



Stakeholder magazine 2010

Tryg | 

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Stakeholder magazine 2010

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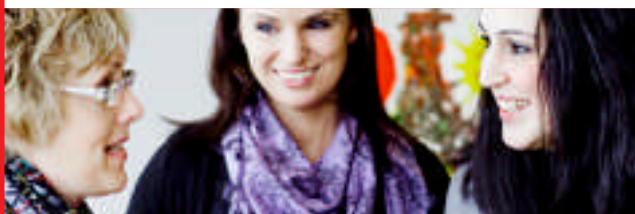
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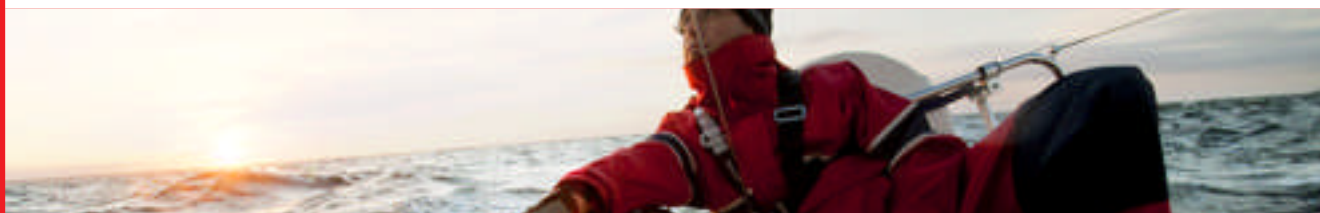
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Introduction

Tryg's corporate social responsibility is anchored in our wish to combine sound business development with our role as a good corporate citizen.

This year's Stakeholder magazine investigates how the CSR initiatives create value for our business, short-term as well as long-term, and provides examples of the products, processes and partnerships that we focused on in 2010.

The articles will be included in four overall CSR themes of relevance to the peace-of-mind delivery we offer our customers and which runs all through our history and traditions as an insurance company.

Climate | Climate change results in increasing damage due to rainfall, water and storms. Consequently, we make great efforts to help our customers prevent such damage and to help them identify and manage the risks relating to companies' impact on the environment. We enter into partnerships and collaborate with local authorities to continuously improve our risk consultancy services and to find new ways of responding to climate-related damage, such as flooding.

Prevention | For many years, prevention of water, snow and fire damage, personal injuries and property damage in urban areas have been essential to the way we conduct our corporate social responsibility. Also in this context, we make great efforts to advise our customers on loss prevention, and through this collaboration we acquire insight into new types of risk, thus contributing to our business development. Our partnership with the Night Owls in Norway, in particular, has affected our reputation as a business committed to corporate social responsibility. A 2010 survey shows for example that 99% of all Norwegians know of the Night Owls' voluntary work to enhance peace of mind and safety in the urban areas.

Inclusion | Inclusion of every person in the labour market, irrespective of age, disability, sexual orientation, ethnic or religious background, is a key precondition to creating growth. We endeavour to attract talent from ethnic minority groups because we believe that we can provide better service to our customers and develop new solutions if there is diversity among our employees. In 2010, we made special efforts to strengthen our managers' ability to handle and manage diversity through a new management development concept and mentor systems bringing management in close contact with young people with ethnic backgrounds other than Nordic.

Well-being | Employee well-being is crucial to creating satisfaction and motivation in the everyday working lives of our employees, and it strengthens our customer service. We also seek to increase customer welfare through, among other things, the health insurances that we offer customers beyond the age of 60. At the same time we are in a process where we aim to focus more strongly on the needs of our customers and that way improve our peace-of-mind delivery. Our partnerships with the Youth Town and Nordea in 2010 have also enabled us to build the skills of and provide knowledge to young people about personal finance and insurance and thus contribute to creating responsible citizenship.

Promoting sustainable and responsible development for our business and for society at large evidently has the best option for success in the Nordic countries. We are, however, aware that in a world of globalisation, we have to aim beyond the Nordic region. Therefore, we use the UN Millenium Development Goals to attract attention to the need for inclusive growth in developing countries and to our ability to support that development.

Overview of the results | Our results for the year and our achievements in the climate area can be found at the back of this magazine.



For more information on Tryg's CSR approach and activities, see our Statutory report on CSR 2010, available for download from tryg.com > Download.

CSR – Climate

As part of our efforts to protect the environment and prevent climate change, we offer sustainable solutions to our customers and promote sustainable conduct by our stakeholders: customers and suppliers, employees, investors and society at large. We strive to have a positive impact on their behaviour, consumption, product selection, solutions and investments as well as on the Nordic agenda to prevent climate change.



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New tool for screening climate damage

Tryg's Climate and Environmental Report offers our corporate customers a tool to help identify and manage the risk of facing climate-related damage in our everyday lives.



For more information on Tryg's climate-related CRS approaches, go to tryg.com > Thematic areas.

Insurance is based on the ability to identify and classify the risk potential of relevance to our private customers as well as our corporate and commercial customers. To ensure adequate focus on new climate-related risks, Tryg launched a tool for screening risk affecting our corporate customers in 2010.

– With the Climate and Environmental Report, we have introduced a new risk assessment concept enabling screening of risks that arise as a result of new types of risk, says Truls Holm Olsen, Group Executive Vice President, Corporate Nordic.

– Climate change means that as an insurance company, we must be prepared to manage new types of risk in a way that provides peace of mind to our corporate customers in their everyday lives.

– Our main purpose is to encourage our customers to proactively manage risks, thus enabling them to prematurely reduce their vulnerability. By doing so, we protect customers' peace of mind and at the same time reduce our own risk.

Tryg's newly developed tool places focus on the customer's own risk identification system and on how well the customer's daily processes work. The Climate and Environmental report also includes a detailed guide to managing customer risk and vulnerability in relation to flooding, strokes of lightning, storms and strong winds, landslides and extreme temperatures.

– By raising our customers' awareness of risk to also include climate and environment-related risk, we enable them to take into account these new types of risk in the companies' strategies and long-term planning, explains Underwriting Director, Trond Thorsen, in relation to the need for preparing the Climate and Environmental Report.

The Climate and Environmental Reports are prepared by engineers and underwriters at Tryg in close collaboration with our

customers. By identifying and examining risk management systems on site, we are capable of assisting in a screening process that tests established systems or suggests changes of these to reduce a specific risk. That way, our employees collaborate with our customers to increase awareness of climate-related risk and establish efficient systems to prevent those risks.

– Thus, identification and classification of risk constitutes a tool to identify a specific risk in the customer's company and to develop in-house routines for prevention thereof, adds Trond Thorsen.

Tryg's Environmental Report

The aim of the Climate and Environmental Report of 2010 was to introduce it to 40 corporate customers. 17 industrial businesses in Norway and 23 in Denmark chose to make the Climate and Environmental Report their new tool for identification and management of risk in relation to climate-related damage.



Sharing knowledge with local authorities | As climate change evolves, our society is increasingly exposed to damage. Combining our claims data and knowledge on prevention with municipal initiatives enables us to increasing peace of mind in our everyday lives.

Cold winters and rainstorms make us particularly exposed to damage

2010 was the year giving us more insight into the increasing risk of damage caused by climate change. Extraordinarily cold winters in Denmark and Norway together with strong rainstorms in Denmark resulted in a dramatic increase in damage claims.

Since these events were weather-related, they demonstrated the increasing amount of risk related to sudden changes in weather conditions and abnormal quantities of rainfall. They also highlighted the increasing vulnerability that our society is exposed to, which is particularly visible in the water supply and drainage infrastructure.

New insight based on claims data and water and sewage systems

As owners of the water mains infrastructure, including sewers, water pipes and drainage systems, the local authorities are responsible for the operation and maintenance of these systems. Based on strong data on weather damage in different geographical regions, we find it absolutely crucial that collaboration between the authorities and the insurance industry is established in such a way that we can maintain an efficient infrastructure that is adjusted to the challenges resulting from climate change.

Incorporating climate risk in municipal planning

To find new ways of promoting focus on climate-related risk and vulnerability in the municipalities, Tryg has entered into collaboration with the Norwegian directorate of civil protection and contingency planning (DSB). Through this collaboration we acquire the opportunity to share cross-sectorial knowledge, benefitting both parties.

In 2010, the collaboration with DSB led to a number of initiatives in the region around Kristiansand, among other things a series of seminars and workshops, offering ample opportunity to discuss risk coverage and the need for greater awareness and knowledge of tools and systems for prevention of flood-

ing. The region largely consists of coastal areas and is therefore exposed to sea-level change and coastal damage resulting from such change.

The activities partly aimed to ensure that adequate focus was placed on climate-related risks and on incorporation thereof in the planning processes in the region and partly aimed to strengthen the collaboration and knowledge sharing between the municipalities in the region.

Knowledge sharing and future-proofing of the peace-of-mind delivery

The collaboration with DSB and the municipalities around Kristiansand enables Tryg to make our risk identification and classification competency available to others and to provide advice on how to best reduce and completely prevent risk from leading to damage. The partnership with DSB and the collaboration with a number of municipalities are crucial to the continued development of our capacities and skills to ensure that our customers experience that insurance provides peace of mind in their everyday lives.

Joint climate efforts

Tryg seeks to enter into collaborations with local authorities to prevent climate-related damage and to contribute to ensuring that systems are adapted to climate change. We collaborate with the municipality of Bergen on the regional challenges arising from climate change and participate in workshops and seminars to share knowledge and contribute to identification of "best in class" initiatives to promote climate adaptation.

As Bergen City's business partner, Tryg participates in the EU-based MARE project, which focuses on development of strategies for managing and complying with the increasing flooding challenges on local, regional and national level in Europe.

Environmental insurance | Transport companies increasingly require efficient environmental insurance. Transportation of goods, pollution of soil, water and local neighbourhoods constitute risks that can now be protected by insurance coverage.



Transport companies need better environmental insurance

As a result of the EU environmental responsibility directive, environmental responsibility is an ever increasing and cost-intensive risk to the transport industry. The implementation of national legislation has intensified the authorities' awareness of enforcement of new rules relating to environmental damage responsibility.

The new environmental damage legislation is based on unconditional responsibility. Thus, companies bear the full responsibility for contaminant emission from vehicles, tanks or pumps – even if they are not responsible for the emission. In addition, companies can be held liable for contamination of soil, water, destruction of types of nature and extinction of animal species.

The environmental damage legislation is complex, but the consequences are quite simple: In future, we will see new, more extensive and far more expensive damage processes than ever before.

One environmental damage posing a risk to carriers' financial existence

All carrier companies bear the risk of their activities causing contamination damage. Where previously companies were only

required to see to the decontamination, if for example they contaminated a stream, they will now also be required to for example restore the living conditions of plants and animals and bring them back to their pre-damage level. The consequences of the legislative amendments are yet unknown, but a major environmental damage may at worst force a carrier company to discontinue its activities.

What is the typical risk scenario?

- Transportation of goods where a vehicle accident for example is the cause of contamination of a public field, stream or lake and where the carrier is subject to an order from the authorities
- Gradual or sudden contamination of own – and/or third party's property from above ground/below ground tanks
- Spillage from own pump system on own property

Tryg offering wide coverage and taking over case processing

Tryg has developed an environmental insurance offering professional help and advice in the event a carrier company is involved in a contamination incident. The insurance offers a maximum insurance coverage of DKK 10m per claim per year and is valid throughout the EU.

Environmental damage of the future will require major financial resources, special skills and profound commitment. Tryg's new environmental insurance takes into account these stricter requirements and removes the concern that carriers are not sufficiently covered. We take over the case processing and the dialogue with the parties involved, leaving the customer to fully concentrate on his or her own daily duties.

Tryg's environmental insurance

Tryg's environmental insurance is relevant to all types of industrial and agricultural businesses. In 2010, 1,120 of these businesses chose to reduce the risk of incurring environmental damage through the advice and coverage offered in Tryg's environmental insurance. The environmental insurance also forms part of a collective scheme for petrol dealers.

CSR – Prevention

Being a provider of peace of mind, we contribute to ensuring safety and preventing claims within our sphere of influence, comprising our customers and suppliers, employees and the communities we form part of.

We actively commit to creating peace of mind and safety in the local communities and urban areas and provide advice on solutions promoting peace of mind.



Risk advice preventing fire damage in the business sector

In Tryg's Corporate business, insurance is collaboration with our customers to reduce the number of claims. At the Tryg fire event, policyholders acquire risk awareness that enables them to identify the fire before it occurs.

At Tryg's fire event for corporate customers, participants are given the opportunity to extinguish small-scale fires under supervision and to demonstrate how to use the fire brigade's fire-fighting equipment.





– It has had a great impression on me how little it takes for a small fire to develop into a major disaster. Naturally, my technical staff knows everything there is to know about that subject, but in the end the responsibility lies with the executive management, and for this reason we must understand the value of damage prevention investments – not least since we are based in a 110-year-old listed building, says manager of Aarhus Theatre, Henning Kærsgaard. He is one of the executive managers who acquired a renewed understanding of fire prevention from Tryg's fire event in 2010.

A sound business

The fire event was organised in collaboration between Copenhagen Fire Brigade and Tivoli and forms part of Tryg's Corporate area's customer advisory services. Since 2006, Corporate added market leading risk advice to the insurance delivery, which contributes to making Tryg stand out from its competitors, says Martin Hay Schmidt, Director at Corporate Nordic.

– Everybody is capable of selling insurance to the business sector provided the price is sufficiently attractive, but it is the ability to assess risk and provide advice on prevention and preparedness that adds the greatest value to the customer in the long term. At the same time, a thorough risk assessment means that we can make the necessary requirements on the customers if they don't have an acceptable safety level, he says.

A fire means loss of business as well as major losses of property, but often also consequential losses that are not covered by the insurance. This could for example be loss of market share or loss of skilled employees who go elsewhere to find jobs. For this reason, it is naturally good business conduct for a company to avoid fire and other types of loss. However, Tryg's prevention investment also pays off if customers report fewer and less significant claims. Consequently, Corporate makes an assessment of all major new customers' risk on the basis of individual risk mappings and help prepare insurance policies and contingency plans. Corporate also arranges courses for its customers, for example on fire and prevention.

Change of attitude – the most important thing

The fire event comprises practical exercises as well as theoretic presentations at the premises of Copenhagen Fire Brigade and Tivoli, which has one of Denmark's biggest contingency plans in relation to fire and handling of big crowds of people in a limited space. The overall goals of the event are:



Copenhagen Fire Brigade and Tivoli both provided the Tryg participants with information on fire extinction and prevention.

– The primary purpose of our fire events is to help pave the way for a change of attitude in companies so that not only the technical manager, but also the financial officer and the factory manager will consider commitment to fire prevention a potential, explains Erik Isbrand Møller, Head of the Risk Engineering Department at Tryg, and adds:

– And we make participants aware of the risks and the possibilities of limiting loss resulting from fire. It is for example important to use fire doors, evacuation plans and good old-fashioned discipline to ensure that escape routes are passable and fire-fighting equipment is available. We simply try to pass on our own risk experience to help our customers identify accidents before they occur, Erik Isbrand Møller states. After theatre director Henning Kærsgaard's participation in the fire event, Aarhus Theatre has launched several initiatives. A new risk assessment has resulted in some recommendations that the theatre is in the process of implementing, benefitting both Aarhus Theatre and Tryg.

Global risk assessment

Corporate Nordic's engineering staff prepares the individual risk reports, on which the risk assessment of the individual companies is based. And they do this in all parts of the world:

– In a global market, it is important to know that the factory in the East complies with the Danish safety requirements for purposes of protecting both the employees and the company's financial situation. We make around 40 risk assessments per year abroad, forming a natural part of our peace-of-mind delivery to the corporate customers, says Erik Isbrand Møller.

Peace of mind through prevention | Prevention of claims provides peace of mind to the customers and creates profitability at Tryg – to the benefit of everyone. Claims prevention is therefore key to the continued enhancement of the peace-of-mind delivery and to our corporate social responsibility.

Fire, water, burglary, travel and traffic

Damage is often caused by fire and water. Most water damage occurs as a result of sudden rainfall such as cloudburst and sudden thaw and is often related to poor sewage systems or inadequate pipe systems in buildings. The large amounts of snow that we have experienced this year have also given rise to much snow load damage to buildings.

Another type of damage is a result of theft in houses in connection with burglaries. Many people also experience loss or damage in connection with travels such as lost baggage, flight delays, car damage or illness requiring treatment or home transportation.

In the traffic, we also experience severe personal injuries and damage to cars and goods. Well planned trips and travels or carrying out professional transports can help prevent much of such damage.

We help our customers prevent damage

We help prevent claims through personal advice to our customers, for example by demonstrating how to prevent fire, water damage and burglaries. This personal advice will be provided to private, commercial and corporate customers by our claims assessors and agents when they visit the customers in their homes or on site or over the phone in connection with sale and claims handling.

Through our campaigns, we also promote careful consideration and provide good advice. In 2010, for example, we launched a smoke alarm campaign in Norway in connection with Easter; a time when it is tradition for many people to spend their holiday in their huts in the mountains.



For good advice on daily claims prevention, go to:
tryg.dk/Privat
tryg.no/Privat



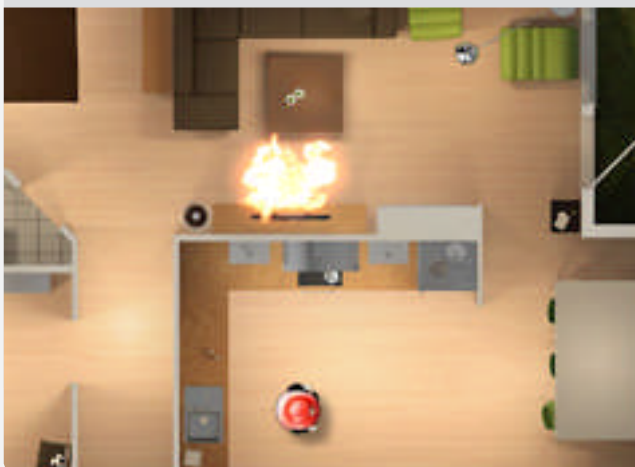
We are also on facebook:
facebook.com/TrygDanmark
facebook.com/TrygNorge

Peace-of-mind advisor

Many daily accidents and worries can be avoided. You just need to know how. On tryghedsraadgiveren.dk and trygghetsraadgiveren.no, we have collected knowledge on peace of mind in our everyday lives. For private customers, this site also provides good advice on and check lists for prevention of loss related to fire, water and burglaries or occurring during travelling.

Also for children

Children at the age between six and twelve have a chance to play fire brigade officer and learn about the most important things about fires: How to avoid a fire, and what to do if it occurs anyway.



trygtransport.dk

Trygtransport.dk supports the transport company's work by providing information on traffic safety and advice on how to improve safety and security on the roads.

Trygtransport.dk has been developed as part of International Transport Denmark (ITD)'s and Tryg's collective initiative to promote traffic safety at the transport companies and on the roads.

The Tryg buoy – a lifebuoy rich in tradition

The idea of the Tryg buoys came about in Norway in the early 1950's. When standing on a pier in Bergen, Bård Isdahl, Marketing Director of the then Vesta company, caught sight of a beautiful lifebuoy marked 'Salmus Husmorlag'.

Isdahl was strongly committed to launching initiatives preventing drowning and immediately established a connection between the lifebuoy and insurance. He introduced the idea at the office, and in 1952 the first Vesta buoys were placed in the Bergen area. Isdahl later received the medal of honour of His Royal Highness the King for his extensive social commitment.

Over the years, the red and white lifebuoys have been safe and reliable landmarks along the Norwegian coasts, rivers, bathing places, swimming pools or the like. This type of buoy has turned out to be an efficient lifeguard, and since 1952 it has contributed to rescuing more than 1,000 people from death by drowning.

Lifebuoy sponsors – the key to success

Today, more than 33,000 Tryg lifebuoys are available along the Norwegian coasts and in all municipalities of Norway. Each lifebuoy has a sponsor responsible for the rescue equipment.

The criteria for being granted a Tryg lifebuoy is that the lifebuoy should be generally accessible and be placed in a suitable location close to water (not on board boats), should have the landowners' permission to be displayed and should be visible. The sponsor should also see to it that the rescue equipment be cleaned and in proper condition. If equipment is missing or has been destroyed, it is the most important obligation of the sponsor to notify Tryg so that we can replace the equipment.

The lifebuoy consists of the red and white lifebuoy ring with grip handles and reflector tags. In the middle, there is a line box of plastic, containing about 25 meters of line. The lifebuoy also comes with a fitting for hanging.

Public space

Most lifebuoys are placed in public spaces and are thus available to anybody in need of a life-saving appliance. It is unique that all 430 Norwegian municipalities, on the coast and on the

hinterland, and most port authorities in Norway, use the Tryg lifebuoy as an element contributing to the safety in the local communities. Residents' associations and marinas are also significant sponsors of the lifebuoys in their publicly accessible local neighbourhoods. The Tryg lifebuoy can also be found on car ferry quays, ports of entry and bathing places.

Accessibility to a lifebuoy is important if an accident should occur. However, the lifebuoy also serves as an important reminder and symbol, signalling that you are in an area where you have to be careful not to be the subject of or cause an accident.



The idea of the Tryg buoys came about in Norway in the early 1950's. Since then the lifebuoys have helped rescue more than 1,000 people from drowning.



Dynamic claims prevention in wintry weather conditions

Increasing numbers of snow load claims must be prevented through a new collaboration agreement offering our customers to have large amounts of snow cleared off their roofs. The initiative is the latest in a series of claims prevention initiatives launched by Tryg since the spring of 2010.

Damage leads to prudence

If this winter should be as hard as the previous winter, which the early start of the winter seemed to indicate, Tryg can now refer the Group's Danish customers to Sydslam A/S – a company with which we recently entered into a collaboration agreement.

– We have negotiated the final details of an agreement, which means that we can refer our customers to Sydslam A/S, which within two to three hours will turn out to customers throughout Denmark to clear snow off their roofs. Customers referred to the company through Tryg will be given a special price at a level significantly below the normal price, says Frank Cronfalk, Nordic Purchase Manager of Buildings/Property.

Of course we hope that the collaboration agreement will contribute to preventing snow load claims which last year amounted to claims costs of nearly DKK 160m in Denmark alone.

One initiative among a multitude of initiatives

The new collaboration agreement is the result of increased efforts by Tryg to focus more intensively on claims prevention, internally among colleagues as well as externally among customers and business partners, both in Denmark and in Norway. Efforts especially target areas where we have experienced heavy claims payment increases. These are house and contents insurances, where particularly water and burglary claims are numerous in Denmark.

– Since we started in spring, we have initially done a lot to identify and mobilise internal stakeholders in Denmark and Norway to play a part in extending claims preventing advice and measures. The goal is for claims prevention to exceedingly become a natural part of the entire organisation, says Per Olav Digerud, Section Manager of Claims.

Claims preventing advice

Due to the early start of the winter in Denmark, it also became evident that efforts to place claims prevention high on the agenda at Tryg began to bear fruit.

– In our daily dialogue with our customers, everybody, from claims assessors to claims handlers and communication people, focus on providing more good advice to customers and the general external environment to avoid and prevent claims. Employees in Car Claims, for example, are aware that when communicating with customers they can encourage them to change to winter tyres and that purchased Christmas presents should be kept in the boot to avoid car theft, adds Per Olav Digerud.

Per also mentions that on Tryg's Facebook site and websites advice on claims prevention plays a central role, while we also regularly issue press releases on prevention. Most recently, we launched an advertisement in Denmark containing five pieces of advice on claims prevention relating to winter claims.

We have only just started

Even though many initiatives and collaboration agreements, internally as well as externally, are slowly underway, the claims departments expect the work of creating, maintaining and specifying claims preventing initiatives to be a task that will require much effort in future.

– Many things have already been set afloat, but we need to follow up on those things and see to it that words are backed by action. For this reason it is also a pleasure that the agreement with Sydslam is now in place so that we and our customers can benefit from it already this winter. It is a concrete example of action, concludes Per Olav Digerud.

Snow load claims

Last year's severe winter conditions resulted in nearly 2,400 snow load claims in Denmark, distributed on 1,577 private customers, 360 commercial customers and 435 agricultural customers. Compared to the year before last, where only a total of 11 claims were registered, we recorded more than 200 times as many snow load claims.



In the middle is Bjørn Nordstrand, leader of the Night Owl Council, participating as a voluntary Night Owl in Tønsberg.

Peace of mind at night

When children and young people are on their own at night and in the night life, the risk of accidental personal injuries and damage to property is high. The Night Owls see to it that they are available where the young people are and thus contribute to providing peace of mind and claims prevention.



For more information on the Night Owls,
go to natteravn.no.

Visible Night Owls in Norway, which is a voluntary group of adults, especially parents and grandparents, are involved in peace-of-mind activities in their local area. Their main purpose is to be present where children and young people meet at night and in the night life, and where the risk of drunkenness, bullying and accidental violence is notoriously high. By being present and visible in areas where young people are, the Night Owls contribute to promoting public peace of mind and safety in the community.

– I believe that being available to the young people at night is valuable, whether they contact us or not. Knowing that adults are patrolling the streets in their interests and are available whenever they need it, is in itself important, says Tove Røsten, an experienced Night Owl in Oslo.

Her group includes about 120 adults taking turns patrolling the streets of Oslo during weekends. – The need for committed adults, who are visible and available in the evening and at night, is quite obvious in a city like Oslo. When shops shut in the evening, people wanting to visit bars and restaurants are the ones filling the streets, stresses Tove Røsten.

– Surprisingly many minors are out late in the evening, and we often meet very young teenagers who are out in the middle of the night.

Active partnership

Tryg has established an active partnership with the Night Owls, and today our collaboration comprises more than 370 groups in all parts of Norway. Since the collaboration was initiated in 1995, the number of Night Owls has grown significantly: from about 15 groups in the large cities to a movement now covering the entire country. In May 2010, Tryg completed a survey showing that 99% of the Norwegian population knows that the Night Owls is a voluntary group. The survey also indicated that about 500,000 persons above the age of 18 have participated in the activities of the Night Owls more than once and that 1.2 million adults are interested in participating in the movement.

– It is a fantastic opportunity to spread our activities even more and to also maintain recruitment in the local areas, says Bjørn Nordstrand, leader of the national Night Owl Council. Recruiting members is not always easy, among other things because we compete with other voluntary activities to attract the same people. What makes the Night Owls special, however, is that we are present in areas where it is not tradition to monitor children.

The purpose of the Night Owl Council is to enhance activities at national as well as local level. In 2011, the Council will focus on districts and areas with low or no activities and there help to set up local groups and provide information on the importance of voluntary work.

It is Tryg's goal that participation in the Night Owls by voluntary members should not incur any expenses on them, and we therefore finance the necessary clothing, first aid packages and information material. It is also possible for the groups to obtain funding for social activities such as theme events and first aid courses. All Night Owls are insured by Tryg.



Tove Røsten (to the far right) and voluntary Night Owls at an information tent in Oslo, August 2010.

CSR – Inclusion

We contribute to inclusive societies in the Nordic countries and at Tryg as a workplace, and make room for diversity. We secure diversity representation at Tryg and show how diversity can be utilised to promote innovation and development of products and solutions that are attractive to our customers, irrespective of their background.



When diversity benefits our business

Tryg's inclusion efforts have a positive effect on our business. The fact is that quite a number customers with a foreign ethnic background appreciate the opportunity to communicate in their own language when speaking to Tryg.



Aynur Yildiz and Yasemin Ünsal both see the advantages and the opportunities of being able to offer alternatives in terms of languages and different cultural backgrounds.

Due to language barriers, we nearly lost a customer

46-year-old Yusuf Kavur, who is a Danish/Turkish citizen and the owner of a meat wholesale business in the Copenhagen area, contacted Tryg to terminate all his private insurances. Luckily, Aynur Yildiz, a private customer adviser, took the call, which turned out to benefit Tryg.

Prior to this call to Tryg, Yusuf Kavur had several times communicated with another Tryg employee. In relation with the purchase of a new and more expensive car, he wanted Tryg to explain why the cost of the insurance of the new car was considerably higher than that of the old car and why it needed GPS equipment:

– It was impossible to obtain a meaningful explanation of why I suddenly was to pay so much more for a car insurance and why it required GPS equipment. We simply didn't understand each other. For this reason, I decided to change to another insurance company, says Yusuf Kavur.



Turkish made the difference

It was therefore a somewhat frustrated customer who got through to Aynur Yildiz:

– Based on the name and the accent, I could tell that it was a customer with a Turkish background, and he very quickly gave me the understanding that he no longer wished to be a Tryg customer because he couldn't understand why the price of his car insurance had increased so much. Therefore, I offered to continue our dialogue in Turkish, explains Aynur Yildiz.

In Turkish, Aynur explained the coherence between having an expensive car and the price of the insurance, and, among other things, she told Yusuf Kavur about the elements constituting the basis for the pricing.

– Talking to Yildiz made me make up my mind. My original intention was, after all, to terminate all my insurances. However, after my conversation with Yildiz, I understood how things added up, and therefore it was absolutely key that I could talk to someone in my own mother tongue, says Yusuf Kavur, who subsequently decided to remain a Tryg customer.

Recommending Tryg to acquaintances

Today, Yusuf has all his private insurances with Tryg. This means car, contents, personal accident and annual travel insurance. When talking to colleagues, friends or family members about insurance, Yusuf Kavur does not hesitate to recommend Tryg to others, among other things, because it is possible to talk to Tryg employees in Turkish.

– I am proud to be employed with Tryg, and I don't hesitate to recommend the company to acquaintances looking for a new job.

Aynur Yildiz, private customer adviser.

Inclusion



Two proud model
examples

Aynur Yildiz and Yasemin Ünsal are model examples of how foreign ethnic backgrounds can add value to a company, its colleagues and not least its customers.

Double cultural background

There is no doubt that Aynur Yildiz and Yasemin Ünsal are two model examples of inclusion. They are, however, more than just that. They both see the advantages and the opportunities of being able to offer alternatives in terms of languages and different cultural backgrounds. It all benefits Tryg that has the two female employees who work as a private customer adviser and a claims handler respectively.

Turkish dinner served to colleagues

For Yasemin Ünsal, the early days of living in Denmark were turbulent. She did not come to Denmark until she was 16, and she had to leave friends, family members and her school in Turkey behind to start a new life in a foreign country with a foreign language. If you meet her today, however, you wouldn't know she had a difficult start in Denmark.

– I have settled well in Denmark, but I have, of course, nurtured my roots and my religion, states Yasemin.

As a Tryg employee, it is limited, however, how much prejudice Yasemin has been faced with. On the contrary, she believes her colleagues find it interesting and good to have a colleague with a foreign ethnic background.

– Once a year, I prepare a Turkish dinner for my colleagues. The first time, I prepared it all myself, whereas now we prepare it together. I have a lovely time, and my colleagues are responding positively to my initiative, she adds.

Help in handling customer enquiries

Tryg colleagues also know that they can contact Yasemin or Aynur if, for example, they need their assistance to translate a Turkish police report, or if a customer with a Turkish background wants to communicate with Tryg in Turkish.

– It happens regularly that I get enquiries from Turkish customers who have been referred directly to me by another colleague or through another Turkish customer. It could be queries to the letters we send. The response I get from these Turkish customers is that they feel more at ease when they communicate in their own mother tongue, says Aynur, to whom there is no doubt that Tryg benefits from actively recruiting employees with a foreign ethnic background.

Proud to be working at Tryg

Both women are proud to be working in a company actively seeking to accommodate diversity.

– I am proud to be employed at Tryg, and I don't hesitate to recommend it to acquaintances looking for a new job, concludes Aynur.

Aynur Yildiz

Age	30 years
Employed at Tryg since	2005
Position	Private customer adviser
Civilstand	Married and mother of two
Resident in Denmark	Since the age of 3

Yasemin Ünsal

Age	35 years
Employed at Tryg since	2005
Position	Claims handler
Civilstand	Married and mother of two
Resident in Denmark	Since the age of 16

On a journey towards diversity management

Requirements for intercultural understanding will be made on many executives in the future. At Tryg, management development is enhanced on rough walks with young second-generation immigrants facing major challenges themselves.

When former Group CEO Stine Bosse did a walk on the pilgrimage route, El Camino de Santiago in Spain, in 2008 together with a group of four young immigrant men, one of her experiences was that this type of challenge held major management development potential.

Based on the experiences from Spain, Tryg developed the management development concept “the Trek”. In the late summer of 2010, first a Danish and then a Norwegian group went trekking for five days going from one hut to another in the Norwegian high mountains, offering very primitive accommodation conditions; focus was on collaboration and introspection.

Group Executive Vice President, Lars Bonde, headed the Danish group consisting of four carefully selected Tryg managers and four young second-generation immigrants at the age of 18 to 20. The four young people with a somewhat problematic past were all looking for a second chance and through the Trek, they got the opportunity to be trained and work at Tryg.

The four managers had been selected to be the guides of these four young men, whom they now know a lot about. The guides follow up on the participants’ development and work as their mentors during their traineeship at Tryg. The guides also offer support to those 15 to 20 managers who have the day-to-day responsibility for the four trainees in the different departments.

Supporting the pattern breakers

- The experiences from the Trek have given me a different perspective on things. If you are to guide the four young men, it is important that you know something about the complexity of their

backgrounds. Acquiring personal experiences is better than going to school, and there are not many courses on diversity management. This is, however, a skill that companies will be increasingly in need of, concludes Lars Bonde.

- The young second-generation immigrants need support to be able to have success as pattern breakers in relation to their families and local communities. All four of them have done some foolish things. Walking with them and getting to know them as some good guys – nice, open and fun to be with, was fantastic. I didn’t see them as troublesome young people.

Developing the business

Lars Bonde stresses that activities such as the Trek also have a clear business goal at Tryg:

- For an insurance company, it is of great importance that our organisation reflects the surrounding society. Increasing diversity is necessary to ensure innovation and good solutions so that our insurance products can appeal to all groups in society.

Meeting on equal terms

Rikke Larsen, Manager of Advisory Service & Sales Support at Tryg, believes she has come back a better manager from the mountain walk.

- The combination of physical exercise and in-depth conversation had a good effect and was very rewarding. The landscape and the walk made us open up. We managers had come out of the traditional rigid office structure and its culture. Likewise, the young men had come out of their daily routines. We all had the same equipment, the same clothes and were to solve the same tasks. Thus,



Young second-generation immigrants walked the Norwegian high mountains together with Tryg managers. The journey offered the young men a second chance and an opportunity to get a job and training at Tryg.

we met the young men on equal terms, and that gave rise to an open and unprejudiced dialogue. All managers are trained in situation-specific management and learn to use their employees' professional position as a starting point. Managing young second-generation immigrants requires an extra element, namely intercultural understanding. This element will constitute an important part of all future management as Denmark is receiving immigrants from other nations. A skilled manager will have to take an inquisitive approach to foreign cultures.

Challenging the field of tension

– It is quite obvious that young second-generation immigrants need a different type of management because they live in a field of tension between their family culture and the Danish culture. If as a manager I am to support them, it is necessary that I understand that. One of the participants was Turkish with a Kurdish culture, and besides he had a set of values that were extensively marked by his upbringing in an area with many Pakistani immigrants, and he speaks Pakistani. He is a double pattern breaker, which gave rise to many in-depth conversations, adds Rikke Larsen.

If you want to work with second-generation immigrants on a development-oriented basis, as a manager you need to be aware of the challenging cultural field of tension facing the young immigrants. This will become much easier for the third and fourth generations.

– The young men were not used to people holding impressive titles. However, they felt that we showed a sincere interest and wanted to listen to them. We became very close, and one of the participants asked me for advice as to how to challenge his parents with respect to some of their value positions, says Rikke Larsen.

Talking to second-generation immigrants

Lars Bonde adds: – The biggest surprise to me was that the young men very quickly opened up and confided in us. On the bus from Gardermoen to the first stop on the mountain, I asked one of the young men three questions. Then he told me about himself for two hours. Before the journey, the young men had been in contact with one of the participants on Stine Bosse's trek in 2008. That obviously helped them have confidence in us.

My advice to other company executives wanting to strengthen their diversity management skills is: If already at this point you have employees with a foreign ethnic background, then talk to them about what it is like having a different approach to being Danish.

You can educate yourself in many ways: Courses, walks or merely by being curious and open in your everyday life, says Lars Bonde.

The road to a better understanding

– An open mindset is a necessity, says Rikke Larsen.

– When foreign immigrants come to Denmark with a different set of values, companies should stop wanting to assimilate them and give them a full set of Danish values. That has nothing to do with proper integration. If we don't make space for values other than Danish, we will lose them.

Accepting employees with a different set of values will be a future requirement on managements. If you can do that, you not only get a good employee – you also achieve a personal gain and a better understanding, and what is more – it benefits the business.

Facts about the Trek | The trek is a process about inclusion, CSR and management development. Tryg wishes to commit to social corporate responsibility beyond the day-to-day operation of its business.

Wanting to contribute to a better society where prejudices, exclusion and stories about violence are replaced by stories about mutual respect, understanding, inclusion and solidarity is on Tryg's agenda. The dream is to build a safer and more inclusive society for everyone.

The managerial development process on the Trek focuses on the personal dimension of the leadership for the individual

manager. Walking in nature motivates in-depth reflection. People meeting people with an unknown and different background opens up for interesting conversation, and the manager arrives at new perceptions about own thoughts, views and ways of making managerial decisions. It is, among other things, about being open and inclusive in relation to the unknown and about taking the lead and becoming a role model.



1 The trek in the Norwegian high mountains. 2 Ready for departure at Copenhagen Airport. From left: M. Sheraz Naeem, Onur Cakmak, Lars Bonde, Muhammed Mustafa and Shoiab Hassan Hussain. 3 Wet August days posed an extra challenge to the participants of the Trek. 4 The landscape and the walk in the Norwegian high mountains made the participants open up and gave rise to in-depth conversation.



Mentoring management development

Diversity management

At Tryg, it is important to us that our managers can meet their employees with openness, respect and confidence. Through their management in particular, Tryg develops as a workplace that is attractive to everybody irrespective of age, gender, ethnicity, disability, sexual orientation, belief and religion. For this reason, it is necessary that they can handle diversity in their everyday work lives and exploit the many different experiences and skills in the development of our business.

To enhance the managers' awareness of the diversity existing in the Nordic countries today, Tryg participates in a number of projects offering our managers the opportunity to mentor young mentees with an ethnic background other than Nordic.

The projects are carried out in collaboration with NGOs.

A new management development concept

In 2010, we completed the Trek in Denmark and Norway. The Trek is a management development concept building on the El Camino journey carried out by Stine Bosse in 2008. The purpose of the concept is to help young women with a refugee background and young men with a foreign ethnic background and

a criminal record to gain a foothold in the labour market and at the same time challenge the prejudices of our managers and open up for new perspectives on business development based on diversity.

Learning through the mentor role

In the project "New ways to the labour market" initiated by Foreningen Nydanske (the association Non-ethnic Danes), three of our employees provide advice to young men and women with a foreign ethnic background about how to better acquire insight and contacts in the Danish labour market.

We have also supported the Danish/Turkish youth organisations, O.n.e. Aarhus and O.n.e. Copenhagen, in their efforts to help young people enter the labour market. In this connection, we have held six workshops training young people in preparing well-written CVs and applications and improving their job interview skills.

A similar collaboration on ethnic diversity in the labour market has been entered into with ambisjoner.no in Norway.

The project "Mind your own business" focuses on teenage boys with a non-Danish ethnic background living in vulnerable areas of Nørrebro in Copenhagen. In collaboration with the Danish Refugee Council, Tryg's employees help the boys set up a small business to plan and hold a running event at Nørrebro in spring 2011.

Want to know more?

We gladly share our experiences in promoting corporate social responsibility and therefore participate in both conferences, seminars and workshops on the subject. In 2010, we provided details on our CSR efforts in connection with 54 events and interviews in Denmark and Norway.

CRS – Well-being

As a business and as a corporate citizen, Tryg facilitates welfare in the Nordic countries through enhanced well-being. This is done through our products and solutions but also through the health-promoting measures that we initiate for our employees. Where relevant and possible, we contribute to enhancing health and well-being on a global scale.





Fast treatment gives peace of mind

Since May 2010, private individuals above the age of 60 have been able to buy health insurance from Tryg. This type of insurance promotes peace of mind for senior customers. Meet one such customer here.

For a long time, Vagn Lindhardt, 66, had envied people his own age who had access to fast treatment on private hospitals through health insurance paid by their employers. But as he himself had retired from the labour market, health insurance was no longer an option for him.

For this reason, he was one of the first customers to buy health insurance when, in May 2010, Tryg introduced health insurance to private customers above the age of 60.

Time is an important factor

– Once, my own doctor told me there was a strong probability that I suffered from skin cancer. However, he wanted a specialist to confirm his suspicion and this specialist had a waiting list of one and a half months. To me, this was far too long to wait and I did not want to spend that much time worrying whether my own doctor was right about my condition. Therefore, I chose to go to a private hospital to consult a specialist and pay for it with my own money, says Vagn Lindhardt.

Fortunately, as it turned out – Vagn did not suffer from skin cancer. To Vagn Lindhardt, the possibility of fast diagnosing and treatment is one of the main reasons why he has health insurance today.

Strong faith in private offers

– I have used a private hospital twice and paid for it myself. And both times, I was impressed about the high efficiency and excellent service. I have strong faith in private hospitals and there was no doubt in my mind that I wanted to buy health insurance when it became an option for me, says Vagn.



– It gives me peace of mind to know that the private hospitals, physiotherapists and others that Tryg collaborates with have been quality-stamped by Tryg's experts in the field.

Vagn Lindhardt, private customer

Price and risk go hand in hand

On the face of it, health insurance may seem expensive for a couple like Vagn and his wife, who have both turned 60.

– We pay around 6,000 DKK per person per year for our health insurance. To me, it's understandable that people around my age of 66 should pay more than a young 20-year old. All other things being equal, the likelihood of me using the insurance is higher than for a young person. I think it is money well spent and when you think about it, 6,000 DKK won't get you far if you have to pay for your treatment, says Vagn Lindhardt.



Face your finances

Young people are often not sufficiently skilled to assess whether they have the right insurance and pension schemes or whether their household economy is healthy.

A course in Youth Town will strengthen young people's financial skills and teach them how a sound private economy and the right insurance can provide them with peace of mind.

Through a partnership with the Rødovre Youth Town, Tryg and Nordea are working to develop a course to strengthen children and young people's financial skills. Under the heading 'Face your finances', we are developing a training module and a game designed to teach students in primary schools and youth education programmes about the various choices and their consequences in relation to private economy and insurance.

– With 'Face your finances', we're able to give the students some tools enabling them to make good choices when it comes to providing peace-of-mind for them in their everyday lives. We help them become skilled consumers and responsible citizens who can take care of their own economy. We hope that this new insight will give them peace of mind and improve their well-being, says Birgitte Kofod Olsen, CSR Director at Tryg.

During the game, the young people discuss a number of choices and prioritisations and they also have to relate to unforeseen events which might impact their situation. The idea is to enable them to relate critically to their current and future economy and that this should form the basis of a subsequent dialogue on the issue with their class mates, teachers and parents.

High demand

– The course is already in high demand. We have set up a waiting list of 20 classes who want to attend the course and we're still approached by math and social science teachers who believe the course is particularly important to their classes, says Lone Smidt, project manager in Youth Town. With 45 classes attending, there will be more than 1,000 students playing and calculating their way through their life economy in 2011.

– We hope that the students will gain control of their insurance requirements this way and that they will go home and test their new knowledge on the family's insurance, Birgitte Kofod Olsen adds.

Dialogue with students

The game is developed in close collaboration between Tryg, Nordea, Youth Town and the students. Students are involved in the development phase and have the opportunity to impact the final result to make the game as relevant as possible.

When 'Face your finances' is played in Youth Town an employee from Tryg will be present. – This will give us the opportunity to continue the close dialogue with students and to understand their views on insurance. This way, we'll gain new insight which we can use in our product development and which will help us ensure that our products and services are adjusted to young people's needs, says Birgitte Kofod Olsen.



Youth Town

Youth Town is a training centre and meeting place for schools and the surrounding society. Youth Town provides courses for students and teachers in primary schools and youth education programmes on current social topics. The courses are developed in collaboration with the corporate sector, organisations, ministries, local authorities and other partners.

Focusing on customer needs



Read more about Tryg's products in the section Customers and products in the annual report.

At Tryg, we make an effort to serve our customers in the best possible way. We wish to target our products, services, claims handling and sales campaigns to give our customers the feeling that we cater for their specific needs. We do this by focusing on the life stages which our customers find themselves in, taking into account our customers' age and whether they have children living at home or not.

We work with five life stages characterised by different levels of activity, cohabitation, work life, economy and peace-of-mind requirements. There are young people and people who are settling down in their own home and on the job market, there are families and there are people who have chosen a lifestyle as singles or couples without children, and finally, there are above-60 seniors. People within each group have many things in common and we are able to offer advice and solutions matching their specific needs. The targeted advisory service and individual services give us even more satisfied customers and improve our chances of selling our products.

Making sure that we're seen as peace-of-mind providers

Our focus on life stages is an important step on the way towards our vision to be perceived as the leading peace-of-mind provider in the Nordic region. We will introduce more and more measures, activities and services targeted towards the various customer groups and our focus on life stages will become increasingly important in the tool box that our employees use in their day-to-day contact with our customers.

Hence, our focus on the customers' life stages is an integral part of our in-house training to become a peace-of-mind provider. The main part of our employees with customer contact in Denmark received this training in 2007-2009. From the autumn of 2010, the training programme will be rolled out to all employees in the Nordic region. During the training, the sales employees learn to focus on needs and advisory services instead of products. Customers buy on the basis of their needs and for this reason we must be able to put ourselves in our customers' place and advise them based on their actual needs.

Senior customers

Senior customers comprise individuals above the age of 60 and make up around 33% of the adult population. One end of the spectre of seniors comprises the 60-year-old executive who is still on the labour market and the other comprises the 90-year-old receiving national pension and home care and living on the third floor. This customer group generally has large insurance requirements related to their property, contents, travel activity and health care. This customer group is increasing because there are more and more people in this age group in society today and because they are increasingly aware of their peace-of-mind requirements through insurance.



YoungLiving

YoungLiving is Tryg's insurance concept to young people aged between 18 and 29. It has been adapted to the needs of young people with no obligations in terms of family and property. Insurance premiums are usually paid once every year. Payment of YoungLiving insurance premiums can be distributed over the year with payment once a month.



UN's 2015 end poverty goals

In the Nordic region, peace-of-mind and well-being is closely related to individual health, welfare and development but also to society's ability to create growth. In other parts of the world, the key to peace-of-mind and well-being for the individual is to find a way out of poverty.

When UN Secretary General, Ban Ki-Moon, appointed Stine Bosse as member of the UN Millennium Development Goals Group of Advocates in the summer of 2010, Tryg was given the opportunity to show the world that Nordic enterprises can contribute to focusing on ending poverty in the poorest corners of the world.

By drawing on our profound knowledge and many years' experience in risk assessment, business and competence development, we are able to contribute to a new foundation for growth in Africa. Poverty here is often closely related to the consequences of climate change and environmental impacts, which among other things result in floods, draught and pollution.

Hence, sustainability in production conditions as well as financing models are essential for combating poverty and poor people can contribute to positive growth for themselves and the societies they form part of. In particular, women's access to operating their own business under safe and stable conditions is seen as an important leverage for growth as well as improved health and better education.



– The strengthening of women's education in particular and their possibilities of starting their own business can make a huge difference. Danish enterprises are important in this connection. I believe that through active collaboration with NGOs we can launch projects that can turn developments around in Africa. But this requires innovative thinking and will-power and therefore, I hope to see less talk and more action.

Stine Bosse, former Group CEO

The World's Best News

Verdensbedstenheder.dk is an information campaign on the UN 2015 end poverty goals. The UN, Danida, 60 Danish NGOs and a number of enterprises are behind the campaign. Tryg participated in the campaign day on 10 September 2010, when 115,000 Danes served breakfast in the streets and informed by-passers about how Denmark can contribute to ending poverty.

UN MDG

The UN Millennium Development Goals (UN MDG) Group of Advocates comprises a number of business people and celebrities, including Nobel prize laureates Muhammad Yunus of Bangladesh and Wangari Maathai of Kenya, HRH Sheikha Mozah Bint Nasser, Qatar, former president of Chile, Michelle Bachelet, and Bill Gates and Bob Geldof. In addition to Stine Bosse, Jan Eliasson represents the Nordic region. The group is headed by a chairmanship consisting of the prime minister of Spain, José Luis Rodríguez Zapatero, and president of Rwanda, Paul Kagame.

Results

Tryg publishes quarterly financial reports in Danish and English. We publish annual CSR reports disclosing our CSR results. All the of Group's reports are available from our website to ensure transparency and facilitate knowledge sharing.





For 2010, Tryg reported gross earned premiums of DKK 19.5bn and growth of 4.5% (9.0% in DKK terms), which was in line with expectations and exceeded market growth by a fair margin. 2010 was a challenging year in many areas. The number of assets to insure declined and competition intensified, particularly for large corporate customers. Pricing was unprofitable at times, and in several cases Tryg refrained from participating in tender rounds in order not to compromise on profitability. Sweden and Finland once again reported strong growth in gross earned premiums of around 20%. The new markets thus maintained the positive momentum in 2010.

The technical result fell to DKK 375m from DKK 1,562m in 2009. The performance was strongly affected by one-off events, the first hitting the business in early 2010 in the form of the most severe winter for many years. This was succeeded by the worst cloudburst for many years hitting Denmark in August. Finally, a decision by the Danish Supreme Court in a leading workers' compensation case made it possible to reopen and previously reported claims and demand additional compensation. Together with several large claims, the extraordinary events amounted to just over DKK 1.4bn, around DKK 1bn more than in a normal year. Change of ownership insurances was also an area causing problems in 2010. This product is unprofitable, and measures have been implemented to halt the unsatisfactory development.

Recent years' developments in claims incurred – particularly in Denmark – have resulted in an increased need for premium increases, and in 2010 alone, the premium increases that have been implemented had an impact of DKK 0.9bn. Together with other profitability measures, profitability is expected to improve in 2011 and 2012.

In 2010, Tryg invested in continued expansion in Sweden and Finland. To this should be added increased costs of branding Tryg as a Nordic peace-of-mind provider and costs related to a multi-year process and IT enhancement project. Despite these increased costs, the expense ratio was reduced from 17.2 to 17.0, which was better than expected.

The total investment return (free investment and match portfolio) was DKK 570m in 2010 against DKK 1,086m in 2009. The gross investment return (before transfer of technical interest and before other financial expenses) was DKK 1,746m in 2010 against DKK 2,513m in 2009.

The pre-tax profit was DKK 941m in 2010 against DKK 2,610m in 2009.

In the spring of 2010, Tryg sold the right to renew its marine portfolio. At the time of divestment, the portfolio amounted to nearly DKK 400m and had produced unsatisfactory results over a prolonged period of time. The results of the run-off portfolio are recognised under 'discontinued business' in the financial statements. At 31 December 2010, less than 10% of the portfolio remained. This is expected to be phased out by the summer of 2011, while run-off of the provisions for claims is expected to last a number of years. Overall, discontinued business reported a loss of DKK 83m.

Based on the profit for the year the Supervisory Board proposes that cash dividends of DKK 256m should be paid, equal to DKK 4.00 per share. No share buy back programme is planned for 2011.

Outlook

Tryg maintains a medium-term outlook of a return on equity exceeding 20%, corresponding to a combined ratio at the level of 90 including any run-off gains or losses, assuming an unchanged level of interest rates from 2010.

In 2011, the Group expects an improved combined ratio, premium growth at the level of the rate recorded in 2010 and a fall in the expense ratio. The level of weather claims and large claims is expected to be higher in 2011, mainly due to more frequent and more violent cloudbursts.

With respect to the Group's investment activities, equities are expected to generate a return of 7% and real estate a return of 6%, while the outlook for bonds is based on the interest rates prevailing at 31 December.

Financial highlights and key ratios

DKK m	2006	2007	2008	2009	2010
Gross premiums earned	15,715	16,262	16,976	17,862	19,475
Gross claims incurred	-10,292	-10,448	-11,473	-12,882	-15,617
Total insurance operating expenses	-2,662	-2,730	-2,964	-3,056	-3,304
Profit/loss on gross business	2,761	3,084	2,539	1,924	554
Profit/loss on ceded business	-554	-553	-598	-520	-313
Technical interest, net of reinsurance	337	494	491	158	134
Technical result	2,544	3,025	2,432	1,562	375
Return on investments after technical interest	1,228	340	-988	1,086	570
Other income and expenses	-31	-51	-49	-38	-4
Profit/loss for the year before tax	3,741	3,314	1,395	2,610	941
Tax	-632	-893	-513	-625	-265
Profit/loss for the year, continuing business	3,109	2,421	882	1,985	676
Profit/loss on discontinued and divested business after tax ^{a)}	102	-155	-36	23	-83
Profit/loss for the period	3,211	2,266	846	2,008	593
Run-off gains/losses, net of reinsurance	561	792	800	683	824
Balance sheet					
Total provisions for insurance contracts	26,005	26,969	25,228	29,042	32,031
Total reinsurers' share of provisions for insurance contracts	1,561	1,587	1,036	1,320	1,588
Total shareholders' equity	9,916	9,975	8,209	9,631	8,458
Total assets	42,783	43,830	38,445	44,740	50,591
Key ratios					
Gross claims ratio	65.5	64.2	67.6	72.1	80.2
Business ceded as a percentage of gross premiums	3.5	3.4	3.5	2.9	1.6
Claims ratio, net of ceded business	69.0	67.6	71.1	75.0	81.8
Gross expense ratio	16.9	16.8	17.1	17.2	17.0
Combined ratio	85.9	84.4	88.2	92.2	98.8
Gross expense ratio without adjustment	16.9	16.8	17.5	17.1	17.0
Operating ratio	84.2	81.9	86.1	91.3	98.1
Return on equity after tax (%)	35.5	22.8	9.3	22.5	6.6
Relative run-off gains/losses	3.0	4.2	4.1	3.6	3.9
Number of full-time employees, end of period	3,783	3,788	4,065	4,310	4,291
Solvency	58	81	100	97	125
Share performance					
Earnings per share - continuing business of DKK 25	45.8	35.8	13.3	31.3	10.8
Net asset value per share (DKK)	146.2	147.5	127.5	152.3	139.5
Dividend per share (DKK)	33.0	17.0	6.5	15.5	4.0
Price Earnings	9.4	10.8	24.7	11.0	23.8
Number of shares, end of period (1,000)	67,790	67,638	64,378	63,228	60,634

The gross expense ratio without adjustment is calculated as the ratio of actual gross insurance operating expenses to earned gross premiums. Other key ratios are calculated in accordance with 'Recommendations & Financial Ratios 2010' issued by the Danish Society of Financial Analysts.

The adjustment, which is made pursuant to the Danish Financial Supervisory Authority's and the Danish Society of Financial Analysts' definition of expense ratio and combined ratio, involves the addition of a calculated expense (rent) concerning owner-occupied property based on a calculated market rent and the deduction of actual depreciation and operating costs on owner-occupied property.

a) Profit/loss on discontinued and divested business after tax includes Marine Hull insurance. Comparative figures are restated to reflect Marine Hull insurance.

The Tryg share

Tryg shares opened 2010 at DKK 351.50 and closed the year at DKK 257.50. Including dividends, the share fell 22.3% in 2010. Tryg shares underperformed the market in general in 2010, with the OMX C20 index increasing by 35.9% and the DJ Euro Insurance Index was at the same level as in 2009. The Tryg share performance in 2010 was affected by a lower-than-expected earnings level which to a large extent was attributable to several extraordinary events that reduced earnings by DKK 1.4bn compared with a normal year.

Turnover and share buy back

Tryg shares had an average daily turnover of DKK 43.1m in 2010 compared with DKK 27m in 2009. The total turnover of Tryg shares for all of 2010 on Nasdaq OMX Copenhagen including OTC transactions was DKK 12.1bn compared with DKK 6.7bn in 2009. New trading platforms such as Chi-X, Turquoise and BATS accounted for around 5% of all trading in Tryg shares in 2010. In addition MTF transactions accounted for DKK 4.4bn, or 22% of all transactions in Tryg shares.

On 16 April 2010, Tryg initiated a share buy back programme which ran until 7 February 2011. In the period, Tryg bought

2,615,470 own shares for DKK 799m. On completion of the programme, Tryg held a total of 3,495,322 shares as own shares, corresponding to 5.8%. The total number of shares is 63,931,573. The acquired shares will be cancelled in June 2011.

Share capital and ownership

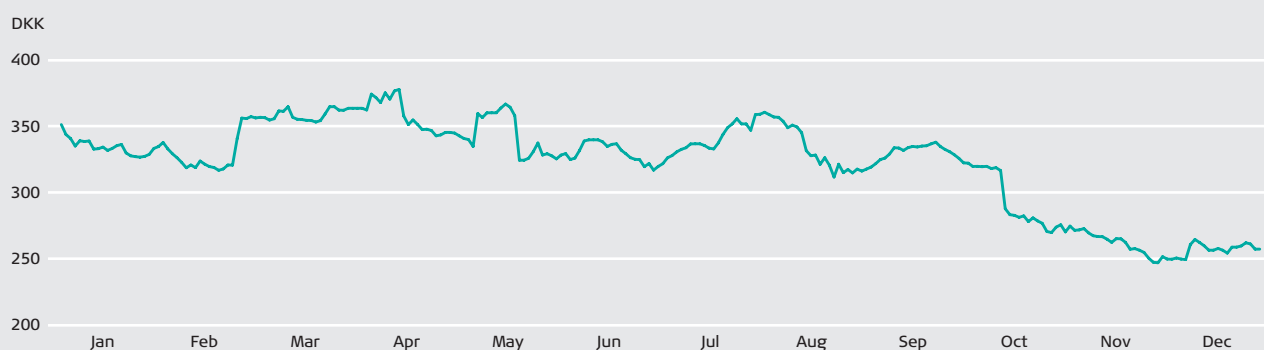
Tryg has a total share capital of DKK 1,598,289,325 comprised of a single class of shares (63,931,573 shares of DKK 25 nominal value each), and all shares rank pari passu. The principal shareholder, TryghedsGruppen smba, Kgs. Lyngby, Denmark, holds 60% of the issued shares and is the only shareholder other than Tryg with a holding of more than 5%. TryghedsGruppen invests in Nordic businesses that promote peace of mind and health, and supports benevolent activities.



Read more about TryghedsGruppen
at tryghedsgruppen.dk.

At 31 December 2010, Tryg's 40% free float was distributed among 28,608 registered shareholders. The 200 largest shareholders held 73.2% of the free float. At 31 December 2010, Tryg held own shares corresponding to 5.5% of the share capital.

Tryg's share price development in 2010



Financial calendar 2011

14 April 2011 at 14:00	Annual general meeting 2011
15 April 2011	Tryg shares trade ex-dividend
20 April 2011	Payment of dividend
11 May 2011 after 17:00	Interim report for Q1 2011
17 August 2011 after 17:00	Interim report for H1 2011
9 November 2011 after 17:00	Interim report for Q1-Q3 2011

Annual general meeting

Tryg's annual general meeting will be held on 14 April 2011 at 14:00 at Falkoner Centret, Falkoner Alle 9, 2000 Frederiksberg, Denmark. The invitation to attend the meeting will be advertised in the daily press in March 2011 and will be sent to shareholders who have so requested. Notice of the meeting will also be posted at tryg.com. Shareholders unable to attend the annual general meeting may follow it live via webcast at tryg.com.

Queries relating to the annual general meeting

Bjarne Lau Pedersen, Chief Legal Adviser

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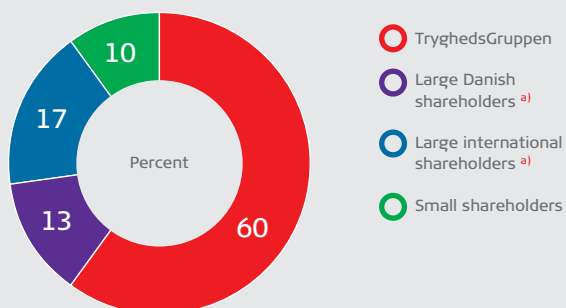
Ole Søeberg, Investor Relations Director

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ole.soeberg@tryg.dk

Shareholders

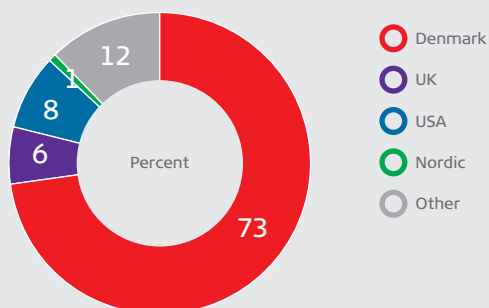
At 31 December 2010



^{a)} Shareholders with more than 10,000 shares.

Equities by geography

At 31 December 2010



Carbon emission accounts

At Tryg, we are aware that the Group's activities impact the environment. In 2007, we therefore defined a target of cutting our CO₂ emissions by 10% over a three-year period. We intended to achieve this by cutting CO₂ emissions accounted for by air transport, and also through the refurbishment of our head offices in Ballerup and Bergen.

The refurbishment project took us a large step towards achieving our ambition of cutting CO₂ emissions from air travels. Tools such as smart boards and video conferencing equipment, mobile office solutions and access to wireless networks proved an effective way of creating a day-to-day communication between offices and employees across national borders. The result was a reduced need for air travel and thus also reduced CO₂ emissions.

Energy consumption at our head offices is a major source of CO₂ emission, which we have tried to reduce in Ballerup and Bergen since 2008. In 2011, we will expand our carbon emission accounts to include other parts of the Group, and we also intend to incorporate waste handling and water consumption in the overall carbon emission accounts.

CO₂ emissions

Tryg cut the Group's total CO₂ emissions by 607 tonnes CO₂ or 7.8% during the reduction period. This should be compared with the reduction target of 10%, equivalent to 774 tonnes of CO₂.

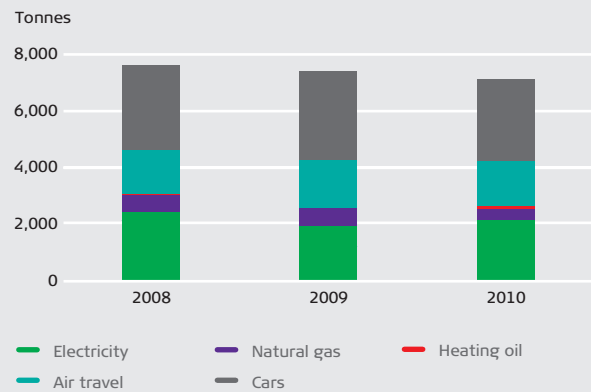
CO₂ emissions from energy consumption

Tryg's CO₂ emissions from air travel and road transport fluctuated over the reduction period. In 2008 and 2009, emissions from air travel increased, while they decreased in 2010. In 2011, emissions from air travel are expected to decrease further, while emissions from road transport are expected to remain fairly stable.

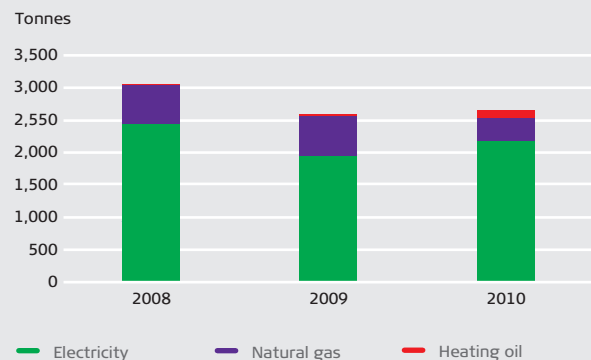
CO₂ emissions from travels

Tryg recorded a marked drop in CO₂ emissions from the Group's energy consumption during the reduction period. In Norway, this positive trend was mainly attributable to the installation of a heat pump in 2008, which reduced electricity consumption significantly, by 15% in 2009. A positive trend was also recorded in 2010. In Denmark, Tryg reduced emissions by 40% relative to the 2009 level by using natural gas – a reduction of 247 tonnes of CO₂. The trend is expected to continue in 2011.

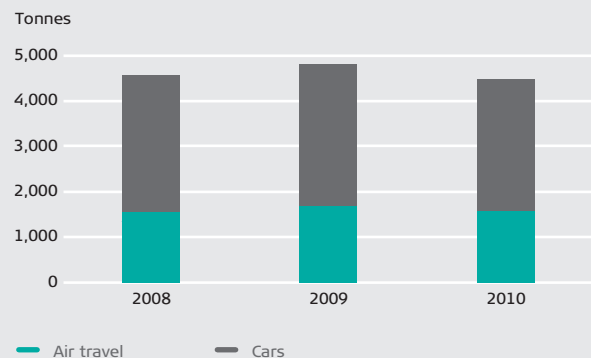
Total CO₂ emissions



CO₂ emissions from energy consumption



CO₂ emissions from travel





The Global Reporting Initiatives | The Global Reporting Initiative (GRI) is a network-based organisation that pioneered the world's most widely used sustainability reporting framework. Sustainability reports based on the GRI Framework can be used to demonstrate organisational commitment to sustainable development, to compare organisational performance over time, and to measure organisational performance with respect to laws, norms, standards and voluntary initiatives.

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AR = Annual Report

Note	Content	Page	Relevant UN Global Compact Princip
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AR = Annual Report

