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CSR REPORT 2013

Topdanmark
Forsikring • Pension



Preface

It is a pleasure to present Topdanmark's fifth CSR report, which describes our work with CSR (Corporate Social Responsibility) in 2013.

For Topdanmark CSR is also business responsibility, and therefore when working with CSR we place emphasis on how we can contribute to the Danish society and sustainable development, as a non-life insurance and pension fund company.

Our products and services ensure financial and social security for customers when damage has occurred or their working life has ended. Focusing on, among other things, loss prevention, loss limitation and resource consumption, it is our goal to contribute and act responsibly for the benefit of our customers and the society we are part of.

We made considerable efforts to help our customers when two storms hit Denmark in October and Denmark in 2013. Thanks to our reliable and competent claims emergency group, including customer-oriented employees, we were accessible and able to help our customers quickly and efficiently and in this way limit the size of consequential damage.

Topdanmark has joined UN's Global Compact, which provides the overall setting and is a source of inspiration for Topdanmark's CSR work. We have supported UN Global Compact since 2010 and will continue our commitment in the future. Therefore, this report is also the annual progress report for Global Compact.

The past year offered us a number of activities described in this report. Here I



would like to briefly draw your attention to some of them.

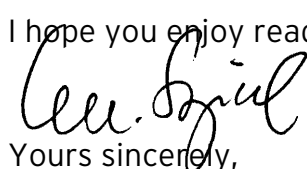
For insurance policies covering workers' compensation, liability and loss of earnings potential we have intensified our efforts for the claimants. This means extra help to maintain labour market attachment.

We have been engaged in a network focusing on environment-friendly transport to and from work, which was one of the winners of a nation-wide competition.

In 2013 Topdanmark's solar cell system produced 12% of electricity for the head office in Ballerup, and the overall carbon emission reduction was just below 300 tonnes. Together with the local senior high school, we have prepared teaching material on solar cell energy, which is available for senior high schools.

Topdanmark employees have also been mentors for young school pupils in the Municipality of Ballerup.

I hope you enjoy reading the CSR report!



Yours sincerely,
Christian Sagild, CEO

Topdanmark in brief

Topdanmark's principal task is to help those people who have shown confidence in us by letting us manage their insurance policies or pension schemes. The essence of our products is to help, care for, pay compensation and provide security.

Facts about Topdanmark

- Nation-wide, Danish non-life, life and pension fund business
- Head office in Ballerup
- Non-life insurance for more than 100 years
- Pension fund and life insurance business for more than 40 years
- Listed on the stock exchange since 1985 and included in the OMXC20 index
- Most important brands:



Danske Forsikring
- et selskab i Topdanmark

Our objectives

Topdanmark's objectives are to:

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

Our customers and market share

Topdanmark has three business sectors in non-life insurance. Number of people who have chosen to be insured with us:

- Personal customers: Around every fourth person in Denmark
- Corporate customers: Around every sixth business owner
- Agricultural customers: Around every second farmer

This makes Topdanmark the second largest Danish non-life insurance company with a market share of 18%.

Topdanmark has two business sectors in life insurance and pension fund business:

- Personal customers
- Corporate customers

We are the sixth largest life insurance company in Denmark and have a market share of about 3%.

Our employees

The total number of Topdanmark employees is around 2,700. 1,500 of them work at the head office in Ballerup, while around 600 work at a number of major offices and sales centres all over Denmark. Furthermore we have 600 field employees including certified insurance sales people and loss adjusters.

Read more about the Topdanmark Group. 

Topdanmark's CSR policy

In 2013 Topdanmark formulated a new CSR policy which describes its approach to CSR, objectives, strategy points, organisation and reporting.

CRS objective

Topdanmark's CSR objective is to support its business goals and strategies.

On this basis it has been decided that Topdanmark's CSR strategy is:

- to develop and improve customer service by, among other things, addressing consumer matters such as ensuring easily understood product information, fair and good claims handling, transparent price, easy access to complaint recourse and a fair complaints process
- to integrate loss prevention and loss limitation into products and services in order to limit the number and size of incidents of injury and damage to people, buildings and environment
- to integrate the consideration for environment, labour and human rights and anti-corruption in the business and in relation to alliance partners
- to be aware of and work on business dilemmas in relation to CSR either at a trade level or in own business
- to create and maintain good relations with stakeholders and initiate a dialogue about CSR, when considered relevant
- to be an active and dedicated company in local communities and Danish society in general

Specific CSR work

The CSR work includes the preparation and implementation of relevant policies and specific initiatives decided on the basis of, among other factors:

- Risk. Where does Topdanmark risk not meet the principles under UN's Global Compact, thus risking the incurrence of financial losses and damage to reputation?
- Opportunities. How can Topdanmark increase the financial and social value for customers, employees and shareholders while contributing to sustainable development in society?

Read Topdanmark's full CSR policy.



Structure and contents of the report

The contents of the 2013 CSR report are based on Topdanmark's CSR policy. It has been divided into a number of main sections:

- Responsible business management
- Sustainable products and advice
- Customers and consumer matters
- Company culture
- Relations and dialogue

Each section states the goal for the area, if defined, a description of the main activity, the results for the year and the attachment to Global Compact if the goal is supported by one or more principles. If Principle 1 or 2 are supported, the specific human right(s) will be shown in brackets.

Additionally, each section contains an assessment and the current state as compared to 2012, if relevant:



Green: Improvement in relation to 2012 results



Yellow: No change in relation to 2012 results



Red: Deterioration in relation to 2012 results

Read more about the report on page 42, for example about the criteria for the contents of the report and the data collection.

See summary of the report.



Global Compact principles

A business supporting UN's Global Compact should:

1. support and respect the protection of internationally proclaimed human rights
2. make sure that they are not complicit in human rights abuses
3. uphold the freedom of association and the effective recognition of the right to collective bargaining
4. support the elimination of all forms of forced and compulsory labour
5. support effective abolition of child labour
6. eliminate the discrimination in respect of employment and occupation
7. support a precautionary approach to environmental challenges
8. undertake initiatives to promote greater environmental responsibility
9. encourage the development and diffusion of environmentally friendly technologies
10. work against corruption in all its forms, including extortion and bribery

You can read more about UN's Global Compact here.



Responsible business management

It is Topdanmark's duty to create value for our shareholders. In this value creation we are responsible for:

- observing national legislation
- meeting recommendations for Corporate Governance
- meeting the expectations of the UN Global Compact

In CSR terms it is our primary focus to ensure that Topdanmark meets the ten Global Compact principles. This means that we must minimise and prevent negative influence on internationally recognised labour and human rights, environment and anti-corruption in all our internal and external activities. It also implies that we must work actively to promote the ten principles.

This responsibility is ensured by developing and implementing relevant policies, processes and routines for our internal operations, our products and our alliance partners. At the same time special initiatives are implemented, as needed.

Areas of focus in 2013

In 2013 focus concentrated primarily on three policies and the relevant activities:

- Environmental policy
- Policy for responsible investment
- Policy and target figures for the gender composition of Topdanmark's Board of Directors

Topdanmark has no separate policy for the respect for human rights. It is expected to be prepared in 2014. But internationally recognised human rights were integrated in several of Topdanmark's activities in 2013, for example in working with diversity policy (see page 34), which supports the right of non-discrimination, one of the 32 internationally recognised human rights.

Most of the other activities described in this report also support the Global Compact Principles, which is stated in each section.

Read about Topdanmark's whistleblower scheme.



Read about our Corporate Governance work.



Climate and environment policy

Topdanmark integrates the consideration for climate and environment in its business in various ways. Activities in our own operations and business are given priority as this is where we have most influence on impacting the environmental footprint. Furthermore, we work continually to integrate the consideration for climate and environment in our co-operation with suppliers and other stakeholders. And we participate in projects and networks on climate and environment primarily in the local area, when relevant.

Topdanmark's loss prevention work also contributes to the positive impact on climate and environment, as for example building fires emit large amounts of CO₂ and create waste.

Annually a report is made to the CDP (Carbon Disclosure Project), an internationally recognised environment reporting initiative.

Global Compact. The climate and environment policy supports principles 7, 8 and 9.

We integrate climate and environment into operations


Topdanmark has a defined climate and environment strategy for its business operations. It comprises goals for:

- Reduction of carbon emission
- Reduction of paper consumption
- Waste sorting
- Office procurements and agreement

The strategy does not include goals for water consumption as the consumption is low and not expected to reduce further.

Reduction of carbon emission

The principal sources of Topdanmark's carbon emissions are heating and electricity consumption as well as the use of private and company cars for business purposes. Of these three sources we are primarily able to reduce the electricity consumption and the use of cars for business purposes.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|---|--|---|---|
| 10% reduction of relative carbon emission (carbon emission per employee) in 2014 from 2011 emission | Operation of solar cell system Implementation of energy management system and subsequent regulation of electricity consumption IT optimisation and reduction of electricity consumption Implementation of online meetings | Carbon emissions per employee were 2.4 tonnes. The absolute carbon emissions was 5980 tonnes. See details in carbon emission accounts on page 8 | Satisfactory development. The goal was achieved as the relative carbon emissions has declined 17 % from 2011 to 2013. The absolute carbon emissions has declined as well with 13 % compared to 2011 figures.  |

Topdanmark has one of the largest solar cell systems in the North

Topdanmark has one of the largest solar cell systems in North, inaugurated in August 2012. The system is placed on the roof of our head office in Ballerup. The goal is that it should produce 15% of the annual electricity consumption.

In 2013 the electricity production was 745,454 kWh representing 12% of the overall power consumption of our head office, which is very close to the goal. It

represents carbon savings of around 300 tonnes and financial savings of DKK 1.5m on electricity purchases.

Read more about the system.



Read about how knowledge and reports on the solar cell system are included in senior high school teaching on page 40.

Carbon emission accounts

List of carbon emissions in 2011-2013 (tonnes)

| | | 2011 | 2012 | 2013 |
|---------|--|-------------|-------------|-------------|
| Scope 1 | Heating consumption – natural gas | 863 | 963 | 983 |
| | Driving in company cars | 700 | 706 | 718 |
| Scope 2 | Heating consumption – district heating | 110 | 116 | 111 |
| | Electricity consumption | 3228 | 2435 | 2092 |
| Scope 3 | Use of own car for business purposes | 1976 | 1976 | 2076 |
| | Total absolute carbon emissions | 6877 | 6196 | 5980 |
| | Total carbon emissions per full-time employee | 2.9 | 2.6 | 2.4 |

Note. Figures for electricity consumption in 2011 and 2012 have been adjusted as compared to the previous reports in order to reflect the emission factor used in the Climate Compass in 2013. This also means a change in the total absolute carbon emission and the relative carbon emission as compared to previous reports. The increase in carbon emission from the use of own cars for business purposes is due to a higher number of certified insurance sales people.


Waste sorting

Topdanmark has worked with waste sorting at our head office in Ballerup since 2009. We separate, e.g., glass, cardboard, paper, plastic bottles and other waste for incineration.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|---|--|-------------------------|--|
| 60% proportion of total waste for recycling | Improvement of processes for waste sorting | 45% waste for recycling | The result is satisfactory No data in 2012 and therefore no standard of reference |


Reduction of paper

Since 2010 Topdanmark has worked systematically to digitalise communication with customers, among other things by using "e-Boks" and e-mail for customer letters and other documentation. This gives a significant reduction of paper consumption.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|--|---------------------------------------|---|
| Continued reduction of paper consumption per number of customers | <ul style="list-style-type: none"> Expansion of digital communication with customers 1.5m documents sent out by e-Boks About 50% of our customers have registered with e-Boks | 119 tonnes of paper (2012:155 tonnes) |  |


Office procurements and agreements

Topdanmark focuses on climate and environment when procuring office supplies and entering into supply agreements. We endeavour to buy office articles which are swan-labelled (cleaning products, paper and printed matter), FSC-labelled (paper and wood) flower-labelled (paper and toner) or are organic (wine gifts) and to make agreements with suppliers who give priority to the consideration for climate and environment.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|---|---|---|
| Continued integration of environmental matters when procuring office equipment | Environment has been included as a standard parameter when negotiating a number of agreements | <p>Agreement with a taxi company with goals for reduction of their carbon emission</p> <p>Agreement with swan-labelled dry-cleaners</p> |  |

Carbon Disclosure Project

Since 2010 Topdanmark has reported to the CDP (Carbon Disclosure Project), an internationally recognised environment reporting initiative. A company is awarded points for the actual reporting and for the transparency of the reporting.

| Goal | Results for 2013 | Assessment of 2013 |
|-------------------------------|------------------|---|
| 70 points (65 points in 2012) | 61 points | <p>The decline in points was due to a change in the method of calculating the points.</p>  |

Focus on sustainable employee transport

The Danes' favourite mode of transport is the car, and this is also true for Topdanmark's employees. However, we would like to inspire our employees to also use other forms of transport thus contributing to limiting traffic congestion on the roads and reducing carbon emission.

Therefore, in 2013 we focused on making sustainable forms of transport more available for employees and visitors in order to make it easier to vary the form of transport instead of only going by car.

Most of the initiatives were implemented at the head office in Ballerup as most of our employees work there. Moreover, Topdanmark has participated in a local network on just environment-friendly forms of transport.

Topdanmark participated in winner project

Since 2011 Topdanmark has participated in a commercial network, Formel M, which works to reduce traffic congestion and carbon emission through environment-friendly transport. The network is co-ordinated by the Municipality of Ballerup.

The Formel M network, which was established in seven municipalities with around 70 businesses involved, was in 2013 selected as one of nine winners of a country-wide campaign on sustainable switch-over. Connie Hedegard,

EU Climate Commissioner, was on the panel of judges.

Its participation in the network has, among other things, made it possible for Topdanmark to implement relevant campaigns and share experience and ideas with the participating businesses in the local area.

Survey shows progress

A survey of employees' transport habits in 2011 and 2013 shows progress to more sustainable transport:

- More employees use bicycles and collective transport for medium-length distances (5-25 km). 8% increase
- Fewer employees go by car. The share of commuter trips by car has declined 11%
- 6% decline in number of kilometres driven per employee
- 8% decline in carbon emission per employee

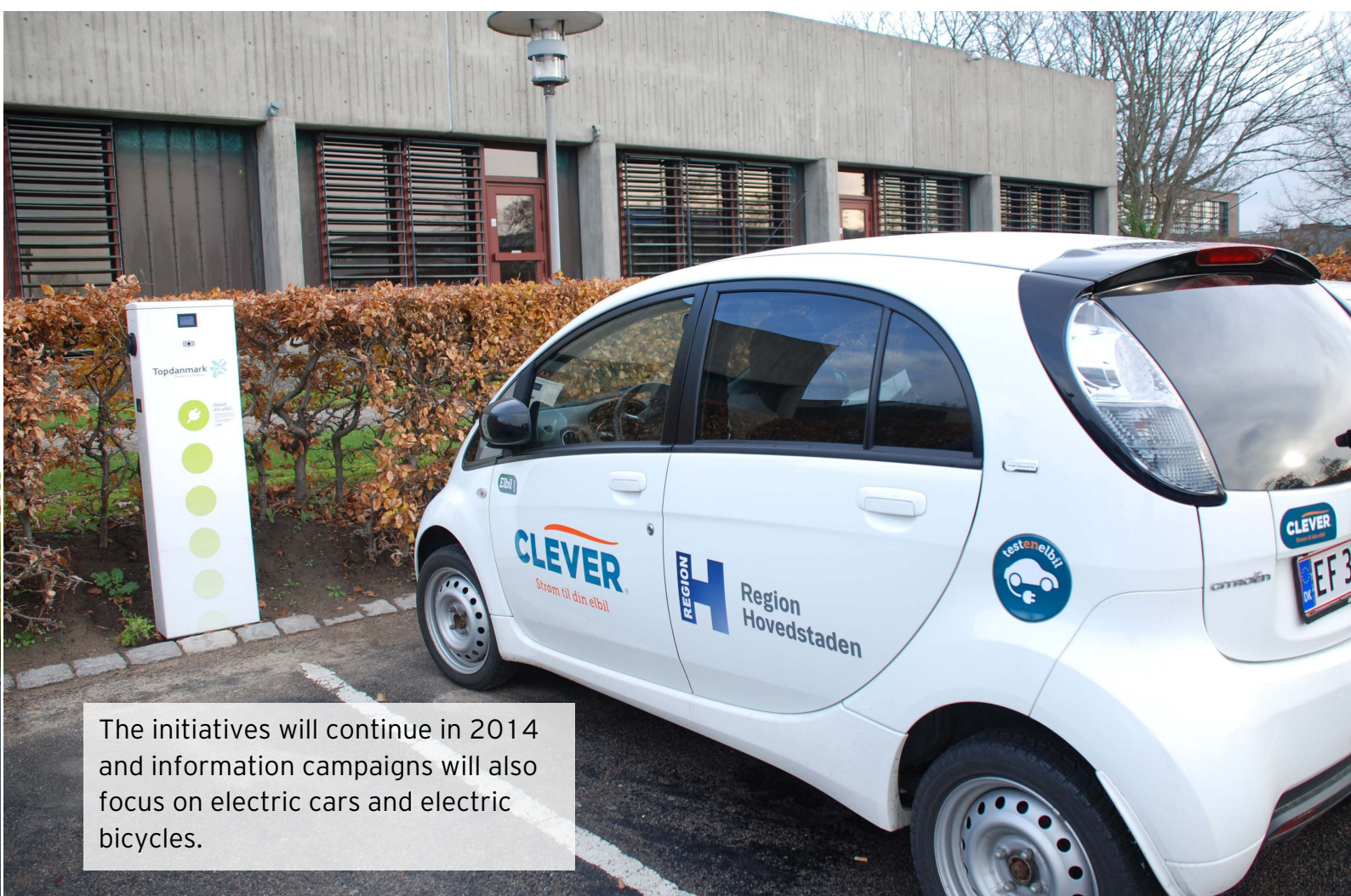
The survey also shows that the employees appreciate the bicycle initiatives, particularly the bicycle service during working hours

Watch this brief video cut on the winner project and Topdanmark's many bicycle initiatives (in Danish).



Outline of initiatives 2013

| | |
|---|---|
| Free participation in the "We cycle to work" campaign (VCTA) | 244 employees participated |
| Free bike check for VCTA participants | 151 employees made use of the offer |
| Bicycle service done during working hours by a socio-economic business, Cykelven (Cycle Friend) | 380 registered employees - a 90% increase from 2012 |
| Covered and locked bicycle shed and pneumatic bicycle pump | 206 stalls - fully used |
| Discount on bicycles, bicycle wear and accessories | 70 bicycles were bought |
| Opportunity to test electric bicycle | Three employees have tested it |
| Charging station for electric cars and marked parking space for employees and visitors | No data |
| Campaign on collective transport and commuter check | 300 employees participated |
| Opportunity for commuter card for collective transport through gross pay scheme | 50 cards bought |
| Arrangement giving opportunity to test an electric car | 75 employees participated |



The initiatives will continue in 2014 and information campaigns will also focus on electric cars and electric bicycles.


Policy for responsible investment

As part of Topdanmark's ordinary operations we invest, for example, insurance reserves and pension customers' savings, until the funds are paid as compensation, pension payments or the like.

Topdanmark is aware that these investments may involve the risk that those companies in which it invests violates internationally recognised conventions and standards for labour and human rights, environmental protection and anti-corruption. To deal with this risk Topdanmark has prepared policies and procedures for our investments.

Topdanmark's policy for responsible investment comprises funds managed by Topdanmark Kapitalforvaltning (asset management). It is intended to ensure the highest possible return while also ensuring that the value creation does not violate internationally recognised standards and principles or international conventions adopted by Denmark.

Global Compact. The policy supports all the principles.

| Goal | Activities in 2013 | Resultater | Assessment of 2013 |
|--|---|--------------------------------|--|
| The investment return is created taking into account Global Compact and the CSR policy | Regular screening and assessment of the portfolio of positions which conflict with our CSR policy Participation in "active ownership" in relation to two companies | See under "Activities in 2013" |  |

Read the entire policy for responsible investment.



Policy and target figures for the gender composition of the Board of Directors.

Topdanmark wants a board of directors composed of the best qualified people. Topdanmark's Board of Directors comprises six members elected at the AGM and three elected by the employees. The Board's goal is that the Board members elected at the AGM comprise a minimum of two persons of each gender by 2017. This goal has been met as on 24 January 2014 there are two

women elected at the AGM and two elected by employees on the Board.

Global Compact. The policy supports Principle 1 (The right of non-discrimination) and Principle 6.



Sustainable products and advice

Topdanmark's core business is by nature beneficial to society contributing to a sustainable society. Our products, services and advice ensure financial security for customers in the event of accidents, damage and illness. But often damage and illness

mean far more than finances alone, both for the individual customer and society as a whole. Therefore, Topdanmark gives priority to the integration of loss prevention and limitation in our business.

Loss prevention and loss limitation

Customers benefit from loss prevention and loss limitation because it:

- contributes to customers avoiding personal injuries and illness or damage to their house and home
- contributes to customers being able to limit the consequence of the damage incurred
- contributes to SME customers avoiding / limiting both injury to employees and damage to their production facilities

Moreover society and Topdanmark's business benefit from prevention and loss limitation because it:

- has a positive effect on climate and environment as damage repair, e.g. in respect of building fires which require large amounts of water, emit a lot of CO₂ and create waste

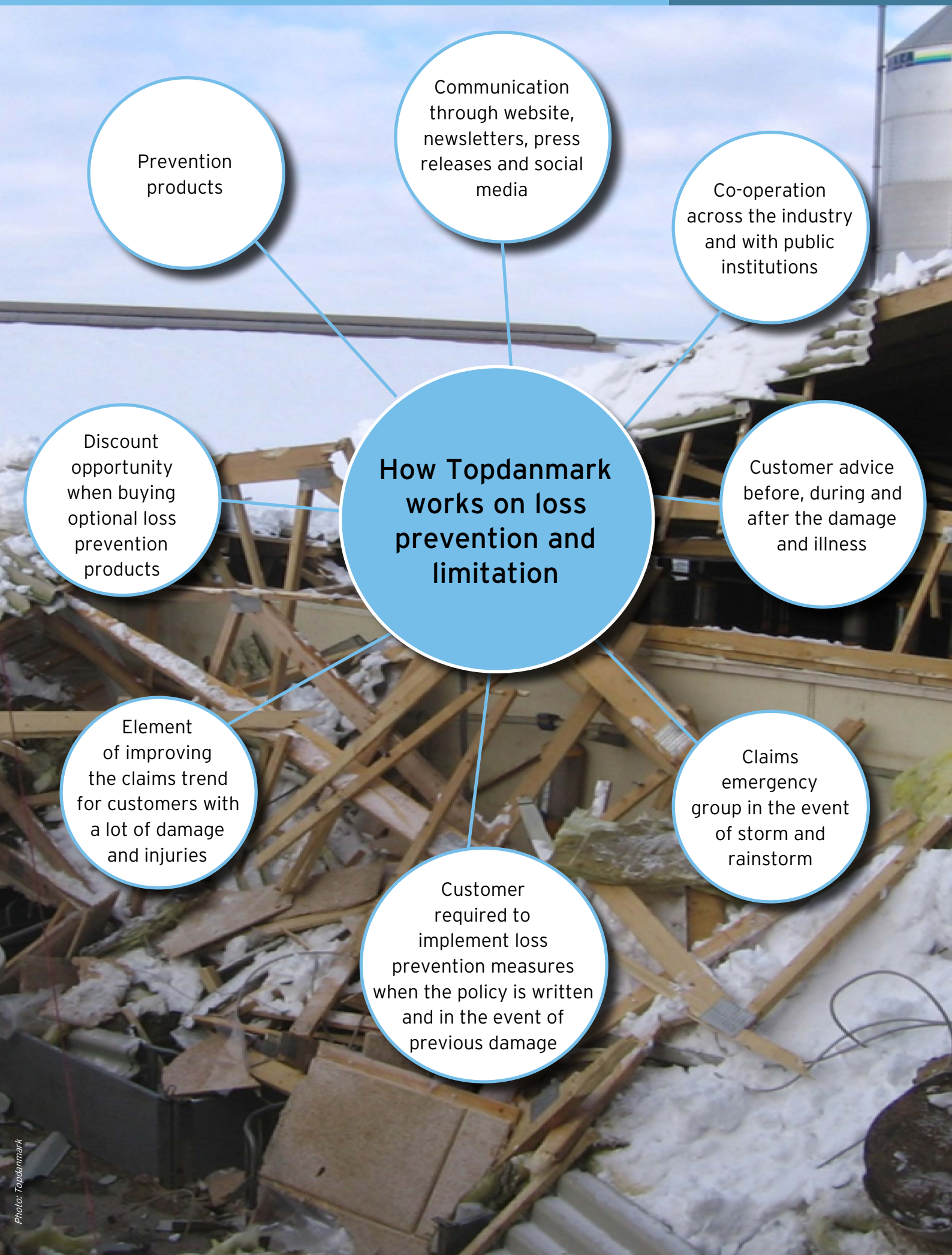
- reduces Topdanmark's payments of compensation, which helps keep down insurance premiums
- contributes positively to society as it may contribute to reducing the number of sick notes and early retirement pensions

This is the reason why Topdanmark integrates loss prevention and loss limitation in relevant areas of its business. This is responsible and sustainable business.

Read Topdanmark's entire policy for loss prevention and loss limitation.



Global Compact. Loss prevention and loss limitation support Principle 2 (the right of work and the right of physical and mental health) and Principles 7 and 8.



Safe buildings, animals and employees at agricultural customers' sites


Topdanmark is the market leader in insuring farms, and therefore it is natural also to be the market leader in loss prevention. For this purpose we have developed an overall concept, Safe Farm, which concentrates all loss prevention measures. This makes life safer for the farmer, his employees and animals by preventing, e.g., fire, water damage and theft.

In 2012 all the loss prevention measures of Safe Farm were implemented at a pig breeding farm in Jutland. It was called Top Farm and was the first one of its kind in Denmark. In 2013 another Top Farm was

developed with a cattle breeder on Western Funen

In 2014 a website with a virtual Top Farm will be established, which will be accessible from Safe Topdanmark. The goal is to communicate loss prevention to a large group of customers.

Furthermore, targeted loss prevention measures will be implemented by using, e.g., origin analyses with relevant agricultural customers, if applicable by financing specific measures.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|---|---|---|
| Expanding the loss prevention work through the Safe Farm concept | Top Farm Jutland was taken into use for training and demonstration Establishment of Top Farm Funen | Increased interest for Topdanmark's loss prevention product, Safe Farm, and a small increase in sales |  |
| Expanding the loss prevention work in general | Start-up of origin analysis in order to efficiently ensure prevention of large-scale losses | No results yet | – |

Easy access to information on prevention

In 2013 the websites Safe Topdanmark and Safe Danske Forsikring were introduced. Here customers and other interested persons could find checklists and videos giving good advice on how to prevent and limit losses.

The websites are a tool which makes it easy for our employees to integrate loss prevention in their day-to-day work and in the dialogue with customers, for example,

in sales and claims situations. We refer to specific content which fits each customer's current situation. One example is the October and December storms in 2013 when customers were referred to prevention of future storm damage.

Sikkert Topdanmark (in Danish).



Sikkert Danske Forsikring (in Danish).



Focus on large-scale claims creates value for SME customers

Topdanmark insures SME and industrial businesses, for example, hotels and restaurants. Also here we wish to be the market leader in loss prevention. Therefore, in the dialogue with customers focus is concentrated on loss prevention within, e.g., fire, theft, storm and rainstorm claims.

Generally, large-scale claims are assessed on a continuous basis, like hotel fire, and we analyse claims trends in society in general in order to target and improve our advisory services on loss prevention to SME customers.

In the event of large-scale claims Topdanmark's loss adjusters work with our team of risk engineers in order to help the customer as best and soon as possible to avoid further damage and re-establish their normal everyday life.

In 2014 advice on loss prevention will continue to be developed particularly focusing on re-inspection and the provision of risk advice to existing customers.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|--|--|--------------------|
| Expanding the loss prevention and advisory work in general | Improved procedure for large-claims handling and risk advice | Improved handling and advice in the event of large-scale claims, e.g., Munkebjerg Hotel and Dansk træemballage A/S (Danish Wood Packaging Ltd) | + |



In 2014 the two websites will be further improved, e.g., by using video cuts, and focus will be concentrated on further integration of the information in customer contact.

Job retention – here we make a difference

A serious consequence for people who are hit by illness or seriously injured could be that they lose labour market attachment or perhaps eventually accept early retirement.

With an efficient and pro-active effort in claims handling of selected and relevant customers, Topdanmark contributes to giving injured persons greater opportunity to return to the labour market instead of "only" receiving insurance payment and perhaps taking early retirement.

Topdanmark's efforts benefit on a broad scale

Topdanmark's pro-active efforts benefit many parties:

- For customers it means help to enable them to become fit for work and thus help to return to labour market
- For businesses it means help to get their employees back
- For municipalities it supplements their efforts to ensure that citizens return to the labour market
- For society as a whole it contributes to reducing the amount of long-term sick leave, reduced hours jobs and early retirements
- For Topdanmark it means customers who feel well-helped and limitations in payments of compensation

Topdanmark's social worker coordinates efforts

The core of the efforts is a flexible and individually planned process based on the individual life situations and challenges. For many people the most important help is that Topdanmark's claims handler and social worker gather and coordinate all the threads between the many parties involved. Additionally, we work with a large number of relevant professional groups, called upon as required. We consider it important to begin our efforts as early as possible as this improves the opportunity for the customer to maintain labour market attachment.

Facts

Pro-active claims handling is available for customers covered by the following insurance policies:

- Loss of earnings potential insurance
- Workers' compensation insurance
- Liability insurance

Pro-active claims handling is only available for customers when Topdanmark considers it relevant. Therefore, it is not a service the customer has a right to receive.



Read what Inge Amelung, principal of Bernstorffsminde Efterskole (continuation school) tells us about the help the school got in 2013.



See how Topdanmark works with its proactive efforts

Click on the customer and in the outer circle.



Data for 2013

| | Number of customer cases where pro-active claims handling was used | Percentage of the total number of customer cases |
|---|--|--|
| Loss of earnings potential insurance 1) | 117 | 33 % |
| Workers' compensation insurance | 74 | <3 % |

1) 257 cases in progress at 31 December 2012

2) 163 cases in progress at 31 December 2012

As shown in the table above, pro-active claims handling is used more often in cases relating to loss of earnings potential than in cases relating to the other two types of

insurance, which is due to there being far more cases under the first-mentioned where it makes sense to make an extra effort is relevant.

Case story:

Marie Louise got help to find a suitable job

Marie Louise was 39 when she fell and broke her left ankle. She reported sick, had surgery and then started rehabilitation.

"Before my fall I had a job as a kitchen assistant. It was a reduced hours job as I suffered from a bad back and a virus on the balance nerve. I was doing fine but was fired because of spending cuts," says Marie Louise.

The future was not promising

Marie Louise's injury was covered by a liability insurance policy, and Topdanmark got involved in her case when we paid compensation for pain and injury.

In the dialogue with Marie Louise it became obvious that she would not be able to perform a job as a kitchen assistant in the future. But there was more than that.

"My own opinion was that actually I was not able to return to labour market because of my bad back and now the injured ankle. I visualized myself just sitting in my sofa," says Marie Louise.

Extra efforts needed

Topdanmark's opinion was a bit different. We thought that Marie Louise still possessed good skills which could be used positively. The perspective was not early retirement pension. But extra efforts were needed to help Marie Louise – and quickly.

Therefore Marie Louise was offered a process with one of Topdanmark's social workers, which she accepted.

Motivation and a new perspective was the way forward

Each case is individually assessed and the efforts are aligned. In Marie Louise's case it was found that she needed to work with motivation and skills and also needed assistance for her meetings with the job centre.

"I had five interviews with a social worker, which gave me another perspective of my chances. I recovered motivation and succeeded in finding out what skills I possess and what types of jobs I am able to cope with," says Marie Louise.

It was a success

Together they found a work experience place for Marie Louise at a suitable workplace with realistic duties. The work experience period has been replaced by a permanent job – part-time – and the scope of which Marie Louise is able to cope with. The process with Topdanmark's social worker took only three months.

"It was an enormous help to me to get a competent social worker. Without her help I would probably not have recovered motivation. And I would certainly not have been able to keep track of my meetings with the job centre and experience a good process," says Marie Louise.



Customers and consumer matters

Topdanmark receives around 2.3m telephone calls and treats around 300,000 claims annually. The contact with customers is the main focus of Topdanmark's daily work.

All customers should feel well-helped, and Topdanmark has high ambitions for customer service. This applies to both sales and claims situations – and to contact in general. In all processes and contacts we think "outside in". This means that we focus on the customer's need for information and services – for example in a claims situation.

The customer and consumer perspective is key in relation to CSR because products and services relate to the customer's financial and social security, and because insurance and pension products could be complicated and difficult to understand for the customer.

Therefore we have great responsibility towards our customers, and we take it seriously. We work continually to:

- improve our customer service to make customers feel "well-helped"
- ensure easily understood product information and transparent price structures
- ensure fair and effective claims handling
- easy complaint recourse and a fair complaints process

It is Topdanmark's wish that customers perceive they are listened to, that they have confidence in Topdanmark and that they get a clear view of the situation in their contact with us.

Goals and results for all business sectors in Topdanmark




| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|---|---|------------------|---|
| 50% of all customers recommends us to others (ambassador customers) | Customer interviews and individual follow-up on selected customers | 43.3 % | An increase of 4.3pp which is highly satisfactory  |
| Maximum 5% unsatisfied customers | Change in processes and organisational structure Improvement of our website Improvement of the "customer internet file" | 6.0 % | A decline of just under 1pp which is satisfactory This is the third year in a row showing a decline  |
| Increase in personal customer satisfaction in the EPSI survey | | 78.7 % | 3pp increase from 2012 This is the third year in a row showing an increase in this survey  |



Photo: Claus Boesen/Mediapress

Topdanmark receives around 2.3m telephone calls and treats around 300,000 claims annually. The contact with customers is the main focus of Topdanmark's daily work.

Results for 2011 - 2013 (as a percentage) - all business sectors

| | 2011 | 2012 | 2013 |
|-----------------------|------|------|------|
| Ambassador customers | 37.0 | 39.0 | 43.3 |
| Unsatisfied customers | 7.7 | 6.8 | 6.0 |
| EPSI survey | 73.7 | 75.7 | 78.7 |

Dialogue with customers makes all the difference

During the last ten years Topdanmark has improved the dialogue with customers on our service. Around 60,000 customer interviews are made annually, when the customers are requested to assess the service they have received. We are also in dialogue with customers on Facebook and Trustpilot. Customers' input is used to improve processes and employee performance.

In 2013 we specifically worked to improve our customer service in claims situations and other points of contact. The training of employees with new tasks ensured that all customer-oriented employees feel competent to receive customers.

More easily understandable information provides a better basis for information

In 2013 Topdanmark initiated a restructuring of the product presentations which are available on the websites. This means that

we are able to give consumers more detailed information on each product providing a better basis for them to make their decisions in the purchase process. The new presentations and forms make it easier for consumers to understand what types of damage will be covered by the individual policies.

The new product presentations will be ready in 2014.

Information and accessibility on digital platforms

An increasing number of customers request digital communication. Therefore, Topdanmark constantly works to continue to develop digital solutions to, e.g., improve our websites. We have introduced a mobile version of <http://www2.topdanmark.dk/> enabling customers to use their mobile phones to, e.g., easily and intuitively notify of claims.



In 2013 we implemented significant improvements of the digital customer files "My Topdanmark" and "My Danske Forsikring". Now, for example, customers are given a better view of their total engagement with Topdanmark, e.g., if they have both personal and SME policies. It has also been possible to see details of selected insurance products, notify claims and get a current state of claims in process.

About 50% of Topdanmark's customers have registered with e-Boks. It is still possible for those customers who do not want to use the digital solutions to receive letters and conditions by ordinary mail.

In 2013 we also launched loss prevention sites giving customers easy access to relevant information - read reference on page 16.

Industry portals provide a view of prices and conditions

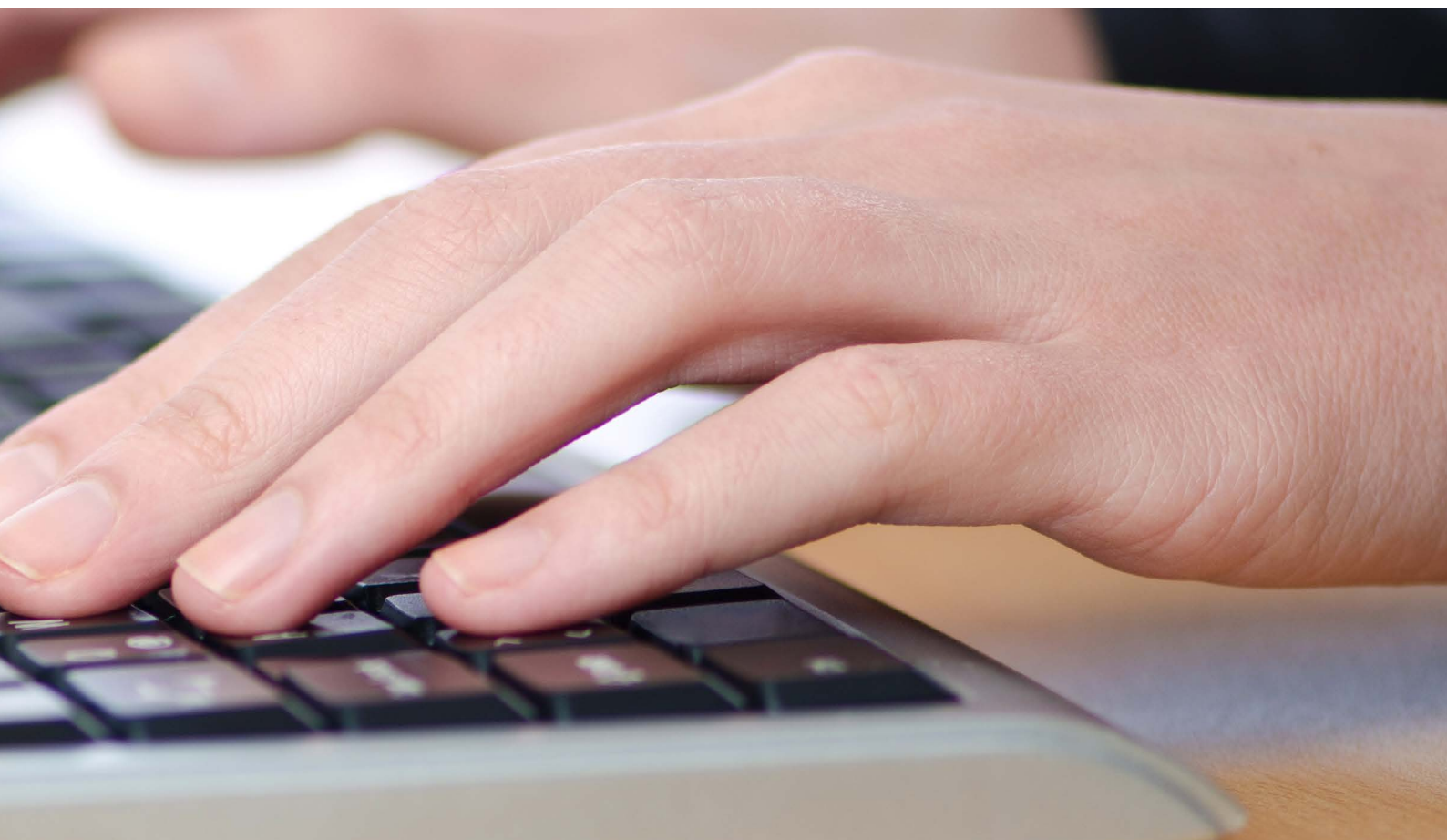
It can be difficult to understand and

comprehend prices of insurance products. It can also be difficult to compare prices as the products of the various companies may vary in cover and price, particularly for personal customers.

Topdanmark focuses keenly on showing the price and contents of the products as clearly as possible, for example by continually improving product information, as referred to above. At the same time Topdanmark participates in the insurance and pension industry's two digital tools, which make it easy for consumers to compare prices:

- Forsikringsguiden (the insurance guide) produced in cooperation with the Danish Consumer Council
- Facts on pension

We regularly deliver data to both systems in order to give consumers accurate and current knowledge of products and prices.



Customer complaints are taken seriously

Topdanmark handles around 300,000 claims annually. As products and insurance conditions may seem complicated, it is inevitable that we receive customer complaints about the compensation or service they have received. Typically, an insurance policy is bought long before it is used, and in certain cases the compensation or the help given in a claims situation do not meet the customer's expectations.

Of course, our customers have the right to complain. This is a common consumer right which we support. We ensure our customers receive information about complaint recourse and an efficient complaints process. The number of complaints sent to Topdanmark's customer complaints department and complaints passed on to the Insurance Appeals Board represent under one per thousand of the total number of claims notifications.

Source of improvement in communication and claims handling

Topdanmark is aware that customer complaints may reflect our inability to communicate the terms and conditions on which our policies are based. Therefore we constantly work to improve our information material for customers in order to ensure control and transparency.

Based on the complaints the working processes for claims handling are evaluated to ensure as few errors as possible.



Read more about Topdanmark's approach to complaints and our claims handling.



| Goal | Activities in |
|---|--|
| *Topdanmark's share of complaints in the Insurance Appeals Board must not exceed our market share for the type of product concerned | More resources in customer complaints department Assessment statistics |
| To reduce the number of complaints submitted to the Board - subject to the market share not having increased | Assessment and appeals cases in order to improve product communication to customer let |

* Topdanmark's share of complaints in the Insurance Appeals Board

** Assessment of 2012 has been included in the report as the report was closed

| 2013 | Results for 2013 | Assessment of 2013 | Assessment of 2012** |
|--|--|---|---|
| <p>ences in the complaints</p> <p>of complaints</p> | <p>The result for the full year 2013 was not available when this report was closed</p> <p>However, there is a trend towards fewer complaints being submitted to the Appeals Board - see table on page 28</p> | <p>It is expected that the goal for 2013 has been met</p> | <p>The goal was met for all types of products except:</p> <ul style="list-style-type: none"> • Accident insurance where the share of complaints is slightly higher than market share. However, there was an improvement from 2011 • Individual pension schemes where the share of complaints is also slightly higher than market share  |
| <p>of customer board er to cesses and ion, e.g. ters</p> | <p>Unchanged market share, in general</p> <p>The result for the full year 2013 was not available when this report was closed</p> <p>However, there is a trend towards fewer complaints being submitted to the Appeals Board - see table on page 28</p> | <p>It is expected that the goal for 2013 has been met</p> | <p>There was a significant decline from 2011 in the share of complaints in house, motor and contents and travel insurance, while there were more complaints in change of ownership insurance</p> <p>For the other types of products there were only small deviations from 2011</p>  |

The Insurance Appeals Board and its market share are available on www.ankeforsikring.dk
 d in this report as it was not shown in the 2012 CSR report due to the lack of data for the year when

Mediation as solution model

With dialogue and understanding Topdanmark helps its customers with their claims. If, after the decision of an appeals board case, we continue to disagree with a customer, we will, as an alternative to legal proceedings, assess whether the case could be solved by mediation. This was introduced in 2013.

Mediation can be used to solve conflicts if the parties involved are prepared to use dialogue and negotiations to find a solution which everybody could live with. An independent

person, the mediator, conducts the process ensuring that everybody is heard and works toward finding a solution.

In the event of legal proceedings, Topdanmark will also generally participate in legal mediation, where a judge by mediating between the parties tries to find a solution to the case.

Statistics of decisions submitted to the Insurance Appeals Board

| | 2011 | 2012 | 2013* |
|--|------------|------------|-----------|
| Number of decisions | 242 | 232 | 99 |
| Board agreed with Topdanmark | 183 (76 %) | 187 (81 %) | 85 (86 %) |
| Board partially agreed with Topdanmark | 59 | 45 | 14 |

* Figures for 2013 cover the period from 1 January 2013 up to and including 21 October 2013

The figures cover both Topdanmark Forsikring and Danske Forsikring, which is a brand under Topdanmark . The figures do not include decisions which the Appeals Board has not considered.

Source: www.ankeforsikring.dk



Company culture

Topdanmark's many competent employees are our most important resource for success as a responsible company. On the basis of strong management values, an open employee culture with room for diversity and a well-established management system it is our goal that the employees:

- feel competent to do their jobs
- feel motivated to do their best
- feel that cooperation with management is characterised by mutual confidence

Topdanmark considers it important to have a good and close dialogue between

the Executive Board and the employees. This is ensured by, among other things, a work committee with representatives from three employee organisations (see box) and Topdanmark's Executive Board. The committee is charged with treating and discussing work-related and organisational problems.

Global Compact. The activities support Principle 2: The right of physical and mental health.

Everyday job satisfaction is important



It is important that Topdanmark's employees feel good in their everyday life in order to have the energy to act responsibly and do their very best. Therefore, Topdanmark has set up a "Satisfaction Committee" with representatives from HR and the three organisations which regularly assess which activities would be of benefit to employees' physical and mental satisfaction with their job. See activities in 2013 in tabel to the right.

In order to ensure job satisfaction in the workplace we also conduct a job satisfaction survey among all employees every two years. The results are evaluated by each department. The most recent job satisfaction survey was conducted in February 2013 - in tabel to the right.

Health gives energy

Since 2011 focus has concentrated on health. The goal is to inspire employees to develop healthy habits which ensure they have a lot of energy for both work

and leisure. We believe this contributes to preventing lifestyle illnesses and stress and at the same time it contributes to reducing absence due to illness.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|---|---|--|
| Inspiring to healthy life style | Various offers related to cycling - read more under "Focus on sustainable employee transport" on page 10 and 11 | See page 11 | <p>It is believed that all the various offers and activities have been well received</p>  |
| | Discount on bicycle wear and other sportswear | No data | |
| | Jogging in Ballerup | 25 participants | |
| | DHL run | Around 700 employees participated in Copenhagen., Odense, Århus and Ålborg | |
| | Mindfulness course in Ballerup, Viby, Herning and Ålborg | 200 participants in Ballerup 45 in Viby 23 in Herning 22 in Ålborg | |
| | Trays removed from the canteen to encourage employees to only eat what is necessary | No specific figures, but it is believed that less food is eaten Less waste of food | |
| | Better fruit scheme at Topdanmark's head office Fruit scheme all over the country | More fruit has been eaten than previously | |
| Ensuring job satisfaction in the workplace | Job satisfaction survey | Job satisfaction 75 (+2) | <p>The result is higher than that of the labour market in general</p>  |
| High job satisfaction, i.e. between 70 and 80 points in Ennova's job satisfaction survey | Follow-up on the results of the survey | Loyalty: 83 (+2) | |

Around 700 employees participated in DHL in Copenhagen, Odense, Århus and Ålborg in 2013.

Prevention for our employees through own products

Topdanmark's life insurance offers a wide range of products focusing on loss prevention and health for all types of businesses. Among them, selected products are also available for Topdanmark's own employees, for example:

- Anonymous telephone advice on stress management
- Health insurance
- Individual and pro-active treatment of illness and injuries - read more on page 19.

In 2013 a pilot project on "telecare" was implemented among Topdanmark's employees in the life and pension. The employees have the opportunity to get advice by phone from social or healthcare personnel in the event of their own or their children's illness. The pilot project will run until October 2014.

Three employee organisations represent the employees

The three employee organisations are:

- The Association of Certified Insurance Sales Representatives
- The Staff Association (member of the Organisation of Danish Insurance Employees)
- The Association of senior salaried employees

The employee organisations make, among other things, collective bargaining

agreements with Topdanmark and are represented in the company's "Work Committee". In 2013 representatives of the Staff Association and the Association of senior salaried employees were elected to Topdanmark's Board of Directors as members elected by employees.

Read more about Topdanmark as workplace, HR policies, skills development, employment conditions etc. (in Danish).



Indicators of employee relations

| | 2011 | 2012 | 2013 |
|---|-------|-------|-------|
| Full-time employees | 2,337 | 2,388 | 2,476 |
| Part-time employees | 262 | 254 | 245 |
| Total number of employees | 2,599 | 2,642 | 2,721 |
| Employees under a temporary contract 1) | 14 | 15 | 60 |
| Employees on collective agreement terms | 2,533 | 2,577 | 2,653 |

The staff numbers do not include paid-by-the-hour employees, e.g., student assistants

1) The number covers employees who have a resignation date (excluding apprentices).

The growth in 2013 was due to the employment of extra staff to handle the claims caused by the two storms in October and December 2013.

Indicators of job satisfaction

| | Unit | 2011 | 2012 | 2013 |
|------------------------------------|-------|---------|---------|-----------|
| Absence due to illness 1) | % | 3.1 | 3.0 | 2.9 |
| Employee turnover 2) | % | 9.8 | 8.7 | 8.9 |
| Cases of discrimination | Antal | 0 | 1 | 0 |
| Employees working reduced hours | Antal | 14 | 14 | 11 |
| Skills development of employees 3) | Kr. | 37 mio. | 45 mio. | 41.5 mio. |

1) The figure means that on the average each employee was sick 2.9% of overall working hours in 2013.

The figure covers all employees.

2) Definition: Employees who have left the company either voluntarily, have been dismissed, have retired or otherwise resigned.

3) The amount does not include payroll costs but solely payment of training activities.



Also in 2014 there will be a number of activities and offers for employees, e.g., an offer of a health check.

Topdanmark wants diversity

Topdanmark works to maintain and develop openness in our company culture to counter any form of discrimination due to gender, race, colour, nationality, social and ethnic origin, religion, beliefs, political opinion, disability, age and sexual orientation. We believe that diversity provides business value and that it is important that all employees have equal access to executive positions at all levels.



The Board of Directors adopted a diversity policy in 2013. [Read the policy here.](#)



Women in management

As an element of encouraging diversity in the company Topdanmark has focused on women in management since 2011. This was due to only 10% women being in top management (level 1 executives), which we wanted to change in order to improve diversity and management development in general. We have therefore implemented various efforts.

Global Compact. The activities support Principle 1 (The right of non-discrimination) and Principle 6.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|---|--|--|--|
| At least one female candidate for a job interview for an executive position at all three levels (see below) | Mentor scheme for female employees. Nine women have participated Meeting held after hours | 23 vacant executive positions, of which 17 female candidates for an interview 2012 31 vacant executive positions, of which 24 female candidates for an interview See details in table on page 35 | The absence of women for the six interviews was due to very few female applicants for some of these positions or their professional competences not being as good as those of the male applicants  |
| Both genders must be represented by at least 40% in management (all levels) | | On 31 Dec. 2013 the distribution was: 42% women and 58% men (2012: 41% women and 59% men) | The goal was met in 2013  |

Of 23 executive vacancies advertised in 2013, 11 were filled by women. The total percentage of women at all three levels increased from 41% to 42%, while the percentage at level 1 increased from 10% to 15%. All things considered, it is a satisfactory development towards ensuring more women in Topdanmark's management.

The mentor scheme for female employees will continue until mid-2014, when it will be decided whether Topdanmark will continue to have activities to help the representation of women in management.



Read what Søren Pahl, Topdanmark's HR Director, says about the mentor scheme for female employees.



Read the report from 2012 about women in management at Topdanmark (in Danish).



Number of executives in Topdanmark by level and gender (excluding Executive Board)

| | 2011 | | | 2012 | | | 2013 | | |
|--------------------|------------|-----------|------------------|------------|------------|------------------|------------|------------|------------------|
| | Men | Women | Percentage women | Men | Women | Percentage women | Men | Women | Percentage women |
| Executives level 1 | 18 | 2 | 10 | 18 | 2 | 10 | 17 | 3 | 15 |
| Executives level 2 | 34 | 22 | 39 | 36 | 27 | 43 | 34 | 25 | 42 |
| Executives level 3 | 89 | 66 | 43 | 88 | 71 | 45 | 92 | 77 | 46 |
| Total | 141 | 90 | 39 | 142 | 100 | 41 | 143 | 105 | 42 |

Level 1: reference to Executive Board

Level 2: reference to level 1 executives

Level 3: reference to level 2 executives



Relations and dialogue

Topdanmark has many stakeholders, both internal and external, who play an important role in our business. The dialogue with a large number of alliance partners is one of the factors which ensures the operation, strengthening and growth of our business.

At the same time we wish to be in dialogue with and contribute to the society we are part of. As a large Danish company Topdanmark is in possession of knowledge and various competences, particularly within the insurance and pension industry. We would be happy to make this knowledge and professional expertise available, where relevant, to solve social challenges, together with other players where relevant.

We give priority to:

- cooperation with suppliers and other alliance partners
- cooperation with the Danish Insurance Association, Forsikring & Pension
- contributions to training in the insurance and pension industry
- cooperation on training and environment in the local area
- humanitarian projects where employees can contribute and make a difference

Read also about Topdanmark's participation in local cooperation on environment-friendly transport on 10.

Suppliers and alliance partners


Confidence and reliability is the core of cooperation with all of Topdanmark's suppliers and alliance partners, who total several thousands. When customers make a claim they may freely choose the service mechanic. However, we do not accept mechanics who, as far as we know, do not comply with the relevant legislation or otherwise behave irresponsibly or conflict with our CSR policy.

Topdanmark's products are primarily sold by our own certified insurance sales representatives or over the telephone. But we have also made distribution agreements with a number of alliance partners, of which Danske Bank and "home" are our most significant distribution partners.

As a Global Compact signatory we recommend all our alliance partners to comply with the ten principles for human rights, labour standards, the environment and anti-corruption.

We also work with relevant suppliers on loss prevention and loss limitation, which support several of the Global Compact principles - see paragraph on page 14.

Global Compact. The activity supports all the principles.

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|---|--|------------------------|---|
| Integrating the Global Compact principles in cooperation with our suppliers, where relevant | <p>Prepared CSR request to suppliers and alliance partners</p> <p>Initiated process for risk assessment and collection of CSR-related information from relevant alliance partners</p> <p>Established a view of significant suppliers and alliance partners enabling us to make regular risk assessment</p> | See under "Activities" |  |

In 2014 we will continue to work on integrating the Global Compact principles together with our suppliers, e.g., by including a CSR request in our basis for agreements.

Insurance industry cooperation

The core business of the insurance and pension industry is closely related to the work done by the state and municipalities to ensure the Danish welfare and security of society. In this context the Danish Insurance Association, Forsikring & Pension, is an important player. Topdanmark gives priority to being active in the insurance association, e.g., to contribute to solving social problems in areas where the insurance industry has relevant knowledge and experience.

Therefore, representatives of Topdanmark participate in working groups on loss prevention, loss limitation, contributions to climate protection and rainstorm problems in the municipalities. This work often involves cooperating with municipalities, public institutions and other players.

Contribution to climate protection in the municipalities

Topdanmark is active in the climate group

focusing on prevention initiatives in respect of weather-related damage. Among other projects the climate group works with the one below. All Danish municipalities are under an obligation to prepare a plan for climate adaptation which includes a plan for how to handle large floods caused by rainstorms.

This requires, for example, an investigation and analysis of where in the municipalities rainstorms may potentially cause most damage. For this purpose we have made anonymised data on rainstorm damage available to 70 municipalities in Denmark.

Topdanmark's CEO new chairman

Topdanmark has a particularly strong commitment to Forsikring & Pension as our CEO, Christian Sagild, was elected chairman of its Board of Directors in 2013.

Training in the insurance industry


As a large non-life and life insurance company in Denmark and co-owner of the Danish Insurance Academy, the insurance industry's own educational institution, we wish to ensure the continuous availability of a highly skilled and qualified workforce. Therefore, every year we employ a number of finance apprentices and finance trainees who are also a source of new knowledge and inspiration.

It is important for us to ensure that all apprentices successfully complete their education enabling them to meet the demands

of the industry. Therefore we have specific activities focusing on the apprentices' job satisfaction and personal development to support them in their training.

Experienced employees of Topdanmark also teach courses at the Danish Insurance Academy, contributing to making the teaching meaningful and relevant for the students.

Global Compact. The activity supports Principle 1 (The right to education).

| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|--|---|--|
| Contributing to training in the industry | Employment of apprentices and trainees | Finance apprentices: 24 new apprentices (2012: 24) Finance economists (FE) 4 new apprentices (2012: 5) Finance bachelors as trainees (FBT) 9 new apprentices (2012: 14) | The decline in FE and FBT was not due to a wish to reduce the intake of candidates but due to a decline in the number of candidates  |

Of the 18 finance apprentices who completed their training at Topdanmark in 2013, all 18 were permanently employed after completed training.



Local cooperation on training and environment

Mentor schemes for school pupils
Topdanmark employees participate in a mentor project run by the national association, Talentspejderne (Talent Spotters), together with a number of municipalities, the Municipality of Ballerup being one of them. The employees act as mentors for young pupils who need a helping hand to identify personal and professional competences and to find out what educational path to choose. The employees spend partly work time and partly spare time on this scheme.

The mentor scheme will continue in 2014 with three mentors.

Read more about Talentspejderne (in Danish).



Global Compact. The activity supports Principle 1 (The right to education).



Read what Tom Thinggaard Pedersen, project manager at Talentspejderne, says:



| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|--|---|--------------------|
| Contributing to training in the industry | Participation in mentor scheme under Talentspejderne Start-up of three new mentor schemes, against only one in 2012 | Conclusion of one mentor scheme started in 2012 Topdanmark employee appointed as senior mentor who contributes to teaching new mentors in the municipality of Ballerup | |





Cooperation on environment and solar cells

Topdanmark has one of the largest solar cell systems in the North on the roof of its head office in Ballerup. We have started working with the local senior high school, Borupgaard Gymnasium, which includes knowledge and production data of the solar cell system in physical sciences teaching.

The work comprises several elements:

- Presentation of solar cell system by Topdanmark representatives to 170 students
- Guided tours for the students on Topdanmark's solar cell system
- The students write "prize essays" in which they include data of Topdanmark's system
- Two winner essays are selected and uploaded on Topdanmark's website

The cooperation will continue in 2014.

Teaching material on the solar cell system

Furthermore, together with the same senior high school we have prepared teaching material on our solar cell system to be used in senior high schools and other youth education settings in the subjects of physical sciences, natural geography and social studies.

The teaching material can be downloaded for free on our website (in Danish).



Read what Thomas Jørgensen, headmaster of Borupgaard Gymnasium, says about the cooperation



| Goal | Activities in 2013 | Results for 2013 | Assessment of 2013 |
|--|---------------------------------------|------------------------|--------------------|
| Contributing to training in the local area | Working with local senior high school | See under "Activities" | |

Humanitarian projects where employees make a difference

Employees and Topdanmark contribute to Doctors without Borders
Since 1996 Topdanmark and its employees have supported Doctors without Borders. Employees pay voluntary contributions and Topdanmark pays a corresponding amount.

Global Compact. The activities support Principle 1 (one of them being The right of physical and mental health).

In 2013 an arrangement was held with Doctors without Borders at the head office in Ballerup. Furthermore there was a special campaign to collect money for the victims of the typhoon in the Philippines.



| | 2011 | 2012 | 2013 |
|---------------------------------------|---------|---------|---------|
| Number of registered employees | | 109 | 106 |
| Total amount in DKK | 166.200 | 166.520 | 165.520 |
| Collection for the Philippines in DKK | | | 84.500 |

Blood is donated during working hours

Topdanmark's employees donate blood to the Danish Blood Bank three times a year.

In December 2013 a record was set with 157 employees donating blood, which was much appreciated by the Blood Bank. In the run-up to Christmas there is a special need for blood

as, for example, patients with cancer can go home to their families to celebrate Christmas if they receive blood just before the Christmas holidays.

Read also about the employees' efforts in the mentor scheme on page 39.

| | 2011 | 2012 | 2013 |
|--|------|------|------|
| Number of registered employees (in average per year) | 139 | 120 | 148 |

About the Report

This is Topdanmark's annual CSR Report. It is also our Completion of Progress report for the UN Global Compact, and thereby it constitutes our statutory report on Corporate Social Responsibility (see section 132 of Executive Order on Financial Reports for Insurance Companies and Lateral Pension Funds).

It covers the financial year 2013. The report applies to all subsidiaries of Topdanmark. It is Topdanmark's fifth CSR Report. In the future we will also prepare one annual CSR report for the financial year.

Objectives and target group

The CSR report has been prepared to create transparency about our business and its impact on climate and environment, people and finance.

It is relevant to a wide group of stakeholders: existing and potential employees, customers, shareholders, alliance partners, suppliers and media, NGOs and civil society.

The report is published on www.topdanmark.com - in both Danish and English.

Contents of the report

The contents of the report have been based on the following criteria:

- Topdanmark's CSR policy and strategy
- Regulatory requirements
- Expectations from Global Compact
- Relevance and interest for target groups
- Best practice in the industry

Indicators

The indicators for working conditions in Topdanmark have been based on the internationally recognised reporting system, Global Reporting Initiative. Data have primarily been collected from our central HR salary system and data dependability is considered to be high.

See table of indicators on page 33 and 35.

Carbon emission accounts

Topdanmark prepares annual carbon emission accounts in accordance with the guidelines of the Climate Compass, an application developed by the Danish Business Authority to calculate carbon emissions. We have chosen to include the following elements in the carbon emission accounts which we consider to be the principal sources of our carbon emissions.

- Heating consumption
- Electricity consumption
- Driving in company cars
- Use of own car for business purposes

The consumption of heating and electricity has been restricted to the head office and the office in Viby and does not include other sales centres. This is due to two factors: we have no reliable data on the heating and electricity consumption in our sales centres and this consumption represents only about 5% of the overall consumption.

Data collection and data quality for carbon emissions accounts

The head office consumption of heating and electricity was collected from consumption reports made available by suppliers while the Viby office consumption was read manually. Electricity produced by our solar cell system is registered by our energy management system. Data dependability is considered to be high for all data.

Data on driving in company cars (leased cars) are collected from the registration of fuel consumption (litres of petrol or diesel). Data dependability is considered to be good. Data on use of own car for business purposes are collected from HR's registration of mileage allowance. The number of kilometres driven is calculated on the basis of the mileage allowances paid. Data dependability is considered to be low.

See carbon emission accounts on page 8.

Contact

If you have any questions or comments on the report, please contact Pernille Fogh Christensen, who is responsible for CSR. If you want a dialogue with us on our CSR efforts, you are also welcome to contact us.

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*CSR Manager
Pernille Fogh Christensen*

Social accounting

Since 2011 Topdanmark has prepared "social accounts" which is a calculation of our tax payments. By operating a profitable business Topdanmark contributes significant, annual amounts to Danish national funds through direct corporation taxes and indirect taxes. In March 2014 we will again prepare social accounts for the year 2013, which will be available on our website.

See our social accounts for 2012.

