

Corporate Responsibility in If P&C

If has a basic commitment to promote a society in which everyone is able to live safely and securely. Along with the police, rescue services, judiciary and other public authorities, the property and casualty insurance companies play a key role in creating a safe and secure society.

In 2013 alone, If dealt with more than 1.5 million insurance claims. These vary greatly, ranging from private clients injured in road accidents to companies whose production has been suspended, for example, due to fire. In total, If has paid out over EUR 3 billion in claims over the past year.

If endeavors to take its social responsibility beyond its business operations. Its principal objective is to constantly act in a manner that satisfies or exceeds

the ethical, legal and commercial requirements placed upon the business.

Environmental issues are of critical importance to everyone and often have an immediate impact on the operations of the non-life insurance companies. Climate-related meteorological phenomena, such as heavy rainfalls and flooding, are becoming increasingly common. Populated areas along the coastlines of exposed regions are experiencing frequent flooding.

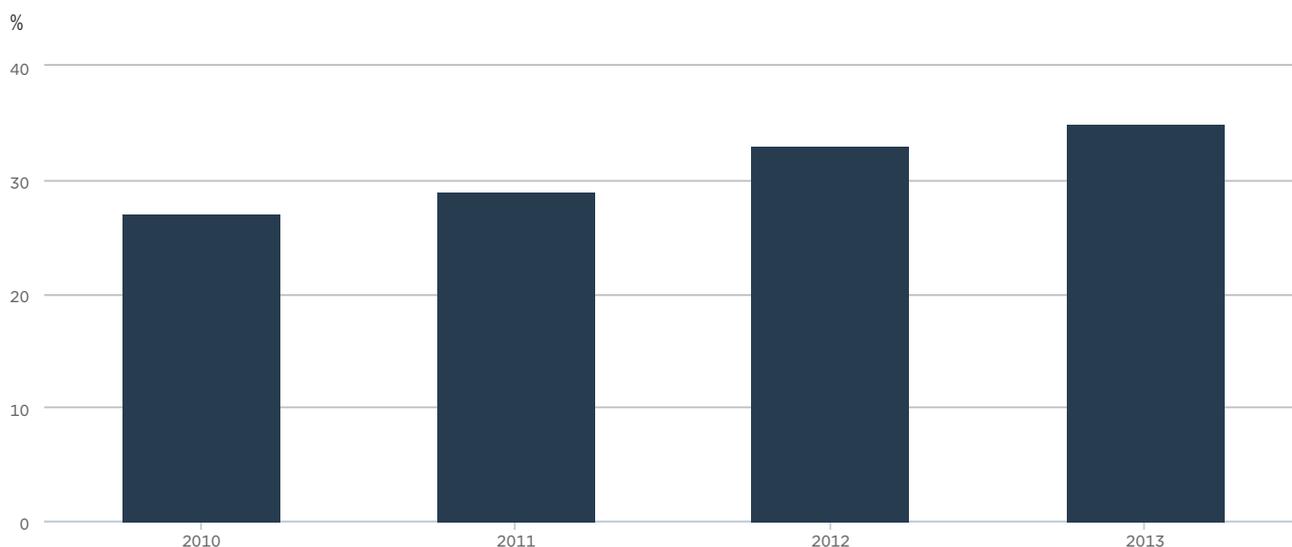
All of If's activities are governed by a strict environmental policy. The essence of this policy is that If will always endeavor to find the most environmentally viable solution for If, its clients, suppliers and partners.

Key Environmental Issues for If P&C

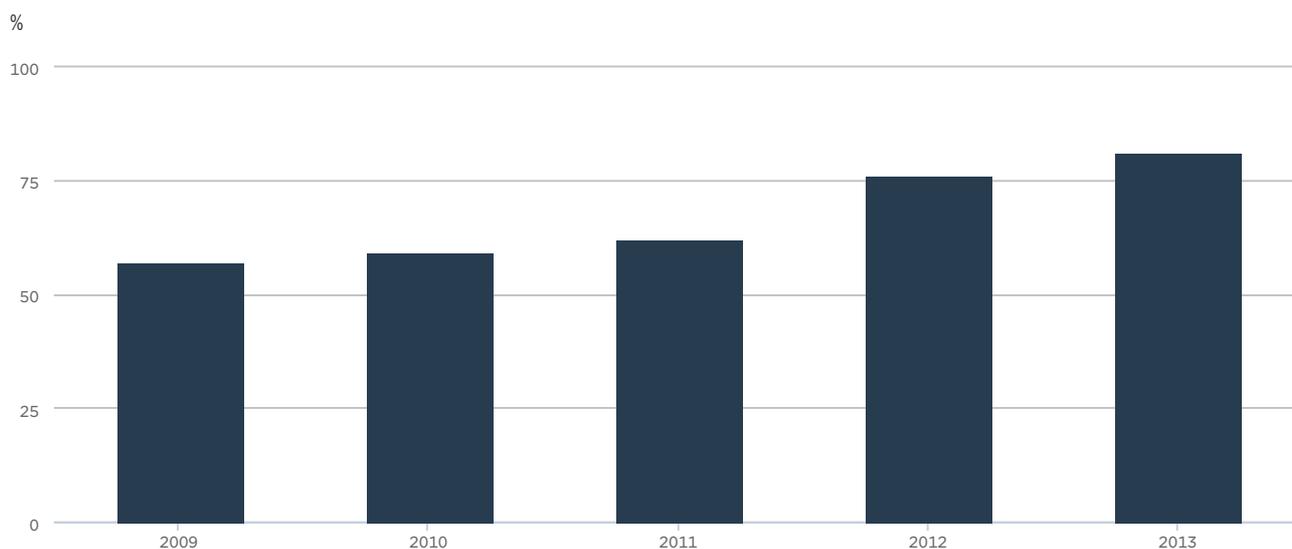
Environmental impact of claims handling: In 2013, If handled around 800,000 claims for damaged cars and properties. The correct handling of damaged materials is a key environmental issue. If's goal is to reuse undamaged parts and increase recycling. As a step towards achieving this, If has implemented stringent environmental standards for its suppliers.

Online filing of claims is becoming more common and represents a more environmentally responsible choice than traditional filing methods. More than 60 per cent of all private insurance claims to If in Finland are now filed over the Internet.

Share of Online Claim Reports from Business Area Private on a Nordic Level If P&C, 2010-2013



Share of E-invoices in Vehicle Claims on a Nordic Level If P&C, 2009-2013



Climate impact: If's carbon dioxide emissions have continued to decrease in 2013. In 2013, If launched a carbon offsetting scheme whereby it compensates for its emissions of carbon dioxide in the Nordic region by distributing energy-efficient wood-burning stoves to villages in India. The scheme is a so-called "Gold Standard project", which is an internationally recognized certification standard developed in collaboration with the World Wide Fund for Nature

and other organizations. Not only do the wood-burning stoves reduce carbon dioxide emissions, they also save lives. A report published by the World Bank shows that about four million people die each year from the pollutants emitted by inefficient wood-burning stoves.

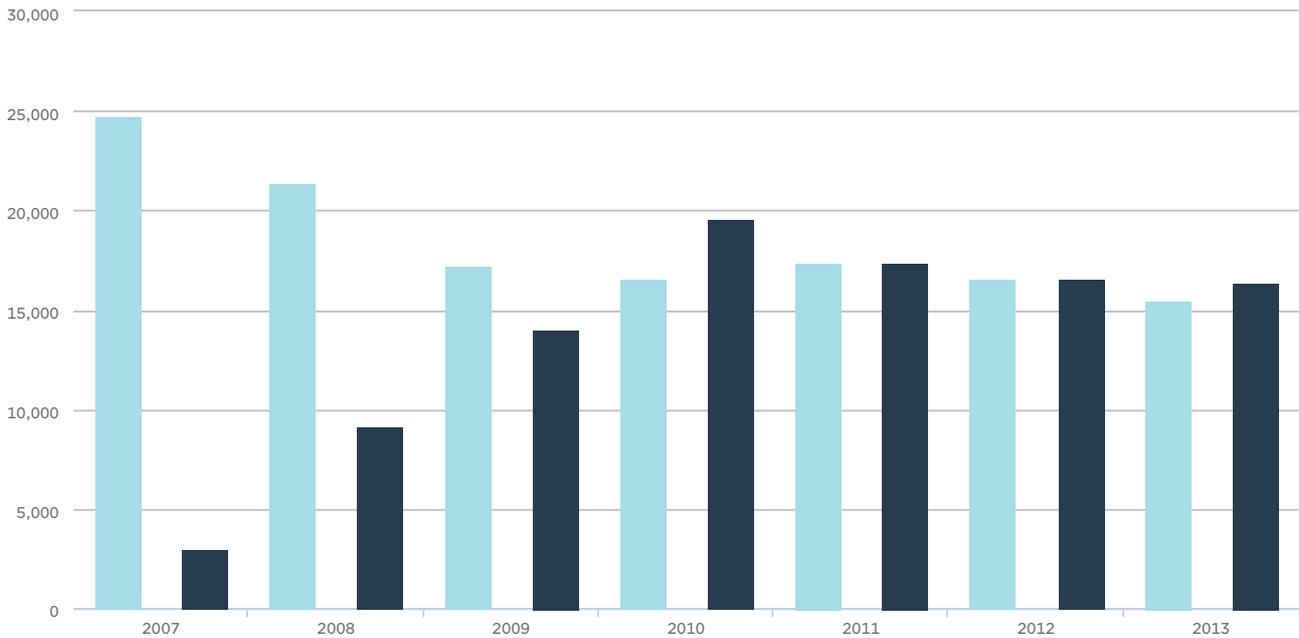
Travel and meetings: If has reduced the number of business flights taken by its employees by one third

since 2007. Many of its meetings are now conducted online or as video conferences instead of face-to-face.

cut its energy use by 50 per cent over the last two years) and waste minimization.

Other priority environmental issues are energy consumption (for example, If's Gothenburg office has

Yearly Development of Flight Travel and Video Meetings If P&C, 2007-2013



- Number of flights
- Number of video meetings

Getting Stakeholders Involved

A key issue for If is to get all the parties concerned involved in If's environmental efforts. The goal is to stimulate understanding, commitment and, ultimately, action.

If is developing products and processes to help customers to act in a more environmentally-friendly manner. By giving customers advice on how to prevent accidents and damage, If is helping them to save money and take action to protect the environment.

If encourages and supports its suppliers and partners in their efforts to use more environmentally-friendly

methods in their operations. If has a dialogue with its suppliers regarding If's environmental goals and requirements. Owners receive regular environmental reports.

If provides its more than 6,000 employees with environmental training courses, gives them guidelines to help them make sound environmental decisions and conducts internal environmental campaigns aimed at developing the employees as environmental ambassadors.

Environmental Highlights

2013

- Energy declarations and action plans are in place at If's 28 largest offices.
- If launches an environmental insurance product in Finland and Sweden, based on an EU directive.
- If's office in Espoo, Finland, is certified as a WWF Green Office.
- If's office in Gothenburg, Sweden, is certified as a Green Building. Green Building is an EU initiative.

2012

- If in Denmark launches an emissions-based car insurance. The premium is determined by the level of CO₂ emissions.
- Green Tenant Award first prize is awarded to If's office in Gothenburg, Sweden.
- If's office in Turku, Finland, is certified as a WWF Green Office.
- If and the Nordic Centre of Excellence (NCoE) NORD-STAR initiate a research collaboration project on climate change adaptation and insurance.

2011

- If joins UN's Clean Development Mechanism, compensation CO₂ emission arising from If's operations through a project in Gayatri Agro India.
- If in Finland and Denmark become the first members of the local Buy Ecolabelled Network.

- If launches Europe's first eCustomer center in Lysaker in Norway.
- If launches an insurance product for liabilities based on the Norwegian Nature Conservation Act.

2010

- The tasks in the list of 100-environmental-action-points are completed.
- A green procurement program is implemented. If in Sweden and Norway become members of Buy Ecolabelled Network.
- If in Finland extends the coverage for natural phenomena in home and real estate insurances.

2009

- A list of 100 activities designed to lead to a greener If is established and implementation starts.
- A meeting management program to reduce travel is implemented.
- Climate impact accounting according to Greenhouse Gas Protocol starts.

2008

- The Environmental steering group is established.
- If's environmental strategy and policy are developed.

If's Environmental Policy

If must take substantial measures to improve the environment on a daily basis. We always endeavor to find the best possible environmental solution - for our company, our customers, our suppliers and our partners.

- We must always give our staff the opportunity to act in an environmentally-friendly way through the provision of guidelines and support.
- We are developing products, processes and damage prevention services in order to help our customers act in a more environmentally-friendly manner.
- We encourage and support our suppliers and partners in their efforts to use more environmentally-friendly methods in their operations.

- We must always provide information about environmental risks and participate actively in the public debate concerning climate change.

Structure of the Environmental Program

If's environmental program basically has three levels:

- A steering group, led by a member of If's executive board, sets up and upholds If's environmental strategy, policies and overall goals.
- The Nordic Environmental Group is responsible for managing and monitoring the implementation of all environmental initiatives concerning facilities and procurement.
- Local Environmental Groups formulate local action plans and arrange activities for increasing awareness of environmental issues. These groups are present at all larger offices.

Environmental Policies and Tools

Strictly defined environmental policies and tools are established to support and lead If's environmental initiatives. Some of the key policies are:

- Environmental policy
- Procurement policy in line with Nordic Ecolabel procurement guidelines
- Supplier assessment principles
- Climate impact accounting tool based on Greenhouse Gas Protocol standard
- ClimateWise platform for best practice and exchange of ideas
- Environmental rules for claims handling.