decrease in the EPSI rating is primarily due to COVID-19, which has challenged our ability to provide the level of service that the customers expected and needed. However, the customers are still "satisfied" and very close to being "very satisfied". In 2021, we will focus on a proactive approach to our customers and improve our advice.	N/A
EPSI rating for commercial customers	Points	Increase	Ongoing	Increase of 1.2pp compared with 2019	In general, the entire industry level has decreased in the EPSI rating, but Topdanmark has an increase. The result is satisfactory due to the increase in points compared with the result in 2019.	N/A
Percentage of favourable rulings at the Insurance Complaints Board	%	Findings in Topdanmark's favour in the majority of cases brought before The Insurance Complaints Board	Ongoing	86%	The objective has been met.	-

Customer satisfaction - Topdanmark life insurance	Unit	Objectives for 2020	Baseline	Results in 2020	Comments on the annual result	UN Sustainable Development Goals
Aalund rating	Place	Maintain the position as the life insurance company with the most satisfied customers among enterprises with 10-49 employees	Ongoing	From 1st place in 2019 to 3rd place	The decrease in the rating traces back to a year characterised by instability and IT implementations. We expect an increase in 2021.	N/A
Percentage of favourable rulings at the Insurance Complaints Board	%	Findings in Topdanmark's favour in the majority of cases brought before The Insurance Complaints Board	Ongoing	83%	The objective has been met.	N/A



### 3. SOCIAL

## All indicators

### 3.2 Employees

	Unit	2020	2019	2018	2017	Data calculation method
Full-time employees (FTE) as at 31 December	No. of people	2,456	2,358	2,307	2,405	Internal calculation covering the total number of employees converted to full-time employees i.e. including part-time positions as at 31 December in the year in review. The figure does not include personnel indirectly employed by Topdanmark in outsourced activities.
Full-time employees (FTE) - average	No. of people	2,460	2,318	2,343	2,473	Internal calculation covering the total number of employees converted to full-time employees i.e. including part-time positions as at 31 December of the year in review.
≤29	%	15.4	14.3	13.9	-	Internal calculation. Percentage of FTEs up to and including 29 years of age as at 31 December of the year in review.
30-49	%	50.9	51.4	55.6	-	Internal calculation. Percentage of FTEs between 30 and 49 of age as at 31 December of the year in review.
≤50	%	33.6	34.2	30.5	-	Internal calculation. Percentage of FTEs aged 50 and above as at 31 December of the year in review.
Average age	Age	43.2	43.5	-	-	Internal calculation: Total age of all employees divided by the number of FTEs
Part-time employees	%	8.0	-	-	-	Internal report on the number of employees not working full time
Part-time female employees	%	89.8	-	-	-	Internal report on the number of female employees not working full time
Part-time male employees	%	10.2	-	-	-	Internal report on the number of male employees not working full time
FTEs on temporary contract	%	2.0	1.9	2.3	1.7	Contracts with an effective date of termination (excl. trainees and maternity covers). All foreign contracts are omitted.
FTEs on collective agreement	%	96.6	96.5	97.2	96.9	N/A
Employees in flexible jobs	No. of people	8	10	11	13	Employees for whom an agreement on employment has been concluded with the public authorities. Internal list.





### 3. SOCIAL

#### 3.3 Human Capital

	Unit	2020	2019	2018	2017	Data calculation method
Employee turnover	Number	269	329	378	-	The amount of employees who left the company voluntarily, were discharged, retired or left the company for another reason. The number also includes terminated temps, but not hourly-paid employees.
Employee turnover	%	11.1	13.9	14.0	14.3	The percentage of employees who left the company voluntarily, were discharged, retired or left the company for another reason. The number also includes terminated temps, but not hourly-paid employees.
Employee turnover - involuntary	%	4.7	6.2	-	-	The percentage of employees who involuntarily left Topdanmark. This includes employee terminations, retirements or other departures.
Employee turnover in the finance industry	%	-	12.4	13.3	12.0	Data are obtained from a statement by Finansforbundet (Financial Services Union Denmark) on staff turnover within the industry. Data for 2020 had not been published at the end of the ESG report 2020.
Competence development of employees - total amount	DKKm	24.7*	33.0	27.0	28.5	Internal report on expenses for external courses and training including transport. Expenses for working hours are not included.
Competence development of employees - per employee	DKK	10,070*	14,020	11,704	-	Internal calculation of total sum of expenses for employee competence development divided by number of FTEs.
Average salary to FTEs	EUR	79,551	76,705	74,284	72,732	N/A
Average salary to FTEs	DKK	596,635	575,292	-	-	N/A
Average salary - male employees	DKK	698,620	-	-	-	Internal calculation: Total sum of salary for all male employees divided by the number of male employees.
Average salary - female employees	DKK	536,105	-	-	-	Internal calculation: Total sum of salary for all female employees divided by the number of female employees.
Employment costs	DKKm	2,195	2,029	1,999	2,004	Accounting policies applied are stated in the financial statements for Topdanmark A/S.

\* The decrease in the amount for competence development of employees from 2019 to 2020 can be traced back to limitations in training options due to COVID-19 restrictions.



### 3. SOCIAL

#### 3.4 Health and well-being

	Unit	2020	2019	2018	2017	Data calculation method
Job satisfaction survey	Points	78	76	-	-	Based on the replies to two questions, the replies are converted to index numbers on a scale of 0 to 100.
Participation in job satisfaction survey	%	87	86	-	-	Percentage of Topdanmark employees who participated in the survey.
Absence due to illness	%	2.4	2.7	3.0	3.0	The percentage is calculated based on the number of sick hours compared to the number of standard hours. Hourly-paid employees are not included.
Absence due to illness in the finance industry	%	-	3.1	3.1	2.9	Data are obtained from a statement by Finansforbundet (Financial Services Union Denmark) of absence due to illness within the industry. Data is for 2019, as data for 2020 had not been published at the end of the ESG Report 2020.
Absence due to illness	Days/FTE	6.0	6.7	-	-	The total number of days ill for all FTEs in the period divided by the number of total FTEs. Maternity leave is excluded.
Work-related accidents	Number	2	2	2	2	The number covers work-related accidents that were settled during the present financial year.
Cases of discrimination	Number	0	0	0	0	'Cases of discrimination' include cases in which, on the basis of Topdanmark's diversity policy, either a settlement has been concluded with a trade organisation, or Topdanmark has lost a decision by arbitration or by a court.
Deaths	Number	0	0	0	0	Deaths caused by work-related accidents.



### 3. SOCIAL

#### 3.5 Gender diversity

	Unit	2020	2019	2018	2017	Data calculation method
Female employees on full-time (FTE)	Number	1,027	1,021	1,005	900	N/A
Female employees on full-time (FTE)	%	41.9	43.3	44.0	45.0	Percentage of female employees compared with male employees as at 31 December in the year in review.
Female managers - all levels	%	41.3	40.9	40.0	42.0	Internal calculation of the percentage of female managers at all levels i.e. level 1, 2, 3 and 4
Female managers - level 1 (Executive Board)	%	0	0	0	25	Level 1: The Executive Board in Topdanmark. As at 31 December 2019, the Executive Board consists of four executives.
Female managers - level 2	%	25	25	23	19	Level 2: Divisional and service function directors who report to a C-level director.
Female managers - level 3	%	34	37	38	33	Level 3: Managers managing other managers, but not included in level 2.
Female managers - level 4	%	48	45	44	48	Level 4: All other managers, who manage employees, but not other managers.
Percentage of employment interviews for posted managerial positions with at least one female candidate.	%	52	46	53	76	Internal calculation of female candidates for employment interviews
Gender distribution in succession planning	% women	29	54	-	-	Internal calculation





### 3. SOCIAL

#### 3.6 General customer data

	Unit	2020	2019	2018	2017	Data calculation method
Shared customers between Topdanmark life and non-life insurance	Number	64,384	-	-	-	Internal report on customers that are insured at both Topdanmark non-life insurance and Topdanmark life insurance.
Claims reported digitally	%	59.0	63.8	-	-	Internal report on the percentage of claims that are reported digitally compared with claims that are otherwise reported e.g. by telephone.
Transactional Net Promoter Score - Telephone	Points	58.7	48.0	-	-	A percentage of customers were contacted after having a telephone call with Topdanmark. tNPS is calculated as net result of the share of "promoters" (who replied 9-10) less the share of "detractors" (who replied 0-6) to the question: To what extent would you recommend Topdanmark to others?
Transactional Net Promoter Score - Digital self-service	Points	45.1	44.0	-	-	A percentage of customers were contacted after log-in to Mit Topdanmark. tNPS is calculated as net result of the share of "promoters" (who replied 9-10) less the share of "detractors" (who replied 0-6) to the question: To what extent would you recommend Topdanmark to others?
Score on Trustpilot	Points	4.4	4.4	8.6	8.8	Score as at 31 December is included in the financial year. In 2019, Trustpilot changed the TrustScore from a ten-point scale to a five-point scale. Converted to the old scale, the result is 8.8 in both 2019 and 2020.



### 3. SOCIAL

#### 3.7 Topdanmark non-life insurance

	Unit	2020	2019	2018	2017	Data calculation method
Private customers - total	Number	502,451	507,215	514,197	509,000	Internal calculation in which 'private customer' is defined as a customer with a primary affiliation with the Private Division.
Commercial customers - total	Number	58,606	45,437	48,989	42,050	Internal calculation in which 'commercial customer' is defined as a customer with a primary affiliation with the SME Division.
Agricultural customers - total	Number	54,477	60,038	59,337	54,925	Internal calculation in which 'agricultural customer' is defined as a customer with a primary affiliation with the Agricultural Division.
Market share	%	16.3	16.2	16.6	16.8	Calculated by the trade association Insurance & Pension Denmark on the basis of data from all non-life insurance companies. Data dates back 6-12 months in relation to current financial year.
EPSI rating for private customers	Points	73.7	75.3	77.5	76.8	Customer satisfaction survey in the insurance industry conducted by the analysis research company EPSI. Conducted through telephone interviews in September and October each year and including only private customers. Data are obtained from report from EPSI.
EPSI rating for commercial customers	Points	70.3	69.1	-	73.5	Customer satisfaction survey in the insurance industry conducted by the analysis research company EPSI. Conducted through telephone interviews in September and October each year and including only commercial customers. Data are obtained from report from EPSI.
Number of rulings at The Insurance Complaints Board	Number	127	117	129	131	Closed cases on non-life insurance brought before The Insurance Complaints Board.
Percentage of favourable rulings at The Insurance Complaints Board	%	86	85	78	77	The percentage of complaints in which Topdanmark has been successful in relation to all closed cases.
Decisions by The Insurance Complaints Board which Topdanmark has not observed	Number	1	1 *	0	0	N/A

\* The customer decided to bring the case before a court of law. In 2020, a decision was reached and Topdanmark succeeded in both Lower and High Court.



### 3. SOCIAL

#### 3.8 Topdanmark life insurance

	Unit	2020	2019	2018	2017	Data calculation method
Private customers - total	Number	103,826	98,742	49,977	50,000	Accounting policies applied are stated in the annual report for Topdanmark Livsforsikring A/S.
Commercial customers - total	Number	60,545	59,622	94,832	95,000	Accounting policies applied are stated in the annual report for Topdanmark Livsforsikring A/S.
Customers with group life insurance - total	Number	83,879	86,241	88,375	174,000	Accounting policies applied are stated in the annual report for Topdanmark Livsforsikring A/S.
Returns to life insurance customers	%	8.2	21.5	-6.6	11.0	Yearly returns to customers with Profile Pension with 30 years till retirement (risk level: medium). Data accessible online at <a href="http://www.topdanmark.dk">www.topdanmark.dk</a> .
Market share	%	10.9	10.0	8.8	9.0	Market share of commercial life insurance companies based on data from 2019. Internal calculation based on the annual reports of competitors and Topdanmark. The calculation is based on premiums and deposits incl. investment contracts.
Aalund rating	Place	3rd place	1st place	1st place	1st place	Data from Aalund, which measures customer satisfaction and loyalty in the pension industry, including Topdanmark Livsforsikring A/S. The rating has 3 parameters (satisfaction, image and loyalty) and we report on the satisfaction parameter specifically for enterprises with 10-49 employees, as this constitutes Topdanmark Livsforsikring's primary customer segment.
Number of rulings at The Insurance Complaints Board	Number	12	8	21	11	Closed cases on life insurance brought before The Insurance Complaints Board.
Percentage of favourable rulings at The Insurance Complaints Board	%	83	100	100	82	The percentage of complaints in which Topdanmark has been successful in relation to all closed cases.
Decisions by The Insurance Complaints Board, which Topdanmark has not observed.	Number	0	0	0	0	N/A





### 3. SOCIAL

#### 3.9 Products and services

	Unit	2020	2019	2018	2017	Data calculation method
People who have been helped and compensated for both personal injury and property claims.	No. Of people	321,665	315,819	314,484	376,400	Data cover all completed claims incl. personal injury, weather-related claims and roadside assistance.
People who have been helped and compensated for personal injury.	No. Of people	41,613	29,210	32,366	29,344	Data cover completed personal injury claims and includes both Topdanmark customers and persons covered by our customers' insurance.
Advice on prevention for agricultural customers	Number	70	95	78	97	Internal calculation
Views of 'good advice' on www.topdanmark.dk	Number	109,168	122,350	92,035	59,293	Number of pageviews of good advice and prevention pages (from Google Analytics)





## 4. GOVERNANCE

# 4. Governance

### 4.1 Objective and result

	Unit	Objective for 2020	Baseline	Result in 2020	Comments on the annual result	UN Sustainable Development Goals
Diversity on the Board of Directors	Number	Minimum 3 of each gender (both elected by the annual general meeting and elected by the employees)	Ongoing	4 women and 5 men	Objective has been met.	Goal 5, target 5.5.: ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life

## All indicators

### 4.2 Board of Directors

	Unit	2020	2019	2018	2017	Data calculation method
Board members	Number	9	9	9	9	As declared in Topdanmark's Corporate Governance report
Board members - foreigners	%	33	33	33	33	N/A
Board members - independent	%	50	33	22	22	As declared in Topdanmark's Corporate Governance report
Average number of years on the Board of Directors	Number	3	2	-	-	The total number of years for all Board members divided by the number of members
Women on the board elected by the annual general meeting	Number	2	2	2	2	N/A
Women on the board elected by the employees	Number	2	2	2	3	N/A
Women on the board - total	Number	4	4	4	5	Both AGM elected and elected by the employees
Women on the board	%	44	44	44	56	N/A
Board meetings per year	Number	8	8	8	8	N/A
Attendance at board meetings	%	99	92	-	-	Calculated by the sum of each board member's total attendance over the year, divided by the number of board members multiplied with the amount of board meetings times 100.
Audit meetings per year	Number	5	5	5	5	N/A



## 4. GOVERNANCE

### 4.3 Executive management

	Unit	2020	2019	2018	2017	Data calculation method
Executive Board	Number	4	4	4	4	Level 1: Executive Board in Topdanmark. As at 31 December 2020, the Executive Board consists of four directors.
Foreigners	%	0	0	0	0	N/A
Top management incl. Executive Board	Number	24	24	22	21	Level 1 and 2: Divisional and service function directors who report to a C-level director
Women in top management	%	21	21	23	19	N/A

### 4.4 Remuneration

	Unit	2020	2019	2018	2017	Data calculation method
CEO	DKKm	8.0	7.9	6.8	19.5	As stated in Topdanmark's remuneration report
Wage gap between CEO and employee	Times	13.5	13.8 <sup>1)</sup>	-	-	CEO remuneration divided by the median employee salary. Median is used to compensate for extremes.
Other members of the Executive Board	DKKm	19.6	18.9	20.5	16.9	As stated in Topdanmark's remuneration report
Board of Directors	DKKm	5.9	5.8	5.8	5.1	As stated in Topdanmark's remuneration report
Total	DKKm	33.5	32.6	33.1	41.5	Calculated by the sum of remuneration above: CEO, other members of the Executive Board and Board of Directors
Audit fees	DKKm	4.8	4.6	2.7	15.2	N/A
Of which is non-audit services	DKKm	1	0	0	11	N/A

1) In the ESG report 2019 the figure was 13.2 which was incorrect







# 5. Finance

## All indicators

### 5.1 Financial highlights

	Unit	2020	2019	2018	2017	Data calculation method
Premiums earned	DKKm	20,713	20,502	19,247	17,510	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Claims and benefits	DKKm	12,893	10,636	10,133	10,557	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Corporate tax	DKKm	329	441	371	502	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Profit after tax	DKKm	1,124	1,547	1,331	1,733	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Assets	DKKm	109,288	98,442	83,224	80,958	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Insurance provisions	DKKm	95,797	86,778	72,575	70,289	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Shareholders' equity	DKKm	6,879	6,397	6,016	6,191	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Combined ratio non-life	%	86.5	83.7	83.6	82.0	Accounting policies applied are stated in the financial statements for Topdanmark A/S.
Dividend paid	DKKm	1,800	765*	1,350	1,710	Dividend adopted by the annual general meeting.

\* In the 2019-report the figure was 1,530 DKKm. At the AGM in 2020, it was decided to postpone payout of the second half of the dividend for 2019 until the AGM on 25 March 2021.









## 6. EMISSION FACTORS

# 6. Emission factors

Emission factors	
Emission factors Activity	Emission factor reference 2
Fuel and electricity	International Energy Agency (IEA), 2019
District Heating and Cooling	Dansk Fjernvarme, 2017
Business travel	UK Department for Environment, Food & Rural Affairs (DEFRA), 2018
Accommodation	Cornell Hotel Sustainability Benchmarking (CHSB) Index, 2018
Water	DEFRA, 2018
Transmission and distribution (T&D)	IEA, 2019
Well-to-tank (WTT)	DEFRA, 2018
Waste	DEFRA, 2018





# Contact

If you have any questions or comments concerning the report, please contact Pernille Fogh Christensen, who is responsible for ESG.

If you want to enter into dialogue with us about our ESG & CSR efforts, you are also welcome to contact us.

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