

Sustainability report 2022



Contents

Letter to stakeholders	4
Overview of 2022	6
Tryg at a glance	7
Strategy, materiality and governance	9
Sustainable insurance	12
Responsible company	18
Green workplace	31
Ethics and compliance	33
Social engagement	39
ESG data tables	42
Climate partnership	47
Accounting principles	49
Reader's guide	52

COMMUNICATION ON PROGRESS

UN GLOBAL COMPACT

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Acquisition of Trygg-Hansa in Sweden and Codan in Norway

The acquisition of Trygg-Hansa in Sweden and Codan in Norway was approved on 1 April 2022. This means that Tryg is now the largest non-life insurance company in Scandinavia with more than 7,000 employees and 5.3 million customers. Data from Trygg-Hansa and Codan Norway are included in the ESG data as of 1 April 2022 and in the 2019 baseline where relevant.

TRYGG HANSA CODAN



Read our
Annual report
2022



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Read our
Annual profile
2022



About this report

This is the independent annual Sustainability report of Tryg A/S. The report composes Tryg's Communication on Progress (COP) report and thus underlines Tryg's continuous commitment to the UN Global Compact's Ten Principles on human rights, labour rights, the environment and anti-corruption. The report covers activities in Tryg A/S for the financial year 1 January 2022 to 31 December 2022. Data from the RSA Scandinavia acquisition (Trygg-Hansa in Sweden and Codan Norway) are included as of 1 April 2022.

The report describes how Tryg is progressing in relation to our sustainability strategy and targets. We aim to provide transparent, accurate and reliable information about our sustainability efforts and performance and about the impact of our business on people and the planet. Our approach to sustainability reporting is to focus on material issues in line with relevance to our stakeholders and business as well as society.

The report includes an ESG data overview of Tryg's key performance indicators, Tryg's climate reporting in line with Insurance & Pension Denmark's industry recommendations, Tryg's reporting on EU Taxonomy-eligible and non-eligible economic activities as well as Tryg's climate-related disclosure in line with the TCFD (Task Force on Climate-related Financial Disclosures) recommendations.

Previous years' data and reports are available at
→ tryg.com/en/sustainability/reporting

For further information, please visit
→ tryg.com

Statutory statement on sustainability

This report represents our statutory statement on sustainability, gender diversity at management level and data ethics presented in accordance with Sections 132a, 132b and 132d of the Danish Executive Order on Financial Reports for Insurance Companies and Lateral Pension Funds (Nationwide Occupational Pension Funds).

Compliance review

As part of PwC's assurance report on Tryg's annual report for 2022, PwC has performed a consistency check of the management review, including Tryg's Sustainability report. In addition, Tryg's Internal Audit has performed spot checks on selected claims and data points.





Jukka Pertola
Chairman

Morten Hübbe
Group CEO

Letter to stakeholders

In a world faced by climate change, more frequent extreme weather events, and economic and political instability, Tryg's purpose is ever more relevant: As the world changes, we make it easier to by tryg¹.

As Scandinavia's largest non-life insurance company, we have the ability and ambitions to make a significant impact on some of the world's most pressing challenges. Following the completion of the integration of Trygg-Hansa in Sweden and Codan in Norway, we have an even stronger impact and ability to enable change. This is not done in isolation; together with our 7,000 employees, more than 5.3 million customers, and with more than DKK 22bn in spend and DKK 63bn of capital under investment, we see it as our core responsibility to lead the way and push for changes that ensure sustainable value creation for all our stakeholders.

Bringing sustainability closer to the business

Through our 2024 sustainability² strategy, 'Driving Sustainable Impact', we want to ensure that sustainability is integrated in every aspect of Tryg's activities and

decision-making – from our office buildings and the way we source and handle claims, to the way we invest and the types of products and services we deliver. Critical to realising our targets and ambitions is the close alignment between sustainability and our core business.

As an insurance company, the core of our business is to prevent or minimise the size of any claim. Integrating prevention into our products and services is desirable, not only from a financial but also from a sustainability perspective. Handling more than approximately 1.5 million claims annually, we see an unleashed potential in preventing or minimising claims. As part of our corporate strategy, claims prevention in products and services should make up a quarter of Tryg's top-line growth from new products and services. In addition, when a customer reports a claim, we are committed to making

¹ Tryg means feeling protected and cared for.

² Previously Corporate Responsibility.



Specifically, we seek to reduce CO₂ emissions from our claims handling process by 20,000-25,000 tonnes and increase the share of claims spend classified as sustainable by 80% in 2024. In 2022, Tryg reduced CO₂ emissions from sustainable claims handling by 15,449 tonnes of CO₂.

sure it is handled in the most sustainable way possible. We take on the role of a proactive partner who, together with our suppliers and customers, seeks to take the most sustainable approach to claims handling, i.e. to repair or reuse to the greatest possible extent. Specifically, we seek to reduce CO₂ emissions from our claims handling process by 20,000-25,000 tonnes and increase the share of claims spend classified as sustainable by 80% in 2024. In 2022, Tryg reduced 15,449 tonnes of CO₂e by focusing on more sustainable solutions in our claims handling process.

Caring for the environment – a step change from within

During 2022, we took an important step towards making sure that environmental concerns are included in our decision-making across the organisation as Tryg Denmark was certified according to the ISO 14001 standard and the

Eco-Management and Audit Scheme (EMAS). The certifications imply a highly systematic approach to working with climate and the environment, while ensuring that it cuts across relevant functions and processes. The certifications are a commitment to keep striving for continuous progress with a view to reaching our targets.

Increased regulation helps guide our work

Out of a desire to create greater transparency, standardisation and accountability across companies, companies are currently facing the introduction of extensive new frameworks, standards and regulations such as the EU Taxonomy, the recommendations of the Task Force on Climate-related Financial Disclosures and the EU's Corporate Sustainability Reporting Directive. At Tryg, we support the efforts to create a more common standard for sustainability, and recognise the

importance of integrating sustainability and climate efforts in all relevant processes such as risk management, underwriting, product development, investments and procurement. Over the next year, we will continue our efforts to establish a robust foundation to build on, while continuing our support for and commitment to the UN Global Compact and the UN Sustainable Development Goals.









Jukka Pertola
Chairman



Morten Hübbe
Group CEO

Overview of 2022

The table outlines Tryg's Sustainability targets and 2022 performance.

Strategic focus area													
	Sustainable insurance		Responsible company			Green workplace							
	Sustainable claims handling page 12 →		Responsible procurement page 18 →		Responsible investment page 19 →		Diverse workplace page 26 →		page 31 →				
	2024 targets		2022		2024 targets		2022		2024 targets		2022		
Targets and results	• 80% increase in sustainable spend ¹		59%		Sustainability screening of suppliers				• 41% women in management positions		40.5%		
	• 20,000–25,000 tonnes CO ₂ e reduction from more sustainable claims handling		15,449		• Up to 90% of contract suppliers		43%		• 33% women at top management level		25%		
					• Up to 100% of contract suppliers within claims		50%		• 41% women at director level		31%		
					High supplier performance for screened suppliers		N/A ³						
								2030 targets		2022			
								• 50% CO ₂ intensity reduction from equity portfolio		-16.9%			
								• Exclusion of fossil fuel production companies with no strategy for green transition		N/A			
										2030		2022	
										• 55% CO ₂ reduction		58% ²	

¹ Compared to 2020

² Market-based

³ Tryg is in the process of developing the criteria for supplier performance screening

Tryg at a glance

As the world changes, we make it easier to be tryg¹

Strong market position

Tryg is the largest non-life insurer in Scandinavia. We are the largest player in Denmark and the third-largest in Sweden. In Norway, we are the fourth-largest company in the market.

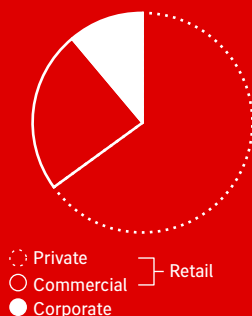
5.3 million customers

Our 7,000 employees provide peace of mind for 5.3 million customers and handle approximately 1.5 million claims on a yearly basis.

Attractive dividend policy

We aim to distribute a nominal, stable increase in dividend and to pay out 60-90% of our profit.

Low-risk portfolio



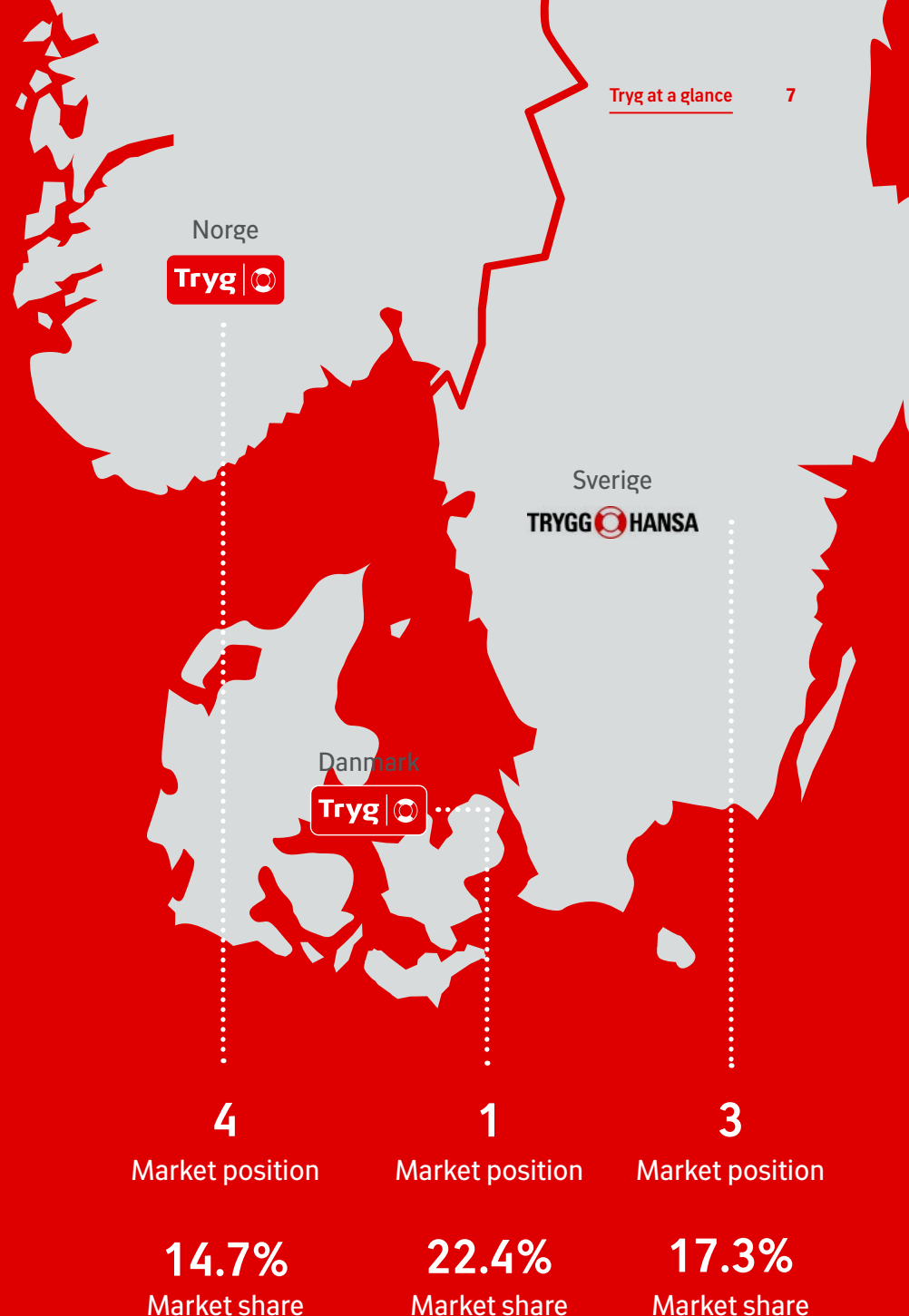
Trygheds-Gruppen

TryghedsGruppen owns 46.5%² of Tryg and contributes to projects that create peace of mind via TrygFonden. In 2022, TrygFonden contributed up to DKK 650m and paid member bonus to Danish customers in Tryg.

→ Read more about our history at tryg.com

¹ 'Tryg' means feeling protected and cared for

² Calculated including Tryg's own shares



Our purpose

As the world changes, we make it easier to be tryg



Tryg's business model

Tryg makes it easier to be 'tryg' for its customers by offering them insurance against risk, efficient claims handling, and advice and services to prevent claims from arising in the first place. By making it easier for our customers to feel protected and cared for, we benefit all of Tryg's stakeholders. Tryg's purpose is valid for all stakeholders – our customers, our employees and our shareholders.

2024 corporate strategy

Full speed ahead in a successful core

DKK ~1,050m increase in TR²

Change the way to win in B2B

DKK ~600m increase in TR²

Shape the future

DKK ~1.5bn premiums in 2024+ across product types

Trygg-Hansa and Codan NO synergies

DKK ~900m in synergies

Customer experience

Sustainability

Key enablers

Data and analytics

IT capabilities

HR - people, organisation and culture

Tryg's corporate strategy

In 2021, Tryg presented a new corporate strategy, including a set of new financial and strategic targets to be realised by 2024. In 2021, Tryg also presented a sustainability strategy, which will govern our sustainability efforts up to and including 2024. The strategy is integrated in Tryg's corporate strategy and is characterised by a strategic, commercial and holistic approach, the purpose of which is to integrate sustainability into every corner of Tryg.

→ Corporate strategy in Tryg's Annual report 2022 on pages 16

→ Sustainability strategy on page 9

TryghedsGruppen

TryghedsGruppen holds 46.5¹% of the shares in Tryg and annually contributes around DKK 650m to projects that create peace of mind in Danish society via TrygFonden. A substantial share of TryghedsGruppen's profit derives from the dividend paid out by Tryg to its shareholders. Part of the profit contributes to financing TrygFonden's activities.

For the seventh year running, TryghedsGruppen paid out a member bonus to Tryg's customers in Denmark corresponding to 8% of the annual premiums paid for 2021.

TrygFonden

TrygFonden is the leading and most well-known peace-of-mind foundation in Denmark, supporting hundreds of activities that contribute to this, such as coastal lifeguards, cuddle bears for children in hospitals and defibrillators. Behind TrygFonden is TryghedsGruppen.

¹ Calculated including Tryg's own shares

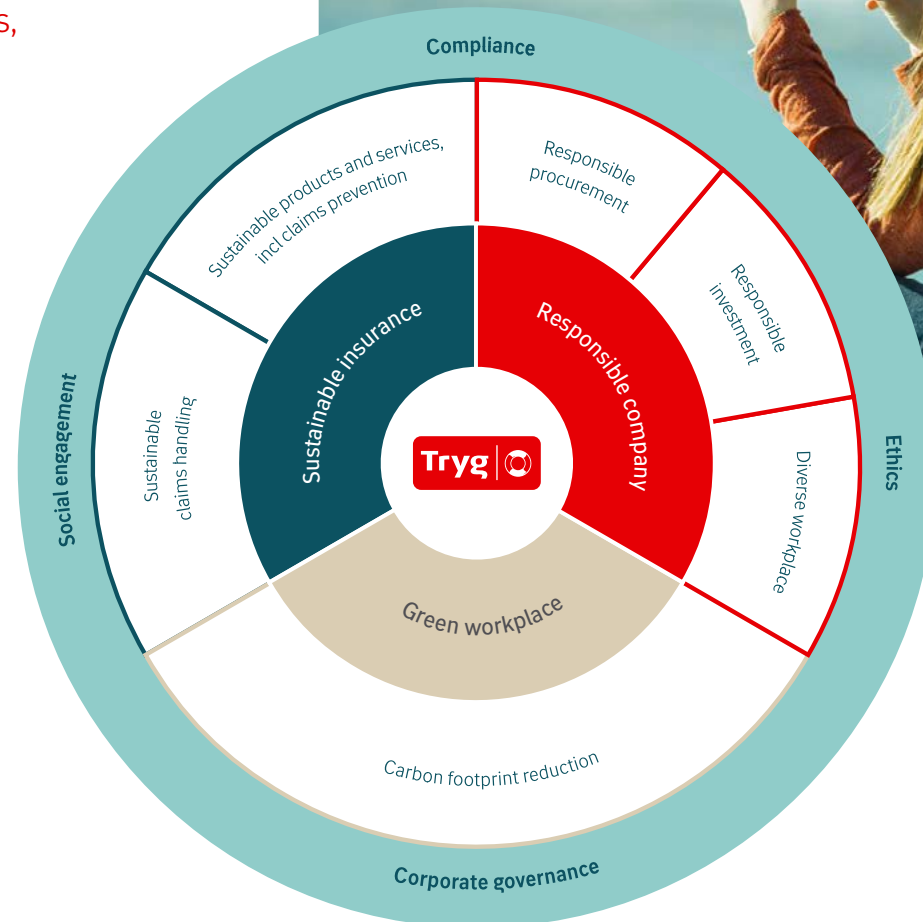
² Technical result

Strategy, materiality and governance

To ensure that we focus on the areas where we have the most impact, we have defined clear strategic focus areas, based on a materiality assessment. Our Sustainability & ESG Board ensures strong governance and ownership across the organisation.

Sustainability strategy

Our 2024 sustainability strategy, 'Driving sustainable impact', guides our priorities and targets. Under three focus areas – Sustainable insurance, Responsible company, and Green workplace – the purpose of the strategy is to ensure that sustainability is integrated across all of Tryg. Because of our strong market position and the nature of our value chain, Tryg can enable and support its partners on their respective sustainability journeys. The upstream/downstream value chain is where most of our impact is, and where we can make the biggest positive difference by working together with our customers and suppliers. We can have a significant impact in reducing our indirect climate impact by preventing claims from happening in the first place, and when claims do happen, by making sure that we, together with our suppliers, are able to handle them in the most climate-friendly manner.



Materiality assessment

Our strategy is based on a materiality assessment. From a double materiality perspective, Tryg considers all issues that we can potentially impact and the issues that can impact our business. Presented in a materiality matrix, each issue is rated relative to its importance to Tryg's stakeholders and its impact on our business, i.e. our ability to generate revenue or its effect on our cost base. The assessment is reviewed annually to ensure that any potential issues are managed. In 2022, the uncertain political situation in the world, rising inflation, the increasingly uncertain economic outlook and increased EU regulation on sustainability were discussed in terms of their impact on our risks and products. No changes were made to the materiality matrix. The review was discussed and approved by Tryg's Sustainability & ESG Board.



Governance

Tryg's Sustainability & ESG Board drives Tryg's strategic direction in the sustainability and ESG area. The Board is chaired by Group CFO Barbara Plucnar Jensen and is composed of Vice Presidents from key functions to ensure that sustainability and ESG are effectively anchored across the organisation. At four annual meetings, the Board discusses Tryg's direction and specific initiatives and recommendations. Furthermore, the Sustainability & ESG Board approves the annual sustainability report and relevant policies prior to final approval by the Executive Board and the Supervisory Board.

The Executive Board is informed on a quarterly basis about performance, progress and relevant initiatives. The Supervisory Board is ultimately responsible for sustainability. To strengthen governance and anchoring, targets related to sustainability and ESG are included in the incentive programmes for members of Tryg's Executive Board.

- Sustainability & ESG Board
- Sustainability policy

Stakeholder engagement

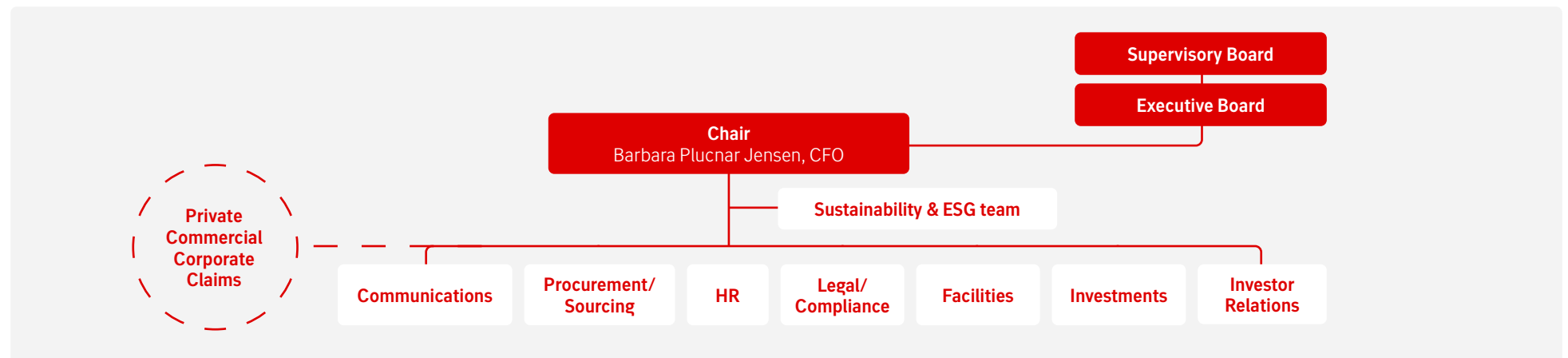
At Tryg, we want to play a role in the world around us. In our pursuit of enabling peace of mind for our customers, we see it as our obligation to engage and contribute knowledge and solutions to the challenges – major and minor – we face as a society.

Through our products, services, investments and operations we contribute to enhancing mental and physical health, general safety, sustainability and the green transition. Looking at the multiple challenges we as a society are facing, we see a potential for Tryg in playing an even bigger role in the future as a central player in battling climate change, contributing supplementary services to the health system of tomorrow, playing an active role in looking after the growing elderly population, and addressing an escalating cyber threat. Our dominant focus across these areas is a strong belief in initiatives within prevention.

Sustainability & ESG

Tryg has changed the name of its Corporate Responsibility department to Sustainability & ESG. This is in line with our focus on creating a sustainable business that delivers on financial as well as environmental, social and governance parameters, and is intended to signal more clearly to our stakeholders that this is an integrated part of how we operate and conduct our business.

We believe in dialogue and collaboration as the most constructive and effective way of developing new solutions that resonate with the individual customer and society as a whole. Therefore, we actively engage in the public debate with key opinion leaders. We also openly seek constructive dialogue with politicians and regulators; offering our expertise and knowledge regarding new and existing legislation that affects our business, or the social or structural challenges that Tryg works to advance on a societal level.



Sustainable insurance

Tryg's ambition is to be a proactive peace-of-mind creator by ensuring that our products and services support and motivate our customers in their sustainability ambitions. By integrating sustainability elements into our products and services, we enable our customers to make more sustainable choices and push for change. Our focus areas for sustainable insurance are to further integrate and advance sustainability in our claims handling process and ensure that sustainability and prevention aspects are integrated into our products and services.

Sustainable claims handling

At Tryg, we strategically work towards more sustainable claims handling. On an annual basis, Tryg handles approximately 1.5 million claims. Therefore, integrating sustainability into our claims handling processes is an essential part of the positive contribution towards the more climate-friendly business that we wish to become. We take on the role of a proactive partner who, together with our suppliers and customers, seeks to take the most sustainable approach to

claims handling, i.e. to repair or reuse to the greatest possible extent. It is not a simple task; it involves a change of mindset not only in the way we handle claims in Tryg, but also in the way our suppliers operate, and when it comes to what our customers perceive as valuable. In this perspective, we are on a mission to convey the benefits of working in a more circular way with materials and product life cycles. Specifically, we have set targets for CO₂e emissions from our claims handling processes and for the share of claims spend classified as sustainable.

Even small improvements in the way individual claims are handled can have a significant impact if applied across the category over the course of a year. We seek to provide our customers with access to more sustainable options when responding to claims. As part of this, we encourage our employees, suppliers and business partners to support and contribute to finding ways of making the claims handling processes more sustainable and resource-efficient.

Carbon emission reductions

Tryg's claims handling activities are the most carbon-intensive processes across our business. Replacing broken windshields or car bumpers might not seem like a carbon-intensive process, yet, with approximately 97,000 motor-related claims a year, a significant impact can be made by thinking in terms of reusing resources. As a result, we have integrated a circular mindset in the process, and we work to reduce material usage and to prolong the life cycle of materials in general. We focus on repairs and on reducing material usage, while researching possible ways of reusing or repurposing materials that are reaching the end of their life cycle.

We will continuously investigate and implement more climate-friendly initiatives to support our strategy to reduce CO₂e from claims handling by 20,000–25,000 tonnes in



Tryg's commitment to incorporating sustainability into products and services, including prevention and claims handling processes, contributes to SDG 12, Responsible consumption and production, specifically indicators 12.2.1 and 12.5.1 as well as target 12.6.



Tryg's commitment to incorporating sustainability into products and services, including prevention and claims handling processes, contributes to SDG 13, Climate action, specifically indicator 13.1.1 and target 13.3.

Saved from sustainable claims handling initiatives

15,449
tonnes CO₂e

2024. We identify circular and sustainable claims handling processes as so-called 'initiatives', where we on the basis of life cycle assessments calculate CO₂e emission reduction effects. Critical to achieving this is collaboration with our suppliers to identify new sustainable initiatives, and to develop new and more climate-friendly solutions that enable us to expand more sustainable businesses across our supply chain.

In 2022, Tryg assessed the CO₂e reduction effect of new initiatives such as phone screen repairs and Swap options instead of replacing with new phones, as well as an initiative related to the conservation of foundations in connection with major building claims instead of demolition and rebuilding. From the new initiatives alone, we were able to save 538 tonnes of CO₂e in the claims handling process.

We are continually expanding our pipeline of initiatives enabling us to offer a more sustainable solution to a claim, while maintaining our focus on existing initiatives within motor, health and pet, and building. Already identified initiatives include used spare parts for cars, repairing windshields and plastic car bumpers instead of replacing them, and online support for road assistance and medical or veterinary consultations as well as remote monitoring of building claims. Together all these initiatives reduced CO₂e emissions by 15,449 tonnes in 2022, up from 6,740 tonnes in 2021.

In 2022, following the integration of Trygg-Hansa in Sweden and Codan in Norway, their respective CO₂e reductions from claims handling initiatives have been calculated and reported. Trygg-Hansa in particular has good traction from working with CO₂e savings in claims handling. As a result, they contributed the largest share of reductions across our three Nordic countries.

CO₂e reduction effect of more sustainable claims handling initiatives (tonnes CO₂e)

Initiatives	2022	2021
Motor		
Used spare parts	8,920	3,187
Repairing of windshields	5,054	3,377
Road assistance by phone-fix service	60	60
Repairing of plastic car bumpers	735	84
Health & Pet		
Online medical consultations (Tryg Lægehjælp)	3	2
Online veterinarian consultations (FirstVet)	118	25
Building		
Remote monitoring of building claims	22	5
Conservation of building foundations	52	
Electronics		
Phone screen repairs	304	
Swap option for phones	182	
Total CO₂e reduction effect	15,449	6,740



Sustainable claims handling highlights of 2022

Repairing plastic car bumpers

20,609

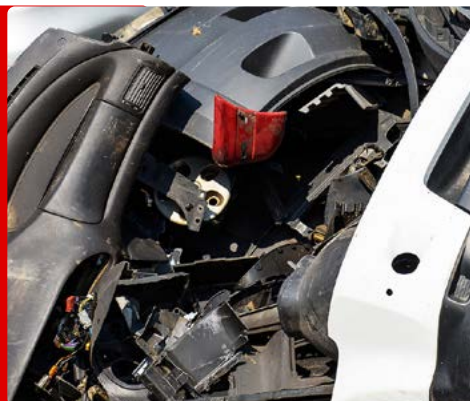
Car bumpers repaired

735

Tonnes CO₂e saved

103

Tonnes of plastic saved



Used spare parts

36,961

Claims solved using a used spare part

8,920

Tonnes CO₂e saved



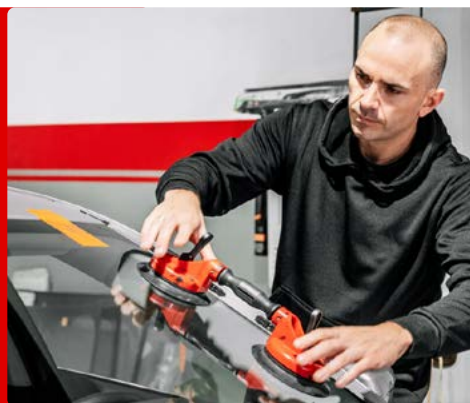
Repairing windshields

81,193

Windshields repaired

5,054

Tonnes CO₂e saved



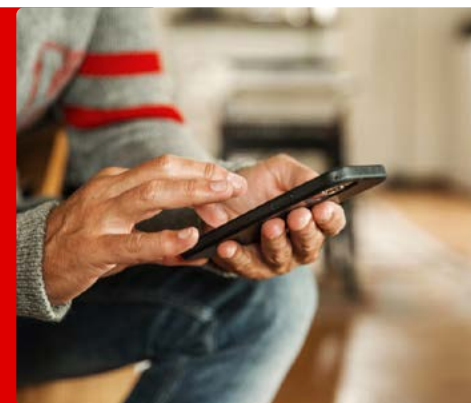
Phone screen repairs

5,023

Phone screens repaired

304

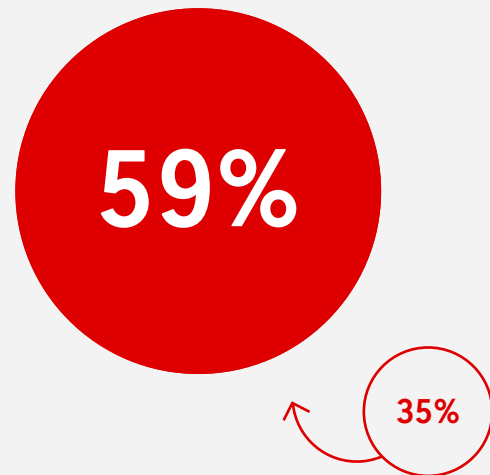
Tonnes CO₂e saved



Target 2024

80% increase in sustainable claims spend

2022 progress



2021 progress

Classifying claims spend as sustainable

Tryg's total spend totals more than DKK 22bn a year. Through specific sustainability measures, we monitor our supplier-related spend. For Tryg, it is important that we evaluate and classify as much of our supplier spend as sustainable. Our ambition is to increase claims spend classified as sustainable by 80% in 2024 compared to 2020.

By monitoring our suppliers, introducing new and advancing our existing sustainable initiatives, more claims spend can be classified as sustainable. In 2022, we increased our share of sustainable spend by 59%, compared to 2020, which is well on track to reach the target.

Tryg consistently seeks dialogue and collaboration with the industry to further align reporting methodologies related to more sustainable claims handling.

Sustainable products and services

In Tryg, we want to offer products and services that can help move society in a climate-friendly and socially responsible direction. By developing innovative products, we can push for the change we want to see. It is a process where we want to ensure that our solutions are aligned with our business model and strategy and resonate both with our customers and the EU Taxonomy for sustainable activities.

One example of a service that we have started offering to our Danish customers is Valified. Valified is a platform that, based on usage data, can provide our business partners with insights into their performance across selected ESG areas. Such insights are becoming key for small and medium-sized enterprises because their customers demand ESG transparency. For smaller enterprises, ESG reporting can be a resource-intensive and complex task. With Valified, Tryg is able to support its customers in their ambitions and help them better understand and work with their footprint.

Trygg-Hansa has launched an improved car insurance product for electrical and hybrid cars to help our customers make sustainable choices when buying a car. The insurance offers better machine damage cover, a deductible discount as well as roadside assistance if their car runs out of battery.

Another element in building a more sustainable product portfolio is to further integrate sustainability measures into our underwriting strategy. In the past year, we have started to assess the implication of this for specific sectors. Further work is required, especially in light of the EU Taxonomy standards, which will be intensified during 2023.



Claims prevention

Integrating claims prevention measures into our products and services may prevent claims from arising in the first place or minimise any damage or loss that might occur. In addition to the comfort this provides to our customers, it also has both an environmental and a social upside.

Needless to say, all claims are inconvenient and stressful for our customers, whether related to their car, house, personal health or pet. By focusing on prevention in Tryg, we try to protect our customers from suffering claims in the first place by offering services or products that support their state of health or that can minimise the risk of physical damage. Our target is that by 2024, a quarter of Tryg's top-line growth from new products and services should be attributed to claims prevention measures. With the initiatives launched in 2022, we are on track to meet our top-line target. The following pages present examples of prevention projects completed in 2022 across Private, Commercial and Corporate customers in the Nordics. Common for the initiatives is an increased focus on more proactively engaging with the ecosystem of suppliers by specifically considering preventative measures for each product type. The digitalisation of services and tools is also a clear trend across the various product categories.

Private

Pregnancy

As part of the new pregnancy insurance launched in Denmark, Tryg offers access to an online midwife. Regardless of the level of cover, the insured gets an online consultation, e-consultations and access to an online forum with targeted information

on pregnancy, antenatal education, breastfeeding etc. The idea is for the online midwife to serve as a source of relevant information and counselling to address pregnancy-related questions and worries.

Proactive preventative advice

Traditionally, preventative advice has been shared on our website, which has required customers to proactively look for it. To reach more customers, we have now integrated advice into our written customer dialogue in our customer service and claims department. The preventative advice is specific to the season during which it is communicated – preparing for winter during autumn, things to be aware of in spring and so on.

Familjehjälpen

Support for families in need has for many years been a focus for Trygg-Hansa. The advisory service is highly appreciated among both our child and adult insurers. In 2022, we launched a pilot advisory service for our pregnant customers, where we focus on helping them by answering various questions and offering support during and after their pregnancy.

Traffic vests for animals

Pets being hurt in traffic is a common fear among pet owners. Cats and dogs can be surprised, scared or simply want to chase something interesting across the street, and thereby risk being hit by a car or another road user. Providing traffic vests for our customers' pets reduces the risk of unfortunate or fatal incidents.

Plant a tree

Preventive measures are harder to integrate in some categories than others. One example is our motor insurance where safety features are an integral part of the car itself, and as such it is difficult to further improve. However, to do something that positively contributes to the climate, Tryg has decided to plant a tree for every electrical car insurance policy sold.

Commercial and Corporate

Customer-specific prevention services

In the commercial segment, we are engaging with motor insurance customers with unhealthy claims trends to understand the underlying factors leading to claims and identifying root causes. This knowledge is shared with the customer, and relevant and effective measures are discussed and implemented to change the behaviour and create a more profitable business for all parties concerned.

Cyber insurance

It has been a year with even more cyber-attacks than in the previous year. In 2022, Tryg has launched a new product – a cyber insurance that includes cyber protection. In addition to classic claims cover, the insurance product also includes prevention tools that the customer can install on their devices to reduce the risk of negative impacts from cyber-attacks.

Improved traffic behaviour and more attractive pricing

Tryg exploits new technology to strengthen our core business while also creating a sustainable impact. Our partner ABAX installs a device on our customers' vehicles, which enable us to generate data based on their actual driving behaviour and estimate risks more accurately than would be possible on the basis of their claims history. The upside for the customer is attractive pricing if their driving behaviour is considered safe or sustainable as this leads to lower fuel consumption, fewer claims and fewer repairs.

Bundled packages with prevention services

Tryg's Norwegian business has been a frontrunner in creating tailored packages to specific customer segments. The bundles enable us to offer extra value for tradesmen, who have the option of reaching out for legal assistance, and for employers, who can access a hotline and get help and recommendations on how to prevent physical and psychological issues.



2024 target

A quarter of Tryg's top-line growth from new products and services to come from prevention measures.

Responsible company

To ensure high standards of responsible and sustainable business conduct, we are committed to complying with international standards, including the ten principles of the UN Global Compact and the UN Guiding Principles for Business and Human Rights. We have started the work to integrate the recommendations of the Task Force for Climate-related Financial Disclosures, and we are active members of the Danish financial sector's climate partnership.

Our commitment to responsible business conduct extends beyond compliance and risk mitigation as we have high ambitions to foster a diverse culture and push for more sustainable solutions both internally for our employees, through our collaboration with suppliers and through our investments. Tryg's primary risks related to anti-corruption and human rights are in our indirect activities, i.e. in our supply chain or through our investments. Our supplier base is primarily based in the Nordic countries, and we screen suppliers and investments based on international standards. We therefore perceive the risk of violations as minor. Tryg in Norway is working very specifically to be transparent about our work to respect human rights and ensure decent working conditions. By the end of June 2023, Tryg Norway will publish its first report according to the Norwegian Transparency Act¹.

Responsible procurement

Creating an impact through responsible sourcing

For Tryg as a large buyer, with an annual spend of more than DKK 22bn, it is important that sustainability is an integral part of our procurement and claims processes. We aim to be a responsible purchaser and live up to the highest standards of responsible procurement as expressed in our Supplier Code of Conduct.

→ Supplier Code of Conduct

To enable an evaluation of our suppliers' compliance with our Supplier Code of Conduct, we continue our systematic screening process through our supplier evaluation platform. Our guiding target is that 100% of suppliers within claims handling are screened in 2024. On the platform, we can screen and evaluate our suppliers' ESG risks and their adherence to the ten principles of the UN Global Compact. Based on information provided by our suppliers, we evaluate their sustainability efforts, performance and compliance on an ongoing basis. The information is obtained via questionnaires. In 2022, we distributed 881 questionnaires. This enabled us to successfully add 549 more contract suppliers to our screening platform.

Optimising supplier performance

Through a systematic approach to our screening and monitoring processes, we strengthen our supply chain by reducing the risk of collaborating with suppliers that do not align with our values. It also allows us to deep-dive into the interconnectedness of sustainable activities related to our processes and operations, enabling us to collaborate closely with our suppliers to drive positive sustainable impacts and to increase our suppliers' sustainability and climate performance. At Tryg, we aim to enhance our suppliers' sustainability performance, and our 2024 target is for a minimum of 50% of our screened suppliers to achieve a high performance rating. In 2022, we



Tryg's commitment to incorporating sustainability in procurement processes contributes to SDG 12, Responsible consumption and production, specifically targets 12.2, 12.5 and 12.6.



Tryg's commitment to incorporating sustainability in procurement processes contributes to SDG 13, Climate action, specifically targets 13.1 and 13.3.

developed a sustainability performance questionnaire that will allow us to monitor how our contract suppliers work with sustainability in their processes. To test their effectiveness, the sustainability performance questionnaires were initially distributed to private hospitals and auto repair shops but are now an integral part of all categories. The data received from the questionnaires provide transparency and insights into where suppliers meet and exceed our expectations.

50%
of suppliers within
claims handling
screened during 2022

¹ Åpenhetsloven



Responsible investment

With the integration of Trygg-Hansa, our investment portfolio is now approximately DKK 63bn, up from approximately 43bn DKK. Tryg has a responsibility to ensure that the money is invested in a responsible manner in accordance with Tryg's values and ambitions. The risk profile is split into two portfolios: a match portfolio and a free portfolio. The match portfolio, which comprises Nordic government and mortgage bonds, totals DKK 45bn. The free portfolio, comprising various bonds, funds, investment properties or equities, totals approximately DKK 18bn.

→ Responsible investment policy

External manager selection and monitoring

Most of Tryg's investment assets are managed externally and typically held through commingled fund structures. The most important work regarding the implementation of responsible investment is therefore via our selection of external managers and the specific funds we invest in.

We evaluate investments funds on (a) the external fund managers' governance and commitment to responsible investment and (b) the specific fund's integration of ESG-considerations, while taking specific asset class characteristics into considerations. As part of the manager selection process, a separate responsible investment due diligence is conducted together with the regular monitoring of investment operations.

All external funds managers are UN PRI signatories



Tryg's commitment to reducing the carbon intensity of its equity portfolio and divesting investments in fossil fuel production companies with no strategy for a green transition contributes to SDG 13, Climate action, specifically targets 13.1 and 13.3.

We value that our managers are committed to supporting the ambitions of the Paris agreement on a firm level, and the majority has already committed to firm-wide net zero targets. All selected external asset managers are expected to be UN PRI signatories or if not, be able to explain how they adhere to the principles. We monitor UN PRI Assessment Scores and aim for an average in the upper half of the scale for 'Investment and Stewardship Policy', which corresponds to a score above 50. Compared to last year, the Assessment Report has been revamped with a new scoring system, and our KPI has changed to accommodate this. The real-ised average external manager score on 'Investment and Stewardship Policy' was 86 in 2022.

As part of the ongoing monitoring of asset managers, their responsible investment practices are continuously reviewed, and they report on their responsible investment activities. In addition to the continuous dialogue, meetings and ad-hoc questions, thematic ESG-related responsible investment questions are asked of external asset managers to ensure that the overall ethical intent remains aligned with Tryg.

During the past year, we have reworked the selection process for external fund managers to evaluate their respective ESG

profile more systematically, ensure compliance with our expectations and stimulate continuous improvement of ESG practices.

We see a growing potential within impact-focused investments, where ESG considerations are the key drivers of the investment process. In 2022, we adopted a new climate transition equity strategy, which seeks to find opportunities within climate solutions and adaption, and an ESG-focused Emerging Market Debt strategy, which focuses on investing in countries performing best on ESG with a special emphasis on civil liberties and democracy. We expect these strategies to have a positive sustainability impact and competitive return going forward. We have furthermore seen our existing funds and mandates strengthen their ESG profile. Especially, we notice that our Emerging Market strategy has strengthened its fossil fuel investment guidelines. In many ways, we believe, ESG considerations improve either the return or risk profile of the portfolio.

We see new regulation, such as the EU's Sustainable Finance Disclosure Regulation and the EU Taxonomy, as a positive step as it likely becomes easier to compare and receive relevant reporting on our investments going forward.

Active ownership

Being an active owner is key to ensuring continuous dialogue with and improvement of the funds in our portfolio. At Tryg, we emphasise active ownership as a means to promote shareholder value and sustainable development whenever possible. We therefore emphasise that external funds managers participate and vote at annual general meetings, and enter into dialogue around ESG topics. We believe that active dialogue around ESG topics is central in moving forward on the agenda. We therefore consider divestment and exclusion of companies from our investment portfolio as a last resort since this will not create any positive change.

98%

voting percentage for equity portfolio

Tryg's initiatives are primarily directed towards managing and monitoring that our external managers apply active ownership to individual holdings. We have set a voting target that our external fund managers attend at least 90% of the possible shareholder meetings for the actively managed equity holdings. In 2022, they attended 98% of shareholder meetings. We also observe that indirect engagement dialogues with companies, through the funds we are invested in, are increasingly focused on environmental topics, such as climate risk management, climate impact and biodiversity. We continue to monitor and engage in dialogue with our relevant external managers on how to ensure effective practices in order to catalyse a real world sustainable impact with emphasis on decarbonisation.

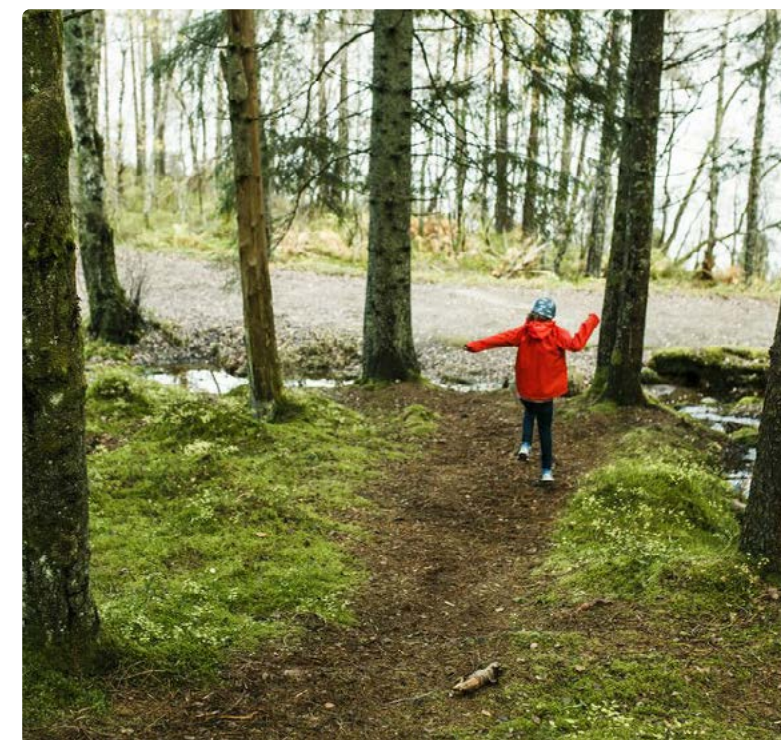
→ Active ownership policy

Ethical screening process

When we invest, we always comply with national and international legislation, international standards and our tax code. We also seek to minimise reputational risk, while maintaining a competitive risk-adjusted return. Tryg's manager selection process focusses on choosing external managers with a responsible mindset similar to Tryg's, and we use a screening process for our holdings on an ongoing basis to ensure that individual holdings live up to our values.

Tryg conducts ethical screenings each year based on controversial behaviour and controversial weapons. Controversial behaviour covers the violation of the ten principles of the UN Global Compact. The screening is carried out using data from an external ESG research provider considering compliance with UN and EU council regulations. Additionally, an external screening agency performs regular screenings to make sure that none of our investments have ultimate parents that we do not find acceptable. If a violation is identified, we have a formal escalation process that guides the further process.

→ Process for ethical screening



The transition to a low-carbon economy

Tryg wants to contribute to the transition to a low-carbon economy by directing parts of our portfolio towards investment managers that focus on reducing carbon emissions by investing in companies that provide climate change solutions or that have high potential and clear commitment to reduce their emissions. The long-term ambition is to achieve a low-carbon and fossil-free world by allocating capital where it makes the biggest impact on current and future CO₂ emissions. Hence, the strategy is not to minimise the current level of CO₂ emissions in the portfolio, but rather to focus on current and future reduction potential over time. We view the combination of active ownership and capital allocation as the most efficient way to support our ambition.

While active ownership is our preferred option, we will begin to divest managers with investments in fossil fuel production companies that have not presented a strategy for a green transition. This process will begin in 2023 and conclude no later than 2030. Our target is to reduce the carbon intensity of our equity portfolio by at least 50% in 2030 compared to the beginning of 2020.

To support our carbon intensity reduction target and to mitigate risk in our investment portfolio, we monitor the carbon footprint and climate-related risks associated with our investments using third-party data. We currently monitor our equity and parts of our credit bond portfolio and focus especially on risks and opportunities that arise from the transition to a low-carbon economy. Our equity portfolio is characterised by having low exposure to climate-related transition risks. We observe that the equity portfolio's CO₂ intensity has risen compared to 2021 from at 19.4% reduction relative to base year 2020, to a 16.9% increase. This change is primarily driven by rising CO₂ intensity of the general equity market and internal changes in our equity portfolio. Some of the internal changes are directly related to a new climate transition mandate that was invested during

Target to reduce the carbon intensity of our equity portfolio by at least 50% in 2030

the reporting period. This manager focuses its investments on industrial companies that produce equipment that enables other companies to reduce their emissions. We also note that the share of companies in our equity portfolio with carbon reduction targets has been rising steadily, and our external managers' active ownership continues to focus on setting companies on a path of decarbonisation. We are encouraged by these trends and are optimistic that this focus will continue to lead to a real world impact. Going forward, we seek to further expand our carbon footprint and climate risk monitoring and include a larger portion of the investment assets in the analysis.

We have set a target to introduce green bond investments before 2023 and invest DKK 5bn in green bonds by 2030 as we are seeking to finance projects that promote decarbonisation. We invested in our first green bonds in 2021 and continue our work to expand the portfolio in the coming years.

To further contribute to the green transition, we have committed DKK 100m to continue our investment in developing renewable energy sources in East Africa. The investment will help fund the construction of solar, hydroelectric and geothermal plants. The investment is performing as expected.

	2022 results
External manager statistics	
Percentage of UN PRI signatories	100%
Average external manager score for Investment & Stewardship Policy*	86
Average external manager score for voting for relevant listed equity strategies*	77
Active ownership statistics	
Voting percentage for equity portfolio	97.7%
Carbon intensity (tonnes CO₂e / million USD revenue, Scope 1 and 2 emissions)	
Listed equity (coverage ratio)	184.9 (94.3%)
Benchmark Universe for listed equity (coverage ratio)	189.2 (95.7%)
Percentage difference	-2.3%
Carbon footprint (tonnes CO₂e / USDm invested, Scope 1 and 2 emissions)	
Listed equity (coverage ratio)	108.8 (94.3%)
Corporate bonds (coverage ratio)	149.1 (76.2%)

* Based on UN PRI Assessments for 2021. Scores of 1-100 are given, where 100 is best.

Task Force on Climate-related Financial Disclosures

Tryg supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In 2022, Tryg joined the more than 4,000 companies globally that are taking action to build a more resilient financial system through climate-related disclosure.

The impact of climate change is significant and a cause of concern for Tryg's customers and for society. We anticipate that physical and transitional climate-related risks and opportunities may impact Tryg as a business in both the medium and long terms. Inherent to our business is a strong focus on managing and preventing claims related to natural events such as flooding and storms, and we continue to strengthen our data, methods and practices for managing this.

Governance

Tryg's Sustainability & ESG Board is a preparatory body supporting the decision-making process of Tryg's Executive Board on the strategic direction of our sustainability ambitions, including environmental and climate-related issues.

In Tryg, we have adopted a three-lines-of-defence governance model across the organisation. This is to ensure robust



Weather-related claims amounted to DKK

591m

governance and effective communication between the business areas, key functions and internal audit as well as reporting to the Supervisory Board and the Supervisory Board's Risk Committee. First line of defence is the Business Management, second line of defence is the Compliance, Actuarial and Risk Management function, third line of defence is Internal Audit and Internal Audit function.

Tryg's Supervisory Board is kept informed about strategy, risk, opportunities, initiatives and progress on sustainability-related targets and is thus monitoring and overseeing the implementation of the strategy and progress against the targets. The Supervisory Board approves Tryg's sustainability strategy, including Tryg's Climate and environmental policy and Sustainability policy.

→ Read more about Tryg's Sustainability & ESG governance on page 11

Strategy

Physical risks and opportunities

Extreme weather events such as flooding, cloudbursts, storms, rising sea levels and heatwaves represent physical risks, not only for Tryg, but also for our private, commercial and corporate customers, and the number of weather-related claims is increasing within all Tryg's business areas. Tryg monitors data available on adverse climate-related risks and seeks to mitigate such risks to the greatest possible extent.

Climate and weather-related claims

In 2022, Tryg's expenditure on weather-related claims amounted to DKK 591m. More extreme weather conditions can cause an increase in the frequency of weather-related claims from all our customers. This may give rise to insurance risks, more specifically underwriting risk.

Underwriting risk is the risk that insurance premiums will not be sufficient to cover the compensations and other costs associated with the insurance business. Underwriting risk is managed primarily through the company's insurance policy as adopted by the Supervisory Board, and administered through business procedures, underwriting guidelines etc. Additionally, underwriting risk caused by environmental and climate-related events is managed through geographical limitations.

Reinsurance is used to reduce the underwriting risk in situations where this cannot be achieved to a sufficient degree via ordinary diversification, thereby capping the cost of large and weather-related claims. In case of major events involving damage to buildings and contents, Tryg's reinsurance programme provides sufficient protection to cover a loss defined by the Solvency II Standard Scenario, which corresponds to a once in a 200-year event. Retention for such events is DKK 300m. In addition Tryg has bought a specific cover for aggregation of natural disasters with a retention of DKK 500m.

→ Read more about insurance risk in Tryg's Annual report 2022 on pages 33

To prevent claims, we advise our customers on how to protect their assets from environmental and climate-related damage. Tryg works closely with local authorities to prevent damage to buildings and assets, e.g. by sharing data on areas that are most exposed to weather-related claims.

In Norway, Tryg is partnering with UNI Research AS on seasonal weather warnings. Based on last year's seasonal weather warnings and the amount of snow on the mountains, we warn our customers about increased flooding risks and advise them on how to prevent damage caused by flooding. Tryg is a partner in Climate Futures, a Norwegian initiative aimed at co-producing new solutions for predicting

Climate Futures

Tryg Norway is a partner in a project aimed at co-producing new solutions for predicting and managing climate risk up to ten years into the future.



and managing climate risks from ten days to ten years into the future together with a cluster of partners in climate and weather-sensitive sectors. By participating in this project, we gain knowledge that can improve the value and relevance of the claims prevention advice and actions that we offer to our customers.

Transitional risks and opportunities

Climate-related issues are also associated with the transition to a global low-carbon economy, including regulatory, technological and societal developments, which represent a range of risks and opportunities for Tryg as a business.

Regulation

One of the main transitional risks is associated with developments in climate-related policies and regulation. This

includes the implementation of national carbon taxes or the tightening of energy efficiency standards. Despite having a relatively limited direct footprint, the introduction of regulation and policies on climate-related matters, e.g. carbon tax or increased compliance and reporting requirements, will have implications for Tryg. Adaptations, training and controls are needed to stay compliant and competitive.

Claims handling

Looking at possible opportunities, we can see that the transition to a low-carbon economy and the developments in technology, knowledge and data that follow will enable Tryg to implement more sustainable claims handling. As an insurance company, a large share of Tryg's indirect carbon emissions derive from our claims handling. Sustainable claims handling enables us to contribute to a low-carbon economy, while offering our customers more sustainable solutions.

→ Read more about Tryg's strategy for sustainable claims handling on page 12

Products and services

Continuous technological developments, more advanced knowledge and more sophisticated data enable us to improve our claims prevention measures and develop better climate adaptation, resilience and insurance risk solutions. By contributing to the prevention of climate and weather-related claims, Tryg can support society and the transition to a low-carbon economy, while offering relevant products and services to our customers. Tryg has established an approval process for new products, involving relevant group functions such as Legal, Compliance, Risk and Sustainability in evaluating climate risks and opportunities.



Investment

To mitigate the risks associated with our investment portfolio, Tryg monitors the carbon footprint and climate-related risks associated with our investments. Our equity portfolio is characterised by low exposure to climate-related transitional risks. Going forward, we will seek to further expand our monitoring of climate-related risks and include a larger portion of our investment assets in our analyses.

→ Read more about Tryg's responsible investment strategy on page 19

Risk management

Climate-related risks are identified, measured, managed and reported according to Tryg's overall risk management system. We have adopted a three-lines-of-defence governance model across the organisation. The company's risk management is based on four risk categories: Strategic and business risk, Insurance risk, Investment risk and Operational risk.

The Supervisory Board's Risk Committee ensures that all risk and capital-related topics are discussed thoroughly before being considered by the Supervisory Board. The Supervisory Board's Risk Committee meets a minimum of four times annually and consists of four member of the Supervisory Board. In addition, the Chief Financial Officer, the Compliance Officer, the Chief Risk Officer, the Chief Actuary and the General Counsel are invited to the meetings.

The last four also meet with the Executive Board on the Executive Board's Risk Committee approximately eight times annually to discuss the topics being presented to the Supervisory Board's Risk Committee. Furthermore, the Executive Board's Risk Committee decides on business-related topics set forth by the business areas in line with the risk appetite and current risk profile.

Following EIOPA guidelines, the Supervisory Board's and the Executive Board's respective risk committees as well as the risk management in general have an increased focus on climate-related risks.

→ Read more about risk management in Tryg in Tryg's Annual report 2022 on page 33

Metrics and targets

Tryg has defined targets to reduce CO₂ emissions by 35% in 2024 and 55% in 2030. Tryg has also set a target beyond our own direct emissions, which is to increase our sustainable claims spend by a minimum of 80% in 2024 compared to 2020 and to reach a total reduction of 20,000–25,000 tonnes CO₂ through more sustainable claims handling.

→ For details of Tryg's Scope 1, 2 and 3 carbon emissions and other ESG data, see pages 42-46



Diverse and inclusive workplace

At Tryg, we are committed to increasing the level of diversity, equality and inclusion across our organisation and industry. We want a diverse pool of employees and managers with different backgrounds, skills and experience. This is not only to reflect the society that we are part of, but also to better understand and match the changing needs of our diverse customers and society in general. We emphasise the importance of a company culture where everyone feels equally respected and welcomed to ensure that all employees are comfortable being their true self at work. Under the tagline “Tryg as you are”¹ we put spotlight on the importance of a company culture where everyone feels equally included.

Fostering diversity and inclusion requires looking beyond barriers and focusing on the underlying structures and HR processes that define our organisational culture. There are no quick fixes or easy solutions to get this right; it calls for a cultural change across all processes, and it will take time. However, through ambitious targets and focused actions we are committed to leading the way and driving the necessary changes.

Creating an inclusive workplace

In Tryg, we know that an inclusive culture is key to attracting new talent, and to motivating and retaining employees. We recognise that inclusion is key to ensuring a diverse employee representation irrespective of ethnic origin, gender, age, sexual orientation, health status, disability, political opinion, religious beliefs or other needs.

During 2022, Tryg launched several initiatives to further strengthen our efforts to create an inclusive workplace.

Together with a group of employees, we established an LGBT+ network to further advance the diversity and inclusion agenda in Tryg with a special emphasis on improving conditions and well-being for LGBT+ colleagues. Tryg also marked its support

LGBT+ network has been established to further advance the diversity and inclusion agenda.

for our LGBT+ colleagues during Pride weeks at our locations in Copenhagen and Bergen. From 2023, we expect to do the same in Stockholm.

Equal terms for parental leave

In Denmark, we have established equal terms for parents by ensuring that all co-parents have the same rights to paid parental leave and child sick days as legal parents. From August 2022, all parents, irrespective of gender and family constellation, are guaranteed the same right to paid parental leave. In Denmark, all parents are now entitled to 25 weeks of paid parental leave. As a result of legislation and agreements with the unions, conditions in Tryg Norway and Sweden are already so equal that there was no need to change our company policies.

In Norway, there has been a focus on ensuring psychological safety across teams. When you establish psychological safety in the workplace, people feel comfortable being themselves and speaking up. As such, the concept is an acknowledged

47%

of leadership teams in Tryg are considered diverse

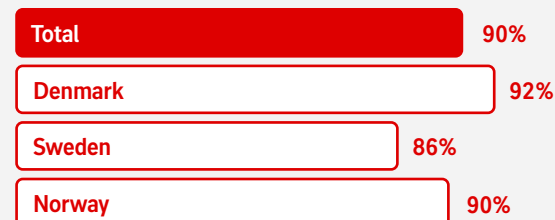


Tryg’s commitment to increasing the number of women in management positions contributes to SDG 5, Gender Equality, specifically indicator 5.5.2.

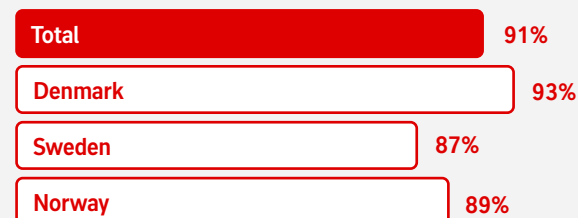
¹ Tryg som du er

Questions on inclusion from the employee engagement survey

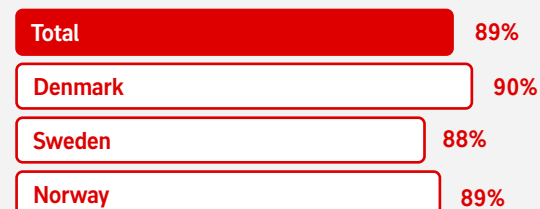
In "Company" I can be who I am



At "Company", there are equal opportunities for all (despite gender identity, age, ethnicity, sexual orientation, religion, disability etc.)



My direct manager makes sure everyone in the team is being heard and feel included



Number of employees surveyed: Total: 5,857, Denmark: 3,104, Sweden: 1,561, Norway: 1,151

enabler of an inclusive culture and thus a driver of high job satisfaction, increased execution power, and the ability to create development and innovation. So far, 15 leadership groups and 40 teams across the Norwegian business areas and staff functions have worked to increase awareness and the practice of psychological safety. The feedback is very positive, and we are currently assessing how to further roll out this initiative across our organisation.

In the 2022 employee engagement survey, Tryg included three new questions to measure the level of inclusion. The answers to the new questions showed an exceptionally high level of inclusion with an average score of 90% in the inclusion index, making it the highest-scoring questions in this year's survey.

Promoting diversity of thought in management teams

Diverse perspectives are crucial to fostering innovation, better business decisions and results for the benefit of our customers and shareholders. We have for several years focused on increasing diversity of thought in our management teams focusing on diversity in terms of gender, age and industry experience. In 2022, 47% of leadership teams in Tryg were considered diverse.

Responsibility for increasing the level of diversity in the respective management teams is anchored across the organisation with the individual leader. Each business and staff area works with their own ambitions and action plans for increasing diversity amongst their management teams, while HR supports progress and reporting.



Ensuring gender balance in leadership

Tryg has had a strong focus on diversity for several years with the aim of increasing the share of women in management positions to 41%. The target includes all management levels, i.e. from team manager to top management.

The share of women in management positions has increased slightly from 40.1% in 2021 to 40.5% in 2022, leaving us very close to our target of 41%. Progress has been driven by a consistent focus in our recruitment and HR processes, and in 2022 we again achieved gender balance in our internal and external managerial recruitments, (51% female; 49% male). The gender division at the lower management levels is close to balancing with 46% and 39% women at respectively team leader and manager level. Yet, at director and top management¹ level there is still work to be done to reach the targets of respectively 41% and 33% as Tryg currently has 31% female directors and 25% women in top management.

The financial sector is generally characterised by low female representation in management positions, which is a challenge when it comes to gender diversity. One of the levers to increase this is through internal talent development and promotions from the leadership pipeline where the share of women is higher. Breaking through the glass ceiling is an important focus area for Tryg, and we are dedicated to creating a better gender balance at the top levels of the organisation.

To guide our work, Tryg has defined a policy for increasing the share of the underrepresented gender in management. The policy outlines specific targets and initiatives to advance the understanding of and performance on diversity and inclusion across the organisation.

Gender-balanced Supervisory Board

Tryg's Supervisory Board is composed of seven men and seven women, and no specific target has therefore been defined for the Supervisory Board.

→ Diversity policy

Women in Tryg's management

Top management – Target: 33%

25%

75%

Directors – Target: 41%

31%

69%

Managers

39%

61%

Team leaders

46%

54%

Women

Men

All management levels

59.5%

40.5%

Target
41%

¹ Top management is defined as the two levels below the Supervisory Board, the first one being the Executive Board, the second being leaders reporting to the first level.

Increasing diversity through our people processes

To attract, hire and retain diverse talents, we focus on attracting diverse candidates through our employer branding efforts. We promote diversity in our recruitment process by challenging bias and train our hiring managers in unconscious bias. Tryg will always recruit the candidate with the best competencies for the job, and we strive to hire candidates that help increase diversity of thought in our management teams. A concrete initiative is to conduct external candidate searches for management positions in cases where the level of diversity in the pool of applicants is too limited. We have a stringent recruitment and approval process in place when recruiting for leadership positions to ensure a gender-balanced population.

Building diverse leadership starts by identifying and developing diversified talent in our talent management processes where we aim to ensure that the succession pipelines are diverse, and we track progress closely. Furthermore, diversity and inclusion are part of our leadership development programmes to ensure that all leaders understand the importance of diversity, that they set diverse teams and understand how to create an inclusive culture.

Harassment

Tryg has a responsibility for creating a safe, trusting and motivating environment with equal opportunities for all employees. We take this commitment very seriously, and we do not tolerate any kind of harassment in the workplace.

For several years, we have had internal processes in place to prevent and handle inappropriate behaviour, and in 2022 Tryg launched several new initiatives aimed at preventing harassment through awareness-raising initiatives targeted at both employees and managers.

- We strengthened communication on our intranet and in Tryg's Code of Conduct
- We integrated focus on harassment in our yearly Code of Conduct e-learning for all new and present employees
- We conducted webinars for leaders
- We trained HR, staff representatives and occupational health and safety representatives
- We made team conversation toolkits around the topic available to support managers in facilitating a dialogue with their teams

To ensure that we have a respectful company culture, in our yearly employee engagement survey we ask all our employees if they have experienced harassment in the past year. Furthermore, we encourage all employees to speak up if they experience abusive behaviour of any kind.

Employees can either talk to their direct manager, staff representative, occupational health and safety representative, HR or use our anonymous whistle-blower hotline to ensure that incidents are quickly and fairly handled.

In Tryg, all reported instances of harassment are individually assessed and individually handled. In 2022, seven cases were reported to and investigated by HR. Six cases led to resignations and one case to a warning. In 2021, six cases were reported.

→ Code of Conduct



Engaging employees

Providing a healthy, safe and engaging working environment and securing the well-being of our employees, is critical to creating an attractive workplace where everyone thrives and can perform to their full potential.

Engaging employees during the integration of Trygg-Hansa and Codan Norway

With the acquisition of Trygg-Hansa in Sweden and Codan in Norway, the number of employees in Tryg increased to approximately 7,000. The time from announcement to actual integration was relatively long and inevitably filled with uncertainty about the future for many of our employees. Keeping employee engagement high was therefore a key priority.

Informed, engaged and enabled employees became the guiding principle for Tryg. Among the steps taken to achieve this was close collaboration with unions to ensure the solid and fair transition of employees, frequent communication on process and progress under the tagline “We are united”, as well as continuous employee engagement surveys. To ensure a smooth transition to new teams, tools and processes, thorough onboarding processes were put in place for our new colleagues, and all leaders were trained in how to support their employees in the process. Throughout all of these initiatives, commitment and engagement from immediate managers have been crucial in keeping employees engaged and continuously informed about progress. Furthermore, a culture project has been launched with the purpose of creating a common culture for the ‘new’ Tryg and ensuring the seamless cultural integration of the two new companies. This work is still ongoing.

In 2022, our overall employee satisfaction score decreased one point to 79, but is still well above the average of 75 for the Nordic financial sector. In light of the integration, we are proud of having maintained a high level of engagement across the three countries.

Employee benefits

Most of our Scandinavian employees are covered by collective agreements and have the following employee benefits:

Welfare and goods

- Health insurance, collective life insurance, collective accident insurance
- Business cards for trains and buses
- Canteen arrangements
- Hairdresser and massage arrangements at HQ
- Insurance discount in Tryg
- Shop where employees can buy products and services at a discount
- Leisure associations
- Gym and fitness agreements
- Holiday homes for employees at favourable prices
- Sustainable Christmas presents

Working environment

- Psychological counselling
- Medical counselling
- Stress counselling
- Ergonomic counselling

Salary and pension

- Employee bonus scheme
- Company phones
- Employee grant
- Employee consideration

Holidays, absence and leave

- Paid sick leave
- Child's sick days
- Equal parental leave rights for all parents
- Care days and senior holidays
- Holidays in compliance with national holidays acts

"We are united"

The communication concept “We are united” has been the umbrella of a substantial communication effort unfolding the “why”, the “what” and the “how” at all levels of the organisation. Great emphasis has been put on bridging the different cultures, and videos with a cultural and social slant have invited all employees to get to know each other.

Green workplace

In Tryg, we are committed to changing our mindset, actions and habits in order to reduce our carbon footprint. We do so through major strategic as well as everyday initiatives.

Being an insurance company, Tryg's direct carbon footprint is relatively limited. However, at Tryg we want to actively contribute and do what we can to reduce the climate impact stemming from our offices, waste, company cars and business travel.

To direct our efforts, we have defined clear CO₂e reduction targets for each area and mobilised the relevant parts of the organisation and our employees in considering this in the way they conduct themselves, work and travel.

→ Climate & environmental policy



Environmental management

In 2022, Tryg took an important step towards making sure that sustainability, climate and the environment are integrated across the organisation and in all decisions we make, as Tryg in Denmark was certified according to the ISO 14001 standard and the Eco-Management and Audit Scheme (EMAS). The certifications imply a highly systematic approach to working with climate and the environment in Tryg. It ensures that relevant functions across the organisation are engaged and include environmental considerations in their various processes. The certification will support us in delivering on our strategy and realising our ambitions.

The process for obtaining ISO14001 and EMAS certification in Sweden has begun and will continue over the next year. Tryg Norway is certified under the Eco-Lighthouse certification scheme, which focuses on the environment and a safe working environment for employees.

Carbon footprint

The CO₂ emissions from our direct activities stem from our offices and from transport, i.e. we need to make our offices more environmentally friendly by focusing on energy efficiency, waste reduction and segregation, and we need to change our transport habits. We have set reduction targets of



Tryg's commitment to reducing its own carbon emissions contributes to SDG 13, Climate action, specifically targets 13.1 and 13.3.

35% and 55% in 2024 and 2030, respectively, compared to the 2019 base year. We will compensate for the rest of our emissions to achieve carbon neutrality in 2023 in scopes 1 and 2, and for waste and air and train travel in scope 3 – with a focus, however, on reducing more and compensating less over time. In 2022, Tryg emitted 4,538 tonnes CO₂e corresponding to a reduction of 29% compared to the 2019 base year. Emissions per employee decreased in the same period from 1,551 kgs CO₂e to 701 kgs. When taking into account the renewable energy that we purchased, the emission level has been reduced by 58% since 2019. We are well above our target that is defined relative to 2019. Our performance on our CO₂ targets has been highly impacted by COVID-19 over the past two years. In the first quarter of 2022, we still see an impact from COVID-19 as employees were still working from home and were not able to travel. However, Tryg's long-time focus on improving energy efficiency through switching to LED lighting and better management of lighting, heating, cooling and ventilation across our buildings, is reflected in the performance across the year.

Energy consumption

Energy consumption from our offices accounted for approximately 30% of Tryg's own carbon emissions in 2022. We are working with energy efficiency projects across all sites, e.g. switching to LED lighting. In 2022, we

have reduced our total carbon energy consumption by 86% relative to the 2019 base year. Included in this improvement is the purchase of renewable electricity.

Waste production

Waste generated at our sites constitutes a minor part of our total emissions - only 2%. However, we are committed to making sure that our waste volumes are minimised and segregated. We also make specific efforts to ensure that furniture that for various reasons is no longer used in the offices is donated to different organisations or charities. When furnishing new offices, we furthermore make sure to reuse as much furniture as possible. In 2022, CO₂ from waste was reduced by 31% compared to the 2019 base year. In addition to site-specific initiatives for improving segregation and minimising waste, the improvement is also driven by the impact of COVID-19 in the first quarter of the year.

Transport

Transport includes air and train travel, and Tryg's car fleet. We have defined a 23% reduction target for each of the two areas. Air travel accounts for close to 48% of Tryg's total emissions in 2022. Since 2019 base year, emissions from air travel have been reduced by 34%. The 2022 performance is impacted by COVID-19 travel restrictions in the first quarter of the year, yet from the remaining quarters we see that we are slowly getting back to a new normal. We maintain our focus on keeping air travel to the absolute minimum, and with improved collaboration platforms and options for online meetings, it has become easier to collaborate and connect across national borders, which we also expect to be reflected in the figures in the coming years.

Tryg's car fleet accounted for close to 20% of our total carbon emissions in 2022. Relative to 2019 base year, we see a slight increase of 2% in emissions from the car fleet. The primary explanation is an increase in the number of cars but more dominantly that we are reverting to pre-pandemic commuting patterns of 2019, i.e. employees coming in to the office and



driving to visit customers. We have an increased company car total cost of ownership (TCO) for employees selecting electrical or certain plug-in hybrids (A+++ classification) in Denmark. In 2022, 43% of Tryg Denmark's car fleet were A+++ cars. Although positive, we note that the majority of these are plug-in hybrids and not electrical vehicles, thus limiting the positive impact on emissions from the car fleet. In 2023, we will revise the company car policy to further promote electrical vehicles.

In 2022, our total carbon emissions were reduced by

58%

Ethics and compliance

It is fundamental that Tryg maintains and ensures a high level of business and data ethics, security and good corporate governance at all times.

This is the foundation on which we build our business at Tryg and a precondition for succeeding with our strategy. We promote responsible business conduct throughout our value chain and expect our employees, suppliers, business partners and external investment managers to comply with these principles.

Tryg's Code of Conduct defines the rules that all employees are required to adhere to. It is mandatory for employees to complete a yearly e-learning programme on Tryg's Code of Conduct.

- Code of Conduct
- Anti-corruption guidelines

Whistleblower hotline

Tryg's whistle-blower hotline is open to employees and all stakeholders wishing to report a violation or potential violation of legislation and other issues, for example harassment. Reports are handled by the Whistle-blower unit in Tryg, which is composed of the chairman of the Risk Committee and the Audit Committee, the Head of Compliance and the Vice President for Legal. In 2022, 37 cases were reported through the hotline. It is a significant increase from the six cases reported in 2021. It is our belief that this is due to the updated regulation on whistleblower protection, internal articles and greater visibility of the

hotline. Five cases are still being investigated, while the remaining have been closed. Out of these only a few led to disciplinary sanctions or warnings.

Data

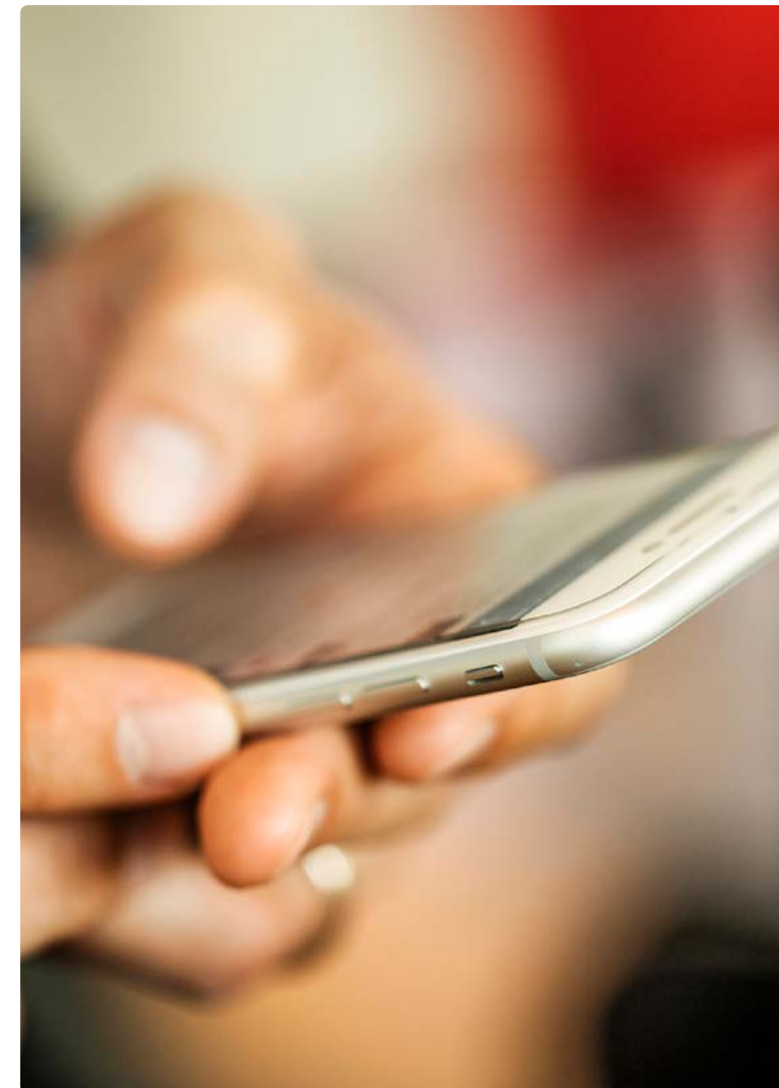
In Tryg, we deal with personal data daily, including sensitive data about our customers and our employees. The responsible and ethical use of data is key for Tryg to being able to protect our most important resource and to safeguard our business model.

Data privacy

Ensuring that our customers' personal data are stored and handled in a lawful, secure and compliant manner is a high priority for Tryg. Through our Privacy and Cookies Notice, available at tryg.com, we describe who we process data about, which data we collect, which sources we collect data from, who we share the data with, and for how long we store data.

→ Privacy and Cookie Notice

In 2022, we completed an assessment of Tryg's maturity in relation to GDPR in Denmark, Norway and Sweden. The results were reported to Tryg's Risk Committee. To support our efforts to ensure that all personal data are processed in a compliant manner, an internal governance model clearly defines roles and responsibilities in relation to Tryg's IT systems, processing activities and suppliers. This enhances our ability to monitor and manage compliance-related risks in relation to GDPR.



Tryg has its own internal GDPR and IT Security Board, which monitors and coordinates cross-organisational activities to strengthen Tryg's compliance with applicable privacy and security regulations, standards and industry practice as well as addressing material data ethical issues. The Board is chaired by Tryg's Group COO.

Tryg has appointed Data Protection Officers (DPO) in Denmark, Sweden and Norway, who advise the organisation

on Tryg's obligations under applicable privacy laws and who monitor compliance with GDPR, including awareness raising and staff training. The DPOs also act as contact points for the Data Protection Agencies.

Tryg has established a GDPR partner programme and appointed GDPR partners across most of our business areas and central functions. The GDPR partners have received in-depth GDPR training and are continuously being informed

about new customs, rulings and risks by Tryg's DPOs to enable the partners to answer GDPR-specific questions in their respective areas. A new and strengthened GDPR partner set-up is currently being rolled out in the Swedish organisation following the integration of Moderna Försäkringar and Trygg-Hansa.

As part of Tryg's GDPR awareness activities targeted at its employees, a designated GDPR site has been created on the intranet to inform and guide employees on daily data privacy matters such as what constitutes a data breach and how to report it, the rights of our customers and other individuals about whom we hold personal information, requirements for risk assessments of our processes, systems and vendors as well as an FAQ site. The GDPR site is accessible by all our employees.

Tryg's internal procedures for handling data breaches enable all employees in Denmark, Norway and Sweden to report any data breaches. To strengthen this process, a digital platform for reporting data breaches is available for our Danish, Swedish and Norwegian employees. The purpose of the platform is to increase the safety and user-friendliness of our data breach reporting process and to ensure the timely handling of all potential breaches.

In 2022, Tryg implemented GDPR key performance indicators (KPIs) to effectively evaluate the individual business areas' progress towards their respective GDPR targets. The results were reported to the relevant business director and Tryg's Executive Board.

One of the KPIs covers mandatory compliance e-learning courses for all employees. The e-learning focuses, among other topics, on GDPR issues, including data processing principles, GDPR roles and responsibilities, data subjects' rights, privacy by design and by default etc.



Data ethics

As an insurance company, we aspire to work with data in a way that helps us build long-term and trusting relationships with our customers, suppliers, the authorities, business partners, colleagues and other stakeholders.

Our data ethical principles are based on industry standards stemming from the Danish trade association Insurance & Pension Denmark's Data Ethical Codex, relevant legal requirements as well as internationally agreed standards, and outline three main principles: transparency, free choice and data security. Our data ethical principles are anchored within and approved by Tryg's GDPR and IT Security Board.

Transparency

It is vital for Tryg that we openly communicate about our use of data as well as our work with data ethics. This includes being transparent about when we use data to influence our customers' behaviour to avoid or prevent claims. All products involving advanced data collection as well as new commercial products that may have significant implications for privacy and the processing of the personal data of our customers must be submitted to Tryg's internal GDPR and IT Security Board to ensure that data ethical and privacy dilemmas are properly addressed. Tryg does not sell its customers' personal data.

Free choice

In Tryg, we care for personalisation and prevention. To offer tailor-made solutions that meet our customers' needs and to facilitate a good customer experience, we use data. By using data, we can design the best possible and most transparent offers for our customers based on their personal behaviour. However, we respect our customers' right to privacy and free choice. Therefore, we always ensure that an alternative insurance product is available.

Our use of artificial intelligence and new technologies is founded on respect for our customers. We screen all purposes carefully to ensure that our use is lawful and respects our customers' privacy rights.

We use automated processing of our customers' personal data (profiling) to calculate and fix prices to ensure that our customers are offered insurance products that meet their specific needs, to settle insurance claims, to minimise risk as well as fraud and for tailor-made marketing. When pricing our products, we limit our profiling to special categories of customer data concerned with health and union membership only, and only when necessary for the specific product. No profiling of ethnic origin or sexual or political orientation takes place.

Data security

At Tryg, we attach the highest importance to protecting the data of our customers, suppliers, employees and other stakeholders in our development, procurement and use of IT solutions. We promote generally accepted information security based on current best practices and standards.

We require our IT suppliers to meet generally accepted security standards and comply with all applicable privacy law. We carry out an audit risk assessment of our suppliers before entering into agreements. As part of their contract with Tryg, our suppliers are required to agree to obligations on confidentiality and restrictions in use.

Tryg's employees must be well-informed about data ethics, data security as well as the proper and confidential handling of personal data. All our employees must sign a confidentiality undertaking. We raise awareness and teach our employees about privacy through e-learning and training programmes, which all employees must do and pass.

We collaborate and share knowledge on data security with the industry and authorities as part of our membership of the Danish trade association Insurance & Pension Denmark, and equivalent associations in Norway and Sweden. To the extent possible, Tryg shares threat intelligence to support a high level of information security in the insurance industry and in society. We carefully analyse any data breaches to prevent future data breaches. To support our ongoing work with data ethics and ensure that we live up to our principles, all new commercial products with significant implications for the privacy of our customers must for example be screened by Tryg's internal GDPR and IT Security Board to properly address all material data ethical dilemmas.

A number of Tryg employees across our organisation have completed a Business Cybersecurity Ambassador course offered by the Danish Insurance Academy. This is a way of ensuring the organisation-wide understanding and knowledge needed to spot and handle potential IT security breaches.

Security

Digitalisation and innovation are high priorities for Tryg, which exposes us to several security threats that must be mitigated. It is critical that our employees are aware of and comply with Tryg's security rules for employees, which cover topics such as the use of email, IT equipment and handling confidential information. All employees are required to complete annual training in our security rules to ensure that everyone knows how to conduct themselves.

Cybersecurity

Cybersecurity is an important aspect of Tryg's work with security, as we are dependent on fully functional IT systems to perform our work and run our business as an insurance company. Tryg complies with the ISO 27001 standard on information security management, on which our information security rules are based. It is important that our employees are mindful of how to use our IT systems in a secure and responsible manner, which is why several cybersecurity-related topics are included in our security rules for employees.

Tryg pays particular attention to phishing and phishing attacks, as most ransomware attacks happen through phishing. To increase Tryg's cybersecurity level, we have implemented an email filter that automatically detects many of the phishing emails that are targeted at our employees daily. To raise awareness and educate our employees, we also regularly test employees by sending them phishing emails. Any employees who click on a link in a test phishing email are taken to an online training site. The goal is to teach our employees to spot phishing emails that may evade our phishing email filter.

Insurance fraud

Insurance fraud can have adverse impacts and implications for Tryg and for our customers. Insurance fraud leads to increasing claims costs, which may lead to price increases. As a result, our honest customers would end up paying for customers who commit fraud. Therefore, it is important for Tryg to prevent and mitigate insurance fraud.

Every year, cases of suspected insurance fraud are investigated by our special investigation unit. In 2022, 10,440 notifications of potential fraud were passed on to our unit. This is an increase of 25% compared to 2021. 41% of these cases were classified as fraud. It is important that we treat our customers with respect, which is why processes are in place to ensure that all investigations are approved in advance and are performed properly and with respect for the guidelines defined by our trade association. We always make sure to inform our customers when they have been selected for investigation. All our customers are assigned a personal contact, so they can easily provide us with the information needed to settle their claim. In this way, honest customers will receive the compensation they are entitled to, while fewer fraudsters will succeed in their endeavours. All our customers will experience professional and proper case handling.

10,440
notifications of potential
fraud. 41% were
classified as fraud.



EU Taxonomy eligibility disclosure

In this, the second year of Tryg's reporting according to eligibility, efforts have been put into ensuring that we prepare for and establish a solid foundation for being able to identify, measure and report on taxonomy-aligned activities from 2023.

The criteria in the EU Taxonomy are not new to Tryg. Pricing, prevention and mitigation of climate risks are themes that are already integrated into our business and strategy. We are furthermore working strategically to integrate sustainability into our product design processes and into our engagement with customers and other stakeholders, including a strong focus on claims prevention and we will continue to do so as the taxonomy and guidelines develop.

Taxonomy-eligible KPIs

In 2022, Tryg continued to assess which of our economic activities are eligible for classification as environmentally sustainable according to with the EU Taxonomy. We have determined the premiums and assets associated with those of our insurance activities and investments described in the EU Taxonomy.

We have performed an assessment of our insurance activities and assets and disclose our best estimation of data, reflecting approximate levels rather than exact numbers. Our disclosure reflects the uncertainties and limitations associated with the formal interpretation of how insurance activities and assets are defined as taxonomy-eligible, as well as the limited availability of data on eligibility from the companies that Tryg invests in.

Based on the outcome, we have further initiated the process of setting a target for alignment. Meanwhile we will continue to follow the regulatory developments closely in order to report our quantitative as well as qualitative information accordingly.

In 2021, Tryg completed the acquisition of Trygg-Hansa in Sweden and Codan in Norway. As the merger was completed in 2022, the activities of the acquired businesses in Norway and Sweden, including their investment assets, are included in this assessment.

Tryg's taxonomy-eligible insurance activities equate to 90% of Tryg's total premiums written in 2022. See table on [page 38](#).

The proportion of taxonomy-eligible assets under management for investment by Tryg Invest equates to 3.9% of the total value in 2022. We note that most of our assets fall under categories that are excluded from the eligibility calculation such as derivatives and bonds as well as activities that do not yet qualify as taxonomy-eligible (e.g. cash, interest and rent receivables).

→ Read more about the methodology on page 51

90%
of Tryg's total premiums
written in 2022 are consid-
ered taxonomy-eligible.

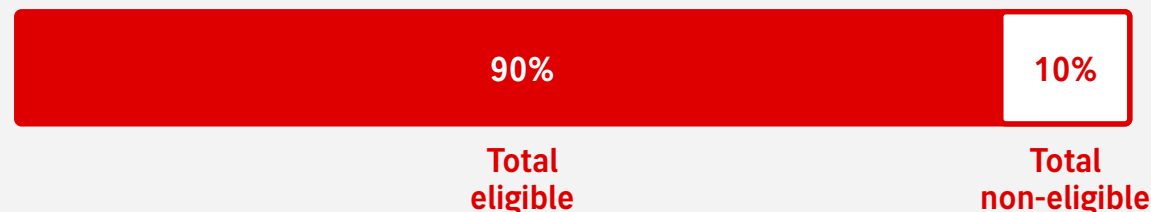
**Proportion of
Taxonomy-eligible
assets:**

3.92%

**Absolute value of
Taxonomy-eligible
assets:**

DKK 2,932m

Eligible vs non-eligible activities



Proportion of full gross written premium (GWP) of each taxonomy-eligible product category compared to total GWP:

	GWP (DKKm)	% of total (GWP)
Non-life insurance activities		
Eligible activities, total	30,890	90
a) medical expense insurance	756	2
b) income protection insurance	5,826	17
c) workers' compensation insurance	1,065	3
d) motor vehicle liability insurance	2,852	8
e) other motor insurance	8,409	25
f) marine, aviation and transport insurance	648	2
g) fire and other damage to property insurance	10,267	30
h) assistance	1,067	3
Reinsurance		
Proportion of taxonomy-eligible activities of which are reinsured	1,052	3
Proportion of taxonomy-eligible activities stemming from reinsurance activities	0	0
Proportion of taxonomy-eligible activities of which are reinsured (retrocession)	0	0

Gap assessment

– preparing for alignment reporting

In 2022, we assessed how and to which extent Tryg's business is taxonomy-aligned, with the purpose of initiating the process of creating a robust foundation for the future reporting requirements.

The assessment was conducted by an external consultant across our business and investments and involved key stakeholders across the Nordic functions. The work was performed primarily through workshops with relevant business lines. In addition to highlighting the gaps that will help guide us in our future work, the purpose of the assessment was also to ensure organisation-wide anchoring of the taxonomy and prepare the organisation for its implications. This creates a robust foundation for ensuring that taxonomy considerations become an integrated part of how we do going forward. The final report provides Tryg with a roadmap for how to prepare for the 2023 reporting.

The taxonomy alignment reporting is a completely new reporting process, involving greater granularity of existing data, multiple systems and new data such as the output of processes. Implementing an efficient reporting process across the Nordics and with the appropriate checks and controls is key for the future. The work and prioritisation of actions will be ongoing over the coming year.

Social engagement

Tryg wants to engage with the societies that we are a part of. Through external partnerships and by engaging with various sectors, we believe that we can make a significant contribution to creating more safety, security and peace of mind in society.

Strategic work to prevent drownings

Tryg works diligently to prevent drownings. Through the red-white lifebuoy, we provide safety along the coastlines and near lakes, rivers and harbours across the Nordic countries¹.

This year marked the 70-year anniversary of the lifebuoy in Norway. It started in 1952 with 20 lifebuoys at quays in the Bergen region and has today turned into a national project with more than 50,000 lifebuoys all over Norway.

In Sweden, Trygg-Hansa has donated more than 250,000 lifebuoys since the beginning in 1954, and today more than 80,000 of our lifebuoys are found close to water all over Sweden. During 2022 alone, Trygg-Hansa donated more than 4,400 lifebuoys.



More than 300,000 lifebuoys have been donated across Norway and Sweden since 1952.

¹ In Denmark, Tryghedsgruppen are responsible for the lifebuoys. See respektforvand.dk

Drowning is still the most common fatal accident among children under the age of six. Across our markets, Tryg is committed to water safety and preventing drowning accidents. To support this, we have defined several concrete initiatives.

Collaboration with the Swedish Lifesaving Society (SLS) that every year organises summer swimming schools for roughly 30,000 children at 200 locations near the seas and lakes across the country. Tryg's contribution enables SLS to train an average of 30-40 new swimming instructors each year.

Every summer, Trygg-Hansa also produces an innovative water safety campaign with the aim of increasing knowledge about water safety and reducing the risk of drowning incidents. Common to all summer campaigns is that they must touch and educate the public about water safety focusing on how important it is to always keep an eye on the water, know and be updated on first aid, not drink alcohol in connection with bathing and increase knowledge that drownings happen quietly and unnoticed. The purpose of the year's water safety campaign "Moves like drowning" was to spread the right knowledge about what a drowning looks like and to get more people to act.

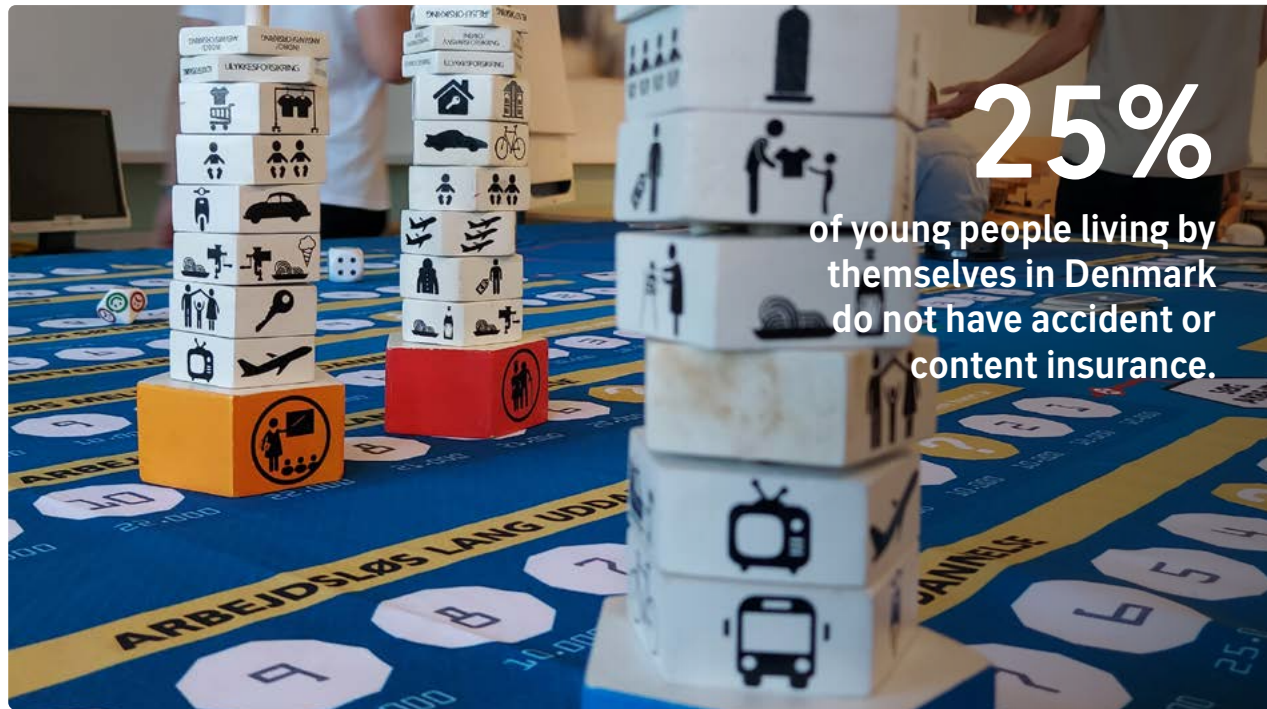
Tryg Norway works with the Norwegian Society for Sea Rescue to offer 'safe in water' courses to 14 to 15-years-old school children. To be able to reach more children, the courses are now being run as classroom lessons that the children participate in before practicing self-rescue, lifesaving and first aid outside.

The Nightravens

The Nightravens groups are local volunteers who walk the streets at night to create a safe environment, offer help and prevent unwanted incidents. The main target group is young people, and the mission of the Nightravens is to be present where young people hang out in streets or local squares. There are Nightravens groups in almost all major towns in Norway and also in many less populated areas.

By appointment with the Nightravens Foundation, Tryg has taken on the role of national main cooperation partner since the mid-1990s. Supporting the Nightravens has become a long-term commitment for Tryg. Tryg hosts the foundation's secretariat that serves the local groups, and Tryg also provides financial support to buy the characteristic yellow and blue Nightravens jackets and other equipment such as first-aid kits, blankets, reflectors etc. We are very proud to have our logo on the back of the jackets of so many volunteers who make such an important effort for their local community. Additionally, Tryg also funds the national Nightravens conference, which is arranged every other year. The conference is an important meeting place for Nightravens representatives, the Nightravens Foundation and the Nightravens Board.





Teaching school children about insurance

In a partnership with the organisation Ungdomsbyen, Tryg in Denmark works to increase school children's knowledge and understanding of insurance. Statistics show that more than 25% of young people living by themselves in Denmark do not have accident or content insurance. Through a board game, the children learn about personal finance in an informal and entertaining way, enabling them to make informed decisions about their economy. Tryg employees volunteer to facilitate a session and share their expertise and knowledge about the importance of insurance. In the second half of 2022, 20 employees facilitated 20 sessions.

"För alla unga"
More than 9,000 students and teachers have registered and participated in the course focusing on young people's mental health.

Young people's mental health - one of the most important challenges of our time

Today, approximately half of all 15-year-olds in Sweden state that they do not feel well. There is also no indication that society's efforts are sufficient to reduce mental illness among young people. This challenge, in combination with the fact that Trygg-Hansa insures about 750,000 children and young people in Sweden, makes it a priority for Trygg-Hansa to contribute to the important work of preventing mental illness among young people.

For several years Trygg-Hansa has been collaborating with 'Bris - Children's rights in society', and our contribution makes it possible for Bris to support children around the clock. Trygg-Hansa has also created tools such as a website and a questionnaire that help parents and other adults to talk to and support teenagers.

Since 2021, Trygg-Hansa has been a committed partner to Avicii Arena - a platform and megaphone that promotes young people's mental health. Within the framework of that collaboration, Trygg-Hansa has launched a course in mental health. "För alla unga" is offered to all upper secondary schools in Sweden free of charge. The first part of the training was launched in December 2021 and has been supplemented with three more parts in 2022. Already in the first year, more than 6,500 students and 2,500 teachers have registered and taken part in the training. The course is developed in consultation with experts from, among others, Bris and Tilia, Unicef, doctors and brain researchers from the Karolinska Institutet. In 2022, the course was complemented with training aimed for teachers and other adults.

Environmental, Social and Governance (ESG) data

Climate and environmental data¹

	Unit	2022	2021	2020	2019 ²	2018
Scope 1 (direct emissions)						
Car travel, total ³	Tonnes CO ₂ e	898	724	852	880	880
Stationary combustion:						
Heating oil, total	Tonnes CO ₂ e	0	0	0	20	20
Natural gas, total	Tonnes CO ₂ e	55	53	63	93	93
Total Scope 1 carbon emissions	Tonnes CO ₂ e	953	777	915	993	994
Scope 2 (indirect emissions)						
Electricity consumption, total (location-based)	Tonnes CO ₂ e	720	576	687	1,212	1,109
Electricity consumption, total (market-based)	Tonnes CO ₂ e	106	0	2,473	4,152	3,714
District heating, total	Tonnes CO ₂ e	595	323	354	792	453
Energy consumption, total	GJ	73,574	55,849	54,574	96,404	72,918
Renewable energy share, total (location-based)	%	41	36	N/A	N/A	N/A
Total Scope 2 carbon emissions (location-based)	Tonnes CO ₂ e	1,314	899	1,041	2,004	1,562
Total Scope 2 carbon emissions (market-based)	Tonnes CO ₂ e	700	323	2,827	4,945	4,167
Scope 3 (indirect emissions)						
Air and train travel, total	Tonnes CO ₂ e	2,175	344	474	3,299	2,443
Waste, total	Tonnes CO ₂ e	97	62	71	140	128
Total Scope 3 carbon emissions	Tonnes CO ₂ e	2,271	406	545	3,439	2,571
Total direct and indirect carbon emissions (location-based)	Tonnes CO ₂ e	4,538	2,082	2,501	6,436	5,127
Total direct and indirect carbon emissions per employee (location-based)	Tonnes CO ₂ e	0.7	0.4	0.6	1.6	1.2
Total direct and indirect carbon emissions (market-based)	Tonnes CO ₂ e	3,924	1,506	4,287	9,376	7,732
Total direct and indirect carbon emissions per employee (market-based)	Tonnes CO ₂ e	0.6	0.3	1.0	2.3	1.9

¹ Trygg-Hansa Sweden and Codan Norway are included in the 2019 base year, and in the 2022 performance data as of 1 April 2022.

² Base year updated to include data from Trygg-Hansa Sweden and Codan Norway.

³ The car fleet includes company cars from Denmark.

Environmental, Social and Governance (ESG) data

Climate impact: Claims handling

Claims handling

CO₂ reduction from more sustainable claims handling initiatives (tonnes CO₂e)

	Unit	2022	2021	2020	2019	2018
Motor						
Used spare parts	Tonnes CO ₂	8,920	3,187	2,778	N/A	N/A
Repairing of windshields	Tonnes CO ₂	5,054	3,377	2,936	N/A	N/A
Road assistance by phone-fix service	Tonnes CO ₂	60	60	41	N/A	N/A
Repairing of plastic car bumpers	Tonnes CO ₂	735	84	49	N/A	N/A
Health & Pet						
Online medical consultations (Tryg Lægehjælp)	Tonnes CO ₂	3	2	N/A	N/A	N/A
Online veterinarian consultations (firstVet)	Tonnes CO ₂	2	25	N/A	N/A	N/A
Building						
Remote monitoring of building claims	Tonnes CO ₂	22	5	N/A	N/A	N/A
Conservation of claims	Tonnes CO ₂	52	N/A	N/A	N/A	N/A
Phones						
Repairing phone screens	Tonnes CO ₂	304	N/A	N/A	N/A	N/A
SWAP options	Tonnes CO ₂	182	N/A	N/A	N/A	N/A
Total CO₂ reduction from claims handling process	Tonnes CO ₂	15,449	6,740	5,804	N/A	N/A

Environmental, Social and Governance (ESG) data

Climate impact: Investment

Equity portfolio

	Unit	2022	2021	2020	2019	2018
External manager statistics						
Percentage of UN PRI Signatories	%	100	100	N/A	N/A	N/A
Average external manager score for Investment & Stewardship Policy ¹	score	86	TBA	N/A	N/A	N/A
Average external manager score for voting for relevant listed equity strategies*	score	77	TBA	N/A	N/A	N/A
Active ownership						
Voting percentage for equity portfolio	%	97.7	97.7	N/A	N/A	N/A
Carbon intensity (tonnes CO₂e / USDm revenue, Scopes 1 and 2)						
Listed equity (coverage ratio)	tonnes	184.0 (94.3%)	127.5 (96%)	N/A	N/A	N/A
Benchmark Universe for listed equity (coverage ratio)	tonnes	189.2 (95.7%)	160.6 (96%)	N/A	N/A	N/A
Percentage difference	%	-2.3%	-20.6%	N/A	N/A	N/A
CO ₂ intensity reduction of equity portfolio ²	%	- 16.9	19.4	N/A	N/A	N/A
Carbon footprint (tonnes CO₂e / USDm invested, Scope 1 and 2)						
Listed equity (coverage ratio)	tonnes	108.8 (94.3%)	N/A	N/A	N/A	N/A
Corporate bonds (coverage ratio)	tonnes	149.1 (76.2%)	N/A	N/A	N/A	N/A

¹ Based on UN PRI Assessments for 2021. Scores of 1-100 are given, where 100 is best.

² Relative to base year 2020

Environmental, Social and Governance (ESG) data

Social data

	Unit	2022	2021	2020	2019	2018
Total number of employees (FTEs)	Number	6,476	4,674	4,400	4,151	4,027
Total gender distribution (female/male)	%	46/54	45/55	46/54	46/54	46/54
Total share of women in management positions	%	40.5	40	38	35	33
Employees, <30 years	%	20	17	17	16	15
Employees, 30-49 years	%	53	52	53	53	53
Employees, 50 years and above	%	28	31	30	31	32
Employee turnover	%	14	11	9.8	12	12.7
Total leavers	Number	877	516	482	529	431
Share of voluntary leavers	%	10	7.7	5.5	7.4	10.8
Share of involuntary leavers	%	3	3.3	4.3	4.6	1.9
Gender pay ratio	Times	1.17	1.18	1.14	1.21	1.2
Sick leave	%	3.5	3.1	3.1	3.2	4.1
Total employee training hours ¹	Hours	88,321	79,008	70,781	86,476	71,478
Average employee training hours	Hours	17	17	16	20	19
Employee satisfaction	Index point	79	80	80	78	78
Customer retention rate:						
Private Denmark	%	90.3	90.5	90.1	91.6	91.2
Commercial Denmark	%	88.0	88.6	88.6	88.6	88.0
Private Norway	%	88.7	88.5	88.4	86.9	86.7
Commercial Norway	%	89.0	89.4	89.2	89.0	87.7
Private Sweden	%	83.4	N/A	N/A	N/A	N/A
Commercial Sweden	%	88.6	N/A	N/A	N/A	N/A
Customer satisfaction score ³	Score	85	85	84	68	67

¹ Total and average employee training hours include data from Denmark and Norway only.

² In 2021, Tryg changed its method for measuring customer satisfaction. Hence, the scores for 2018-2019 are Transactional Net Promoter Scores.

Environmental, Social and Governance (ESG) data

Governance data

	Unit	2022	2021	2020	2019	2018
Size of the Supervisory Board incl. employee representatives						
Share of women, incl. employee representatives	%	50	54	50	50	38
Board members, <30 years	Number	0	0	0	0	0
Board members, 30-49 years	Number	4	3	3	1	1
Board members, 50 years and above	Number	10	10	9	11	12
Board meetings	Number	11	17			
Attendance rate	%	98	100	99,6	100	98
Independent board members	Number	6	6	5	5	5
Remuneration						
CEO pay ratio	Times	31,9	27,4	27,9	25,6	26,3
ESG-linked pay, Executive Board	%	6.25	N/A	N/A	N/A	N/A
Remuneration of the Executive Board ¹	Reference					
Remuneration of the Supervisory Board ²	Reference					
Whistleblower cases	Number	37	6	1	3	7

¹ See page 5 in Tryg's Remuneration report 2022

² See page 4 in Tryg's Remuneration report 2022

The climate partnership of the Danish financial sector

In 2019, the Danish government set up 13 climate partnerships divided into industries, which will contribute to the government's ambition of reducing Denmark's carbon emissions by 70% in 2030 compared with 1990.

In 2020, the climate partnership of the Danish financial sector presented its action plan for how the partnership can contribute to Denmark reaching its ambitious target.

Financial undertakings will reduce their own carbon emissions by at least 70% by 2030. Since the financial sector's own emissions account for less than 0.1% of total Danish emissions, the sector wants to contribute to the Danish reduction target in four areas:

1. Setting targets for and monitoring the reduction of customers' carbon footprints
2. Actively engaging with customers
3. Integrating sustainability in business models, and
4. Reducing emissions from the financial sector itself.

Tryg supports the action plan and focus areas of the Danish financial sector and will contribute to meeting the Danish carbon emission reduction target.

→ **Action plan for the financial sector's climate partnership**

The Danish trade association Insurance & Pension Denmark, of which Tryg is a member, has composed – in collaboration with its members – a set of reporting standards for its members in order to ensure comparable reporting on the financial sector's four carbon emission reduction focus areas from reporting year 2021, which Tryg complies with.

→ **Insurance & Pensions Denmark's recommendation for climate reporting (only available in Danish)**

The climate partnership of the Danish financial sector

Climate reporting¹

Part 1: Comply/explain reporting

Metric	Unit	Target	2022	2021	2020	Reader's guide
Active engagement in climate improvements						
Dialogues on energy efficiency improvements in connection with customer contact	Reference	–	–	–	–	Page 12 and page 31
Sustainable business models						
Payments to claims prevention	%	–	1	1	–	Page 16
The company's own emissions		55% reduction (2030)				
CO ₂ – Scope 1	Tonnes		953	777	915	Page 31
CO ₂ – Scope 2 ²	Tonnes		700	323	2,827	Page 31
Renewable energy share	%		41	36	N/A	Page 31
Energy consumption	GJ		73,573	55,849	54,574	Page 31

Part 2: Optional reporting

Metric	Unit	Target	2022	2021	2020	Reader's guide
Carbon footprint of investments						
CO ₂ intensity reduction of equity portfolio ³	%	50% reduction in carbon intensity (2030)	-16.9	19.4	-	Page 21
CO ₂ emissions from investment assets	Tonnes / mUSD revenue	-	184.9	127.5	–	Page 21
Sustainable business models						
EU taxonomy-eligible activities	%	–	90	88	–	Page 37 and page 51
EU taxonomy-eligible investments	%	-	3.92	5.36	-	Page 37 and page 51
The company's own emissions						
CO ₂ – Scope 3	Tonnes	–	2,271	406	545	Page 31
Driving in zero-emission cars	% km in Tryg's car fleet	–	4	4	-	Page 32
Driving in low-emission cars	% km in Tryg's car fleet	–	27	8	-	Page 32

¹ Accounting principles on page 49

² Market-based

³ Relative to base year 2020

Accounting principles for selected indicators

Carbon emissions

Consumption data from Trygg-Hansa and Codan is included as of 1 April 2022, when the acquisition was completed. The 2019 baseline has been adjusted to include Trygg-Hansa and Codan Norway from locations with 50+ employees. The baseline includes 19 locations covering more than 95% of our employees.

The 2020 and 2021 data include data from 13 locations corresponding to 95% of Tryg's employees prior to the acquisition. The 2018 data include data from five locations. None of these years include data from Trygg-Hansa og Codan Norway.

The carbon footprint gives a general overview of Tryg's greenhouse gas emissions, converted into CO₂ equivalents, and it is based on reported data from internal and external systems. The carbon footprint analysis is based on the international standard: A Corporate Accounting and Reporting Standard, by the Greenhouse Gas Protocol Initiative (GHG Protocol) and developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD).

The reporting considers the following greenhouse gases, all converted into CO₂ equivalents: CO₂, CH₄ (methane), N₂O (laughing gas), SF₆, HFCs and PFCs. This methodology is based on the operational control aspect that defines what should be included in the carbon inventory, as well as in the different scopes.

The key external sources used as a basis for the calculations in this report are: World Resource Institute (WRI/US), International Energy Agency (IEA/OECD), Intergovernmental

Panel on Climate Change (IPCC), Department of Energy and Climate Change (DECC/UK), EcolInvent LCI Database.

Scope 1: Includes all direct emission sources. This includes all use of fossil fuels for stationary combustion or transport, in owned and, depending on the consolidation approach selected, leased or rented assets.

Scope 2: Includes indirect emissions related to purchased energy; electricity and heating/cooling where Tryg has operational control. In 2022, Tryg purchased and cancelled certified renewable electricity corresponding to 4,500 MWh.

Scope 3: Includes indirect emissions from Tryg's waste production and business travel activities.

Driving in zero- and low-emission cars: Includes company travel in Tryg's leased cars in Denmark. Is calculated based on driven kilometres in zero-emission and low-emission cars as a percentage

Renewable energy share: Is calculated based on consumption multiplied by converters. The consumed energy has been added from both Scope 1 and Scope 2 sources but must additionally contain energy from renewable sources. Is calculated according to FSR - Danish Auditors, CFA Society Denmark and Nasdaq's suggestions on standardised ESG key figures.

Claims handling

CO₂ reductions: The CO₂e reduction effect is based on "comparative" LCA thinking. From a life cycle perspective, the CO₂e emissions from a baseline/business-as-usual

approach is compared to an alternative more sustainable approach for claims handling. The calculations are mainly performed through a professional software SimaPro.

Sustainable business models

Payments to claims prevention: Claims prevention expenses are defined in accordance with Section 37(1) of Executive Order no. 1592 of 9 November 2020. 1 of the Executive Order and are accounted for as claims. Claims prevention expenses comprise internal and external costs to mitigate expected future claims.

Carbon footprint of investments

External managers: The performance of the external funds managers is based on their respective UNPRI reports, which is shared with Tryg Invest. The reports are used to assess the percentage of UN PRI signatories. The average score is a weighted average based on invested capital.

Active ownership: Participation in and voting percentage at general assemblies are based on reports from funds managers.

Carbon intensity: Tonnes of CO₂ relative to revenue (million dollar). Based on data from Sustainability.

Carbon footprint: Tonnes of CO₂ relative to investment (million dollar). Based on data from Sustainability.

Social data

Employee data: Data extracted from SAP/Successfactors, based on headcounts and not including temporary workers. Division across gender and age is calculated as a percentage of all employees.

Employee turnover: The share of employees leaving out of the average headcount within the year. Calculated for voluntary and involuntary leavers respectively.

Gender pay ratio: Is defined as the ratio between the median male salary and median female salary.

Sick leave: Number of sick leave hours out of basis time.

CEO pay ratio: Ratio between CEO compensation and average employee salary.

Training hours: Training reported to or registered by the HR department. Includes mandatory training such as e-learning and product trainings, as well as sector specific course provided by external partners such as the Insurance Academy.

Employee satisfaction: Annual survey for all Tryg/Trygg-Hansa employees with a minimum of three months seniority, working at least 40%. It includes 56 questions covering among other themes job satisfaction, management, inclusion, job content and learning and development.

Customer retention: The rate of retained customers over a 12 months period. Based on an assessment of customers' unique ID numbers.

Customer satisfaction: Customer satisfaction is measured consistently across different touchpoints and processes throughout the customer journey for both private and commercial customers.

Size of the Supervisory Board: The number of members including employee representatives. Data on age, gender and independence is based on the members' respective CVs available in the Annual Report.

ESG-linked pay: The percentage of the Executive Board's variable salary that is based on selected ESG KPIs. The target is based on indicators related to CO₂ reductions from respectively claims handling processes and Tryg's direct emissions, as well as share of top-line growth coming from prevention initiatives.

Whistleblower: Number of cases reported via Tryg's whistleblower scheme available at tryg.com.

Methodology for the EU Taxonomy eligibility data

Methodology for insurance and activities

For the 2022 reporting on taxonomy eligibility, we will follow the same methodology as for the 2021 reporting as we still find this methodology valid based on the latest guidance from the EU.

Tryg's economic activities are segmented in accordance with the categories defined in the Climate Delegated Act¹ to assess taxonomy eligibility. This involves the product categories associated with non-life insurance as well as reinsurance.

For each product category, we have examined whether the insurance products provide cover for climate-related risks as defined by the EU Taxonomy². Once an insurance policy does not explicitly exempt all climate-related events from coverage, we conclude that the insurance product encompasses climate-related cover.

The examination is based on an analysis of the most sold insurance products within each product category. In cases where the terms and conditions of the most sold product within the category include climate-related cover, we report the full gross written premium ("GWP") of the product category in question as taxonomy-eligible. For example, our most sold insurance products are within the 'Other motor insurance' and 'Fire and other damage to property' categories. Our regular car insurance and regular house insurance products both cover climate-related perils, and therefore the full GWP of all insurance policies under these categories are reported as taxonomy-eligible.

For each product category assessed as taxonomy-eligible, we have calculated how large a share of Tryg's premiums is made up of the product category in question. Information concerning premiums, including underwriting premiums, is based on existing financial information for 2022.

Tryg's assessment shows that all the listed product categories encompass climate-related cover. Activities outside product categories (a) to (h) are reported as non-eligible.

With regard to reinsurance, we have calculated the proportion of taxonomy-eligible activities that are reinsured. As we do not provide reinsurance as part of our product portfolio, available data with regard to reinsurance are limited to those of our insurance activities that are reinsured elsewhere.

Accounting data and information retrieved from the Tryg Group's registers in accordance with requirements set out in the Solvency II regulation are used as data sources for the calculation. The information concerning premiums is therefore based on existing financial information collected in accordance with Tryg's audited financial reporting.

Methodology for investment assets

To assess whether an asset falls within the definition of taxonomy eligibility, we have conducted a screening of our assets under management for investments based on the methodology described in the Climate Delegated Act and the delegated act issued under Article 8 of the EU Taxonomy.

NACE codes have been used for the initial screening; however, seeing as the economic activities described in the taxonomy do not correspond exactly to the NACE codes available, certain adaptations to the methodology have been made to meet the criteria for calculation of taxonomy eligibility. In addition to applying the NACE code classification system, the assessment of the taxonomy eligibility of Tryg's assets is based on accounting data and information retrieved from Tryg's existing registers³.

Our adaptations ensure that our screening results reflect the data as accurately as possible at this stage. We will continue to develop our screening method in line with the EU's development of guidelines and criteria for calculating and assessing environmentally sustainable economic activities, as well as data that will be made available by the companies in which Tryg's assets are invested, to be able to report exact data in the future.

¹ COMMISSION DELEGATED REGULATION (EU) 2021/2139 of 4 June 2021.

² Appendix A to Annex 2 to the Climate Delegated Act.

³ Including information required under the Solvency II directive (2009/138).

Reader's guide cf. Sections 132a, 132b and 132d

Tryg reports with reference to the fulfilment of targets for the share of the underrepresented gender at management levels, non-financial reporting and data ethics in accordance with the provisions of Sections 132a, 132b and 132d of the Danish Executive Order on Financial Reports for Insurance Companies and Lateral Pension Funds (Nationwide Occupational Pension Funds).

Section 132a	Reader's guide
Status and target for the Supervisory Board on increasing the share of the underrepresented gender: Section 132a, subs. 1	According to Danish law as well as Tryg's own policy there is equality among genders on the Supervisory Board, and Tryg is therefore not required to set targets. A description is available on page 28 .
Policy, target, action plan and result on increasing the share of the underrepresented gender at other management levels: Section 132a, subs. 2 and 4	Policy, target, action plan and result on increasing the share of the underrepresented gender at other management levels are available on pages 26-29 .
Section 132b	Reader's guide
Business model: Section 132b, subs. 2, (1)	Tryg's business model is described on pages 7-8 .
Sustainability policy: Section 132b, subs. 2, (2)	Tryg's Sustainability policy is referred on page 11 .
Policies section: Section 132b, subs. 2, (2)	A description of policies has been integrated into the relevant chapters. See pages 18-21 and 26-36 .
Actions: Section 132b, subs. 2, (3)	A description of key actions has been integrated into the relevant chapters. See pages 18-21 and 26-36 .
Systems and due diligence processes: Section 132 b, subs. 2, (3)	A description of systems and due diligence processes has been integrated into the relevant chapters. See pages 18-21 and 26-36 .
Key risks: Section 132b, subs. 2, (4)	A description of key risks has been integrated into the relevant chapters. See pages 18-36 .
KPIs: Section 132b, subs. 2, (5)	See targets in overview section on page 6, in the relevant chapters on pages 18-21 and 26-36 , and in ESG data tables on pages 42-46 . Description of Accounting principles on page 49 .
Results: Section 132b, subs. 2, (6)	See results in overview section on page 6 in the relevant chapters on pages 18-21 and 26-36 , and in ESG data tables on pages 42-46 .
Section 132d	Reader's guide
Data ethics policy: Section 132d, subs. 2	Tryg's data ethics policy appears from pages 33-35 , where Tryg's governance of and work with data ethics is also described.



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